



SENATE OF THE FEDERAL REPUBLIC OF NIGERIA

VOTES AND PROCEEDINGS

Wednesday, 25th June, 2008

1. The Senate met at 10.10 a.m. The Deputy Senate President read prayers.
2. **Votes and Proceedings:**
The Deputy Senate President announced that he had examined the Votes and Proceedings of Tuesday, 24th June, 2008 and approved same.

By unanimous consent, the Votes and Proceedings were approved.
3. **Announcements:**
The Deputy Senate President acknowledged the presence of the following who were in the gallery to observe Senate Proceedings:
 - (i) Staff and Students of Thomas Adewumi International College and Preparatory School Oko, Kwara State.
 - (ii) Staff and Students of Capville School, Pyakasa, Abuja.
4. **Petition:**
Senator Adegbo E. Eferakeya presented a petition on behalf of Justice and Peace Commission on the torture to death of late Master Friday Uvianene on 4th February 2008 by the Police at Mararaba Gurku Division, Karu Local Government Area, Nasarawa State.

Petition Laid and, referred to the Committee on Ethics, Privileges and Public Petitions to report within two weeks.
5. **Presentation of Bills:**
 - (i) Armed Forces Act (Supplementary Provisions) Bill 2008 (SB. 104) — *Read the First Time*
 - (ii) Chartered Institute of Commerce (Establishment, etc) Bill 2008 (SB. 124) — *Read the First Time*
6. **Motions:**
 - (i) ***The Escravos Gas To Liquid (EGTL) Project-Motion made:*** That the Senate do note the feasibility studies on the Escravos Gas To Liquid (EGTL) Project was carried out by the Nigerian National Petroleum Corporation (NNPC) in 1998;

Notes also that Escravos GTL Project is to convert over 300 Million cubic feet of natural gas per day to GTL diesel and GTL naphtha. The GTL plant will be located adjacent to the CNL Escravos Gas plant-phase 1 (EGP -I). This plant processes about 150 Million Cubic feet of gas per day and produces LPG for sales to international markets and pipeline quality gas for domestic uses;

Observes also that the NNPC under the leadership of the then Group Managing Director' (GMD). Mr. Jackson G. Obaseki did not capture the exact implication of the project to the then President, Chief Olusegun Obasanjo for approval;

Observes further that the GMD NNPC recommended that NNPC leverage on the EGTL lump sum price of \$675 million cost estimate of \$900 million as a benchmark to ensure that the overall cost of \$1,100 Million was not exceeded, but later approved \$1,050 Million as total cost estimate;

Concerned that the succeeding GMD Engr. Funso Kupolokun on assumption of office discarded his predecessor's position by reviewing the cost estimate which now resulted to huge escalation in the contract value;

Concerned also that a similar project in Qatar has a total estimated cost of about \$592 Million while that of Escravos by NNPC was put at \$2,902 Million against a background of weakened US dollar; inflation, metals price escalation and specific escalators associated with work in Nigeria to the tune of 305 % in less than a year, a figure which has been disputed;

Notes the fact that NNPC may have compromised its integrity by putting up the project for Mr. President's approval and subsequently approving contract on the project without enlisting adequate technical information for the Nigerian Government and her citizens;

Notes also that Sasol, a South African Oil and Gas Company which possesses the patent of the EGL Technology; partners of CNL in the EGTL project has disclosed that the EGTL project will now cost \$6 Billion;

Notes further that preliminary investigations on the projects suggested that the project may cost as much as \$7 Billion and may still be rising;

Accordingly resolves:

Urge its Committee on Gas to commence inquiry and thorough investigation into the activities of the NNPC and Chevron on the Escravos Gas to Liquid Project and report back to the Senate within four weeks (*Senator Osita Izunaso*).

Debate:

Prayer (i):

Question: That the Senate do urge its Committee on Gas to commence inquiry and thorough investigation into the activities of the NNPC and Chevron on the Escravos Gas to Liquid Project and report back to the Senate within four weeks.

Amendment Proposed:

Leave out the words "urge its Committee on Gas to commence" and *insert* the words "Mandate its Committee on Gas to conduct" instead thereof (*Senator Audu Idris Umar*).

Another Amendment Proposed:

Immediately after the word "commence" in line 1, *insert* the word "public" (*Senator Bassey Ewa-Henshaw*).

Question that the amendment be made, put and agreed to.

Prayer (i) as amended put and agreed to.

Resolved:

That the Senate do mandate its Committee on Gas to conduct public inquiry and thorough investigation into the activities of the NNPC and Chevron on the Escravos Gas to Liquid Project and report back to the Senate within 4 weeks (**S. Res/001/2/08**).

(ii) ***The Crisis in Zimbabwe:***

Motion made: That the Senate notes that the crisis in Zimbabwe is assuming frightening dimension hence requires Nigeria and indeed African countries to join hands with the world to call for a free and fair election

Further notes that given the role played by Nigeria in ensuring the independence of countries in Southern Africa particularly Zimbabwe, the country cannot fold its hands and watch the situation to continue to degenerate.

Further notes that Nigeria as the current Chairman of the Human right organ of the United Nations must lend its voice in support of the United Nations Secretary General's call for postponement of the election date from this Friday 27th June, 2008 given the level of violence and intimidation.

Notes further that Zimbabwe harbours about 200,000 Nigerians and as a major player in the continent cannot sit back and watch the country slide into civil war.

Accordingly resolves to:

(i) **Draw** the attention of the President to the humanitarian and political crisis in Zimbabwe.

(ii) **Urge** Mr. President to play a leading role in the resolution of the crisis before the situation generates into a civil war.

(Hi) **Urge** the President to call the government of Zimbabwe to respect the wish of the people and stop political violence, harassment and intimidation.

(iv) **Urge** the President to join hands with the United Nations and other world leaders to resolve the conflict (*Senator Nimi Barigha-Amange*).

Debate:

Prayer (i)

Question: That the Senate do draw the attention of the President to the humanitarian and political crisis in Zimbabwe — *Negatived.*

Prayer (ii):

Question: That the Senate do urge Mr President to play a leading role in the resolution of the crisis before the situation generates into a civil war.

Amendment Proposed:

Leave out the word "generates" in line 2 and insert the word "degenerates" instead thereof (Senator Munirudeen A. Muse).

Question that the amendment be made, put and agreed to.

Prayer (ii) as amended put and agreed to.

Prayer (iii):

Question: That the Senate do urge the President to call the government of Zimbabwe to respect the wish of the people and stop political violence, harassment and intimidation.

Amendment Proposed:

Immediately after the word "Zimbabwe" in line 1, *insert* the words "and all political actors in the crisis" instead thereof (*Senator Uche Chukwumerije*).

Question that the amendment be made, put and agreed to.

Prayer (iv) as amended put and agreed to.

Prayer (iv):

Question: That the Senate do urge the President to join hands with the United Nations and other world leaders to resolve the conflict.

Amendment Proposed:

Leave out the words "and other world leaders to resolve the conflict" in line 2 and *insert* the following instead thereof:

" , African Union and other world leaders to urge President Robert Mugabe to step down" (*Senator Lee Maeba*).

Question that the amendment be made, put and agreed to.

Prayer (iv) as amended put and agreed to.

Another Amendment Proposed:

Insert a new prayer (v) as follows:

Urge the President to join hands with the United Nations and other World leaders in calling for the postponement of the run-up elections in the light of the withdrawal from same, by the opposition parties (*Senator Ibrahim M. Ida*).

Question that the amendment be made, put and agreed to.

Resolved:

- (i) That the Senate do urge Mr President to play a leading role in the resolution of the crisis before the situation degenerates into a civil war;
- (ii) That the Senate do urge the President to call the Government of Zimbabwe and all political actors in the crisis to respect the wish of the people and stop political violence, harassment and intimidation;
- (Hi) That the Senate do urge the President to join hands with the United Nations, African Union and other World leaders to urge President Robert Mugabe to step down; and
- (iv) That the Senate do urge the President to join hands with the United Nations and other World leaders in calling for the postponement of the run-up elections in the light of the withdrawal from same, by the opposition parties (**S. Res/002/2/08**).

5. Report of the Review of the Revenue Allocation Formula:

Consideration of Report deferred to another legislative day.

6. Niger Delta Development Commission (NDDC):

Consideration of Bill deferred to another legislative day.

7. Repeal of the Nigerian Accounting Standards Board Act No. 22 of 2003 and the enactment of the Financial Reporting Council of Nigeria Act and for Related Matters, 2008:

Consideration of Bill deferred to another legislative day.

8. Adjournment:

Motion made: That the Senate do adjourn till Thursday, 26th June, 2008 at 10.00 a.m(*Senate Leader*).

Adjourned accordingly at 1.20p.m.

Ike Ekweremadu, CON
Deputy Senate President