



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

Thursday, 27th February, 2020

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

1. Pharmacy Council of Nigeria Act CAP. P17, L FN, 2004 (Repeal & Re-enactment) Bill, 2020 (HB. 334)
- *First Reading*
Sen. Abdullahi, Yahaya Abubakar (*Kebbi North-Senate Leader*).
 2. 1999 Constitution of the Federal Republic of Nigeria (Alteration) Bill, 2020 (SB. 323) - *First Reading*
Sen. Omo-Agege, Ovie Augustine (*Delta Central*).
 3. FCT Customary Court Act 2007 (Amendment) Bill, 2020 (SB. 315) - *First Reading*
Sen. Bamidele, Micheal Opeyemi (*Ekiti Central*).
 4. Medical Rehabilitation Therapists (Reg, etc) Bill, 2020 (SB. 352) - *First Reading*
Sen. Adeola, Solomon Olamilekan (*Lagos West*).
 5. Federal College of Education Ekiadolor (Est, etc) Bill, 2020 (SB. 354) - *First Reading*
Sen. Urhoghide, M. Aisagbonriodion (*Edo South*).
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PRESENTATION OF A REPORT

1. Report of the Committee on Niger Delta
2019 Budget Estimates of the Niger Delta Development Commission (NDDC)
Sen. Nwaoboshi, Peter Onyeluka (*Delta North*)
- That the Senate do receive the report of the Committee on Niger Delta on the 2019 Budget Estimates of the Niger Delta Development Commission (NDDC) - *To be Laid*.
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ORDERS OF THE DAY

CONSIDERATION OF BILLS

1. A Bill for an Act to repeal the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004 and enact the Companies and Allied Matters Act, 2020 to provide for the incorporation of companies, limited liability partnerships, limited partnerships, registration of business names together with incorporation of trustees of certain communities, bodies, associations; and for related matters, 2020 (SB. 251)
- *Second Reading*
Sen. Abdullahi, Yahaya Abubakar (*Kebbi North-Senate Leader*).

2. A Bill for an Act to facilitate the use of Information in Electronic form for conducting Transactions in Nigeria and for connected purposes, 2020 (SB. 155) - *Second Reading*
Sen. Amosun, Ibikunle Oyelaja (*Ogun Central*).
3. A Bill for an Act to prohibit Flaring of National Gas in Nigeria and for matters connected therewith, 2020 (SB. 174) - *Second Reading*
Sen. Akpan, Albert Bassey (*Akwa-Ibom North East*).
4. A Bill for an act to amend the Tertiary Education Trust Fund Act, CAP E4 Act No. 17, LFN 2004 to include Tertiary/Teaching Hospitals and for related matters, 2020 (SB. 90) - *Second Reading*
Sen. Apiafi, Betty Jocelyn (*Rivers West*).
5. A Bill for an act to amend the Industrial Development (Income Tax Relief) Act CAP 17 Laws of the Federation of Nigeria 2004 and for related matters, 2020 (SB. 127) - *Second Reading*
Sen. Mohammed, Sabo (*Jigawa South-West*).

MOTION

1. Urgent need to reduce the gap between Lending Interest Rate and Deposit Interest Rate among Commercial Banks and other Financial Institutions.

Sponsor: Sen. Adeola, Solomon Olamilekan (*Lagos West*)

The Senate:

Notes that interest rate is the amount of interest due per period, as a proportion of the amount lent, deposited or borrowed (called the principal sum). It is the proportion of an amount loaned which a lender charges as interest to the borrower, normally expressed as an annual percentage;

Further Notes that there is a huge divergence between the deposit and lending rates in Nigeria. According to data from the Central Bank of Nigeria, savings deposit rate as at December 2019 was 3.89 percent while the prime and maximum lending rates were 14.99 percent and 30.72 per cent in the same period;

Worried that Nigeria's current lending rate is one of the highest in the world. While the prime lending rate according to the Central Bank of Nigeria Monetary Policy Rate (MPR) is 14.99 per cent, loans are available in the commercial banks and other banks at an interest rate of between 22 and 27 per cent;

Further worried that Nigeria's inflation rate has risen to 11.98 per cent as at December 2019. This is the highest inflation rate between January and December 2019. Latest data from the National Bureau of Statistics also shows that the inflation rate further rose from 11.98 per cent in December 2019 to 12.13 per cent in January 2020. This development negatively affects the deposits of commercial bank customers in addition to the low interest rates on deposits;

Disturbed that the interest rate spread in some other African countries are not as wide as that of Nigeria. For instance, in Kenya, the deposit rate, savings rate and lending rate as at September 2019 were 6.89 per cent, 4.58 per cent, and 12.47% respectively. South Africa's overnight deposit rate and lending rate as at February 20th, 2020 were 6.34 per cent and 9.75 per cent respectively;

Further disturbed that the base rate in India ranges from 8.45 – 9.40 per cent vis-à-vis a savings deposit rate of 3.25 – 3.50 per cent. Fixed Deposits FDs in India interest rates range from 4.50% p.a. to 5.75% p.a. for deposits with a tenure of 7 days to less than 365 days. These deposits are known as short term deposits as they have a tenure of less than 1 year. Short term Indian Bank FD rates for senior citizens range from 5.00% to 6.25% p.a, but Central Bank of Nigeria is yet to borrow from the good practices of this countries to improve our economy and protect the interest of depositors some of whom are elderly pensioners ;

Aware that the Central Bank of Nigeria is the apex regulatory body for banks and other financial institutions in Nigeria. It is also responsible for setting the bank rate upon which all other interest rates are based;

Further aware that the Central Bank of Nigeria has not done enough in balancing the deposit interest rate and lending rate with the goal of encouraging savings; and,

Concerned that with higher interest rates, interest payments on credit cards and loans are more expensive thereby discourages people from borrowing and spending while those who already have loans will have less disposable income because they spend more on interest payments. The low consumption this usually occasions will affect production in the real sectors of the economy.

Accordingly resolves to:

Mandates the Senate Committee on Finance and Senate Committee on Banking, Insurance and Financial Institutions to investigate the rationale behind the huge difference between deposit and lending interest rates as obtained among commercial banks and other financial institutions.

BILLS FOR CONCURRENCE

1. Electric Power Sector Reform Act 2005 (Amendment) Bill, 2020 (HB. 01) – *Concurrence*
Sen. Abdullahi, Yahaya Abubakar (*Kebbi North-Senate Leader*).
2. FCT Health Insurance Agency (Est, etc) Bill, 2020 (HB. 60) – *Concurrence*
Sen. Abdullahi, Yahaya Abubakar (*Kebbi North-Senate Leader*).
3. Chartered Institute of Treasury Management (Est, etc) Bill, 2020 (HB. 57) – *Concurrence*
Sen. Abdullahi, Yahaya Abubakar (*Kebbi North-Senate Leader*).

COMMITTEE MEETINGS

No.	Committee	Date	Time	Venue
1.	Joint Committee on Local Content, Downstream Petroleum And Legislative Compliance	Thursday, 27 th February, 2020 (Investigative Hearing)	12:00noon	Conference Room 231 Senate New Building
2.	Public Accounts	Thursday, 27 th February, 2020 (Public Hearing)	1:00pm	Senate Hearing Room 4 White House Complex
3.	Establishment and Public Service	Thursday, 27 th February, 2020	2:00pm	Committee Room 117 Senate New Building
4.	Ecology and Climate Change	Thursday, 27 th February, 2020	3:00pm	Committee Room 204 Senate New Building
5.	Lands, Housing and Urban Development	Thursday, 27 th February, 2020	2:00pm	Committee Room 324 Senate New Building
6.	INEC	Thursday, 27 th February, 2020	12:00noon	Committee Room 438 Senate New Building
7.	National Planning and Economic Affairs	Thursday, 27 th February, 2020 (Oversight Visit)	11:00am	National Bureau of Statistics, Abuja
8.	Finance	Friday, 28 th February, 2020	12:00noon	Committee Room 204 Senate New Building

9.	Joint Committee on FERMA Petroleum Downstream & National Planning	Tuesday, 3 rd March, 2020 (Joint Meeting)	12:00noon	Committee Room 107 Senate New Building
10.	Science and Technology	Tuesday, 3 rd March, 2020	2:00pm	Committee Room 324 Senate New Building
11.	Public Accounts	Tue. 3 rd – Thu. 5 th March, 2020 (Public Hearing)	1:00pm	Senate Hearing Room 4 White House Complex
12.	Land Transport	Wednesday, 4 th March, 2020	2:00pm	Committee Room 305 Senate New Building
13.	Ethics, Privileges and Public Petitions	Tuesday, 10 th March, 2020	12.00noon	Committee Room 120 Senate New Building