



**SENATE OF THE
FEDERAL REPUBLIC OF NIGERIA
ORDER PAPER**

Tuesday, 25th July, 2023

1. Prayers
2. Approval of the Votes and Proceedings
3. Oaths
4. Announcements (if any)
5. Petitions

ORDERS OF THE DAY

EXECUTIVE COMMUNICATION

1. Executive Communication

Confirmation of the Nomination of the following persons for Appointment as Members of the Board of the North East Development Commission

Sen. Bamidele, Opeyemi Michael (*Ekiti Central-Senate Leader*)

-That the Senate do consider the request of Mr. President and Commander - in - Chief of the Armed Forces of the Federal Republic of Nigeria on the confirmation of the nomination of the following persons for Appointment as Members of the Board of the North East Development Commission in accordance with the provisions of Section 5(b) of the North East Development Commission Establishment Act 2017

- (*Committee of the Whole*).

NO.	NAME	POSITION	REGION (STATE)
1.	General Paul Tarfa (Rtd) (Reappointment)	Chairman	North East (Adamawa)
2.	Hon Gambo Maikomo	Member	North East (Taraba)
3.	Abdullahi Abbas	Member	North West (Kano)
4.	Tsav Stephen Aondoana	Member	North Central (Benue)
5.	Chief Mutiu Lawal-Are	Member	South West (Lagos)
6.	Hon. Samuel Ifeanyi Onuigbo	Member	South East (Abia)
7.	Frank Achinike Owhor	Member	South South (Rivers)
8.	Mohammed Goni Alkali (Reappointment)	Managing Director	North East (Borno)
9.	Musa Yashi (Reappointment)	Executive Director Humanitarian Affairs	North East (Bauchi)
10.	Ahmed Abdulsalam Yahaya	Executive Director (OPS)	North East (Gombe)
11.	Dr Abubakar Garba Iliya	Executive Director Admin & Finance	North East (Yobe)

MOTIONS

1. Need to Halt the Proposed Increase in Electricity Tariff by Eleven Successor Electricity Distribution Companies (Discos).

Sponsor: Sen. Akintunde, Yunus Abiodun (*Oyo Central*)

Co-Sponsors: Sen. Asuquo, Ekpenyong (*Cross River South*) Sen. Abbas, Aminu Iya (*Adamawa Central*)

The Senate:

Observes that the eleven (11) successor electricity distribution companies (“Discos”) have filed an application for rate review with the Nigerian Electricity Regulatory Commission (NERC). The request for rate review is premised on the need to incorporate changes in macroeconomic parameters and other factors affecting the quality of service, operations and sustainability of the companies;

Also observes that the Commission in line with its mandate has requested the general public for comments on the rate review applications by the distribution licensees; while advising interested stakeholders to review and take into consideration the excerpts of the Rate Review Applications filed with the Commission by the respective licensees;

Aware that as part of Nigerian Electricity Regulatory Commission (NERC) rule-making process and in the exercise of the powers conferred by the Electricity Act 2023, the Commission is empowered to conduct a Rate Case Hearing on the applications prior to making a ruling;

Also aware that Nigerian Electricity Regulatory Commission (NERC) had through its official website published and set 20th July, 2023, deadline for comment by stake holders;

Worried that within the last within the last 10 years, billions of naira were spent by Senators across Nigeria in the procurement and installation of transformers through various Zonal Intervention Projects (ZLPs) as a result of request in Senator’s various Constituencies;

Also worried that when these transformers are supplied and installed it become registered properties of the Discos (a privately owned enterprise); while sadly same Discos have consistently refused to energize such Transformers on the ground that affected communities have to pay millions of naira arrears of bills for electricity never consumed while keeping the affected consumer in perpetual darkness;

Concerned that the services of the 11 discos is currently bedeviled with total failure, occasioned by prolonged black out due to lack of provision of relevant infrastructure like transformers, electricity poles, poor distribution network compounded with unjustifiable estimated billings, lack of supply of prepaid meters, reap off etc; and

Also concerned that despite repeated previous increase in the multiyear tariff with assurances of improved service delivery by the Discos no commensurate improvement has been made by any of 11 Discos in their respective service deliveries to justify the previous increment,

Further concerned that the:

- proposed increase will significantly impact the affordability of electricity for the average Nigerian, further exacerbating the financial burdens faced by households and businesses;
- less than one week time frame window provided by Nigerian Electricity Regulatory Commission (NERC) for comments from all relevant stake holders is too small for any meaningful engagement;
- high electricity tariffs will impede industrial growth, job creation, and overall economic development. This will have adverse effects on the nation's drive towards sustainable development and poverty reduction;
- it is essential to address the issues of inadequate power supply, metering, and quality of service provided by the Discos. Customers should not bear the brunt of inefficiencies in the power sector.

Accordingly resolves to:

- i. *Call* on the Federal Government of Nigeria to intervene and halt the proposed increase in electricity tariff by the Distribution Companies (Discos);

- ii. Urge Nigerian Electricity Regulatory Commission (NERC) to decentralize proposed engagement with Stakeholders scheduled for Abuja to the Six Geopolitical Zones of the Federation for effective participation by all;
 - iii. *Also urge* NERC to thoroughly look into the rate review applications filed by the Discos, taking into consideration the interests of citizens, affordability, and the need for improved service delivery;
 - iv. *Further urge* NERC to explore alternative measures to address the financial challenges faced by the Discos, such as improving operational efficiency, reducing technical and commercial losses, and enhancing revenue collection mechanisms;
 - v. *Equally urge* Discos to henceforth discontinue estimated billing and make available to all electricity consumers prepaid meters at affordable prices; and
 - vi. *Mandate* the Committee on Power (when constituted) to engage with the Federal Ministry of Power, NERC, and other stakeholders to find lasting solutions to the challenges facing the Nigerian electricity sector, including the need for comprehensive sector reforms
2. Need to Investigate the Incessant and Nefarious Acts of Crude Oil Thefts in the Niger Delta and the Actors.
Sponsor: Sen. Nwoko, Ned Munir (*Delta North*)

The Senate:

Notes that Nigeria is largely dependent on crude oil for its economic growth and development. According to the National Bureau of Statistics, the oil sector represents 6.33% of the Nation's GDP which translates to \$45.6 billion in 2022;

Also note that Nigeria oil sector provides jobs for millions of Nigerian citizens, it also provides for 70% of its budget financing while oil and gas accounted for 90% of export income and 85% of Government revenue in the first quarter of 2022;

Further notes that statistical data which has been reported over the years even till date, have shown that pipeline vandalism, illegal oil bunkering, oil theft, illegal oil refining has brought Nigeria into serious socio-economic crisis, and this remains an intractable challenge to the Nigerian oil dependent economy;

Informed that crude oil thefts started at about the late 1970s and early 1980s under the military regime;

Observes that the present efforts of the Joint Task Force of the Nigerian military such as "Operation Delta Safe", "Operation Dakartada Barawo" as well as other Operations in the Niger Delta region have resulted to an increase in oil production to 1.51 Million barrels per day in the first quarter of 2023 from 1.49 Million barrels per day recorded in the same quarter of 2022 and also higher than the fourth quarter of 2022 production volume of 1.34 million barrels per day;

Disturbed that, despite the good efforts of some of the military personnel in curbing oil thefts in the Niger Delta region, there are bad eggs among the military who work in connivance with relevant opportunistic oil industry operators to sabotage the economy;

Also informed that oil thefts in Nigeria are enhanced by the pragmatic cooperation between security forces, militia organizations, the local population and oil company employees who use various sophisticated methods to steal from oil facilities that are stationed within the country;

Aware that there have been accusations and counter-accusations of oil thefts, illegal oil bunkering, illegal oil refining and other sundry crimes in the Niger Delta region between the military and the local militia, which shows the high level of sabotage and destruction of our economic mainstay;

Also Aware that it was reported in 2022 that Nigeria lost an average of 437, 000 barrels of crude oil a day, worth \$23 Million to criminal entities, and between March, 2022 to March, 2023, Nigeria also lost 65, 700, 000 barrels of crude oil at \$83 Dollar per barrel, worth N2.3 Trillion revenues to oil theft;

Also observes that the damage to our oil sector by these oil thefts is even more significant than what is reported;

Further Observes hitherto, this malaise was discussed in whispers but now the voices are getting louder; and

Worried that giving Nigeria's enormous oil and gas reserves, it is expected that crude oil production should continue to rise to meet OPEC production quota of 1.74 Million barrel per day. However, the activities of these oil thieves and their actors have drastically reduced crude oil production thereby undermining the economy. Recall that Section 20 of the 1999 Constitution of the Federal Republic of Nigeria (with alterations) empowers the State to protect, improve the environment and safeguard the land of Nigeria. Also Section 88 of the 1999 Constitution is in consonance with order 101 of the Senate Standing Orders 2022 (as amended) gives the Nigerian Senate unfettered and absolute powers to conduct investigation into the affairs of any person or government department charged with responsibilities,

Accordingly resolves to:

- i. *Constitute an Ad-hoc Committee to:*
 - investigate the activities of Security Agencies, Militia Organizations, the local population, Oil Company Employees and any person or body who uses various sophisticated methods to steal from oil facilities that are stationed within the country; and
 - consider ways of officially engaging Modular and Illegal Refinery Operators;
 - ii. *Deploy modern technologies like aerial drones to secure oil and gas facilities in order to curb oil thefts and buffer the revenue profile of the country.*
3. **Urgent Need to Lift the Restriction Order placed on Supply of Fuel to Border Communities.**

Sponsor: Sen. Olamilekan, Adeola Solomon (Ogun West)

The Senate:

Notes that Federal Government of on the 6th of November, 2019 through the Comptroller - General of Customs directed that "no petroleum product is permitted to be discharged in any filling station within a radius of 20 kilometres to the border" of Nigeria nationwide;

Also notes that this directive was to checkmate smuggling of Nigerian petroleum products, mostly Premium Motor Spirit, PMS, to the neighbouring countries where there was a thriving market for Nigerian petrol because of subsidy that was still on petrol then until the May 29, 2023 inaugural announcement by the President and Commander-in Chief of the Armed Forces, His Excellency, Senator Bola Ahmed Tinubu removing the subsidy;

Aware that this policy had brought untold hardship and major losses to businesses of the residents and indigenes of the affected border communities, which later made the Nigerian Customs to relax the policy slightly by given licence to two or three petrol stations in each of the Local Government Areas that borders these neighbouring countries. But that remedy was just a drop of water in an ocean scarcity of petrol considering the mass population of the people affected in these border towns and communities;

Also aware that the suspension order by the Federal Government since 2019 has negatively impacted on the socio - economic activities with attendant hardships to lives and livelihood of people living in the border towns and communities across Yewa land in Ogun State, particularly in Idiroko axis, as only less than five licensed independent petroleum marketers are allowed to dispense the commodity to over five hundred thousand residents of the area with over one hundred and fifty dispersed towns and villages;

Observes that since there is no longer subsidy on our petroleum product as proclaimed by the President there is no longer any justification for the restriction order because the price of petrol across the international border has also gone up in line with the new price regime across the Nigeria; and

Concerned that the residents of our border areas are now suffering from the double jeopardy of insufficient supply of the product to the area on one hand and price hike on the other hand in addition to the hitherto crippling of economic activities,

Accordingly resolves to:

- i.* **Urge** the Comptroller General of Customs and Excise to lift the subsisting restriction order placed on supply of petroleum products to the affected border communities because the removal of Subsidy by the Nigerian government has substantially put paid to the smuggling of the PMS products, therefore the products should be allowed to circulate freely without restrictions;
- ii.* **Also urge** the Comptroller General of Customs and Excise to intensify preventive and enforcement measures to combat smuggling of all kinds; and
- iii.* **Mandate** the Committee on Customs and Excise (when constituted) to ensure compliance and report back in four weeks for further legislative action.