



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

Wednesday, 5th July, 2023

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

ORDERS OF THE DAY

MOTIONS

1. Un-even Disbursement of Half a Trillion Naira Loan to the Six Geo-Political Zones by the Development Bank of Nigeria.

Sponsor: Sen. Ndume, Mohammed Ali (*Borno South*)

Co-Sponsors: Sen. Bomai, Ibrahim Mohammed (*Yobe South*) Sen. Alhaji, Ya'u Sahabi (*Zamfara North*)

The Senate:

Notes a huge disparity and un-even disbursement of half a trillion Naira loan to the Six Geo-Political Zones of Nigeria and the States in the country in 2021 by the Development Bank of Nigeria;

Aware that the Bank's Annual Integrated Statutory Report 2021 obtained on 13th July, 2022, from the organization's website showed that the bank disbursed a loan worth Four Hundred and Eighty Three Billion Naira (₦483, 000, 000, 000) only out of which only 11% went to the 19 states of Northern Nigeria, while 47% went to Lagos State alone;

Also aware that the 11% of the loan that went to the North totals about Fifty Three Billion, One Hundred and Thirty Million Naira (₦53, 130, 000, 000) while the 47 percent that went to Lagos State alone totals Two Hundred and Twenty Seven Billion and Ten Million Naira (₦227, 010, 000, 000) only;

Observes that the loans were given out to the Six Geopolitical Zones and data showed that the South-West accessed the lion's share 57% of the total loan, which is estimated to be around Two Hundred and Seventy Four Billion, Seven Hundred and Forty Million Naira (₦274, 740, 000,000) only;

Worried that the South-South Zone accessed 17%, which is roughly Eighty One Billion, Nine Hundred and Forty Million Naira (₦81, 940, 000, 000) only; the Federal Capital Territory (FCT) and the North-Central Zone accessed 11%, which is Fifty Three Billion and Twenty Million Naira (₦53, 020, 000, 000) only, the South-East Zone accessed a paltry 9%, which is roughly Forty Three Billion, Three Hundred and Eighty Million Naira (₦43, 380, 000, 000) only while the North-West which has 5% accessed Twenty Four Billion, One Hundred Million Naira (₦24, 100, 000, 000) only and the North-East accessed only 1%, the least share of the total loan at roughly Four Billion, Eight Hundred and Twenty Million Naira (₦4, 820, 000, 000) only;

Recalls that the Development Bank of Nigeria exists to alleviate financing constraints being faced by Micro, Small and Medium Scale Enterprises (MSMEs) in Nigeria through providing finance, partial credit guarantees, and technical assistance to eligible financial intermediaries on a market-conforming and fully financially sustainable basis; and

Also notes that the top five sectors considered for the loan are oil and gas (42.0%), Manufacturing (16.0%), agriculture, forestry and fishery (7.2%), trade and commerce (6.3%), and transportation and storage (3.5%),

Accordingly resolves to:

Set up an Ad-hoc Committee to carry out a holistic investigation into the matter and report back to the Senate in Four Weeks for further legislative action.

2. **Urgent Need to Intervene in the Flooding Issues in Sagamu, Ijebu Areas of Ogun East Senatorial District, Ogun State, Edu and Patigi Areas of Kwara North Senatorial District of Kwara state and other parts of the country.**

Sponsor: Sen. Gbenga, Daniel (Ogun East) and Sen. Umar, Sadiq Suleiman (Kwara North)

The Senate:

Notes that the Nigerian Meteorological Agency (NiMET) had forecasted that the level of rainfall in 2023 would surpass that of 2022;

Also notes that the 2023 annual flood outlook prepared by the Nigeria Hydrological Services Agency showed that 178 Local Government Areas in 32 states and the FCT fell within the highly probable flood risk areas;

Aware that Lagos, Ogun and Kwara States, in particular, would witness coastal flooding due to the tidal lock of the Ogun River by Lagos Lagoon from a natural rise in sea level, coupled with the possible release of excessive water from the Oyan dam;

Also aware that several communities in Ogun and Kwara States, particularly Owa and Yemule riverbanks in Ijebu-Ode, Eruwuru in Sagamu and Ebute Kimobi in Ijebu East, all in Ogun East Senatorial District with Edu and Patigi Local Government Area in Kwara North Senatorial District will experience the first flash floods due to heavy rainfall between July and November 2023;

Concerned that all over Nigeria, downpours had resulted in destructions and deaths as residents of Lagos Island and Mainland in Lagos state were displaced; business owners and residents were displaced in Uyo, Akwa Ibom state; reported death in Enugu due to surge; a 10-year old swept away by flood in Delta; and the very devastating erosion effects at Trademore Estate, Lugbe-Abuja;

Also concerned that a 14-year old secondary school student died and several others reportedly swept away in a heavy downpour that affected major parts of Sagamu such as Ajaka, Express Junction, Olayinka, Ogunyanwo and Isale-Ojumele;

Further concerned that if the impending floods when the rain really starts in September to November 2023 is not check-mated through proper planning, there could be the danger of a huge loss of lives and properties; and

Informed that climate change and global warming have led to increase in temperature thus affecting the coastlines, which has resulted in an increase in the water in the sea,

Accordingly resolves to:

- i. *Constitute an Ad-hoc Committee to liaise with relevant Ministries, Departments and Agencies to put in place erosion prevention and management mechanisms;*
- ii. *Urge relevant Ministries, Departments and Agencies to release funds for dredging of blocked canals and water bodies amongst others;*

- iii. *Also urge* the Federal Ministry of Water Resources to revisit the proposed construction of Dasin Hausa Dam and any other Dams as the case may be to take in the flood waters from Lagdo Dam in Cameroun; and
 - iv. *Further urge* National Emergency Management Agency (NEMA) to send Relief Material to the affected victims in Sagamu, Ijebu Areas of Ogun East Senatorial District, Ogun State, Edu and Patigi Local Government of Kwara state and other parts of the country.
3. Urgent Need to Investigate the various Turn around Maintenance Projects of Nigerian Refineries in order to Uncover Waste and forestall further Waste of Scarce Public Resources.

Sponsor: Sen. Karimi Sunday Steve (*Kogi West*)

The Senate:

Aware that State owned Refineries in Nigeria have been a serious drain pipe of public finance, depriving the citizens of the joy of being an oil producing nation. Between 2010 to date Nigeria is estimated to have spent N 11.35 trillion (N 11,349,583,186,313.40) excluding other cost in other currencies which include \$592,976,050.00, 4,877,068.47 Euros and 3,455,656.93 Pounds, on renovation of refineries, yet they are unproductive;

Also aware that the Federal Government of Nigeria has spent over N6 Trillion Naira between 2010 and 2020 on fuel subsidy due to Nigeria's Low refining capacity and has spent almost twice the amount on rehabilitating (Turn Around Maintenance Projects) its Refineries in Port Harcourt, Kaduna and Warri between 2010 and 2022. That despite the moribund state of the four refineries, the operating costs of these refineries between 2010 and 2020 is estimated at N 4.8 Trillion Naira. The refineries are estimated to make cumulative loss of N 1.64 Trillion within 4years;

Concerned that the Federal Government of Nigeria has carried out rehabilitation projects in Port Harcourt Refinery Company (PHRC) over a period of seven (7) years from 2013-2019 at an estimated cost of N 12, 161, 237, 811.61 only, in addition, on the 18th March 2021, a rehabilitation Contract was executed between NNPC/PHRC and Tencnimont SPA at a Lump Sum of \$1, 397, 000, 000.00 only (about N575billion Naira) amidst global public criticism. Phase 1 of the Project is expected to be completed in 28th Months after the contract, Phase 2 within 24 months and Phase 3 within 44 months of execution. Despite this, the Port Harcourt Refinery remains a money pit. Going by projections and representations from NNPC the renovation works ought to be completed and operations of the Refinery commenced by June 2023;

Perturbed that in a bid to revitalize the Warri Refinery, the Federal Government has injected huge Public funds into revamping Warri Refinery & Petrochemical Company limited to the tune of over N28, 219, 110, 067.10 between 2014 and 2019. That particularly, around the 24th June 2022 the Federal Executive Awarded Maintenance Services for Quick Fix Repairs of Warri Refinery to Daewoo Engineering and Construction Limited at \$497, 328, 500.00, yet at the moment the Warri Refinery is inactive. This is different from the 2017 contract award to Saipem Contracting Nigeria Limited for Tech Plant Survey of the Warri and Kaduna Refineries at 2, 025, 000.32 Euros;

Disturbed that the Kaduna Refinery and Petro-Chemical Company (KRPC) has over the past 10years gulped N 2, 266, 248, 434.00 in the name of rehabilitation, yet the Refinery remains unproductive. Nigerian National Petroleum Company Limited (NNPCL) approved a \$741million renovation deal with Daewoo Engineering and Construction Limited to renovate Kaduna Refinery in February 2023 and it is intended to restore the refinery to production of 110, 000 barrels of petrol per day (at least 60percent capacity) by early 2024; and

Worried that if a thorough investigation of the past and current rehabilitation project is not undertaken by the Senate, the circle of awarding unproductive turn around maintenance contracts may not abate, thereby retaining the *status quo* where rehabilitation contracts have become conduit pipes for siphoning public funds, whilst Nigerian citizens continue groaning over the high cost of petroleum products due to the moribund situation of the State owned refineries, even as the World gravitates towards Green/Clean Energy Sources,

Accordingly resolves to:

- i. Set up an Ad-hoc Committee to-
 - a. *Investigate* all Contracts awarded for the rehabilitation of all the State Owned Refineries between 2010 and 2023;
 - b. *Conduct* an oversight visit to all the State owned Refineries to ascertain progress on the ongoing works in order to forestall waste and corruption and to interrogate the Federal Ministry of Petroleum Resources, The NUPRC, NNPC, BPE on the best approach to commercializing and/or ensuring profitability of the State owned Refineries; and
 - c. *Invite* the NNPC, NUPRC and LNG to explain the nation's preparation for Green Energy Sources in line with the Paris Agreement on Climate Change.

4. Urgent Need to Rehabilitate the Calabar - Oban - Ekang Road in Cross River State.

Sponsor: Sen. Asuquo, Ekpenyong (*Cross River South*)

The Senate:

Notes that the Calabar - Oban - Ekang Road which is the major link between the southern parts of Nigeria, through Cross River State to Cameroon, and an important transport corridor and commercial gateway, has been completely cut off;

Also notes that the road has suffered the worst form of neglect in the history of road maintenance and rehabilitation in Nigeria despite having featured in successive budgets as capital projects without execution even when the contract for the rehabilitation has been awarded;

Worried that Setraco Nigeria Limited which was awarded the contract for the rehabilitation of the Calabar - Oban - Ekang Road, long before now, has not mobilized to site, despite the deplorable state of the road, even with the provision of ₦250, 000, 000 in the 2023 Appropriation Act, as an ongoing project;

Deeply worried that the current state of the road is a sad commentary on the state of the highways in Nigeria, thus painting an unsavoury picture of the country's deteriorating culture of road maintenance; and

Disturbed that the road which has completely become non-motorable and impassable as a result of a long period of neglect has made it impossible for humans, goods and services to move along that route which also provides access to a major location for cocoa and oil palm plantations,

Accordingly resolves to:

- ii. *Urge* the Federal Ministry of Works and Housing to review the ongoing contract for the rehabilitation of the Calabar - Oban - Ekang Road awarded to Setraco Nigeria Limited and fund the project to enable the contractor to commence and complete the rehabilitation works;
- iii. *Also urge* the Federal Roads Maintenance Agency (FERMA) to carry out emergency repairs of the totally failed and impassable portions of the Calabar - Oban - Ekang Road; and
- iv. *Mandate* the Committees on Works, FERMA and Legislative Compliance (when constituted) to interface with the Federal Ministry of Works and Housing to ascertain the reason for the delay in execution of the rehabilitation project and to ensure compliance.