

# SENATE OF THE FEDERAL REPUBLIC OF NIGERIA VOTES AND PROCEEDINGS

Wednesday, 7th October, 2020

1. The Senate met at 10:45 a.m. The President of the Senate read prayers.

#### 2. Votes and Proceedings:

The Senate examined the Votes and Proceedings of Tuesday, 6th October, 2020.

Question was put and the Votes and Proceedings were approved.

#### 3. Petition:

Rising on Rule 41, Senator Aliyu S. Abdullahi (*Niger North*) drew the attention of the Senate to a petition from his constituent, Kabiru U. Faruk, against the Bureau for Public Enterprises (BPE), over alleged non-payment of his entitlements. He urged the Senate to look into the matter.

Petition laid and accordingly referred to the Committee on Ethics, Privileges and Public Petitions [Rule 41(3)] to report within two (2) weeks.

#### 4. Matter of Urgent Public Importance:

Rising on Rules 42 and 52, Senator Oluremi S. Tinubu (*Lagos Central*) drew the attention of the Senate to the Need to Check Culture of Arbitrariness and Brutality of Security Operatives to Nigerians. She sought and obtained the leave of the Senate to present the matter forthwith:

#### The Senate:

aware that Amnesty International 2017/2018 global human rights report contains allegation of 'extrajudicial executions, enforced disappearances, and torture and other ill-treatment';

also aware that according to the end of visit, statement of the United Nations Special Rapporteur on Extrajudicial, Summary or Arbitrary Executions, published in September 2019, "we are presiding over an 'injustice pressure cooker';

notes that these injustices are a flagrant disregard for laws that should govern all Nigerians, and the Constitution of the Federal Republic of Nigeria, 1999 (as amended) which in addition to prescribing powers to these various agencies, provides for the rights of every Nigerian;

*reminded* that chapter four of the Constitution of the Federal Republic of Nigeria, 1999 (as amended) provides for right to life, right to freedom from inhuman or degrading treatment, right to freedom of movement, amongst others;

reminded also that Nigeria is a party to the African Charter on Human and Peoples' Rights, the Convention on the Rights of the Child, and the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, all of which further entrench these rights;

concerned that in spite of these, the culture of brutality of Security Operatives towards Nigerians has continued unabated;

saddened that only recently, the internet was awash with videos of Cadets of the Nigerian Army/Nigerian Defence Academy who created an illegal blockade at Sabo, Yaba in Lagos State, while exclaiming that it was their turn to oppress Nigerians and nothing could be done about it;

further saddened because on Tuesday, 31st of March, 2020, men of the Nigerian Army, while enforcing the lockdown directive to stem the proliferation of the Corona Virus Disease (COVID-19), were alleged to have beaten a man to death in Delta State;

*notes* that while the Nigerian Army is doing good work, securing the territory of the Federal Republic of Nigeria against insurgents, allegations of human rights abuses by its Officers cannot be overlooked;

concerned that chief in the abuse of Nigerians appears to be the Nigeria Police Force, and in particular, its Special Anti-robbery Response Squad (SARS);

received with sadness, news of the killing of Kolade Johnson on 1st of April, 2019 while he was watching a football match at a viewing Centre in Mangoro/Onipetesi Community in Lagos State;

saddened that only recently, Tiamiu Kazeem alias Kaka, a budding football star was pushed out of a moving vehicle, to his death, by SARS operatives after he had been stopped for 'looking like a yahoo boy'. In August 2019, a video surfaced of two policemen shooting dead, two unarmed suspected phone thieves;

concerned that Nigerian youth can no longer move freely for fear that they will be profiled and accused of being 'yahoo boys' or fraudsters, merely because they look good, own laptops, iPhones, nice looking cars, or profiled for having dreads and certain hairstyle. Only recently, the global and social media was awash with the #EndSARS Campaign and stories of brutality of the men of the Special Anti-robbery Response Squad;

further concerned that with more Nigerian youth being involved with software development, fintech and doing more remote jobs in the ICT, profiling by Policemen is a major problem;

worried that despite assurances by the Inspector-General of Police in 2015 and 2017 that there would be reform of the Special Anti-robbery Squad, Nigerians are daily, still being abducted and extorted, under duress, with no mechanism in place for complaints and resolution of same;

saddened that SARS operations have degenerated into intimidation, harassment and extortion of innocent Nigerians;

notes also, that as a bye-effect of the fear of the Nigeria Police, Nigerians cannot report occurrence of crime to the police without being made to part with cash or fearing that they will be detained for the commission of the same offence they have come to report;

reminded that the protection of lives and properties of Nigerians is the fundamental duty of Government; and

*further reminded* that a militarized police which fails to protect lives and property of the populace will only make the people the enemy of the State.

- (i) mandate the Committee on Judiciary, Human Rights and Legal Matters to investigate human rights abuses by Nigerian Security Agencies;
- (ii) urge the various Security Agencies to establish hotlines to enable Nigerians report abuses by their agents;
- (iii) urge the various security agencies to establish a Special Bureau Unit that monitors the conduct of its officers, arrests and charges erring ones;
- (iv) mandate the Committees on Police Affairs; and Judiciary, Human Rights and Legal Matters to investigate allegations of extrajudicial executions and make recommendations for reparation;
- (v) mandate the Committee on Police Affairs to organize a stakeholders' meeting to investigate implementation of the Nigeria Police Trust Fund Act, 2019; and
- (vi) commend the Inspector General of Police for swift response and urge him to review the objectives behind the establishment of the tactical squads with a view to permanently restricting their interference in daily activities of Nigerians.

Debate:

#### Proposed Resolution (i):

*Question*: That the Senate do mandate the Committee on Judiciary, Human Rights and Legal Matters to investigate human rights abuses by Nigerian Security Agencies — *Agreed to*.

#### Proposed Resolution (ii):

*Question*: That the Senate do urge the various Security Agencies to establish hotlines to enable Nigerians report abuses by their agents — *Agreed to*.

#### Proposed Resolution (iii):

*Question*: That the Senate do urge the various security agencies to establish a Special Bureau Unit that monitors the conducts of its officers, arrests and charges erring ones — *Agreed to*.

#### Proposed Resolution (iv):

Question: That the Senate do mandate the Committees on Police Affairs; and Judiciary, Human Rights and Legal to investigate allegations of extrajudicial executions and make recommendations for reparation — Agreed to.

#### Proposed Resolution (v):

*Question*: That the Senate do mandate the Committee on Police Affairs to organize a stakeholders' meeting to investigate implementation of the Nigeria Police Trust Fund Act, 2019 — *Agreed to*.

#### Proposed Resolution (vi):

*Question*: That the Senate do commend the Inspector General for swift response and urge him to review the objectives behind the establishment of the tactical squads with a view to permanently restricting their interference in daily activities of Nigerians — *Agreed to*.

#### Resolved:

That the Senate do:

(i) mandate the Committee on Judiciary, Human Rights and Legal Matters to investigate human rights abuses by Nigerian Security Agencies;

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(ii) urge the various Security Agencies to establish hotlines to enable Nigerians report abuses by their agents;

- (iii) urge the various security agencies to establish a Special Bureau Unit that monitors the conducts of its officers, arrests and charges erring ones;
- (iv) mandate the Committees on Police Affairs; and Judiciary, Human Rights and Legal Matters to investigate allegations of extrajudicial executions and make recommendations for reparation;
- (v) mandate the Committee on Police Affairs to organize a stakeholders' meeting to investigate implementation of the Nigeria Police Trust Fund Act, 2019; and
- (vi) commend the Inspector General for swift response and urge him to review the objectives behind the establishment of the tactical squads with a view to permanently restricting their interference in daily activities of Nigerians (S/Res/025/02/20).

#### 5. Motion:

#### Rescission of Senate's Resolution:

Rising on Rule 53(6), Senator Yahaya A. Abdullahi (Kebbi North) drew the attention of the Senate to a Bill for an Act to amend the Allocation of Revenue (Federation Account, etc.) Act CAP A15 LFN 2004 and for Other Related Matters, 2020 (SB. 416) sponsored by Senator Albert B. Akpan (Akwa-Ibom North East).

The Senate on Wednesday, 30<sup>th</sup> September, 2020 deliberated on the Bill and passed for Second Reading and committed it to the Committee on National Planning and Economic Affairs instead of the Committee on Finance.

Aware that the Bill has to do with the first line charge allocation for Nigerian Sovereign Wealth Fund which falls under the jurisdiction of the Committee on Finance.

Question put and agreed to.

#### Resolved:

That the said Bill be now committed to Committee on Finance for further legislative action (S/Res/026/02/20).

#### 6. Motion:

#### Joint Session of the National Assembly:

*Motion made:* That the Senate and House of Representatives do sit in a Joint Session to receive an Address by Mr. President, Commander-in-Chief, President Muhammadu Buhari, GCFR on Thursday, 8th October, 2020 at 11:00am on the 2021 Appropriation Bill (*Senate Leader*).

Question put and agreed to.

#### 7. Presentation of Bills:

- (i) National Commission against the Proliferation of Small Arms and Light Weapons (Establishment, etc.) Bill, 2020 (SB. 513) *Read the First Time*.
- (ii) Constitution of the Federal Republic of Nigeria 1999 (Alteration) Bill, 2020 (SB. 514) Read the First Time.
- (iii) National Bureau of Investigation Bill, 2020 (SB. 509) Read the First Time.
- (iv) Constitution of the Federal Republic of Nigeria 1999 (Alteration) Bill, 2020 (SB. 515) Read the First Time.

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- (v) Federal Orthopedic Hospital Dekina (Establishment, etc.) Bill, 2020 (SB. 516) *Read the First Time*.
- 8. Nigerian Meteorological Agency Act, 2003 (Repeal and Re-Enactment) Bill, 2020 (SB.192):

Motion made: That a Bill for an Act to Repeal the Nigerian Meteorological Agency Act, 2003 and Enact the Nigerian Meteorological Agency to Provide for the Regulation of Meteorology and for Other Related Matters, 2020 be read the Second Time (Senator Yahaya A. Abdullahi — Kebbi North).

Debate:

Question put and agreed to.

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

#### 9. Federal University, Oye-Ekiti Act No. 2, 2015 (Amendment) Bill, 2020 (SB. 442):

Motion made: That a Bill for an Act to Amend the Federal University, Oye-Ekiti Act No.2, 2015 to Make Provision for the Change of Name of the University to Adeyinka Adebayo University, Oye-Ekiti and for Related Matters, 2020 be read the Second Time (Senator Olubunmi A. Adetunmbi — Ekiti North).

Dehate:

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.

## 10. National Institute for Border Studies, Imeko Ogun State (Establishment, etc.) Bill, 2020 (SB.266):

Motion made: That a Bill for an Act to Establish the National Institute for Border Studies, Imeko Ogun State to Provide for Teaching, Research, Instruction and Training of Students in Border Management and for Other Related Matters, 2020 be read the Second Time (Senator Tolulope A. Odebiyi — Ogun West).

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.

# 11. Joint Committee on Finance; and National Planning and Economic Affairs: Report on the 2021-2023 Medium-Term Expenditure Framework (MTEF) and Fiscal Strategy Paper (FSP):

*Motion made:* That the Senate do consider the Report of the Joint Committee on Finance; and National Planning and Economic Affairs on the 2021-2023 Medium-Term Expenditure Framework (MTEF) and Fiscal Strategy Paper (FSP)(*Senator Solomon O. Adeola — Lagos West*).

Question put and agreed to.

Report presented.

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#### **Extension of Time:**

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

Question put and agreed to.

#### Proposed Resolution (i):

Question: That the daily crude oil production of 1.86mbpd, 2.09mbpd and 2.38mbpd for 2021, 2022 and 2023 respectively, be approved, in view of average 1.97mbpd over the past 3 years and the fact that a very conservative oil output benchmark has been adopted for the medium term in order to ensure greater budget realism amid disruptions due to attacks/sabotage in the Niger-Delta which has substantially abated for a while — Agreed to.

#### Proposed Resolution (ii):

Question: That the benchmark oil price of USD\$40 per barrel be also approved because of the clear evidence of wide consultations with key stakeholders and the age long fiscal strategy of addressing the oil price shocks by the adoption of a lower than forecast oil price benchmark for fiscal projections over the medium term — Agreed to.

#### Proposed Resolution (iii):

Question: That the Exchange rate of ₹379/US\$ proposed by the Executive for the 2021-2023 be approved given the determination of the Central Bank of Nigeria to pursue unification around its I&E FX rate over the medium term, where investors and exporters transact dollars at market determined prices, which is expected to narrow significantly with the implementation of the rate unification, among other policies of the CBN to liberalize the FX market, meeting FOREX demands while building the nation's external reserves — Agreed to.

#### Proposed Resolution (iv):

Ouestion: That the projected GDP growth rate of 3.00% be approved — Agreed to.

#### Proposed Resolution (v):

Question: That the projected Inflation rate of 11.95% be also approved — Agreed to.

#### Proposed Resolution (vi):

Question: That the Fiscal deficit estimate of ₹5.19 trillion (including GOEs) also be sustained due to the Federal Government's conservative approach to target setting and its determination to improve collection efficiency of major revenue generating agencies while it continues to enforce the implementation of the Performance Management Framework for GOEs by ensuring that they operate in more fiscally responsible manner whilst reviewing their operational efficiencies, and costs-to-income ratios, as declared — Agreed to.

#### Proposed Resolution (vii):

Question: That the projected New Borrowings of  $\aleph 4.28$  trillion (including Foreign and domestic Borrowing) be approved, subject to the provision of details of the borrowing plan to the National Assembly — Agreed to.

#### Proposed Resolution (viii):

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*Question:* That the following sundry parameters in the 2021-2023 MTEF/FSP Document be also approved:

- i. FGN retained revenue of ₹7.89 trillion; total FGN proposed expenditure of ₹13.08 trillion;
- ii. Fiscal deficit of ₹5.19 trillion (including GOEs);

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- iii. New Borrowings of ₹4.28 trillion (including Foreign and domestic Borrowing), subject to the provision of details of the Borrowing Plan to the National Assembly;
- iv. Statutory transfers, totaling, ₹484.4 billion;
- v. Debt Service estimate of ₹3.12 trillion;

- vi. Sinking Fund to the tune of ₩220 billion;
- vii. Pension, Gratuities & Retirees Benefits of ₹520.6 billion; and
- viii. Aggregate FGN Expenditure of ₹13.08 trillion; made up of Total Recurrent (Non-debt) of ₹5.66 trillion; Personnel Costs (MDAs) of ₹3.05 trillion; of Capital expenditure (exclusive of Transfers) ₹3.58 trillion; Special Intervention (Recurrent) amounting to ₹350 billion; and Special intervention (Capital) of ₹20 billion Agreed to.

#### Proposed Resolution (ix):

Question: That the Senate commence immediate legislative actions needed to amend the Fiscal Responsibility Act (FRA, 2007) especially in Sections 21 (1) and Section 22(1)(2) to improve revenue generating and remittance capacity of Agencies of the Federal Government — Agreed to.

#### Proposed Resolution (x):

Question: That immediate steps be also taken by relevant Standing Committees of the Senate to examine the laws guiding the operations of all revenue generating agencies under their oversight to determine specific sections/clauses requiring amendment with a view to plugging wastages and boosting revenue generation capacity of government — Agreed to.

#### Proposed Resolution (xi):

Question: That the Federal Government streamlines all stamp duty collection activities by the MDAs and domicile same with the FIRS, to eliminate loss and to deploy the use of ICT in the collection of these stamp duties — Agreed to.

#### Proposed Resolution (xii):

Question: That the Ministry of Finance, Budget and National Planning, as well as the Budget Office of the Federation re-examine the assumptions underlying the revenue targets of all the Federal Government agencies, to ensure the credibility of such assumptions, and the figures arising therefrom — Agreed to.

#### Proposed Resolution (xiii):

*Question:* That the Federal Government carefully considers the qualifications and suitability of Heads of Agencies to ensure that the overall revenue objective of government in the MTEF/FSP and the annual budgets are always achieved — *Agreed to*.

#### Proposed Resolution (xiv):

Question: There is a need to institute sanctions for inability to meet revenue targets, where it is established that there are no visible constraints for such non-performance, whilst positive performance in revenue generation by MDAs should be rewarded — Agreed to.

#### Proposed Resolution (xv):

Question: That the Federal Government ensures that all Ministries, Departments and Agencies (MDAs) pay in full and promptly, for services rendered by other agencies of government, except where it is established that the beneficiary agencies are statutorily exempted from such payments — Agreed to.

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#### Proposed Resolution (xvi):

Question: That the Federal Government direct all outstanding remittances currently held by revenue-generating agencies be remitted into the Consolidated Revenue Fund (CRF) not later than thirty (30) days from the date of approval of this resolution — Agreed to.

#### Proposed Resolution (xvii):

Question: That the Federal Government, through the Bureau of Public Enterprises (BPE) examine the activities of all Government Agencies currently operating under the partial commercialization arrangement, to determine those that may be qualified for full commercialization, in order to

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enable them compete with their peers in the private sector, and therefore contribute more meaningfully to the revenue generation drive of the Federal Government — *Agreed to*.

#### Proposed Resolution (xviii):

Question: That the Federal Government directs the Accountant General of the Federation to develop templates for strict cost-control measures for all revenue-generating agencies of Government, with clear sanctions for non-compliance — Agreed to.

#### Proposed Resolution (xix):

Question: That the Federal Government ensures that all statutory transfers due to agencies of Government be paid forthwith to enhance their overall performance including National Agency for Science and Engineering Infrastructure (NASENI) — Agreed to.

#### Proposed Resolution (xx):

Question: That the Nigeria National Petroleum Corporation (NNPC) devise strategies to reduce the Corporation's average cost of production in accordance with the international best practices, which currently hovers at \$31 per barrel per day — Agreed to.

#### Resolved:

- (i) That the daily crude oil production of 1.86mbpd, 2.09mbpd and 2.38mbpd for 2021, 2022 and 2023 respectively, be approved, in view of average 1.97mbpd over the past 3 years and the fact that a very conservative oil output benchmark has been adopted for the medium term in order to ensure greater budget realism amid disruptions due to attacks/sabotage in the Niger-Delta which has substantially abated for a while;
- (ii) That the benchmark oil price of USD\$40 per barrel be also approved because of the clear evidence of wide consultations with key stakeholders and the age long fiscal strategy of addressing the oil price shocks by the adoption of a lower than forecast oil price benchmark for fiscal projections over the medium term;
- (iii) That the Exchange rate of ₹379/US\$ proposed by the Executive for the 2021-2023 be approved given the determination of the Central Bank of Nigeria to pursue unification around its I&E FX rate over the medium term, where investors and exporters transact dollars at market determined prices, which is expected to narrow significantly with the implementation of the rate unification, among other policies of the CBN to liberalize the FX market, meeting FOREX demands while building the nation's external reserves;
- (iv) That the projected GDP growth rate of 3.00% be approved;
- (v) That the projected Inflation rate of 11.95% be also approved;

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- (vi) That the Fiscal deficit estimate of \(\frac{\text{\tinx{\text{\ti}\text{\
- (vii) That the projected New Borrowings of ₹4.28 trillion (including Foreign and domestic Borrowing) be approved, subject to the provision of details of the Borrowing Plan to the National Assembly;

- (*viii*) That the following sundry parameters in the 2021-2023 MTEF/FSP Document be also approved:
  - i. FGN retained revenue of ₹7.89 trillion; total FGN proposed expenditure of ₹13.08 trillion;
  - ii. Fiscal deficit of ₹5.19 trillion (including GOEs);
  - iii. New Borrowings of N4.28 trillion (including Foreign and domestic Borrowing), subject to the provision of details of the borrowing plan to the National Assembly;
  - iv. Statutory transfers, totaling, ₹484.4 billion;
  - v. Debt Service estimate of ₹3.12 trillion;
  - vi. Sinking Fund to the tune of ₩220 billion;
  - vii. Pension, Gratuities & Retirees Benefits of ₹520.6 billion; and
  - viii. Aggregate FGN Expenditure of ₹13.08 trillion; made up of Total Recurrent (Non-debt) of ₹5.66 trillion; Personnel Costs (MDAs) of ₹3.05 trillion; of Capital expenditure (exclusive of Transfers) ₹3.58 trillion; Special Intervention (Recurrent) amounting to ₹350 billion; and Special intervention (Capital) of ₹20 billion;
- (ix) That the Senate commence immediate legislative actions needed to amend the Fiscal Responsibility Act (FRA, 2007) in especially Sections 21 (1) and Section 22(1)(2) to improve revenue generating and remittance capacity of Agencies of the Federal Government;
- (x) That immediate steps be also taken by relevant Standing Committees of the Senate to examine the laws guiding the operations of all revenue generating agencies under their oversight to determine specific sections/clauses requiring amendment with a view to plugging wastages and boosting revenue generation capacity of government;
- (xi) That the Federal Government streamlines all stamp duty collection activities by the MDAs and domicile same with the FIRS, to eliminate loss and to deploy the use of ICT in the collection of these stamp duties;
- (xii) That the Ministry of Finance, Budget and National Planning, as well as the Budget Office of the Federation re-examine the assumptions underlying the revenue targets of all the Federal Government agencies, to ensure the credibility of such assumptions, and the figures arising therefrom;

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- (xiii) That the Federal Government carefully considers the qualifications and suitability of Heads of Agencies to ensure that the overall revenue objective of government in the MTEF/FSP and the annual budgets are always achieved;
- (xiv) There is a need to institute sanctions for inability to meet revenue targets, where it is established that there are no visible constraints for such non-performance, whilst positive performance in revenue generation by MDAs should be rewarded;
- (xv) That the Federal Government ensures that all Ministries, Departments and Agencies (MDAs) pay in full and promptly, for services rendered by other agencies of government, except where it is established that the beneficiary agencies are statutorily exempted from such payments;

- (xvi)That the Federal Government direct all outstanding remittances currently held by revenue-generating agencies be remitted into the Consolidated Revenue Fund (CRF) not later than thirty (30) days from the date of approval of this resolution;
- (xvii) That the Federal Government, through the Bureau of Public Enterprises (BPE) examine the activities of all Government Agencies currently operating under the partial commercialization arrangement, to determine those that may be qualified for full commercialization, in order to enable them compete with their peers in the private sector, and therefore contribute more meaningfully to the revenue generation drive of the Federal Government:
- That the Federal Government directs the Accountant General of the Federation to develop templates for strict cost-control measures for all revenue-generating agencies of Government, with clear sanctions for non-compliance;
- (xix)That the Federal Government ensures that all statutory transfers due to agencies of Government be paid forthwith to enhance their overall performance including National Agency for Science and Engineering Infrastructure (NASENI); and
- That the Nigeria National Petroleum Corporation (NNPC) devise strategies to reduce the (xx)Corporation's average cost of production in accordance with the international best practices, which currently hovers at \$31 per barrel per day (S/Res/027/02/20).

#### 12. **Motions:**

Need to investigate Pre-Shipment Inspection of export activities in Nigeria with respect to Non Repatriation of Crude Oil Export Proceeds in line with Pre-Shipment Inspection of Export Act CAP-P26 Laws of the Federation of Nigeria 2004 visa-a-vis challenges posed by global COVID-19 Pandemic:

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

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

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

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

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

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#### Scheme:

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

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

worried that the Joint Venture Oil Companies have refused to repatriate their portion of the total crude oil export proceeds of over USD850 billion between 1996 to 2016 in total contravention of Section 11 of the Pre-shipment Inspection of Export Act and Article 26 of the Export Policy Guidelines and Procedures for Crude Oil, Gas and Non-oil goods of the Federal Ministry of Finance which mandates Exporters stated as follows:

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

Article 26 of the Guidelines provide thus:

"Repatriation of Export proceeds":

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

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

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

Accordingly resolves to:

- (i) mandate the Committee on Banking, Insurance and other Financial Institutions to:
  - Conduct an investigative hearing as a matter of urgency to determine the exact amount of crude oil and gas, and non-oil export proceeds un-repatriated since the inception of the Act in April 1996 to 2019;
  - Ascertain why the relevant Government Agencies keep on having conflicting data of same product value published in Nigeria on one hand while those published by OPEC are different;

- Engage experts to conduct forensic reconciliation of the Export proceeds of Crude oil, Gas and non-oil Export into the Exporters Domiciliary Accounts since the inception of the Programme in 1996 with a view to ascertain the exact amount due for repatriation;
- Investigate and engage Experts to conduct forensic reconciliation of the Accounts of Nigerian Export Supervision Scheme and Comprehensive Imports Supervision Scheme domiciled with the Central Bank of Nigeria from inception of the Scheme to 2019:
- Investigate and ascertain the proper utilization or otherwise of the payments into the Nigerian Export Supervision Scheme and Comprehensive Import Supervision Scheme since inception of the programme to 2019; and
- (ii) urge the Central Bank of Nigeria which is saddled with the responsibility to administer the Nigerian Export Supervision Scheme (NESS) under the Technical Committee to forthwith comply strictly with the Provision of the Act and the Guidelines for maximum benefit to Nigeria and Nigerians (Senator Yusuf A. Yusuf Taraba Central).

Debate:

#### Proposed Resolution (i):

Question: That the Senate do mandate the Committee on Banking, Insurance and other Financial Institutions to:

#### **Amendment Proposed:**

Immediately after the word "Institutions" in line 2, *insert* the words "Finance; and Customs, Excise and Tariff" (*Senator Tolulope A. Odebiyi* — *Ogun West*).

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

- Conduct an investigative hearing as a matter of urgency to determine the exact amount of crude oil and gas, and non-oil export proceeds un-repatriated since the inception of the Act in April 1996 to 2019;
- Ascertain why the relevant Government Agencies keep on having conflicting data
  of same product value published in Nigeria on one hand while those published by
  OPEC are different;

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- Engage experts to conduct forensic reconciliation of the Export proceeds of Crude oil, Gas and non-oil Export into the Exporters Domiciliary Accounts since the inception of the Programme in 1996 with a view to ascertain the exact amount due for repatriation;
- Investigate and engage Experts to conduct forensic reconciliation of the Accounts of Nigerian Export Supervision Scheme and Comprehensive Imports Supervision Scheme domiciled with the Central Bank of Nigeria from inception of the Scheme to 2019;
- Investigate and ascertain the proper or otherwise of the utilization of the payments into the Nigerian Export Supervision Scheme and Comprehensive Import Supervision Scheme since inception of the programme to 2019.

#### Proposed Resolution (ii):

Question: That the Senate do urge the Central Bank of Nigeria which is saddled with the responsibility to administer the Nigerian Export Supervision Scheme (NESS) under the Technical Committee to forthwith comply strictly with the Provision of the Act and the

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Guidelines for maximum benefit to Nigeria and Nigerians — Agreed to.

Resolved:

That the Senate do:

- (i) mandate the Committees on Banking, Insurance and Other Financial Institutions; Finance; and Customs, Excise and Tariff to:
  - Conduct an investigative hearing as a matter of urgency to determine the exact amount of crude oil and gas, and non-oil export proceeds un-repatriated since the inception of the Act in April 1996 to 2019;
  - Ascertain why the relevant Government Agencies keep on having conflicting data of same product value published in Nigeria on one hand while those published by OPEC are different;
  - Engage experts to conduct forensic reconciliation of the Export proceeds of Crude oil, Gas and non-oil Export into the Exporters Domiciliary Accounts since the inception of the Programme in 1996 with a view to ascertain the exact amount due for repatriation;
  - Investigate and engage Experts to conduct forensic reconciliation of the Accounts of Nigerian Export Supervision Scheme and Comprehensive Imports Supervision Scheme domiciled with the Central Bank of Nigeria from inception of the Scheme to 2019;
  - Investigate and ascertain the proper or otherwise of the utilization of the payments into the Nigerian Export Supervision Scheme and Comprehensive Import Supervision Scheme since inception of the programme to 2019; and
- (ii) urge the Central Bank of Nigeria which is saddled with the responsibility to administer the Nigerian Export Supervision Scheme (NESS) under the Technical Committee to forthwith comply strictly with the Provision of the Act and the Guidelines for maximum benefit to Nigeria and Nigerians (S/Res/028/02/20).
- (b) Urgent need to rescue South East Amalgamated Market Traders Association businesses from total collapse and extinction from shipping lines, in particular PIL Shipping Line:

  Motion made: That the Senate notes that the South East Amalgamated Market Traders Association is an umbrella union of traders in all the markets in the South East Geo-political Zone and traders of South East extraction doing business across the States of the Federation;

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

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

concerned that all enquiries and appeals to PIL Shipping Line were greeted with empty and failed promises of new arrival dates;

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

(i)

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

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

#### Accordingly resolves to:

mandate the Committee on Marine Transport to investigate the activities of the shipping lines in the country particularly PIL Shipping Line and report within two (2) weeks (Senator Ifeanyi P. Ubah — Anambra South).

Debate:

#### **Proposed Resolution:**

Question: That the Senate do mandate the Committee on Marine Transport to investigate the activities of the shipping lines in the country particularly PIL Shipping Line and report within two (2) weeks.

#### **Amendment Proposed:**

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

"That the Senate do mandate the Committee on Marine Transport to investigate the allegations raised by the South East Amalgamated Market Traders Association businesses against PIL Shipping line and report within two (2) weeks" (Senator Ovie A. Omo-Agege — Delta Central).

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

#### Resolved:

That the Senate do mandate the Committee on Marine Transport to investigate the allegations raised by the South East Amalgamated Market Traders Association businesses against PIL Shipping line and report within two (2) weeks (S/Res/029/02/20).

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#### (c) Urgent need for effective response to the current flood disaster in the country:

Motion made: That the Senate notes that the flood and persistent heavy downpour witnessed over this rainy season has resulted in the tragic loss of lives, livestock, collapsed houses, displaced residents and washed away farmland across the country;

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

aware that in Jigawa State, about 20 people have lost their lives in different communities of the 27 Local Government Areas of the State, while thousands of houses have been washed away by floods;

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

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

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

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

Accordingly resolves to:

- (i) urge the Federal Government to assist in the immediate evacuation and resettlement of affected citizens from the flood prone and ravaged areas to temporary displaced persons' camp;
- (ii) urge the National Emergency Management Agency, NEMA to urgently mobilize relief materials to Local Government Areas of flood affected States; and
- (iii) urge the Federal Government to immediately provide economic intervention program to cushion the effect of this disaster (Senator Danladi A. Sankara Jigawa North-West).

Debate:

#### Proposed Resolution (i):

Question: That the Senate do urge the Federal Government to assist in the immediate evacuation and resettlement of affected citizens from the flood prone and ravaged areas to temporary displaced persons' camp — Agreed to.

#### Proposed Resolution (ii):

Question: That the Senate do urge the National Emergency Management Agency, (NEMA) to urgently mobilize relief materials to Local Government Areas of flood affected States.

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Amendment Proposed: Immediately after the word "States" in line 3, *insert* the words "including Delta, Niger, Kogi, Taraba, Benue, Oyo and Katsina" (*Senator Ovie A. Omo-Agege — Delta Central*).

#### Proposed Resolution (iii):

Question: That the Senate do urge the Federal Government to immediately provide economic intervention program to cushion the effect of this disaster — Agreed to.

#### **Additional Proposed Resolutions:**

Insert Additional Proposed Resolutions as follows:

- "(i) urge the Federal Ministry of Water Resources to undertake as a matter of urgency, a hydrological and water basin management study of the levels of siltation of Nigerian dams and water ways with a view to effecting remedial interventions (Senator Yahaya A. Abdullahi Kebbi North).
  - Question that the amendment be made, put and agreed to.
- (ii) urge the Federal Government to take action to dredge the Rivers Niger and Benue to the borders of Nigeria with Niger Republic and the Republic of Cameroon, respectively, to reduce flooding of the two major rivers and facilitate navigation of the rivers (Senator Binos D. Yaroe Adamawa South).
  - Question that the amendment be made, put and agreed to.
- (iii) urge the National Orientation Agency (NOA) to increase campaigns against

building settlements on water channels (ways) (Senator Emmanuel Bwacha — Taraba South).

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

(iv) urge the Federal Government through the Federal Ministry of Water Resources to desilt Goronyo and Bakalori dams because they are the root causes of the flood due to loss of capacity to contain the required water intake (Senator Ibrahim A. Gobir — Sokoto East).

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

(v) urge the Federal Government through Hydroelectric Power Producing Areas Development Commission (HYPADEC) to address such challenges (Senator Mohammed E. Bima — Niger South).

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

(vi) commend the Nigerian Meteorological Agency (NIMET) and Nigeria Emergency Management Agency (NEMA) for early warning of floods and distribution of relief materials respectively over the years (Senator Mohammed E. Bima—Niger South)."

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

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#### Resolved:

That the Senate do:

- (i) urge the Federal Government to assist the immediate evacuation and resettlement of affected citizen from the flood prone and ravaged areas to temporary displaced persons camp;
- (ii) urge the National Emergency Management Agency (NEMA) to urgently mobilize relief materials to Local Government Areas of flood affected States including Delta, Niger, Kogi, Taraba, Benue, Oyo and Katsina;
- (iii) urge the Federal Government to immediately provide economic intervention program to cushion the effect of this disaster;
- (iv) urge the Federal Ministry of Water Resources to undertake as a matter of urgency, a hydrological and water basin management study of the levels of siltation of Nigerian dams and water ways with a view to effecting remedial interventions;
- (v) urge the Federal Government to take action to dredge the Rivers Niger and Benue to the borders of Nigeria with Niger Republic and the Republic of Cameroon, respectively, to reduce flooding of the two major rivers and facilitate navigation of the rivers:
- (vi) urge the National Orientation Agency (NOA) to increase campaigns against building settlements on water channels (ways);
- (vii) urge the Federal Government through the Federal Ministry of Water Resources

to desilt Goronyo and Bakalori dams because they are the root causes of the flood due to loss of capacity to contain the required water intake;

- (viii) urge the Federal Government through Hydroelectric Power Producing Areas Development Commission (HYPADEC) to address such challenges; and
- (ix) commend the Nigerian Meteorological Agency (NIMET) and Nigeria Emergency Management Agency (NEMA) for early warning of floods and distribution of relief materials respectively over the years (S/Res/030/02/20).

## (d) Urgent need to investigate and review illicit and excessive charges by Nigerian Banks on customers' accounts:

*Motion made:* That the Senate notes with great concern that there have been several complaints from Nigerians over illicit and excessive charges by Nigerian Commercial Banks on customers' accounts;

aware that such charges and deductions range from bank SMS charges, intra-bank transfer charges in the sum of ₹52.50 Kobo, ATM Card renewal charges, account maintenance charges in the sum of ₹93.13 Kobo, etc;

deeply concerned that these charges being deducted from customers' accounts by Banks have caused an uproar within the public as Nigerians have expressed their dissatisfaction and displeasure over such excessive deductions which they feel are fraudulent and targeted at further impoverishing Nigerians;

recalls that in April 2017, the Central Bank of Nigeria revised the card maintenance charges in the new guide released from ₹100 annually to ₹50 monthly. This means that every debit or credit card holder will pay the sum of ₹600 annually;

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further recalls that according to the Nigeria Inter Bank Settlement System (NIESS), the central data base for banking transactions in the country showed that as at September 30, 2016, there were 29.4 million active cards being used by the 63 million active bank customers. Thus, Bank Customers in Nigeria will pay not less than ₹1.462 Billion to Banks as card maintenance charges every month, totaling about ₹17.544 Billion in a year;

deeply disturbed that questions are being asked by Nigerians as to what the money being deducted for the charges is for as countries overseas do not charge their customers in like manner;

further concern is the \(\pm\)65 withdrawal charge on a card holder who uses his/her ATM card on another Banks ATM. The first three transactions are free while every other transaction afterwards attracts a \(\pm\65 charge per transaction;

concerned that Nigerian banks in a bid to further extort customers have set most of their ATM machines to dispense cash below the maximum sum of ₹40,000.00 ATMs are programed to dispense per transaction. Thus customers using the ATM machines do not have a choice than to withdraw much lesser amounts per transactions thereby incurring additional cost of ₹65 per transaction after using another Bank's ATM machine beyond three times;

regrets that as was the norm when ATM machines were first introduced in Nigeria, while using the ATM there are instances where an ATM card gets stuck in the ATM machine. The procedure then was for the card holder to lay a complaint in the Bank and his ATM card would either be given to him or sent to a branch of his choice;

saddened that in recent times, rather than Banks giving out ATM cards stuck in their machines back to the card holder, such cards are shredded into pieces and the card holder has to reapply for another ATM card which attracts the sum of ₹1,000. We can imagine the number of Nigerians who have experienced their cards being stuck in the machine and having to pay ₹1,000 over again for re-issuance which was not even their fault abinitio; and

*embarrassed* that this issue of high bank charges has made Nigerians home and abroad take to social media to lament their bitter experiences in the hands of Commercial Banks - accusing them of exploitation.

#### Accordingly resolves to:

- (i) mandate the Committee on Banking, Insurance and Other Financial Institutions to cause an investigation into this complaint of Nigerians of illicit and excessive bank charges by Commercial Banks on customers' accounts; and
- (ii) urge the Central Bank of Nigeria to look into the complaint of Nigerians in this regard and review the charges on their Bank accounts (Senator Abba P. Moro—Benue South).

Dehate:

#### Proposed Resolution (i):

Question: That the Senate do mandate the Committee on Banking, Insurance and Other Financial Institutions to cause an investigation into this complaint of Nigerians of illicit and excessive bank charges by Commercial Banks on customers' accounts — Agreed to.

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#### Proposed Resolution (ii):

*Question:* That the Senate do urge the Central Bank of Nigeria to look into the complaint of Nigerians in this regard and review the charges on their Bank accounts.

#### **Amendment Proposed:**

Immediately after the word "review" in line 2, *insert* the word "downward" (Senator Ovie A. Omo-Agege — Delta Central).

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

#### Resolved:

That the Senate do:

- (i) mandate the Committee on Banking, Insurance and Other Financial Institutions to cause an investigation into this complaint of Nigerians of illicit and excessive bank charges by Commercial Banks on customers' accounts; and
- (ii) urge the Central Bank of Nigeria to look into the complaint of Nigerians in this regard and review downward the charges on their Bank accounts (S/Res/031/02/20).

#### 13. Adjournment:

And it being 3:53 p.m. the President of the Senate adjourned the Senate till Thursday, 8th October, 2020 at 10.00 a.m.

Adjourned accordingly at 3:53 p.m.

President, Senate of the Federal Republic of Nigeria.