



HOUSE OF REPRESENTATIVES FEDERAL REPUBLIC OF NIGERIA VOTES AND PROCEEDINGS

Thursday, 19 February, 2009

1. The House met at 10.47 a.m. Mr Speaker read Prayers.
2. **Votes and Proceedings:**
Mr Speaker announced that he had examined and approved the Votes and Proceedings of Wednesday, 18 February, 2009.

By unanimous consent, the Votes and Proceedings was adopted.

3. **Announcements:**

Visitors:

Mr Speaker recognized the presence in the gallery, of:

- (a) The staff and pupils of Learning Springs School, Asokoro, Abuja;
- (b) The staff and students of Lead British International School, Gwarimpa Abuja.

4. **Petition:**

The following petition was received and referred to the Committee on Public Petitions.

Hon. Albert T. Sam-Tsokwa (*Takum/Donga/Ussa Federal Constituency*), from the people of Yanafu Special Development Area, Taraba State, praying the House to prevail on the Federal Government to create a Local Government for the area.

5. **Matters of Urgent Public Importance: Order VIII, Rule 4,**

- (i) Hon. Folake Olunloyo Oshinowo drew the attention of the House to the recent fire disaster that gutted Agbade Market in Ibadan, Oyo State, which destroyed properties worth millions of Naira. She urged the House to debate the matter as one of Urgent Public Importance.

Question put and agreed to.

Matter to stand over till the next Legislative Day.

- (ii) Hon. Samson Positive invited the attention of the House to the deteriorating state of the Federal Government Secondary Schools across the nation. He noted that some of the Federal Government Colleges had been in existence since colonial days and that a good number of eminent personalities in the country attended such schools. He called on the House to debate the matter as one of Urgent Public Importance.

Question put and agreed to.

Matter to stand over till the next Legislative Day.

- (iii) Hon. Henry Dickson drew the attention of the House to the current Constitutional review exercise and noted the need for the House to take the lead on the national discourse. He prayed the House to consider the matter as one of Urgent Public Importance.

Matter to stand over till next Legislative Day.

6. Presentation of Bill:

National Bio-diversity Management Agency Bill, 2009 — *Read the First Time.*

7. Presentation of Reports

Committee on Pension:

- (i) *Motion made and Question proposed*, "That this House do receive the Report of the House Committee on Pensions on a Bill for an Act to Amend the Pension Reform Act, 2004" (*Hon. Rasak Babatunde Adewusi*).

Question put and agreed to.

Report laid.

- (ii) *Motion made and Question proposed*, "That this House do receive the Report of the House Committee on Pension on a Bill for an Act to Establish the Chartered Pension Institute of Nigeria Bill, 2009" (*Hon. Rasak Babatunde Adewusi*).

Question put and agreed to.

Report laid.

8. A Bill for an Act to Establish the Nigeria Hydrological Service Agency and for Matters Connected Therewith, 2008 — *Second Reading:*

Motion made and Question proposed, "That a Bill for an Act to Establish the Nigeria Hydrological Service Agency and for Matters Connected Therewith, 2008 (HB. 122) be now read a Second Time" (*Hon. Tunde Akogun*).

Debate:

Question that the Bill be now read a Second Time, put and agreed to.

Bill read a Second Time and referred to the Committee on Water Resources.

9. A Bill for an Act to Establish the Gurara Water Management Authority with Responsibility Among Other Things to ensure sustainable operation and Maintenance of the Gurara Multipurpose Water project and Matters Connected Therewith, 2008 — *Second Reading:*

Motion made and Question proposed, "That a Bill for an Act to Establish the Gurara Water Management Authority with Responsibility Among Other Things to ensure sustainable operation and Maintenance of the Gurara Multipurpose Water project and Matters Connected Therewith, 2008 (HB. 121) be now read a Second Time" (*Hon. Tunde Akogun*).

Debate:

Question that the Bill be now read a Second Time, put and agreed to.

Bill read a Second Time and referred to the Committee on Water Resources.

10. A Bill for an Act to Provide Institutions of Higher Learning and Research and small business with the rights to title to patentable inventions made with Federal Government Resources; Provide a framework for commercial transfer of rights to inventions and for Matters Connected Therewith, 2009 — *Second Reading:*

Motion made and Question proposed, "That a Bill for an Act to Provide Institutions of Higher Learning and Research and small business with the rights to title to patentable inventions made with Federal Government Resources; Provide a framework for commercial transfer of rights to inventions and for Matters Connected Therewith, 2009 be now read a Second Time" (*Hon. Dele Obadina*).

Debate:

Question that the Bill be now read a Second Time, put and agreed to.

Bill read a Second Time and referred to the Joint Committee on Education and Commerce.

11. A Bill for an Act to Amend the Ports Act of 1999, Establish a Port and Harbours Authority, Provide for Public Private Partnership Port Operations, Provide for Effective Technical Regulations of the Ports; and Related Purposes 2009 — *Second Reading:*

Order Read; deferred.

12. Consideration of Reports:

(i) *Committee on Agriculture:*

Motion Made and Question proposed, "That this House do consider the Report of the House Committee on Agriculture on a Bill for an Act to Establish the National Food Reserve Agency and for Matters Connected Therewith, 2009 and approve the Recommendations therein" (Hon. Gbenga Makojula).

Question put and agreed to.

Question that the House do resolve into the Committee of Whole to consider the Bill, put and agreed to.

(HOUSE IN COMMITTEE)

(Mr Deputy Speaker in the Chair)

**A BILL FOR AN ACT TO ESTABLISH THE NATIONAL FOOD RESERVE AGENCY
AND FOR MATTERS CONNECTED THEREWITH**

PART I — ESTABLISHMENT OF THE NATIONAL FOOD RESERVE AGENCY AND THE GOVERNING BOARD

Committee Recommendation:

Clause 1: Establishment of the National Food Reserve Agency.

- (1) There is established a body to be known as National Food Reserve Agency (in this Act referred to as "the Agency").
- (2) The Agency shall—
 - (a) be a body corporate with perpetual succession, have a common seal; and
 - (b) capable of suing and being sued in its corporate name (*Hon. Gbenga Makanjula*) — *Agreed to.*

Question that Clause 1 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 2: Establishment and Membership of the Governing Board.

- (1) There shall be for the management of the Agency a governing Board (in this Act referred to as "the Board").
- (2) The Minister of the Federal Ministry of Agriculture and Water Resources shall be the Chairman of the Board—
 - (a) a Chairman;
 - (b) one representative each of the following Federal Ministries and Agencies and shall not be below the rank of a Director:
 - (i) Agriculture and Water Resources;
 - (ii) Finance;
 - (iii) Commerce and Industry;
 - (iv) Agriculture Research Council of Nigeria
 - (v) National Agricultural Seed Council.
 - (c) one representative each from the six geopolitical zones Federation to be appointed in rotation among States of the geopolitical zones; and

(d) the Director-General.

(3) Members, other than ex-officio shall be appointed by the office of the President on the recommendation of the Minister.

(4) The appointment of a Member shall not invalidate any decision by reason of a defect or irregularity in his appointment.

(5) After consultation with the Minister, the President may vary the composition of the Board.

Schedule.

(6) The supplementary provisions set out in the Schedule to this Act shall have effect with respect to the proceedings of the Board and other matters contained therein (*Hon. Gbenga Makanjuola*).

Amendments Proposed:

(i) In subclause (2) (a) retain the original provision in the Bill (*Hon. Terngu Tsegba*).

Question that amendment be made put and agreed to.

(ii) Leave out all the words in subclause (3) and insert the following instead thereof:
"Chairman and members, other than *ex-officio* shall be appointed by the President on the recommendation of the Minister" (*Hon. Ita Enang*).

Question put and agreed to.

(iii) Leave out all the words in subclause (5) (*Hon. Leo Ogor*).

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

Question that clause 2 as amended stand part of the Bill put and agreed to.

Committee Recommendation:

Clause 3: **Qualifications of Members.**

(1) The Chairman and members shall hold the following qualifications—

(a) cognate experience and proven capacity in agricultural policy formulation and implementation;

(b) finance and economics as it relates to agriculture, administration or organization of the affairs of any department of the Ministry and Water Resources;

(c) persons of proven integrity, ability and vast knowledge and experience in their respective endeavours (*Hon. Gbenga Makanjuola*) — *Agreed to.*

Question that Clause 3 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 4: **Tenure of Office.**

Subject to the provisions of section 5 of this Bill, a member other than ex-officio shall hold office—

(a) for a term of four years and no more; and

(b) on any other terms and conditions as may be specified in the letter of appointment (*Hon. Gbenga Makanjuola*) — *Agreed to.*

Question that Clause 4 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 5: **Cessation of membership.**

(1) A person shall cease to hold office as a member if—

- (a) he becomes bankrupt, suspend payments or compounds with his creditors;
 - (b) he is guilty of a serious Misconducts in relation to his duties; or
 - (c) he is convicted by a court of law of a felony or any offence involving dishonesty or frauds; or
 - (d) he becomes of unsound mind incapable of carrying out his duties; or
 - (e) in the case of a qualified professional, he is disqualified or suspended. Other than that at his own request, from practising his profession in any part of the world by an order of a competent authority made in respect of that matters;
 - (f) he resigns his appointment by a letter addressed to the President through the Minister; or
 - (g) he, without the permission of the Board is absent for more than three consecutive meetings of the Board or without such permissions is absent from the country for a period exceeding one year
- (2) If a member cease to hold office for any reason whatsoever, before the expiration of the term for which he is appointed, another person representing the same interest as that member shall be appointed to the Board for his unexpired term.
- (3) A member may be removed by the President if he is satisfied that it is not in the interest of the Agency or in the interest of the public that the member continues in office (*Hon. Gbenga Makanjuola*) — *Agreed to.*

Amendment Proposed:

Leave out all the words in subclause (1) (a) and *insert* the following instead thereof:

"he is adjudged or declared bankrupt under any law in Nigeria or other Country" (*Hon. Samaila Mohammed*).

Question that the amendment be made put and agreed to.

Question that Clause 5 as amended stand part of the Bill put and agreed to.

PART II — FUNCTIONS AND POWERS OF AGENCY

Committee Recommendation:

Clause 6: Functions of the Agency.

The Agency shall—

- (a) implement the overall National Food Reserve Policy to ensure a reliable supply of designated commodities and meet local short falls in supply of designated commodities in the country.
- (b) reduce post harvest losses by construction and management of silos, warehouses and other suitable storage facilities to be installed at such places and ensure the maintenance, availability and functionality of all plants, equipment and ancillary facilities within the country that are, in the opinion of the Minister, strategic and suitable for such storage;
- (c) facilitate and provide guidelines for the establishment and maintenance of buffer stock by all States of the Federation including the Capital Territory in order to ensure price stabilization and food security and correct problems relating to the supply of designated commodities;
- (d) meet such other food emergencies caused by drought or flood, or by such other natural disaster, as may be declared by the President;
- (e) promote and ensure compliance to standard and grades of agricultural produce so as to encourage uniformity in quality of produce, in association with the relevant agencies and as provided for in Weight and Measures Act and Standards Act;

- (f) facilitate the establishment a National Agricultural Market Information System for each designated commodity operated by the Agency for the benefit of the consumer and any person engaged in the production, marketing and processing of that commodity;
- (g) to perform fertilizer regulatory and quality assurance functions as well as develop strategy to enable the private sector take full responsibility for fertilizer procurement and distribution to farmers;
- (h) build capacity of farmer groups and cooperatives to improve access to agriculture support services and facilitate participation development in each Local Government Area including the Federal Capital Territory;
- (i) affordable private sector investment in agriculture produce processing through establishment of cottage industries, export conditioning centres and agro-industrial parks;
- (j) ensure affordable mechanization services to Nigerian farmers through improved Public Private Partnerships in the provision of tractor and farm machinery services;
- (k) collaborate with national and international agencies to promote agricultural development programmes and coordinate donor-support agricultural development programmes and projects implementation in the 36 States of the Federation and the Federal Capital Territory; using the existing extension delivery outfits.
- (l) enhance agriculture extension delivery service through the training of unemployed graduates as Advisory Service Providers and train unemployed youths in all areas of agriculture to enable them become self employed; and
- (m) promote commercialization of agricultural production systems through Public - Private Partnerships and facilitate the provision of enabling environment for sustainable commercial agricultural development (*Hon. Gbenga Makanjuola*) — *Agreed to.*

Question that Clause 6 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 7: Powers of the Board.

- (1) The Board shall have power to—
 - (a) manage and superintend the affair of the Agency and subject to the provisions of this Bill, make, alter and revoke rules and regulations for carrying on the functions of the Agency;
 - (b) fix the terms and conditions for service including remuneration of the employees of the Agency in consultation of the relevant Agencies;
 - (c) establish such number of committees as it deems necessary for the efficient performance of the Agency; and
 - (d) do such other thing which in the opinion of the Agency are necessary to ensure the efficiency performance of the functions of the Agency.
- (2) Notwithstanding anything contrary in this Bill, the Minister shall exercise all the powers of the Board where—
 - (a) the Board has not been constituted;
 - (b) the Board has been dissolved.
- (3) Any action taken or decision reached in compliance with the provisions of subsection 2 of this section shall be valid (*Hon. Gbenga Makanjuola*) — *Agreed to.*

Question that Clause 7 stand part of the Bill, put and agreed to.

Committee Recommendation:**Clause 8: General Directives.**

The President may after consultations with the Minister give to the Board such directives of a general nature with respect to the performance of any function of the Agency (*Hon. Gbenga Makanjuola*) — *Agreed to.*

Question that Clause 8 stand part of the Bill, put and agreed to.

PART III — ESTABLISHMENT OF ZONAL OFFICES**Committee Recommendation:****Clause 9: Establishment of Zonal Offices.**

- (1) There shall be established in each zone as demarcated by the Minister an office (in this referred to as "Zonal Office").
- (2) The Zonal office shall—
 - (a) be headed by a Deputy-Director who shall be responsible for implementing the Agency's programmes in its area of operation;
 - (b) produce quarterly reports which shall be sent to the office of the Director-General;
 - (c) be accountable to the Agency for all the funds accruing to it for purposes of discharging its function under this Act; and
 - (d) perform other duties as may be assigned by the Director.
- (3) The secretary may delegate in writing to any employee his powers or functions under this Act, as he may deem appropriate, but the delegation under this section, shall not prevent the exercise by the secretary of the power so delegated (*Hon. Gbenga Makanjuola*) — *Agreed to.*

Question that Clause 9 stand part of the Bill, put and agreed to.

PART IV — APPOINTMENT OF DIRECTOR-GENERAL AND OTHER STAFF**Committee Recommendation:****Clause 10: Appointment, Qualification and Tenure of Office of Director-General.**

- (1) There shall be appointment for the Agency a Director-General who shall be responsible for the management of the Agency and its day to day administration.
- (2) The Director-General shall be appointed by the President on the recommendation of the Minister.
- (3) The Director-General shall be—
 - (a) the Chief Executive and Accounting officer of the Agency; and
 - (b) perform such other functions as the Board may from time to time direct.
- (4) The Director-General shall hold office for a term of five years and no more.
- (5) If for any reason the Director-General is unable to perform its functions or carry out his duties, or there exist a vacancy in the office of the Director-General, the Board may designate an employee of the Agency who is next in rank to the Director-General to act as the Director-General during the period of his inability or vacancy until a Director-General is appointed in accordance with the provisions of this Act and the employee shall while so acting, have all the powers and performs all the functions of the Director-General (*Hon. Gbenga Makanjuola*) — *Agreed to.*

Question that Clause 10 stand part of the Bill, put and agreed to.

Committee Recommendation:**Clause 11: Establishment of Departments.**

- (1) The Board on the recommendation of the Director-General may establish such number of the Department for effective and efficient discharge of the functions of the Agency.
- (2) Each Department shall be headed by a Director.
- (3) Each department shall be assigned responsibilities from time to time as the Director-General may direct.
- (4) The principal officers of the Agency shall be the Director-General, heads of departments and zonal Deputy-Directors (*Hon. Gbenga Makanjuola*) — *Agreed to.*

Question that Clause 11 stand part of the Bill, put and agreed to.

Committee Recommendation:**Clause 12: Appointment, Qualifications and Functions of the Secretary/ Legal Adviser.**

- (1) The Board shall appoint for the Agency a Secretary/Legal Adviser who shall be a legal practitioner and shall have been so qualified for a period of not less than ten years.
- (2) The Secretary shall—
 - (a) be Secretary to the Board;
 - (b) be responsible for keeping the books and proper records of Proceedings and correspondences of the Board and the upkeep of the records of the Agency;
 - (c) administer and discharge all legal obligations of the Agency;
 - (d) administer and discharge all insurance requirements of the Agency;
 - (e) retain external legal services on behalf of the Council as he may deem necessary or expedient; and
 - (f) perform such other functions as the Board or the Director-General as the case may be, may from time to time, assign to him (*Hon. Gbenga Makanjuola*) — *Agreed to.*

Question that Clause 12 stand part of the Bill, put and agreed to.

Committee Recommendation:**Clause 13: Appointment of other Staff.**

The Board may deploy or appoint for the Agency other employees upon such terms and conditions as may be determined by the Board (*Hon. Gbenga Makanjuola*) — *Agreed to.*

Question that Clause 13 stand part of the Bill, put and agreed to.

Committee Recommendation:**Clause 14: Service in the Agency to be pensionable No. 2 2004.**

Service in the Agency shall be approved service for the purpose of the Pension Reform Act (*Hon. Gbenga Makanjuola*) — *Agreed to.*

Question that Clause 14 stand part of the Bill, put and agreed to.

Extension of Sitting:

Motion made and Question proposed, "That the House do suspend Order 14, Rule 4 to enable it sit beyond 1.30 p.m. (Hon. Tunde Akogun).

Question put and agreed to.

PART V — FINANCIAL PROVISION

Committee Recommendation:**Clause 15: Funds of the Agency.**

- (1) The Agency shall establish and maintain a fund from which shall be defrayed all expenditure incurred by the Agency.
- (2) There shall be paid and credited to the fund pursuant to subsection (1) of this section—
 - (a) any allocation to the Agency from the Federation account;
 - (b) such monies as may, from time to time be granted or lent to the Agency by the Federal Government or a State Government or a Local Government Council;
 - (c) such monies as may, from time to time, be granted or received from—
 - (i) the organized private sector,
 - (ii) international or donor organizations and non-governmental organizations,
 - (iii) all monies raised for the purposes of the Agency by way of gift, loan, grant-in-aid, testamentary disposition or otherwise,
 - (iv) all other monies and assets that may, from time to time accrue, to the Agency.
 - (d) whole or part of the Natural Resource Development Fund as may be approved from time to time by the President (*Hon. Gbenga Makanjuola*).

Amendment Proposed:

Leave out all the words in subclause (2) (a) and *insert* the following instead thereof:
"any appropriation to the Agency by the National Assembly" (*Hon. Ita Enang*).

Question that the amendment be made put and agreed to.

Question that Clause 15 as amended stand part of the Bill put and agreed to.

Committee Recommendation:**Clause 16: Expenditure of the Agency.**

The Agency shall from time to time, apply the proceeds of the fund established pursuant to section 17 of this Act—

- (a) to the cost of administration of the Agency;
- (b) for reimbursing members of the Board or any committee set up by the Board for such expense as may be authorized by the Board in accordance with the rates approved by the Federal Government;
- (c) for the payment of salaries, fees or other remuneration or allowances, pensions and other retirement benefits, payable to the employees of the Agency; and
- (d) for the maintenance of any property acquired or vested in the Agency; and
- (e) for and in connection with all or any of the functions of Agency under this Act (*Hon. Gbenga Makanjuola*) — *Agreed to.*

Question that Clause 16 stand part of the Bill, put and agreed to.

Committee Recommendation:**Clause 17: Annual Estimate and Expenditure.**

- (1) The Board shall, not later than 30th September of each year, submit to the Minister an estimate of the expenditure and income of the Agency for the succeeding year.

- (2) The Agency shall keep proper account in respect of each financial year and shall cause the accounts to be audited not later than 6 months after the end of each financial year by auditors appointed from the list and in accordance with the guidelines supplied by the Auditor-General of the Federation (*Hon. Gbenga Makanjuola*) — *Agreed to*.

Question that Clause 17 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 18: Annual Report.

The Agency shall submit to the Minister not later than 30th June each year, a report in such form as the Minister may direct on the activities of the Agency during the immediate preceding year, and shall include in the report a copy of the audited account of the Agency for that financial year and the Auditors' report thereon (*Hon. Gbenga Makanjuola*) — *Agreed to*.

Question that Clause 18 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 19: Power to Borrow.

The Agency may with the consent of the Minister, borrow on such terms and conditions as the Agency may determine such money required for the carrying out its functions (*Hon. Gbenga Makanjuola*) — *Agreed to*.

Question that Clause 19 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 20: Gift to the Agency.

- (1) The Agency may accept any gift, grant or donation from any person such terms and conditions specified by the person making the gift, grant or donation.
- (2) The Agency shall not accept any gift, grant under subsection (1) of this section if the conditions attached thereto are inconsistent with the functions of the Agency under this Act (*Hon. Gbenga Makanjuola*) — *Agreed to*.

Question that Clause 20 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 21: Guarantee Reserve Fund.

- (1) The Agency shall establish a Guarantee Reserve Fund into which shall be paid from time to time such sum as will maintain the credit balance of such fund at an amount not less than one quarter of the total of the money which the Agency is liable for the time being to be called upon to pay under guarantee given by the Minister.
- (2) Subject to the provision of subsection (3), the money in the Guarantee Reserve Fund shall be applied solely to meet the obligations incurred by the Agency under any guarantee.
- (3) Nothing in subsection (2) shall prevent the Agency transferring from the Guarantee Reserve Fund to any of its accounts the sum by which the credit from time to time maintained under subsection (1) (*Hon. Gbenga Makanjuola*) — *Agreed to*.

Question that Clause 21 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 22: General Reserve Fund.

- (1) In addition to the Guarantee Reserve Fund, the Agency shall establish and maintain General Reserve Fund and shall, subject to any directions given by the Minister under subsection (3), pay into such fund any net profit earned by the Agency.
- (2) The Guarantee Reserve Fund shall be applied to indemnify any loss or deficiency which may occur in any transaction of the Agency, other than those for which the Guarantee Reserve Fund is available.

- (3) The Minister with the concurrence of the Auditor-General of the Federation, may give direction to the Agency as to the balance to be maintained in the General Reserve Fund and where such directions are given, the Agency shall not be required to pay any of its net profits into the fund whereby the balance thereof would exceed the amount directed by the Minister with the concurrence of the Auditor-General (*Hon. Gbenga Makanjuola*) — *Agreed to*.

Question that Clause 22 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 23: Power to Invest.

Money of the Agency not immediately required for the purposes of the Agency may be invested provided that such investment and returns therefrom are communicated to the Accountant-General of the Federation (*Hon. Gbenga Makanjuola*) — *Agreed to*.

Question that Clause 23 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 24: Execution of Documents.

All deeds, instruments contract and other documents shall be duly executed by or on behalf of the Agency if—

- (a) appended with the seal of the Agency and signed by two members of the Board thereof;
- (b) executed in that behalf by one member of the Board and a member of the Agency both of whom have been appointed by the Board for the purpose (*Hon. Gbenga Makanjuola*) — *Agreed to*.

Question that Clause 24 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 25: Purchase of Food Items.

The Agency shall purchase food items either through open bidding, commodity exchange or contract growers, however where the Board so directs, the Agency shall purchase food items through guaranteed minimum price scheme (*Hon. Gbenga Makanjuola*) — *Agreed to*.

Question that Clause 26 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 26: Release of Food Stock.

- (1) The Agency shall release food stock under commercial purpose or Government intervention.
- (2) Release under commercial purposes shall be conducted through an open competitive bidding process and or Abuja Securities and Commodity Exchange.
- (3) Release under Government intervention shall be at the price determined by the Government, however, the Government shall reimburse the Agency at a price not less than the cost of stocking (*Hon. Gbenga Makanjuola*) — *Agreed to*.

Question that Clause 26 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 27: Penalties.

- (1) Any person who knowingly misrepresent the grade or quality of designated commodity contrary to established standard shall be guilty of an offence and shall be liable upon conviction to a fine of not less than N100:00 as well as the forfeiture of the commodity.
- (2) Any person who fails to pay the fine imposed under subsection (1) of this section within two weeks shall in addition to that penalty be prohibited from participating in the marketing or processing of any designated commodity for a period not exceeding three years (*Hon. Gbenga Makanjuola*) — *Agreed to*.

Question that Clause 27 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 28: Time within which to sue.

- (1) No suit shall lie or be instituted in any court against the Agency or any member of the staff of the Agency—
 - (a) for any act done in pursuance or execution of any enactment or law or of any public duties of the Agency; or
 - (b) in respect of alleged neglect or default in the execution of any enactment or law, duties or authority, unless it is commenced within three months next after the act, neglect or default complained of and in the case of a continuance of damage or injury, within twelve months next after cessation.
- (2) Without prejudice to Constitution—
 - (a) no suit shall be commenced against the Agency before the expiration of a period of one month after written notice of intention to commence the suit shall have been served upon the Agency by the intending plaintiff or his Agent;
 - (b) the notice shall clearly and explicitly state the cause of action, the particulars of the claim, the name and place of abode of the intending plaintiff and the relief which he claims (*Hon. Gbenga Makanjuola*) — *Agreed to.*

Question that Clause 28 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 29: Service Document.

The notice referred to in section 28 (2) of this Act and any summons, notice or other documents required or authorized to be served upon the Agency shall be served by delivering same to the Director-General of the Agency, or sending it by registered post, addressed to the Director-General at the headquarters of the Agency (*Hon. Gbenga Makanjuola*) — *Agreed to.*

Question that Clause 29 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 30: Power to Prosecute.

The Agency may, with the consent of the Attorney-General of the Federation institute legal proceedings against any person or Corporate organization that contravenes the provision of this Act (*Hon. Gbenga Makanjuola*) — *Agreed to.*

Question that Clause 30 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 31: Declaration of National Food Emergency.

- (1) The President may declare a National Food Emergency, if in his opinion, there is a major short fall in the domestic production or availability of designated food items.
- (2) Whenever the President declares a National Food Emergency under subsection (1), the powers of the Board under this Act shall vest in the Minister.
- (3) The Minister shall exercise the powers of the Board, during the existence of the National Food Emergency and for not more than thirty days after the end of emergency as declared by the President.
- (4) When the Minister exercises the power referred to in Subsection (2) of this Act, the Board shall act as the Advisory Committee to the Minister (*Hon. Gbenga Makanjuola*) — *Agreed to.*

Question that Clause 31 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 32: Power to make Regulations.

The Minister will make regulations generally for the purpose of giving full effect to this Act (Hon. Gbenga Makanjuola) — Agreed to.

Question that Clause 32 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 33: Interpretation.

In this Act, unless the context otherwise requires—

"Agency" means the Agency established by section 1 of this Act (Hon. Gbenga Makanjuola).

Question that the meaning of the word "Agency" be as defined in the interpretation to this Bill, put and agreed to.

"Board" means the governing Board of the Agency (Hon. Gbenga Makanjuola).

Question that the meaning of the word "Board" be as defined in the interpretation to this Bill, put and agreed to.

"Chairman" means the chairman of the Board (Hon. Gbenga Makanjuola).

Question that the meaning of the word "Chairman" be as defined in the interpretation to this Bill, put and agreed to.

"Constitution" means Constitution of the Federal Republic of Nigeria, 1999 (Hon. Gbenga Makanjuola).

Question that the meaning of the word "Constitution" be as defined in the interpretation to this Bill, put and agreed to.

"Director-General" means the Director-General appointed for the Agency under paragraph (e) subsection (2) of section 2 of this Bill (Hon. Gbenga Makanjuola).

Question that the meaning of the words "Director-General" be as defined in the interpretation to this Bill, put and agreed to.

"Function" includes powers and duties (Hon. Gbenga Makanjuola).

Question that the meaning of the word "Function" be as defined in the interpretation to this Bill, put and agreed to.

"Minister" means the Minister charged with the responsibility for matters relating to Agriculture and Water Resources (Hon. Gbenga Makanjuola).

Question that the meaning of the word "Minister" be as defined in the interpretation to this Bill, put and agreed to.

"Member of the Board" includes the Chairman (Hon. Gbenga Makanjuola).

Question that the meaning of the words "Member of the Board" be as defined in the interpretation to this Bill, put and agreed to.

"President" means President of the Federal Republic of Nigeria (Hon. Gbenga Makanjuola).

Question that the meaning of the word "President" be as defined in the interpretation to this Bill, put and agreed to.

Question that Clause 33 stand part of the Bill, put and agreed to.

*Committee Recommendation:***Clause 34: Short Title.**

This Bill may be cited as the National Food Reserve Agency (Establishment, etc.) Bill, 2009
(*Hon. Gbenga Makanjuola*) — *Agreed to.*

Question that Clause 34 stand part of the Bill, put and agreed to.

SCHEDULE

Section 2 (6)

Proceeding of the Board

1. (1) Subject to this Act and section 27 of the Interpretation Act, the Board may make standing regulation its proceedings or those of any of its committees.
- (2) At any meeting of the Board—
 - (a) a six members shall form a quorum, but in determining whether a quorum has been constituted the presence of any person invited to offer opinion or tender documents shall not be considered;
 - (b) the Chairman of the Board or in his absence, the member elected by the members present to act as Chairman, shall preside;
 - (c) all questions shall be decided by a majority of votes of members present and voting but any person invited to attend any meeting of the Board by virtue of paragraph (c) subsection (1) of section 24 of this Act shall not be entitled to vote in such meeting; and
 - (d) the Chairman of the Board or other member of the Board presiding has a deliberative vote and in the event of equality of votes, also has casting vote.
- (3) The Board may, if it thinks fit, transact any business by the circulation of papers, and resolution in writing, approved in writing by a majority of the members thereof shall be valid and effectual as if had been passed at a meeting of the Board by the votes of the members so approving the resolution.
- (4) Where the Board desires to obtain the advice of any person on a particular matter, the Board may co-opt him to the Board for such a period as it deems fit, but a person who is in attendance by this subparagraph shall not be entitled to vote at any meeting of the Board and shall not count in determining quorum.

Committees

2. (1) The Board may appoint one or more committee to carry out on behalf of the Board, such functions as the Board may determine.
- (2) A committee constituted under this paragraph shall consist of such number of such persons as may be determined by the Board and a person shall hold office on the committee in accordance with the terms of his appointment.
- (3) A decision of the committee of the Board shall be of no effect until it is confirmed by the Board.

Conflict of Interest

3. (1) If any member of the Board has any beneficial interest in any land or building situated in an area comprised in any project of the Agency, or has beneficial interest in any company or undertaking with which the Agency proposes to make any contract, or has an interest in any such contract, he shall forthwith disclose to the Board the fact and the nature of such interest, and such disclosure shall be recorded in the minutes of the Board, and thereafter such member shall take no further part in any deliberations or decision of the Board relating to such project or contract.

- (2) Any member disclosing any interest in any project or company or undertaking in which the Agency proposes to make any contract shall be disregarded for the purposes of constituting a quorum of the Board for any such deliberation or decision.
- (3) For the purposes of subsection (1) of this section, a general notice given at a meeting of the Board by a member to the effect that he is a member of the specified company or firm and is to be regarded as interested in any transaction or project of the Agency, concerning the company or firm, shall be regarded as a sufficient disclosure of his interest in relation to that transaction or project.
- (4) A member of the Board need not attend in person at a meeting of the Board in order to make any disclosure which he is required to make under this section, if he takes reasonable steps to secure that the disclosure is made by notice which is brought up and read at the meeting
(Hon. Benga Makanjuola) — Agreed to.

Question that the provisions of the Schedule stand part of the Bill, put and agreed to.

Long Title:

A Bill for an Act to Establish the National Food Reserve Agency and for Matters Connected Therewith, 2009
(Hon. Benga Makanjuola) — Agreed to.

Question that a Bill for an Act to Establish the National Food Reserve Agency and for Matters Connected Therewith, 2009 be the Long Title of the Bill, put and agreed to.

Chairman to report progress.

(HOUSE IN PLENARY)

Mr Deputy Speaker in the Chair, reported that the House in the Committee of the Whole considered a Bill for an Act to Establish the National Food Reserve Agency and for Matters Connected therewith, 2009. and approved Clause 1, amended Clause 2, approved Clauses 3 - 4, amended Clause 5, approved Clauses 6 - 14, amended Clause 15, approved Clauses 16 - 34, the Schedule and the Long Title of the Bill.

Question that the House do adopt the Report of the Committee of Whole, put and agreed to.

(ii) Committee on Petroleum Resources (Downstream):

Motion made and Question proposed, "That this House do resume consideration of the Report of the House Committee on Petroleum Resources (Downstream) on a Bill for an Act to Provide for the Licensing, Regulation and Incentives for Petroleum Refineries in Nigeria and for Other Matters Connected Therewith, 2009" (Hon. Clever M. Ikisikpo)

Question put and agreed to.

Question that the House do resolve into Committee of Whole to consider the Bill, put and agreed to.

(HOUSE IN COMMITTEE)

(Mr Deputy Speaker in the Chair)

Committee Recommendation:

Clause 25: Incentives and Related Matters.

- (1) Licencees under this Bill shall be entitled to the following incentives—
 - (a) legislative provisions pertaining to taxes and levies shall not apply to refineries under this Bill for a period of 10 years from the commencement of this Bill;
 - (b) up to 15 per cent of production may be exported against a valid permit and on the supervision of the Department.
 - (c) importation of capital items used in the construction of refineries to be duty-free provided the guideline on local content issued by the Department are strictly complied with.
 - (d) Government of the Federation guarantees the supply of crude oil to each refinery up to 80 percent of its refining capacity;

- (e) crude lifting rights shall commence upon mechanical completion of a refinery;
- (f) interest on loans for refinery projects shall be tax deductible.
- (2) The Department shall be the only agency that shall have powers to grant licences under this Bill and licences granted under this Bill shall not be revoked unless the approval of the Committee established by this Bill has been secured.
- (3) The Department shall simplify all procedure necessary for licencing and investments in petroleum refineries in Nigeria (*Hon. Clever M. Ikisikpo*) — Agreed to.

Question that Clause 25 stand part of the Bill, put and agreed to.

Committee Recommendation:

Clause 26: Application of Cap I7 to refineries.

The provisions of the Industrial Development (Income Tax Relief) Act with respect to pioneer status shall apply to any licensee under this Act.

Presidential Committee on Refineries

- (1) There is hereby established a committee to be known as the Presidential Committee on Refineries (in this Bill referred to as "the Committee").
- (2) Subject to the ratification of the Senate, the President shall appoint members of the Committee which shall consist of—
 - (a) the chairman,
 - (b) Chairmen of a Committees of both chambers of the National Assembly charged with the responsibility of oversight on petroleum downstream sector;
 - (c) representative of the Minister of Petroleum Resources;
 - (d) a person possessing relevant experience nominated by the Society of Petroleum Engineers;
 - (e) a representative of relevant trade unions; and
 - (f) one person from the academia within Nigeria.
- (3) The Committee shall have powers to—
 - (a) review directions and declarations issued by the Department under this Bill that is brought before it by any licensee;
 - (b) give approval to the Department for the revocation of any licence under this Bill in accordance with regulations made pursuant to this Bill; and
 - (c) regulate its proceedings.
- (4) A decision of the Committee shall be communicated to the Department for necessary amendment, modification or revocation in line with the provisions of this Bill (*Hon. Clever M. Ikisikpo*).

Amendment Proposed:

Leave out all the words in subclause (2) (b) (Hon. Clever M. Ikisikpo).

Question that the amendment be made put and agreed to.

Question that Clause 26 as amended stand part of the Bill put and agreed to.

Committee Recommendation:**Clause 27: Interpretation.**

In this Bill, unless the context otherwise requires—

"appropriate authority" means the Petroleum Products Prices Regulatory Agency or any other agency empowered by law to regulate prices of petroleum products (*Hon. Clever M. Ikisikpo*).

Question that the meaning of the words "appropriate authority" be as defined in the interpretation to this Bill, put and agreed to.

"Department" means the Department of Petroleum Resources (*Hon. Clever M. Ikisikpo*).

Question that the meaning of the word "Department" be as defined in the interpretation to this Bill, put and agreed to.

"Licencee" means a person who holds a licence granted under this Bill (*Hon. Clever M. Ikisikpo*).

Question that the meaning of the word "Licencee" be as defined in the interpretation to this Bill, put and agreed to.

Question that Clause 28 stand part of the Bill, put and agreed to.

Committee Recommendation:**Clause 28: Short Title.**

This Bill may be cited as the Petroleum Refineries (Licencing, Regulations and Incentives) Bill, 2009 (*Hon. Clever M. Ikisikpo*) — *Agreed to.*

Long Title:

A Bill for an Act to Provide for the Licensing, Regulation and Incentives for Petroleum Refineries in Nigeria and for Other Matters Connected Therewith, 2009 (*Hon. Clever M. Ikisikpo*) — *Agreed to.*

Question that a Bill for an Act to Provide for the Licensing, Regulation and Incentives for Petroleum Refineries in Nigeria and for Other Matters Connected Therewith, 2009 be the Long Title of the Bill, put and agreed to.

Chairman to report Bill.

(HOUSE PLENARY)

Mr Deputy Speaker in the Chair, reported that the House in the Committee of Whole resumed consideration of the Report of the House Committee on Petroleum Resources (Downstream) on a Bill for an Act to Provide for the Licensing, Regulation and Incentives for Petroleum Refineries in Nigeria and for Other Matters Connected Therewith, 2009" and approved Clause 25, amended Clause 26, approved Clauses 27 - 28 and the Long Title of the Bill.

Question that the House do adopt the report of the Committee of Whole, put and agreed to.

13. Adjournment:

That this House do now adjourn till Tuesday, 24 February, 2009 at 10.00 a.m. (*Hon. Tunde Akogun*).

Adjourned accordingly at 2.28 p.m.

Dimeji Sabur Bankole
Speaker