



HOUSE OF REPRESENTATIVES FEDERAL REPUBLIC OF NIGERIA

ORDER PAPER

Wednesday, 29 July, 2009

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

Supplementary Appropriation Bill, 2009 (HB. 300) (*Executive*) — *First Reading*.

ORDERS OF THE DAY

MOTION

1. **Grant of US \$10 Million Soft Loan to the Democratic Republic of Sao Tome and Principe (DRSTP):**
Hon. Tunde Akogun:
The House:

Notes the request by the President of the Federal Republic of Nigeria, Alhaji Umaru Musa Yar'Adua to the House dated May 5, 2009 for a loan of Ten Million (US 10 million) Dollars from Nigeria to Sao Tome and Principe (DRSTP);

Conscious of the provisions of section 25 (4) of the Debt Management Office (Establishment) Act, 2003 which empowers the National Assembly to approve loans to foreign State by resolutions;

Aware that Nigeria's assistance to Sao Tome and Principe, a strategic maritime neighbour, is anchored in the framework of the Joint Development Zone (JDZ) which will strengthen and consolidate the security in the Gulf region, taking into account the geo-politics of International oil crisis and economic interest of Nigeria;

Acknowledges that the Democratic Republic of Sao Tome and Principe (DRSTP) has a previous record of prompt repayment as was evidenced in the case of similar loan of USS 15million, granted between 2002 and 2004, which was fully repaid according to the terms of the loan in April 2007;

Appreciates the nature of the request, especially the emergency that the Democratic Republic of Sao Tome and Principe (DRSTP) faces and considering the relationship between Nigeria and Democratic Republic of Sao Tome and Principe (DRSTP), the soft loan would be interest free, while the loan would be repaid within four to six (4-6) years;

Further notes that repayment will be from the Production Sharing Contract (PSC), in respect of the Joint Development Zone (JDZ) Oil Concessions, in which there are revenues from Signature Bonuses, Sales of Seismic Data, Royalties and Taxes;

Resolves to:

Approve the granting of the soft loan of US \$10 million Dollars to the Democratic Republic of Sao Tome and Principe (DRSTP).

BILLS

2. A Bill for an Act to further Amend the Certain Political Public and Judicial Office Holders (Salary and Allowances, etc.) Act, 2002 and for Other Related Matters Therein, 2009 (HB. 295) — *Second Reading*.
3. A Bill for an Act to Amend the Transfer of Convicted Offenders (Enactment and Enforcement) Act, Cap. T16, Laws of the Federation of Nigeria, 2004 and for Other Related Matters, 2009 (HB. 230) — *Second Reading*.
4. A Bill for an Act to Regulate Commodities Future Trading in Nigeria Provide for the Establishment of the Commodities Future Trading Commission and for Other Matters, 2009 (HB. 176) — *Second Reading*.

CONSIDERATION OF REPORTS

5. Committee on Communications:

Hon. Dave Salako:

"That this House do consider the Report of the Committee on Communications on the Nigerian Communications Commission (NCC) Statutory Budget, 2009 and approve the Recommendation therein" (*Laid: 28/7/2009*).

NIGERIAN COMMUNICATIONS COMMISSION BUDGET 2009

SUMMARY

The Receipts and Payments accounts for the period ending 31st December, 2009 show budgeted income of ₦31.5Billion while recurrent and capital expenditure are ₦6.1 Billion and ₦7.9 Billion respectively.

A.	Revenue Profile	₦'000
	Licensing Fees	787,500,000
	Annual Operating Levy	18,611,197,000
	Spectrum Fees	6,293,700,000
	Numbering Plan	3,704,208,000
	Admin Charges	35,000,000
	Type Approval Fees	54,035,000
	Investment Income	2,050,000,000
	Sundry Income	30,000,000
	Total Revenue	31,565,639,000
	Balance Brought Forward	8,207,375,000
	Total Funds Available	39,773,014,000
B.	Expenditures	
	Total Recurrent Expenditure	6,123,042,000
	Total Capital Expenditure	7,924,529,000
	Special Projects	
	Wire Nigeria Project	2,650,000,000
	State Accelerated Broad Band Initiative	7,204,465,000
	Total Special Projects	9,854,465,000
	Transfer to Federal Government	6,293,700,000
	Transfer to USPF	7,444,479,000
	Subvention to Digital Bridge Institute (Admin/Operational Costs)	2,000,000,000
	Total Budgeted Expenditure	39,640,215,000
	Budget Surplus	132,799,000

The total budgeted expenditure for the year 2009 is ₦39,640,215,000 (thirty-nine billion, six hundred and forty million, two hundred and fifteen thousand Naira only).

NIGERIAN COMMUNICATIONS COMMISSION BUDGET 2008/2009

SUMMARY

<i>Revenue</i>	<i>Budget 2008</i>	<i>Actual 2008</i>	<i>Budget 2009</i>
Licensing Fees	1,345,981	694,880	787,500
Annual Operating Levy	15,265,997	14,750,612	18,611,197
Spectrum Fees	4,280,715	3,279,320	6,293,700
Numbering Plan	1,945,164	4,284,933	3,704,208
Admin Charges	67,860	181,426	35,000
Type Approval Fees	54,035	82,283	54,035
Investment Income	1,850,000	2,681,810	2,050,000
Sundry Income	30,000	48,995	30,000
Total Revenue	24,839,752	26,004,259	31,565,639
Balance Brought Forward	0	0	8,207,375
Total Funds Available	24,839,752	26,004,259	39,773,014
Total Recurrent Expenditure	3,711,689	3,305,844	6,123,042
Total Capital Expenditure	9,586,560	8,056,399	7,924,529
Special Projects			
Wire Nigeria Project	3,400,000	0	2,650,000
State Accelerated Broad Band Initiative	0	0	7,204,465
Total Special Projects	3,400,000	0	9,854,465
Transfer to Federal Government	5,380,715	3,879,320	6,293,700
Transfer to USPF	6,106,399	5,568,466	7,444,479
Subvention to Digital Bridge Institute (Admin/Operational Costs)	0	0	2,000,000
Total Budgeted Expenditure	28,185,363	20,810,029	39,640,215

The Receipts and Payments Account for the Period Ending 31st December, 2009 Show Budgeted Income of ₦8,751,429; While the Recurrent, Capital and Projects Expenditures Are ₦523,155, ₦16,730 and ₦8,682,903 Respectively.

UNIVERSAL SERVICE PROVISION FUND BUDGET 2009

SUMMARY

<i>Revenue</i>	<i>₦'000</i>
Income from AOL (2009)	7,444,479
Income from AOL (4th Quarter 2008)	1,006,950
Interest from Investment	300,000
	8,751,903
Brought Forward from 2008	1,480,143
Total Funds Available	10,231,572
Total Recurrent Expenditure	523,155
Total Capital Expenditure	16,730

Total Projects (Goals)	8,682,903
Total Budgeted Expenditure	9,222,788

A grand total of ₦523,155,000 (five hundred and twenty-three million, one hundred and fifty-five thousand Naira only), ₦16,730,000 (sixteen million, seven hundred and thirty thousand Naira only) and ₦8,682,903,000 (eight billion, six hundred and eighty-two million, nine hundred and three thousand Naira only) were proposed for recurrent, capital expenditures and projects respectively.

UNIVERSAL SERVICE PROVISION FUND BUDGET 2009

SUMMARY

The receipts and payments account for the period ending 31st December, 2009 show budgeted income of ₦8,751,429; while the recurrent, capital and projects expenditures are ₦523,155, ₦16,730 and ₦8,682,903 respectively.

<i>Revenue</i>	<i>Budget 2008</i>	<i>Actual 2008</i>	<i>Budget 2009</i>
Income from AOL 2007 (4th Quarter)	800,000	800,000	0
Income from AOL 2008 (1st- 3rd Quarter)	4,027,800	4,027,800	0
Income from AOL (2009)	0	0	7,444,479
Income from AOL (4th Quarter 2008)	0	0	1,006,950
Interest from Investment	600,000	600,000	300,000
			8,751,903
Brought Forward	8,526,640	8,526,640	1,480,143
Total Funds Available	13,954,437	13,954,437	10,231,572
Total Recurrent Expenditure	447,476	244,164	523,155
Total Capital Expenditure	27,770	27,760	16,730
Total Projects (Goals)	11,999,046	4,772,426	8,682,903
Total Budgeted Expenditure	12,474,294	5,044,350	9,222,788

6. *Ad-hoc* Committee on the Review of the Recommendations in the Report of the Committee on Power: Hon. Aminu Waziri Tambuwal:

"That this House do consider the Report of the *Ad-hoc* Committee on the Review of the Recommendations in the Report of the House Committee on Power of the and approve the Recommendations therein".

Recommendations:

- (i) Given that Nigeria's power demand in the short, medium and long term is enormous and under the ongoing programme only 10,000MW is projected to be attained by 2010, it is recommended that the government should declare the proposed State of Emergency in the Power Sector immediately and undertake the execution of annual minimum generation and transmission capacity that will attain the Vision 20-2020 goal through joint ventures and direct private sector participation. In this regard, it is recommended that the House of Representatives should timeously support all well meaning initiatives in that regard.
- (ii) Considering the magnitude of funding requirement, which cannot be solely borne by government, the *Ad-hoc* Committee recommends that the model used in the telecommunications sector of the Nigerian economy that has brought about massive private sector investments, efficiency, availability and affordability to the sector be introduced into the Power Sector of the economy. In this regard, the tariff structure in the Power Sector should be substantially deregulated and competition introduced under the guidance of a robust, fair, competent and independent regulatory body. In the transition period before a fully regulated regime, the Regulatory authorities in the Power Sector should avail themselves of the powers under the ESPR Act of 2005 to ensure open access to available transmission and distribution lines and substations at fair, transparent and regulated prices;

- (iii) During the transition period, a flexible licensing regime is hereby recommended to be introduced wherein commercial entities and willing consumer groups should be encouraged to enter into power purchase agreements with Generation and Distribution Companies in which case appropriate tariffs could be introduced which will help in releasing more power into the National Grid;
- (iv) That the ongoing prospective transmission operators proposing to install fresh 132KV or 33KV transmission infrastructure to overcome identified gaps in existing transmission infrastructure in order to support prospective generation projects and consumer clusters, should be licensed in accordance with the existing laws;
- (v) That henceforth Letters of Credit (LC) for power projects should be for a minimum period of 2 years. This is to assure manufacturers of equipment of our commitment to the execution of those projects. The danger of short tenured Letters of Credit (LCs) is that one could lose one's place on the queue during the interregnum of expiry and renewal of the Letters of Credit given the fact that manufacturing of power equipment are over- subscribed;
- (vi) That the Federal Government should as a matter of urgency, diversify our sources of energy to encompass coal, solar, wind, and nuclear energy;
- (vii) That the modernization of power plants should be carried out and regular training and retraining of personnel undertaken;
- (viii) Having identified policy inconsistencies in the power sector as a major contributor to the country's inability to meet its energy needs. For instance, the practice of not making provisions for completion of ongoing projects in the annual budgets, the *Ad-hoc* Committee recommends that government should pay greater attention to observance of policy consistency, adequate budgetary provisions and funding
- (ix) That government should fast - track the execution of all transmission and other related projects with a view to closing the loop in the National Grid;
- (x) That in view of the high capacity contribution that the Mambilla hydro-electric power project will inject into the national grid and the time already lost, the contractors should be urgently mobilized to enable them commence work;
- (xi) The government should timeously pay adequate compensation to land owners to ensure the delivery of unencumbered sites to eliminate the undue delays in project execution;
- (xii) The government should ensure that in future all conceived projects are properly packaged, participating agency identified and coordination properly networked to avoid difficulties and undue delay in implementation;
- (xiii) That the Revenue Mobilization Allocation and Fiscal Commission is hereby advised to seek out of court settlement especially since legality has returned on the withdrawal of funds from the Federation Account, which is now approved by the various relevant legislative Houses
- (xiv) In view of the fact that funding of the NIPP projects has been resumed and appreciable project execution progress attained as contained in the project status report herewith attached, the relevant House Committee be mandated to step up oversight to ensure the timely completion of the projects;
- (xv) That the services of the company headed by Engr Chinedu Ibekwe, the Consultant to the House Committee on Power should be terminated forthwith for the embarrassment caused the House by employing the medium of Power Committee report to settle personal scores;
- (xvi) That House Committees should at all times exercise due diligence in the procurement of services of Consultants or any employees for that matter to ensure that persons capable of bringing the name of the House into disrepute are excluded. Furthermore committees must realize that in quasi-judicial assignments involving the determination of rights and privileges of persons, due diligence must be employed to adopt a judicial mind knowing not only that justice must be the end but that their decisions may be subject to litigation. In all such instances committees must observe the elementary principles of natural justice.

COMMITTEE MEETINGS

	<i>Committee</i>	<i>Date</i>	<i>Time</i>	<i>Venue</i>
1.	Rules and Business	Wednesday, 29 July, 2009	10.00 a.m.	Committee Room 06 Assembly Complex
2.	Millennium Development Goals	Wednesday, 29 July, 2009	12.00 p.m.	Committee Room 313 New Building (House) Assembly Complex
3.	Works	Wednesday, 29 July, 2009	11.00 a.m.	Committee Room 312 New Building (House) Assembly Complex
4.	Police Affairs (<i>Joint meeting with National Security and Intelligence</i>)	Wednesday, 29 July, 2009	12.00 p.m.	Committee Room 04 Assembly Complex
5.	<i>Ad-Hoc</i> Committee on Constitution Review	Wednesday, 29 July, 2009	4.30 p.m.	Conference Room Deputy Speaker's Office Assembly Complex