



HOUSE OF REPRESENTATIVES FEDERAL REPUBLIC OF NIGERIA

VOTES AND PROCEEDINGS

Thursday, 28 April, 2005

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1. The House met at 11.20 a.m. Mr Deputy Speaker read Prayers.
 2. **Votes and Proceedings:**
Mr Deputy Speaker announced that he had examined and approved the Votes and Proceedings of Wednesday, 27 April, 2005.

By unanimous consent, the Votes and Proceedings was adopted.
 3. **Announcements:**
 - (i) **Visitors:**
Mr Deputy Speaker acknowledged the presence in the Gallery of Members of a Youth Forum and Supporters Group from Irepodun/Isin/Ekiti/Oke-Ero Federal Constituency associated with Hon. Gbenga Makanjuola.
 - (ii) **Bereavement:**
Mr Deputy Speaker announced with deep regret, the death of the father of Hon. F. A. Adegoke which said event took place on Tuesday, 29 March, 2005. He called for prayers and a minute in silence in honour of Pa Adegoke.

(Hon. Olaka Nwogu rendered prayers for the repose of the soul of the deceased and a minute in silence observed in his honour).
 4. **Petitions:**
The following petitions were received and referred to Committee on Public Petition.
 - (i) Hon. Essien Ayi, from C. O. Edem, praying the House to intervene in the matter of the wrongful termination of his appointment by the Nigeria Customs Service and grant him the relief sought in the petition;
 - (ii) Hon. Bala Ibn Na'Allah, from Isyaku Garba, a former Staff of State Security Service, praying the House to prevail on the Service to re-instate him;
 - (iii) Hon. Gbenga P. Makanjuola, from Sgt Paul Adegboye, a former Police Officer, praying the House to prevail on the Nigeria Police Force to comply with a Court Order and reinstate him.
 5. **Matter Requiring Immediate Intervention of the House:**
By leave of the House, Hon. Ita Enang referred to the petition he presented to the House on Wednesday, 27 April, 2005, on behalf of Kubwa Residents Association. The Petition prayed the House to prevail on the Minister of the Federal Capital Territory to stop the on-going illegal demolition of residential buildings within Hamza Farm and its environs and to comply with the decision of the Federal Executive Council of 21 July, 2004 on the subject matter. Hon. Enang explained that the illegal demolition of Houses in the affected parts of Kubwa was continuing with the attendant human sufferings and flagrant
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violation of fundamental rights. He prayed the House to consider the plight of Members of the Association with the seriousness it deserved and to adopt a Resolution seeking to halt the demolition exercise.

Chairmen of the Committees on Housing and Urban Development, Federal Capital Territory and Justice mandated to proceed immediately to the Federal Capital Development Authority, consult with the Officials of the Authority and report to the House before adjournment of sitting.

6. Presentation of Bill:

Nigeria Football Federation Bill, 2005 —*Read the First Time.*

7. Presentation of Reports:

(i) Joint Committee on Emergency and Disaster Preparedness, Works and Inter-Governmental Affairs:

Motion made and Question proposed, "That this House do receive the Report of the Joint Committee on Emergency and Disaster Preparedness, Works and Inter-Governmental Affairs on the Inspection Tour of the Landside in Parts of Abia State" (Hon. Jerry Ugokwe).

Question put and agreed to.

Report Laid.

(ii) Joint Committee on Emergency and Disaster Preparedness, and Environment:

Motion made and Question proposed, "That this House do receive the Report of the Joint Committee on Emergency and Disaster Preparedness, and Environment on the Flood/Storm Disaster in Isanlu and Jege Townships, Kogi State". (Hon. Jerry Ugokwe).

Question put and agreed to.

Report Laid.

(iii) Joint Committee on Emergency and Disaster Preparedness, and Environment:

Motion made and Question proposed, "That this House do receive the Report of the Joint Committee on Emergency and Disaster Preparedness, and Environment on the Rainstorm, Disaster in Warake, Owan Local Government Area of Edo State and the Benin High Court Building Fire Disaster" (Hon. Jerry Ugokwe).

Question put and agreed to.

Report Laid.

(iv) Committee on Environment :

Motion made and Question proposed, "That this House do receive the Report of the House Committee on Environment on A Bill for an Act to Provide for the Establishment of the National Oil Spill Detection and Response Agency; and for Matters Connected Therewith, 2004" (Hon. Emeka Atuma).

Question put and agreed to.

Report Laid.

8. Privatisation of ALSCON:

Motion made and Question proposed,

"The House notes that,

the bid opening of the ALSCON privatization was done on 14th day of June; 2004;

two companies, namely BFI Group corporation of USA and Dayson Holdings Ltd (Rusal of Russia) participated in the opening of the bid;

Rusal of Russia was disqualified because the company did not comply with the signed tripartite pre-bidding Rules of the bid process;

the BFI Group corporation of USA eventually won the bid at a price of \$410 million and was declared the preferred bidder;

the said tripartite Rules of the Bid signed by the BPE, BFI Group corporation of USA and RUSAL on 20th day of May 2004, made provision for the payment of the bid price by the winner, thus-that 10% of the bid price shall be paid within 15 working days of signing the Share Purchase Agreement (SPA). That the outstanding 90% of the bid price to be paid within 90 calendar days thereafter;

the Share Purchase Agreement (SPA) was still being negotiated between the BPE and BFI Group corporation of USA, when the BPE wrote to the company purporting to terminate their won bid on behalf of the Federal Government;

the purported termination of the won bid was without any valid or legal reason;

a day after the BFI Group won their bid, instruction came from the president to Minister of power and steel, Director General BPE and Chairman Technical Sub-Committee of NCP to recall the disqualified Rusal of Russia to re-negotiate and sell ALSCON to them;

from the negotiations that are going on now with Rusal, it is obvious that the interest the presidency has in Rusal, warranted the termination of the hard won bid of BFI Group corporation of USA without any valid reason;

recognising that the said Rusal has come down from its initial conditional bid price of \$205 million to a paltry sum of \$160 million; and that from the preferred bidder's (BFI Group) price of \$410 million to the agreed sale to Rusal at \$160 million now, the Nation is losing the sum of \$250 million;

the conduct of the Presidency in inducing the termination of BFI Group corporation of USA bid and fraudulently attempting to sell the ALSCON to Rusal at a very low price, without competitive and transparent bidding process, amounts to corruption and fraud to the Nation;

Resolves:

- (i) that the President who ordered the re-negotiations with Rusal of Russia should direct the BPE and NCP and/or any other Agency/Ministry of Government to discontinue all negotiations with Rusal of Russia, as sale to the said company in a non-competitive bid at the price of \$160 million is a fraud and not in the interest of the Nation;
- (ii) that the President in the interest of justice, equity and transparency should allow the preferred bidder in ALSCON Privatization-BFI Group corporation of USA, to sign the Share Purchase Agreement (SPA) and commence the payment of the bid price (\$410 million) in accordance with the signed pre-bid Rules of 20 May, 2004 between BPE, BFI Group corporation of USA and Rusal of Russia. Or in the alternative to call for a fresh open competitive bid with not less than \$410 as the reserved price;
- (iii) condemn the conduct of the presidency in ALSCON Privatization which is capable of casting a slur or creating bad image internationally, for our Privatization and Commercialization processes, which will in turn scare away the much needed foreign investors for which the President has made so much travels at the expense of the Nation as well as Nigerians in diaspora who may be wishing to invest in the country;
- (iv) that this resolution be communicated to the Senate for concurrence in the interest of the Nation” (*Hon. N. C. Ughanze and 20 Others*).

Debate:

Amendments Proposed:

- (i) *Leave out* all the words in prayer (ii) and *insert* as follows:
“Mandate the Committee on Privatisation and Commercialization to conduct a Public Hearing on the privatisation process of the company and report to the House”(Hon. Abike Dabiri).

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

- (ii) *Leave out* prayers (iii) and (iv) (*Hon. Idris Abdullahi*).

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

Main Question, as amended, put and agreed to.

The House noted that,

the bid opening of the ALSCON privatization was done on 14th day of June; 2004;

two companies, namely BFI Group corporation of USA and Dayson Holdings Ltd (Rusal of Russia) participated in the opening of the bid;

Rusal of Russia was disqualified because the company did not comply with the signed tripartite pre-bidding Rules of the bid process;

the BFI Group corporation of USA eventually won the bid at a price of \$410 million and was declared the preferred bidder;

the said tripartite Rules of the Bid signed by the BPE, BFI Group corporation of USA and RUSAL on 20th day of May 2004, made provision for the payment of the bid price by the winner, thus-that 10% of the bid price shall be paid within 15 working days of signing the Share Purchase Agreement (SPA). That the outstanding 90% of the bid price to be paid within 90 calendar days thereafter;

the Share Purchase Agreement (SPA) was still being negotiated between the BPE and BFI Group corporation of USA, when the BPE wrote to the company purporting to terminate their won bid on behalf of the Federal Government;

the purported termination of the won bid was without any valid or legal reason;

a day after the BFI Group won their bid, instruction came from the president to Minister of power and steel, Director General BPE and Chairman Technical Sub-Committee of NCP to recall the disqualified Rusal of Russia to re-negotiate and sell ALSCON to them;

from the negotiations that were going on now with Rusal, it is obvious that the interest the presidency has in Rusal, warranted the termination of the hard won bid of BFI Group corporation of USA without any valid reason;

recognising that the said Rusal had come down from its initial conditional bid price of \$205 million to a paltry sum of \$160 million; and that from the preferred bidder's (BFI Group) price of \$410 million to the agreed sale to Rusal at \$160 million now, the Nation was losing the sum of \$250 million;

the conduct of the Presidency in inducing the termination of BFI Group corporation of USA bid and fraudulently attempting to sell the ALSCON to Rusal at a very low price, without competitive and transparent bidding process, amounts to corruption and fraud to the Nation;

Resolved:

- (i) that the President who ordered the re-negotiations with Rusal of Russia should direct the BPE and NCP and/or any other Agency/Ministry of Government to discontinue all negotiations with Rusal of Russia, as sale to the said company in a non-competitive bid at the price of \$160 million is a fraud and not in the interest of the Nation;
- (ii) to mandate the Committee on Privatization and Commercialization to conduct a Public Hearing on the Privatization process of the company and report to the House (*HR. 16/2005*).

9. **A Bill for an Act to Authorize the Issue Out from the Federation Account; the Consolidated Revenue Fund of the Federal Government, and the Internally Generated Revenue Account of the Federal Capital Territory; the Sum of ₦52,660,195,390.00 (Fifty-Two Billion, Six Hundred and Sixty Million, One Hundred and Ninety-Five Thousand, Three Hundred and Ninety Naira) Only of which the Sum of ₦10,798,790,390.00 (Ten Billion, Seven Hundred and Ninety-Eight Million, Seven Hundred and Ninety Thousand, Three Hundred and Ninety Naira) Only is for Personnel Cost and the Sum of ₦5,139,425,000.00 (Five Billion, One Hundred and Thirty-Nine Million, Four Hundred and Twenty-Five Thousand Naira) Only is for Overhead Costs while the Balance of ₦36,721,980,000.00 (Thirty-Six Billion, Seven Hundred and Twenty-One Million, Nine Hundred**

and Eighty Thousand Naira) Only is for Capital Projects for the Service of the Federal Capital Territory, Abuja—*Third Reading:*

Motion made and Question proposed, “That A Bill for an Act to Authorize the Issue Out from the Federation Account; the Consolidated Revenue Fund of the Federal Government, and the Internally Generated Revenue Account of the Federal Capital Territory; the Sum of ₦52,660,195,390.00 (Fifty-Two Billion, Six Hundred and Sixty Million, One Hundred and Ninety-Five Thousand, Three Hundred and Ninety Naira) Only of which the Sum of ₦10,798,790,390.00 (Ten Billion, Seven Hundred and Ninety-Eight Million, Seven Hundred and Ninety Thousand, Three Hundred and Ninety Naira) Only is for Personnel Cost and the Sum of ₦5,139,425,000.00 (Five Billion, One Hundred and Thirty-Nine Million, Four Hundred and Twenty-Five Thousand Naira) Only is for Overhead Costs while the Balance of ₦36,721,980,000.00 (Thirty-Six Billion, Seven Hundred and Twenty-One Million, Nine Hundred and Eighty Thousand Naira) Only is for Capital Projects for the Service of the Federal Capital Territory, Abuja be now read a Third Time” (*Hon. Abdul Ningi*).

Question put and agreed to.

Bill read the Third Time and passed.

10. Adjournment:

That this House do now adjourn till Tuesday, 3 May, 2005 at 10.00 a.m (*Hon. Abdul Ningi*).

Adjourned accordingly at 1.45 p.m.

Austin A. Opara
Deputy Speaker