FOURTH REPUBLIC 9TH NATIONAL ASSEMBLY (2019–2023) FOURTH SESSION No. 143



HOUSE OF REPRESENTATIVES FEDERAL REPUBLIC OF NIGERIA ORDER PAPER

Tuesday 30 May, 2023

- 1. Prayers
- 2. National Pledge
- 3. Approval of the Votes and Proceedings
- 4. Oaths
- 5. Messages from the President of the Federal Republic of Nigeria (if any)
- 6. Messages from the Senate of the Federal Republic of Nigeria (if any)
- 7. Messages from Other Parliament(s) (if any)
- 8. Other Announcements (if any)
- 9. Petitions (if any)
- 10. Matters of Urgent Public Importance
- 11. Personal Explanation

PRESENTATION OF REPORTS

1. Committee on Aids, Loans and Debt Management:

Hon. Ahmed Safana Dayyabu:

"That the House do receive the Report of the Committee on Aids, Loans and Debt Management on Promissory Note Programme and Bond Issuance as Refund to Borno State Government for Projects Executed on behalf of the Federal Government" (*Referred: 23/5/2023*).

2. Committee on Basic Education and Services:

Hon. Julius O. Ihonvbere:

"That the House do receive the Report of the Committee on Basic Education and Services on a Bill for an Act to Repeal the National Examinations Council (NECO) Act Cap. N37, Laws of the Federation of Nigeria, 2004 and Enact the National Examinations Council Bill to Provide for making NECO National Common Entrance Examination (NCEE), the Basic Education Certificate Examination (BSCE) and the Senior Secondary Certificate Examination (Internal) (SSCE) (1) Compulsory for every Nigerian Child and Provide for the Removal of Clause "without Prejudice to the existing Powers and Function of the West African Examinations Council (WAEC)" from the Act and to design the scope of the Power and Functions of the Governing Board of the Council and for Related Matters (HB.2206) (Referred: 4/5/2023).

3. Committee on Basic Education and Services: Hon. Julius O. Ihonvbere:

"That the House do receive the Report of the Committee on Basic Education and Services on a Bill for an Act to Amend National Business and Technical Examinations Board Act, Cap. N12, Laws of the Federation of Nigeria, 2004 to improve the Scope of the Board, to Undertake Contemporary Business and Technical Examinations in Line with the National Policy on Education, Provide the General Purpose of the Results, Certificate and Awards Issued by the Board; and for Related Matters (HB.1492) (Referred: 23/11/2021).

4. Ad-hoc Committee to Investigate Alleged Cases of Indiscriminate and Unlawful Administrative charges on Contracts and such Percentage charges on Projects Implementation:
Hon. Francis Charles Uduyok:

"That the House do receive the Report of the Ad-hoc Committee to Investigate Alleged Cases of Indiscriminate and Unlawful Administrative charges on Contracts and such Percentage charges on Projects Implementation" (Referred: 20/1/2022).

ORDERS OF THE DAY

BILLS

- 1. A Bill for an Act to Establish Parliamentary College and for Related Matters (HB.2228) (Senate) (Leader) Second Reading.
- 2. A Bill for an Act to Upgrade the College of Health Technology, Jahun and Provide for Establishment of Federal University of Health Technology and Medical Sciences, Jahun, Jigawa State and for Related Matters (HB.2124) (*Hon. Saidu Yusuf Miga*) *Second Reading*.

CONSIDERATION OF REPORTS

3. Committee on Aids, Loans and Debt Management:

Hon. Ahmed Safana Dayyabu:

"That the House do consider the Report of the Committee on Aids, Loans and Debt Management on Promissory Note Programme and Bond Issuance as Refund to Borno State Government for Projects Executed on behalf of the Federal Government" (Laid: 30/5/2023)- Committee of Supply.

Findings and Observation

- (i) all of the above-listed projects were actually executed by the State Government. The roads and flyover bridge were constructed in line with the contract specifications and huge resources have been expended on the execution of the projects, Federal Ministry of Works and Housing inspected and ascertained that the quality of work done have met the required standards;
- (ii) Borno State began construction of the federal roads in 2014. Only the Damboa-Chibok-Mbalala (30Km) Road Phase I (one) was eligible for reimbursement as it was awarded before the President's directive of 29th July 2016 which suspended assessment of requests for refund on projects carried out without the Federal Governments approval. However, the other three projects (Damboa-Chibok-Mbalala Road Phase II, Flyover Bridge at Custom Roundabout, Maiduguri, and Dualisation of the Maiduguri-Dikwa-Gamboru/Ngala Road from Custom Area to Muwa Welcome Gate) awarded by the Borno State Government after the President's directive, was approved upon a compassionate appeal by the Borno State Government;

- (iii) the approval by FEC for the reimbursement of the additional sum of N16,772,486,002.19 to Borno State government is to ensure that sufficient fund is provided for the completion of the Damboa-Chibok-Road based on current cost of completion for the project;
- (iv) although the Damboa-Chibok-Mbalala Road Phase I and II has attained 95% and 72% completion respectively, the construction of the Flyover Bridge at Custom Roundabout and the Dualisation of the Maiduguri-Dikwa-Gamboru/Ngala Road have been completed;
- (v) the Borno State Government has paid all contractors that executed the highway projects.

Recommendation

approve the Promissory Note Issuance to settle outstanding claims and liabilities of Borno State Government in the sum of sixteen billion, seven hundred and seventy-two million, four hundred and eighty-six thousand, and two naira, nineteen kobo, only (¥16,772,486,002.19) based on the claims by Borno State.

- 4. A Bill for an Act to Provide for Establishment of Federal College of Agricultural Technology, Opialu Ojapo, Benue State and for Related Matters (HB.2208) (Senate) Committee of the Whole: 4/5/2023.
- 5. A Bill for an Act to Establish Micro Biology Council of Nigeria to Provide for the Control of its Membership and to Promote and Foster the Practice of Micro Biology in the Federation and for Related Matters (HB.2222) (Senate) Committee of the Whole: 24/5/4/2023.
- 6. A Bill for an Act to Repeal the Fire Service Act, Cap. F29, Laws of the Federation of Nigeria, 2004 and Enact the Federal Fire and Rescue Service Bill and for Related Matters (HB.2218) (*Leader*) *Committee of the Whole:* 24/5/4/2023.
- 7. A Bill for an Act to Amend the Agricultural Research Council of Nigeria Act, Cap. A12, Laws of the Federation of Nigeria, 2004 (as amended) to make Provision for the Establishment of Federal College of Forestry Management and Tourism Idare, Ondo State; and for Related Matters (HB.1277) Committee of the Whole: 25/5/2023.
- **8.** A Bill for an Act to Amend the Bank Employees, Etc. (Declaration of Asset) Act, Cap. B1 Laws of the Federation of Nigeria, 2004 to reflect the prevailing situation in the country; and for Related Matters (HB. 1303) *Committee of the Whole: 23/3/2023*.
- 9. A Bill for an Act to Amend the National Assembly Library Trust Fund (Establishment) Act, No. 11 of 2022 to provide for Additional Source of Fund for the Management of the Library to enhance the Capacity Legislators and National Assembly staff and for Related Matters (HB.2223) Committee of the Whole: 24/5/2023.

10. Report of the Conference Committee:

Hon. Abubakar Hassan Fulata:

"That the House do consider the Report of the Conference Committee on a Bill for an Act to Repeal the Audit Ordinance of 1956 and Enact the Federal Audit Service Act, 2023 to Establish Federal Audit Service, Provide additional Powers and Functions of the Auditor–General for the Federation, Establish Federal Audit Board and for Related Matters and approve recommendations therein" (*Laid: 24/5/2023*).

11. Committee on Health Care Services:

Hon. Yusuf Tanko Sununu:

"That the House do consider the Report of the Committee Health Care Services on a Bill for an Act to Repeal the Anatomy Act, Cap. A16, Laws of the Federation of Nigeria, 2004 and Enact the Anatomy Bill, 2023 to Provide for Establishment of the Anatomy Council of Nigeria, bring the Practice of

Anatomy in conformity with current Local and Global Realities and for Related Matters (HB.1637) and approve recommendations therein" (*Laid 28/12/2022*).

12. Committee on Health Institutions:

Hon. Paschal Obi:

"That the House do consider the Report of the Committee on Health Institutions on a Bill for an Act to Establish Federal College of Health Technology, Benisheikh, Kaga Local Government, Borno State and for Related Matters (HB.1943) and approve recommendations therein" (Laid: 23/5/2023).

13. Ad-hoc Committee on the State of Refineries in the Country: Hon. Ganiyu Abiodun Johnson:

"That the House do Consider the Report of the *Ad-hoc* Committee on the State of Refineries in the Country on the Need to Ascertain the Actual Daily Consumption of Premium Motor Spirit (PMS) in Nigeria (HR. 21/01/2022) and approve recommendations therein" *Laid*: 24/5/4/2023).

Findings:

- (i) that the nation's three (3) refineries became unproductive from year 2010 making the following range of losses: Port Harcourt refinery Company (PHRC) at 7.6% losses to the tune of 132,526.17 Billion naira from 2012; WRPC at 6% losses to the tune of 111,376 Billion naira from 2014; and KRPC at 10% losses to the tune of 122,621.97 Billion naira from 2014;
- (ii) that from year 2010 to 2019, the nation's refineries were performing sub-optimally with an annual combined capacity of less than 30% therefore in year 2019 the NNPC obtained an Executive approval and shutdown the refineries for comprehensive rehabilitation to restore the plants to a maximum of 90% nameplate company utilization;
- (iii) that the total losses from the non-functional refineries since year 2010 is put at Three Hundred and Sixty-Six Billion, Five Hundred and Twenty-Four Million, One Hundred and Forty Thousand (366,524,140,000) Naira only;
- (iv) that the total cost of operations and running the refineries from 2010 2020 is put at Four Trillion, Eight Hundred Billion, Six Hundred and Two Million, Four Hundred and Fifty Thousand Naira (N4,800,602,450,000.00) only;
- (v) that the Port Harcourt Refinery Company (PHRC) carried out rehabilitation projects over a period of seven (7) years ranging from 2013 to 2019 valued at about Twelve Billion, One Hundred and Sixty-One Million, Two Hundred and Thirty-Seven Thousand, Eight Hundred and Eleven Naira, Sixty-One Kobo (₹12,161,237,811.61) only;
- (vi) that the Warri Refinery and Petrochemical Company (WRPC) carried out rehabilitation projects over a period of six (6) years ranging from 2014 to 2019 valued at about Twenty-Eight Billion, Two Hundred and Nineteen Million, One Hundred and Ten Thousand, and Sixty-Seven Naira, Ten Kobo only (₹28,219,110,067.10);
- (vii) that that Kaduna Refinery and Petrochemical Company (KRPC) also carried out rehabilitation works over the period under review valued at about Two Billion, Two Hundred and Sixty-Six Million, Two Hundred and Forty-Eight Thousand, Four Hundred and Thirty-Four Naira, Sixty-Nine kobo (₹2,266,248,434.69);
- (viii) that the total cost of rehabilitation for the three (3) refineries based on the submissions of the NNPC from year 2013 to 2019 is put at Forty-Two Billion, Six Hundred and Forty-Six Million, Five Hundred and Ninety-Six Thousand, Three Hundred and Thirteen Naira, Forty Kobo (№42,646,596,313.40) only;

- (ix) that other project costs were reported in foreign currencies at KRPC such as USD (43,672,537.56), EUR (2,852,068.15), and GBP (3,455,656.93);
- (x) that the SAIPEM Contracting Nigeria Limited was awarded a contract in 2017 by the NNPC for the Technical Plant Survey of Warri and Kaduna Refineries for the Contract Price of €2,025,000.32 (two million, twenty-five thousand Euros and thirty-two Cents);
- (xi) that the total value of the contract for the Technical Plant Survey of Warri and Kaduna Refineries awarded to SAIPEM was €2,025,000.32 and the total sum of money received by SAIPEM is €1,822,500.29 while the total sum outstanding is €202,500.03.
- (xii) that FBNQuest Merchant Bank (FBN-MB) was engaged by the NNPC between 2017 and 2020 as Financial Advisor on a Project Financing Transaction for the rehabilitation of all the nation's three refineries and placed on a monthly Retainer Fee of US\$28,000 starting from August 2, 2017;
- (xiii) that FBNQuest Merchant Bank (FBN-MB) received a total of US\$438,012.44 from August 2017 to December 2018 as Financial Advisor's Retainer Fee from the NNPC;
- (xiv) that the Financial Advisors activities on the Refineries Rehabilitation Programme were suspended by the NNPC on 21st December, 2018 due to the Financing Consortia not reaching agreeable terms for the transaction with the NNPC;
- (xv) that the NNPC in 2016 obtained a Presidential approval of the sum of US\$2.1 Billion for the rehabilitation of refineries to be funded over a 3-year period;
- (xvi) that the National Assembly approved provisions for the refineries rehabilitation of N100 Billion, N100 Billion and 109.326 Billion in 2020, 2021 and 2022 Fiscal Framework, respectively;
- (xvii) that the total deductions from the Federation Account for the rehabilitation of refineries from 2020 to 2021 are put at one hundred and ninety-one billion, six hundred and seventy million (№191,670,000,000) only;
- (xviii) that the Federal Government expended 6.96 Trillion between 2006 and 2020 on petroleum subsidy -(NEITI);
- (xix) that the total amount spent on oil subsidy payments for the period under consideration from 2010 to 2020 is put at five trillion, nine hundred and forty-eight billion, one hundred and forty million Naira (№5,948,140,000,000) only;
- (xx) that a Detailed Inspection of Equipment plus Integrity Study for Rehabilitation of PHRC was signed on 14th February 2019 with Tecnimont SPA for the total lump sum price of US\$51.45 Million (Fifty-One Million, Four Hundred and Fifty Thousand United States Dollars;
- (xxi) that contract for the Engineering, Procurement, Construction, Installation and Commissioning of works for the Rehabilitation of Port Harcourt Refinery was signed 6th April 2021 between NNPC/PHRC and Tecnimont S.P.A. for the Lump Sum Contract Price of One Billion, Three Hundred and Ninety-Seven Million United States Dollars (\$1,397,000,000.00) only;
- (xxii) that the NNPC awarded a Maintenance Services Contract for Quick-Fix Repairs of WRPC to Daewoo E&C Nigeria Limited on 24 June 2022 at a total sum of \$492,328,500;
- (xxiii) that the total cost of rehabilitating the nation's refineries from 2010 to date may be put at six hundred billion, eight hundred and forty million, seven hundred and thirty-six thousand, three hundred and thirteen Naira and forty Kobo (N600,840,736,313.40) only.

- (xxiv) that after due considerations and analysis of the data before the Committee, the total actual cost of rehabilitating the Nigerian refineries may be put at eleven trillion, three hundred and forty-nine billion, five hundred and eighty-three million, one hundred and eighty-six thousand, three hundred and thirteen Naira, forty Kobo only (N11,349,583,186,313.40);
- (xxv) that these cost were gotten from four sub heads such as; Cost of Operations and running Refineries, Cost of Rehabilitation Projects, Subsidy Payments, and Deductions from Federation Account for rehabilitation;
- (xxvi) that other additional actual costs of rehabilitations were funded in foreign currencies to the tone of Five Hundred and Ninety-Two Million, Nine Hundred and Seventy-Six Thousand, Fifty Dollars (USD 592,976,050.00); Four Million, Eight Hundred and Seventy-Seven Thousand, Sixty-Eight Euros, Forty-Seven cents (4,877,068.47), and Three Million, Four Hundred and Fifty-Five Thousand, Six Hundred and Fifty-Six Naira, Ninety-Three shillings (GBP 3,455,656.93); as shown in the table below:

Table 2: Summary Table of Findings on the Actual Cost of Rehabilitating the Nigerian Refineries between 2010 to 2020.

S/N	SUB – HEADS	AMOUNT			
1	Cost of Rehabilitation Projects (₦)	42,646,596,313.40			
2	Deduction from Federation Account for Rehabilitation	191,670,000,000.00			
3	Losses by Refineries over given period	366,524,140,000			
TOTAL COST OF REHABILITATION IN NAIRA 600,840,736,313.40					
4	Subsidy Payments $(2010 - 2020)$ (N)	5,948,140,000,000			
5	Total cost of Running Refineries (₹)	4,800,602,450,000.00			
TOTAL ACTUAL COST OF REHABILITATION IN 11,349,583,186,313.40					
NAIRA					
Additional Actual cost of Rehabilitation in Other					
Currencies					
6	• USD	592,976,050.00			
7	• EURO	4,877,068.47			
8	• GBP	3,455,656.93			

RECOMMENDATIONS OF THE COMMITTEE:

Considering the above findings and observations made by the Committee in the course of the investigation and activities, the following recommendations were made for further legislative action:

- (i) that continuous legislative oversight of the ongoing rehabilitation works at the Port Harcourt and Warri refineries be ensured in order to achieve results;
- (ii) that the NNPC should ensure the immediate award of contract for the rehabilitation of the Kaduna Refinery;
- (iii) that the NNPC should take full advantage of the Petroleum Industry Act 2021 passed by the National Assembly to fast track the rehabilitation programme of the refineries empowered by the deregulated Business Environment and ensure that the refineries are restored to a maximum 90% nameplate utilization;
- (iv) that the Federal Government should ensure the activation of all the 37 non active Licences approved and issued to certain private refineries for maximum operations or such licences be revoked;

- (v) that the NNPC pay the outstanding sum of €202,500.03 as balance for the outstanding payments due to SAIPEM Nigeria Limited on the contract for the Technical Plant Survey of Warri and Kaduna Refineries as the job was concluded and fully reported;
- (vi) that FBNQuest Merchant Bank should refund to the nation the total sum of US\$438,012.44 paid to them as Retainer Fees from 2017-2018 as the Financing Advisory Contract for the rehabilitation of the three (3) refineries was not successful and was suspended due to the Financing Consortia not reaching agreeable terms for the transaction with the NNPC;
- (vii) that a forensic audit be conducted on all the rehabilitation projects in the three (3) refineries.

COMMITTEE MEETINGS

S/N	Committee (s)	Date	Time	Venue
1.	Rules and Business	Tuesday 30 May 2023	3.00 p.m.	Committee Room 06 (White House) Assembly Complex
2.	Public Petitions (Investigative Hearing)	Tuesday 30 May 2023	3.00 p.m.	Committee Room 247 (New Building) Assembly Complex