

SENATE OF THE FEDERAL REPUBLIC OF NIGERIA ORDER PAPER

Tuesday, 28th May, 2024

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

BUSINESS OF THE DAY

PRESENTATION OF BILLS

- 1. Chartered Nigerian Institute for Industrial Security Bill, 2024 (HB. 505) *First Reading* Sen. Bamidele, Michael Opeyemi (*Ekiti Central-Senate Leader*).
- 2. National Institute for Drug Awareness and Rehabilitation (Establishment) Bill, 2024 (SB. 449) *First Reading* Sen. Rufa'i, Sani Hanga (*Kano Central*).
- 3. Constitution of the Federal Republic of Nigeria 1999 (Alteration) Bill, 2024 (SB. 462) First Reading Sen. Kalu, Orji Uzor (Abia North).
- 4. Pension Reform Act 2004 (Amendment) Bill, 2024 (SB. 463) First Reading Sen. Oluwole, Fasuyi Cyril (Ekiti North).
- 5. Agricultural Research Council of Nigeria Act (Amendment) Bill, 2024 (SB. 464) First Reading Sen. Saliu, Mustapha (Kwara Central).
- 6. Federal Institute for Marine Transport and Blue Economy (Establishment) Bill, 2024 (SB. 465) First Reading Sen. Olubiyi, Fadeyi Oluwole (Osun Central).

ORDERS OF THE DAY

CONSIDERATION OF BILLS

- 1. A Bill for an Act to Amend the Federal Medical Centres Act; and for other matters connected therewith, 2024 (HBs. 91, 172, 222, 670, 799 & SBs. 142, 146, 167, 176, 197, 198, 199, 274, 278, 283, 285, 303, 311, 315, 319, 327 & 355) Second Reading
 - Sen. Bamidele, Michael Opeyemi (Ekiti Central-Senate Leader) Consolidation of Bills.
- 2. A Bill for an Act to Establish Federal College of Education, Nsugbe; and for other matters connected therewith, 2024 (SB. 201) Second Reading Sen. Nwoye, Tony (Anambra North).

PRESENTATION AND CONSIDERATION OF A REPORT

1. Report of the Committees on Judiciary, Human Rights & Legal Matters and Federal Character & Inter-Governmental Affairs

National Anthem Bill, 2024 (SB. 461)

Sen. Monguno, Mohammed Tahir (Borno North)

2. - That the Senate do receive and consider the Report of the Committees on Judiciary, Human Rights & Legal Matters and Federal Character & Inter-Governmental Affairs on the National Anthem Bill, 2024 (SB. 461).

MOTIONS

1. Urgent Need to Mitigate the Adverse Effects of Sugar-Sweetened Beverage (SSB) consumption on public health and enhance revenue generation through excise taxation, with emphasis on collaboration, synergy, and accountability between Government Ministries and Industry Stakeholders in promoting healthier beverage options and sustainable practices.

Sponsor: Sen. Banigo, Ipalibo Harry (Rivers West)

The Senate:

Recalls that in July 2022, the Nigeria Customs Service began enforcing the N10 per liter excise duty on sugar-sweetened beverages (SSBs), in line with the provisions of the Finance Act, 2021 and the Excise Duty (Non-alcohol, Carbonated, and Sweetened Beverage Regulations, 2022 ("the Regulations"). This tax, aimed at non-alcoholic sugar-sweetened beverages, serves as a crucial step in addressing the issue of excessive sugar consumption through SSBs. It has been recognized globally as an effective measure in discouraging unhealthy dietary habits by curbing the consumption of free sugars;

Aware that Nigeria is confronting a growing obesity epidemic and Sugar-Sweetened Beverage consumption plays a significant role in this crisis. It is estimated that approximately, 21 million Nigerian adults aged 15 and above are overweight, with an additional 12 million falling into the obesity category. It is well established that obesity is a risk factor for numerous health issues, including cardiovascular diseases, type 2 diabetes, hypertension, certain cancers, and other non-communicable diseases (NCDs) linked to the high consumption of SSBs;

Also aware that Nigeria's healthcare system already faces substantial challenges; the escalating cases of non-communicable diseases (NCDs) linked to SSB consumption further strains the system's resources. Based on the National Health Accounts, 2017, over N1.5 trillion was spent on NCDs in Nigeria. Worse still, individuals paid three-quarters of this expenditure out-of-pocket (FMOH, 2017), exacerbating the economic burden on affected individuals and the healthcare sector shouldering the bulk of the burden when it comes to the health problems linked to SSB consumption;

Notes that Nigeria shoulders a substantial portion of the productivity losses attributed to illnesses in low and middle-income countries (LMICs), amounting to approximately 50.9%, according to the WHO, in 2019. Its effect not only reduces the quality of life of affected individuals, but it is one of the leading sources of reduced work productivity impacting negatively on the nation's economy;

Also notes that the revenue-generating capacity of the Sugar-Sweetened Beverage tax presents an opportunity to allocate funds towards health promotion endeavors and initiatives targeting the prevention and management of non-communicable diseases. Empirical data highlights the potentials of SSB taxes to generate significant revenues, depending on factors such as the tax rate and the price elasticity of demand for these beverages;

Recognizes that Sugar-Sweetened Beverage taxes are widely acknowledged as an effective strategy for discouraging the overconsumption of these unhealthy beverages, governments worldwide are increasingly adopting higher SSB taxes to tackle rising health concerns. In 2021, Nigeria joined over 100 other countries in implementing taxes on Sugar-Sweetened Beverages however, the current N10 per liter rate is not adjustable to inflation and insufficient to achieve its public health objective,

Accordingly resolves to:

- i. *Urge* the Minister of Finance and Coordinating Minister for the Economy to activate Sections 193-197 of the Nigeria Customs Service Act, 2023 to set an effective tax rate on Sugar-Sweetened Beverages, immediately commence work on licensing fees for the production of SSB brands in Nigeria, and appropriate penalties for defaulters;
- ii. Also urge the Minister of Finance and Coordinating Minister for the Economy to work with the Ministry of Health and Social Welfare's Inter-ministerial ad-hoc committee to begin the needed conversation of earmarking these funds for public health;
- iii. *Mandate* the Committee on Legislative Compliance to ensure adherence to SSB taxation regulations and reinforce accountability and transparency in the implementation process;
- iv. *Further urge* the Ministry of Finance to conduct a comprehensive review of the excise duty rate on sugar-sweetened beverages (SSBs) implemented by the Nigeria Customs Service;
- v. Engage the Ministry of Industry, Trade, and Investment in promoting the reformulation of SSBs consumed in Nigeria. This could include providing incentives for the production of sugar-free beverages, supporting research and development in beverage innovation, and fostering partnerships with domestic and international stakeholders to advance sustainable and health-conscious practices in the beverage sector;
- vi. Equally urge the Nigeria Customs Service to enhance efforts to maximize revenue collection from the excise duty on sugar-sweetened beverages by improving enforcement mechanisms, streamlining administrative processes, and addressing tax evasion and smuggling activities that undermine revenue generation, and appropriate penalties for defaulters;
- vii. Again urge the Ministry of Agriculture and Rural Development to explore opportunities for diversifying agricultural production towards healthier alternatives to Sugar-Sweetened Beverages.
- 2. Urgent Need to stop Gas Flaring and Enforce Anti-Gas Flaring Regulations in Ndokwa / Ika Land and the Niger Delta Region.

Sponsor: Sen. Nwoko, Ned Munir (Delta North).

The Senate:

Notes that Nigeria joined the league of oil and gas-producing countries in 1956 after the discovery of oil in commercial quantities in Oloibiri, Bayelsa State. As of today, the country ranks as the 12th largest producer of natural gas in the world and the second largest in Africa, with an annual production of 3.01 billion standard cubic feet;

Also notes that in the petroleum industry, gas flaring represents the loss of raw natural gas when associated gas is extracted. This loss may result from inadequate gas extraction, processing, and transportation infrastructure. Some oil and gas companies prefer to flare gas as it prevents the over-pressuring of industrial plant equipment;

Further notes that gas flaring, a common practice in the oil and gas industry is associated with wasted energy and environmental concerns, a harmful practice which negatively impact on the host communities and a huge source of economic loss to our country at large;

Informed that Data from the National Oil SPILL Detection and Response Agency (NOSDRA) showed that from January to November 2022, Nigeria flared an estimated 5.6 billion standard cubic meters of gas valued at \$685 million. The Federal Government lost about N843 billion to gas flaring between January 2022 and August 2023 and cumulatively wasted 9 trillion naira in revenue through gas flaring in the last 10 years;

Aware that Nigeria's economic mainstay is its oil; however, the poor handling of companies in the sector by regulating authorities has turned it into a mixed bag of fortune for its citizens, especially the suffering host communities in NDOKWA WEST LGA, NDOKWA EAST LGA, UKWUANI LGA, IKA NORTH-EAST LGA, IKA SOUTH LGA and some parts of EFFURUN, all in DELTA STATE. These communities are subjected to untold hardship and unabated health hazards caused by worsening gas flaring. Today, this harmful practice has resulted in the deaths of no fewer than 300 persons in the last one year with many hospitalized due to excessive emissions of carbon dioxide in their communities;

Observes that the Petroleum Industry Act, 2021 was enacted to complement the Environmental Impact Assessment (EIA) Act, the Environmental Guidelines and Standards For The Petroleum Industries in Nigeria (EGASPIN), and the Local Content Act, to regulate the oil industry, protect the hosts communities and penalize companies engaging in gas flaring and ensure that The Zero Routine Flaring by 2030 is achieved;

Disturbed that despite the penal provisions of the Petroleum Industry Act and the supervisory role of the Nigeria National Petroleum Company Limited (NNPCL), along with many commitments to take action, the race to Zero Routine Flaring by 2030 in Nigeria is undermined by inconsistent policies, weak implementation, and an apparent lack of political will by successive administrations. Sadly, between 1969 and 2020, deadlines to end gas flaring in the Niger Delta region were changed 10 consecutive times;

Also disturbed that the penalties, as enshrined in the Petroleum Industry Act for gas flaring, are ridiculously too low. This encourages oil companies to continue in breach, relentlessly exposing host communities to strange diseases and untimely death, withered farmlands, hunger, starvation, and despair, with little or no repercussion ensuing from these actions;

Worried that according to NOSDRA, the current penalty for gas flaring in Nigeria officially stands at \$2 per 1,000 standard cubic feet (scf). Companies producing more than 10,000 barrels per day (bpd) pay a fine of \$2 per 1,000 scf of gas flared, while companies producing less than 10,000 bpd pay a fine of \$0.5 per 1,000 scf;

Cognizance of Section 88 of the Constitution of the Federal Republic of Nigeria 1999 (with alterations), which mandates the National Assembly to conduct oversight functions on any matter in the Exclusive Legislative List, including the protection of lives and properties,

Accordingly resolves to:

- i. *Urge* the Federal Government to urgently enforce the prohibition against flaring and venting of Natural gas as provided in the Petroleum Industry Act, 2021;
- ii. Also urge the Federal Government to ensure that the estimated \$2million dollars per day being lost to gas flaring be converted and commercialized to fund the national budget conveniently without resorting to borrowing.
- iii. Call upon the Oil Companies operating in Ndokwa East, Ndokwa West, Ika South, Ika North East and the entire Niger Delta region to immediately switch to OP16 GAS TURBINE which utilizes advanced combustion technology to significantly reduce emission, ensuring a greener, more sustainable flaring solution, and effective resource management;
- iv. *Mandate* the Committees on Environment, Petroleum Recourses (Upstream), Downstream Petroleum Sector and Gas to liaise with the NNPCL and other relevant Agencies to ensure immediate compliance with the Zero flaring Routine and report within Six(6) weeks for further legislative action;
- v. Increase the penalty for gas flaring as a deterrent from further breach; and
- vi. Pay the sum of N100 billion naira only as compensation to the victims of gas flaring in Ndokwa East, Ndokwa West, Ika South, Ika North East and the entire Niger Delta region and ensure that the devastated environment be restored without further delay.

		COMMITTEE MEETINGS		
No.	Committee	Date	Time	Venue
1.	Works	Tuesday, 28th May, 2024	2.00pm	Meeting Room 221 Senate New Building
2.	Aviation	Tuesday, 28th May, 2024	2.00pm	Meeting Room 211 Senate New Building
3.	Local Content	Tuesday, 28 th May, 2024 (Interactive Meeting)	2.00pm	Meeting Room 204 Senate New Building
4.	Niger Delta Affairs	Tuesday, 28 th May, 2024	3.00pm	Meeting Room 107 Senate New Building
5.	Public Accounts	Tue. 28 th – Thur. 30 th May, 2024 (Public Hearing)	2.00pm	Hearing Room 4 White House
6.	Banking, Insurance and Other Financial Institutions	Thursday, 30 th May, 2024 (Public Hearing)	2.00pm	Conference Room 231 Senate New Building
7.	Niger Delta Development Commission (NDDC)	Thursday, 30th May, 2024	3.00pm	Meeting Room 117 Senate New Building
8.	Health (Secondary & Tertiary)	Thursday, 30th May, 2024	3.00pm	Meeting Room 221 Senate New Building
9.	Education (Basic &Secondary)	Thursday, 13th June, 2024	2.00pm	Meeting Room 107 Senate New Building
10.	Privatization	Fri. 14 th & Sat. 15 th June, 2024 (Retreat)		Sheraton Hotel, Ikot- Ekpene, Akwa-Ibom State