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FEDERAL REPUBLIC OF NIGERIA

**Tuesday
21st July, 2009**



NATIONAL ASSEMBLY DEBATES

FOURTH REPUBLIC THIRD ASSEMBLY (SIXTH SENATE)

THIRD SESSION

SENATE OFFICIAL REPORT

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**SENATE OF THE FEDERAL
REPUBLIC OF NIGERIA**

Tuesday 21st July, 2009

The Senate met at 10:45am

PRAYERS

(The President in the Chair)

VOTES AND PROCEEDINGS

Senate President: Distinguished Senators, we have the Votes and Proceedings of Thursday 16th July, 2009 before us for approval: Pages 97, 98 and 99.

Senator Abubakar Danso Sodangi (Nasarawa West): Mr. President, I rise to move that the Votes and Proceedings of Thursday 16th July, 2009 be approved.

Senator Patricia Naomi Akwashiki (Nasarawa North): Mr. President, I rise to second the Motion as moved.

Question put and agreed to.

Resolved: That the Votes and Proceedings of Thursday, 16th July, 2009 as moved and seconded be approved.

ANNOUNCEMENTS

**Meeting of the Senate Ad-hoc Committee on
Immortalisation of Senators**

The President: There will be a meeting of the Senate Ad-hoc Committee on the immortalisation of Senators on Wednesday, July 22, 2009 in the Deputy Senate Leader's Office, Room 4.27 at 2.00pm prompt.

Members should endeavour to be punctual

(Signed)
Senator Ndoma-Egba.
Deputy Senate Leader/Chairman,
Senate Ad-hoc Committee on the Immortalisation of
Senators

**Invitation to the Meeting of the Forum of
Legislators in Support of States Creation**

All distinguished Senators committed to the creation of new states in our dear country are hereby

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invited to a meeting of a forum of legislators in support of states creation as a cardinal aspect of the amended to the 1999 Constitution on 21st July, 2009 at 2.30 p.m in Senate Hearing Room 1

(Signed)
Senator Simon Ayogu Eze
For: Coordinators

**North West Senators' Second Zonal Consultative
Meeting**

To all the Senators from the North West. The second Zonal Consultative Meeting on Inclusive National Budgeting in Nigeria is holding in the Senate Committee, Room 116, New Senate Building by 3.00p.m. today, 21 July, 2009.

Please endeavour to attend.

(Signed)
Senator Umaru Dahiru
Chairman of the Organising Committee

Birthday Wishes to distinguished Senators

On behalf of all of us, I would like to wish distinguished Senator Joel Danlami Ikenya whose birthday was on Friday, the 17th of July, a happy birthday.

We also wish distinguished Senator Muse Adekunle Munirudeen whose birthday was on Friday, the 17th of July a happy birthday.

Also Distinguished Senator Ufot Eme Ekaette whose birthday incidentally is today, the 21st of July.

We wish all of you a happy birthday, long life and prosperity.

PRESENTTION OF A REPORT

**Report of the Conference Committee on the
National Health Bill (SB. 50)**

Senator Teslim K. Folarin (Oyo Central): Mr. President, the first business of the day is the presentation of the Conference Committee Report on National Health Bill, 2009.

You may invite the Vice Chairman of that Committee, Senator Gyang Dantong to move the Motion for the Senate to receive the Report.

Senator Gyang D. Dantong (Plateau North): Mr. President, I rise to move the Motion that the

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Senate do receive the Report of the Conference Committee on the National Health Bill.

Senator Adegbo Erhiawarie Eferakeya (Delta Central): Mr. President, I rise to second the Motion that the Senate do receive the Report of Conference Committee on National Health Bill, 2009.

Question put and agreed to.

Resolved: That the Senate do receive the Report of the Conference Committee on National Health Bill, 2009.

The President: Senator Gyang D. Dantong, you may lay the Report on the Table.

(Report accordingly laid on the Table)

ORDERS OF THE DAY

MOTION

Sales of Federal Government Houses and Lands in the States

Senator Teslim K. Folarin: The first Order of the day is a Motion standing in the name of Senator Ikechukwu Obiora (Anambra South) and 15 others on the Sales of Federal Government Houses and Lands in the States. You may now invite the Chairman of the Committee to move his Motion.

Senator John Ikechukwu Obiora (Anambra South): Mr. President, the Motion is on the sales of Federal Government Houses and Lands in the States of the Federation. This Motion is co-sponsored by my Colleagues whose names appear on the Order Paper and those other Senators whose names were inadvertently missed out when the Motion paper was being typed out. The Motion reads as follows;

The Senate:

Notes that the Presidential Implementation Committee (PIC) was set up to implement the Federal Government White Paper on the Report of the Committee it sets up to Inquire into Alienation of its landed property in the various states of the Federation.

Observes that pursuant to the aforesaid mandate, PIC undertook assessment and valuation of Federal Government houses and properties in the various states of the federation and fixed reserved prices with a view to receiving bids for same;

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Notes also that by the Guidelines of the said implementation exercise, legal sitting tenants were entitled to the Right of First Refusal;

Notes further that the proceeds accruing from the sale of Federal Government properties where meant to be remitted and paid into the Treasury of the Federal Government, including accrued interest on bank deposits.

Observes with serious concern that the Senate has been inundated with petitions and appeals from many Nigerian, especially legal sitting tenants who were either deprived of their rights of First Refusal or were evicted from their houses in spite of restraining orders of courts of competent jurisdiction;

Observes further that the implementation process appears to have been characterised by racketeering and underhand deals in breach of due process, and the guidelines appears to be marred by spending of the proceeds, accruing interests and service charges without requisite appropriation by the National Assembly.

Notes that contrary to the guidelines houses were actually sold below their reserved prices;

Notes further that the huge sums of money representing five *per cent* service charge accompanying every sale transaction appear to have been frittered away or diverted;

Observes that houses taken from legal sitting tenants most of whom have served this nation for over thirty years and have lived in those houses for about the same period, were granted to individuals and corporate bodies without due process and in violation of the guidelines;

Worried that lands belonging to the Federal Government in various States of the Federation appeared to have been carved out in plots and are alienated without due process and accountability;

Acknowledges that Senate Resolution is significant for the conduct of investigation by its Committee in accordance with Sessions 88 and 89 of the 1999 Constitution of the Federal Republic of Nigeria.

Resolves to:

Direct its Committee on Housing and Urban Development to investigate the following:

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- (a) The activities of the Presidential Implementation Committee on Alienation of Federal Government Property;
- (b) The sale and alienation of Federal Government properties in the States of the Federation as well as the financial proceeds of same together with accrued interests and service charge;
- (c) All matters relating to lands belonging to the Federal Government including their administration, allocation and revocation in the States of the Federation.

I beg to move.

Senator Osita B. Izunaso (Imo West): Mr. President, I rise to second this Motion ably moved by the former Sole Administrator of the Committee on Housing and Urban Development who is now a team player.

I am seconding this Motion for several reasons. The first reason is that the sale of Federal Government houses in Nigeria has become more of a problem than being a solution to housing problems in this country. One would like to find out what we were actually doing when we set up a Committee by the Federal Government to dispose of Federal Government houses in Nigeria. Did we dispose those houses because the Government was broke and we needed money to run the Government? Or did we dispose those houses because we wanted to provide home ownership for our people? The answer should have been the second reason and that is that we wanted to provide home ownership for our people.

In the past few years, this exercise was characterised with all manner of scandals, ranging from what the Administrators did with the houses particularly the Civil Servants who were residents in those houses. They behaved as if those Civil Servants had not paid their dues for this country. They ejected those Civil Servants and pushed them onto the streets.

I recall that this same Federal Government Committee sold the very popular 1004 Estate at Victoria Island, Lagos where the former Legislators stayed in 1979. It was an edifice. The 1004 Federal Government Housing Estate was sold for a paltry sum of N5 billion. When the Housing Committee of the House of Representatives raised alarm, the Federal Government Committee jerked it up and got N7 billion from that property.

The Consortium that bought that property in Lagos have finished renovation and are selling one flat for between N350 million to N400 million.

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Therefore, if there are 1004 flats and you bought them for N7 billion and you are now selling one flat for N350 million multiply that by 1004 you will see the reap off that we are talking about. What is the fate of those Civil Servants that lived there? There is that they have been thrown onto the streets? Some of them were accommodated while some were not.

I want to go further to say that this Motion is a life saving Motion for Nigerians who have suffered as Civil Servants, and have paid their dues but the system does not want to accord them all the necessary rights and privileges. I want to recall very quickly the sale of the Games Village Houses in Abuja here. We requested that the proceeds should be used to build another estate so as to ensure sustainable housing for the people of this country. The same people sold the Games Village and we do not know where they put the money. Today, the Games Village does not have sustainable development plan.

The same thing applied to the Apo Legislative Quarters. When it was sold we envisaged that the money could have been used to develop another Quarters for Legislators who are coming in so that it can be a norm. The idea is that whenever anybody comes in as a Legislator he can buy the house allocated to him and they will use the money and develop another one thereby providing sustainable housing development for our country; but this was not done.

I am supporting this Motion in the sense that if we do not know where the rain starts beating us we would not know where it would stop. Now that the time has come for us to investigate the activities of the disposal of Federal Government properties we have to go the whole hug. This Committee has to be mandated to go the whole hug and look into the books. The last time we carried out an enquiry we were told that those houses were sold to notable Nigerians. We would want to know those who are the notable Nigerians. If a Civil Servant lives in a house for about 15 years and all of a sudden you take it away from him or her and said you are selling to a notable Nigerian; who is a notable Nigerian and who is not notable? These are the issues we would want to unravel.

I am supporting this Motion because it has come at the right time; at a time the Federal Government of Nigeria is very serious about reforms and housing reform is one of the major reforms. If we are able to correct the problem of housing disposal in this country we would have been able to achieve a major reform towards sustainable housing development for our country.

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I rest my case Mr. President.

Senator Mohammed Mohammed (Bauchi Central): Mr. President, though, I was taken unawares, it is a worthy Motion which deserves my support. In fact, it is very important that we know the Nigerians to whom these Houses were sold and these should be published as we published the names of the insider borrowers. To be truly transparent, this Senate owes it a duty to Nigerians to ensure that whatever is done should be brought to the books so that Nigerians know whether their resources are being allocated properly or not.

I support that the activities of the Presidential Implementation Committee on Alienation of Federal Government Properties be investigated and the Housing Committee should be given the authority to do the work.

Senator Ayogu Eze (Enugu North): Mr. President, I rise in support of this Motion and in doing so, I urge my Colleagues, to grant the request of the Committee on Housing and Urban Development. My interest is aroused by the fact that we are talking about mega billions at a time when our economy is going through recession and the world economy is in doldrums and some clever Nigerians have smiled away to the banks and nobody seems to be doing anything.

The issue of process has been eloquently handled by the two previous Speakers and it will not be nice for me to waste time talking about it. We were all witnesses to the rape of the process. We saw the case of the retired Justice of the Federal High Court who was disgraced and humiliated not long after, the man died after given his best to his country. That is not the kind of story to be told of anybody who has put in his best for his country. Whatever we need to do, to pursue those who ambushed this process and took the money of this country and stashed it away in private accounts we should do it. This is an era of due process and rule of law. Whatever enablement that we need to give to our Committee including bringing other people to join them to ensure that this job is done well, I will support it wholeheartedly. I enjoin my Colleagues to support the Motion.

Senator Tawar Umbi Wada (Gombe South): Mr. President, I support this Motion for four reasons. The first reason is the procedural ineptitude applied in the sale of those houses. Everybody knows that possession is 90 *per cent* of ownership. If you are in possession of something, it is assumed that you are the owner of that thing until possibly a better title holder comes to prove that you are not the owner. Unfortunately, you found out that people who

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occupied these houses were not given the opportunity of right of first refusal before the houses were sold to some unknown persons. As a result, many families were pathetically thrown on the streets simply because they were either a pauper or a Civil Servant who could not afford to make once and for all payment.

Fundamentally, there was a flaw in the procedure adopted. They should have offered the houses to those occupying them fully unless and until they were found incapable of settling the payment before such houses would be offered to other persons. Therefore, it calls for proper investigation by this Committee to correct the anomaly.

Secondly, I remember in the Fifth Senate, I filed a Bill on the Sale of Government Houses. That Bill did not see the light of the day because of the politics that went through. The crux of that Bill was on the National Housing Fund. Every month, certain percentage of salaries of Civil Servants are deducted and paid into this Fund. Nobody knows where the funds are deposited. Many Civil Servants have retired but they cannot access their money from the Fund. This is deduction from their salaries. Till now nobody talks about it, yet the deductions are still going on.

The crux of that Bill was for the Federal Mortgage Bank and the Federal Housing to account for deductions made from Civil Servants and return the money to the Civil Servants or their Estates in case of the Civil Servant who has died. There is simply no reason you make deductions and you cannot account for it.

If a Civil Servant wants to buy a house, those deductions should be used to pay for the house where it is not enough then the Civil Servant would be asked to look for the balance. This investigation should extend to those areas. The funds that were deducted and are being deducted from Civil Servants should be accounted for. That has run into trillions and trillions of Naira.

The third issue is the recycling of the proceeds of the sale of those houses. They sold those houses and the funds fizzled into thin air and we talk of housing for all, either in the Year 2020 or something. They should have sold the houses; use the proceeds and build more houses and sell again and continue to recycle it until everybody in this country owns a house. Unfortunately, they sold the houses and the funds fizzled out. This investigation is damn too necessary.

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Finally, this investigation will help in bridging the gap between the haves and the have-nots. What happened during the sale of those houses was that some people bought more than one whilst some did not get at all. In fact, there were some people that got three or four houses. Instead of one man, one house. Again, this investigation will work out the propriety and ensure that, at least, we do not give more unto those who have and then continue to ensure that the poor becomes the wretched of the earth.

With these reasons, I support this Motion and I urge my Colleagues to support it also.

Senator Abubakar Sodangi: Mr. President, I Support this important Motion moved by our Colleague Senator John Ikechukwu Obiora.

The importance of this investigation if approved, is not far-fetched. As the representatives of the people, we are saddled with the responsibility to expose corruption and to see that we cry out for the down trodden masses when their rights are trampled upon, whether he is a Civil Servant or whatever.

I am talking from the vintage experience we garnered in the last Public Hearing we conducted in the Federal Capital Territory in the same subject matter – sale of Federal Government Houses within Federal Capital Territory, Abuja. We discovered that many Nigerians were cheated. Many Nigerians were denied the right of first refusal. That exercise earned the Senate credit. Many Civil Servants recovered their houses. We receive appreciation wherever we passed they around. They thanked us for getting their houses back. *(Interruptions)*

Senator Victor Ndoma-Egba (Cross River Central): Mr. President, Point of Order.

The President: Point of Order, Distinguished Senator Victor Ndoma-Egba.

Senator Victor Ndoma-Egba: Mr. President, my Point of Order is Order 56(10) of our Standing Orders.

The President: You can read it, please.

Senator Victor Ndoma-Egba: Order 56(10) states: *During a sitting all Senators shall be silent or shall confer only in undertones.* This is a very important debate and I think that the noise level in the Chamber is inconsistent with the intendment of Order 56(10).

The President: Distinguished Colleagues, if you must move from one Senator to the other to discuss, do so very silently, please. Your Point of Order is sustained.

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Senator Abubakar Sodangi: What I was trying to say is that this exercise was conducted throughout the federation. In other words, there were Federal Government houses in Lagos and in so many other cities that were sold by those charged with the responsibility. As cited by Senator Izunaso, nobody knows where the proceeds from the sale of 1004 Estate in Lagos and the Games Village in Abuja are kept. If you ask, you would be given a kind of bureaucratic explanation that you would get confused. That is Nigerian money. It is not meant for those who sold the properties. If you go further, they would just give you some names. And you get more confused. So, if we could review the sale of Federal Government houses and get the money back to the coffers of the Federal Government, we would have done justice to the people of this great country. Therefore, I urge our Colleagues to support this Motion.

I want to register a caveat. There are some Civil Servants who were also very smart. As a result of the Monetisation Policy, they were asked to indicate interest but because they were staying in the respective Federal Government houses almost free they did not allow their Ministries or Agencies to deduct the normal rent subsidy hence they could not meet up with the guidelines for the purchase of their houses. This is not to say they were not entitled. They could have been given opportunity of right of first refusal and if they accepted then they would have been surcharged.

This exercise is very important. We should all support it. If we do this you would see how many Nigerians would be given justice. We would also know how much money had been stashed away. Some of the people that handled this responsibility siphoned our money abroad. They are the same people calling the leadership of this country all sorts of names and saying they have failed. They say there is no administration in this country, because they succeeded in stealing billions of naira from this country. What I am telling you is what is happening now.

Therefore, if we do this we would expose them the more. Wherever they are, they will be ashamed of themselves. Let them come to this country and defend all that we alleged they have done. They are calling us all sorts of names. They are saying a lot of things against the Government of the country and against all of us.

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So, I urge you to give your support to this very important Motion because justice would be done at the end of day. I have a cousin who is a retired General like you, Mr. Senate President. He bought his house but he is being threatened with ejection. He is retired General Lada. He had ones appeared before us. His case is one of the cases before Senator Obiora because when he sent his petition to me, I sent it to Senator Obiora. This is an innocent Nigerian who had served this country meritoriously. Where is the money? Somebody has taken the money abroad.

I urged my Colleagues to be very sincere and support this Motion and justice would be done at the end of the day.

The President: Is there any other former Custom Officer who would like to contribute? (*Laughter*)

Senator Ahmad Ibrahim Lawan (Yobe North): Mr. President, let me start by commending my friend from Anambra State for this very important and people-oriented Motion.

Injustice anywhere is injustice everywhere. The Civil Servants, whatever their categories who were denied the opportunity to buy their houses committed many years of services to this country. Government must do everything possible at all times, to motivate Civil Servants to put in their best. This is one instance where their services were needed, but where they needed justice, they were denied. I believe that the alleged injustice done to them must be investigated and those responsible should face the full weight of the law.

I look at the other side of this Motion. Lots of funds were realised but speaker after speaker in the various contributions indicated that no one knows where the funds are. Let me remind us that there is no one person or organisation in Nigeria that is mandated constitutionally to single-handedly utilise any proceed or revenue of government without due appropriation by the National Assembly, in the case of the Federal Government. Organisations, especially the Ministries, Departments and Agencies are in the habit of using internally generated revenue without due appropriation by the National Assembly.

Therefore, when this Committee sits to investigate, very important focus needs to be made on the whereabouts of the proceeds from the sale of the Federal Government houses. Let us have clear understanding of the sale of the properties, those whose houses were sold and later ejected with a view to paying them interest or dividend.

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I want to advice the Committee to take this assignment seriously as it concerns justice to the people we represent.

Senator Kabiru Ibrahim Gaya (Kano South): Mr. President, I commend Senator Obiora for brining out this timely Motion, which should be properly addressed. I hope that after the Committee's Report, the Federal Government would really do something about it.

We have gone through series of investigations and brought out Reports, but sadly enough; the Federal Government has not set up a Commission of Inquiry based on these Reports. I know we had investigated FCT which was headed by Senator Sodangi. There should be an arrangement for the Federal Government to set up an inquiry based on those facts.

Also, the Report of the Committee on Power should have attracted a Commission of Inquiry. So, it is not a matter of investigation, those found guilty should be punished. That would be the only way to prevent corruption that is going on.

They are selling Federal Government houses at very cheep prices. Some Federal Government houses sold in Kano were demolished and rebuilt because the buyers discovered that the cost of the land itself was ten times the cost of the building they bought within the same locality. Some buyers sub-divided the plots and sold at high prices. They made more than 1000 *per cent* profit. We have to look into those issues seriously.

I am not happy with the sale of houses like the Apo Legislative Village. I know that the Senate President's house and that of the Deputy Senate President were sold to the occupants. That is in order. The Ministers and Ministers of State houses were sold. Now, they have to build houses for the new Ministers to build their own houses or give them money in lieu thereby, encouraging corruption.

I am sorry to say, that even the new Governor of Central Bank of Nigeria is staying in an hotel. It is a shame to hear that our own Governor of Central Bank is staying in an hotel because what could have been his official quarters was sold. Also the official quarters of Deputy Governors of Central Bank were sold to the previous Governors of the Central Bank. It is quite a shame. We have to look at these issues and do something about them.

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On the issue of the Games Village, the Games Village is meant for games. We shall soon be hosting the U-17 World Cup. We would need those houses that were sold. Are we going to build houses before the game? If this Committee presents its Report, the Presidency should take serious action by setting up a Commission of Inquiry and punish offenders no matter who they are.

May God bless you, Senator John Obiora for bringing this Motion.

Senator Victor Ndoma-Egba: Mr. President, I am a co-sponsor of this Motion. I co-sponsored it because I believe in it and support it totally.

Once again, we have an opportunity to remind those of us who hold public offices in one form or the other and those who aspire to public offices in the future that one underlying beauty of democracy is that someday we would be held to account for our actions. It is a warning for those of us who are in office today and a warning for those who aspire, that under the constitutional rule that we have, accountability is a question of time, it must come, we must account.

The other aspect of democracy is that injustice to one, especially when it is condoned by authorities who should address that injustice, is injustice to all. In the matter of the disposal of government houses, a lot of injustice was done. We have lot of famous cases. We heard a case of late Justice Sambo. Recently we heard of the case of late Major General Francis Atanbi. We heard a case of General Phil Nada, that my distinguished Colleague mentioned. Phil Nada was a General who served this country but today he is confined to a wheel chair. It is in that state that this same nation that this General served so faithfully is stressing him with the issue of losing his accommodation. We also have the case of Colonel Boma Kachim.

But among the many cases of injustice is the very many faceless Civil Servants, who were given the short end of the stick because they were perceived to be helpless. The Civil Servants were the victims of the inconsistency in the policy of the sale of government houses. When you develop a policy, you must also develop the outcomes of that policy. In this case, we had double standards, different criteria for the powerful and the mighty and different criteria for the weak, including Civil Servants largely. That policy also, was not properly anchored because it did not say what was to be done with proceeds from the sale of those houses. Usually when you sell government assets, the money is deployed to something definite at the end of the day.

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When you take the issue of pricing, there was one set of pricing for the favoured and another set of pricing for the disfavoured. The whole exercise was characterised by double standards.

To me, the beauty of this Motion is actually in Prayer (c) because there we are being invited to agree on guidelines for Federal Government Lands Administration in this country. Right now, it is more or less ad-hoc. It depends on the mood and the whims of the person who is in authority. For once, we must come out, either with proper policies or legislation to address the issue of land administration in this country.

Lastly, this Senate and, indeed, this National Assembly, pursuant to its powers under Section 88 of the 1999 Constitution, has conducted a number of investigations. The Nigerian public is getting very cynical that nothing comes out of our various investigations. If you permit me, I will just read Section 88 of our 1999 Constitution. Section 88 (1) – (2) reads:

- 1) *Subject to the provisions of this Constitution, each House of the National Assembly shall have power by resolution published in its Journal or in the Official Gazette of the Government of the Federation to direct or cause to be directed, an investigation into:*
 - a) *Any matter or thing with respect to which it has power to make laws; and*
 - b) *The conduct of affairs of any person, authority, Ministry or Government Department charged, or intended to be charged, with the duty of or responsibility for –*
 - i) *Executing or administering laws enacted by the National Assembly, and*
 - ii) *Disbursing or administering moneys appropriated or to be appropriated by the National Assembly.*
- 2) *The powers conferred on the National Assembly under the provisions of this section are exercisable only... I emphasise that point only, so that the Nigerian public will appreciate the limitations of this Senate when it exercises its powers to investigate. only for the purpose of enabling it to:*

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- a) *Make laws with respect to any matter within its legislative competence and correct any defects in existing laws; and*
- b) *Expose corruption, inefficiency or waste in the execution or administration of laws within its legislative competence and in the disbursement or administration of funds appropriated by it.*

I have chosen to read these provisions of the Constitution with your kind permission, so that Nigerians will appreciate that we are limited even when we come to exercise our powers under Section 88 of the 1999 Constitution. We are limited to exposing corruption, inefficiency or waste. It is not the responsibility of this hallowed Chamber or the National Assembly to begin to implement the outcomes of our investigations. Those powers reside somewhere else and they reside squarely within the Executive. This point needs to be made so that Nigerians will appreciate that ours, constitutionally, is to expose corruption, inefficiency or waste. What happens with the outcomes of our investigations falls squarely within the purview of the Executive arm. We must use this opportunity to call on the Executive to begin to take the outcomes of our investigations more seriously, because this is a period of accountability.

I will conclude by saying that the privilege of non-accountability belongs to only three people; God, madmen and children and the people we are investigating do not belong to any of these categories.

Senator Kanti Bello (Katsina North): Mr. President, I am in full support of this Motion. But I seriously hope that when the Committee actually executes what they are asking the Senate to approve for them, they should be careful and give us the right Report because this Senate is very proud of the Report submitted by the Committee on FCT.

I want to put it on record for the avoidance of doubt, that in spite of the fact that, as rightly pointed out by my distinguished Colleague in Section 88(2)(b) that the main aim of this body is to expose corruption but I am very happy to say and it is on record that after discussions with the Chairman of the Committee on FCT and from what I know most of his Committee's recommendations were duly implemented by the government. I know that much. We should commend the Federal Government for implementing most of the recommendations in the Report of the FCT Committee.

Section 43 of the Constitution is very clear when it says that: *Subject to the provisions of this Constitution every citizen of Nigeria shall have the*

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right to acquire and own immovable property anywhere in Nigeria. For the Federal Government to sell these houses not to the Civil Servants who had occupied them for long is in violation of this Section 43 of the Constitution.

As also rightly pointed out by distinguished Senator Gaya, it is really disheartening for us to find out that the Governor of the Central Bank of Nigeria is not having a house to live in after his appointment because his official quarters was sold. This is terrible. I sincerely hope that the Committee should carry out this investigation thoroughly and give us a recommendation that this Senate would be proud of.

With these few remarks, I support this Motion.

The President: Are there Senators who are against this Motion? *(No response)* All right, can we then go to the Prayers because they are straightforward?

Senator Umoru Dahiru: Point of Order, Mr. President!

The President: Yes, Point of Order, distinguished Senator Umoru Dahiru.

Senator Umoru Dahiru (Sokoto South): Mr. President, I want to refer us to Section 88 of the Constitution. Section 88(1) reads: .

Subject to the provision of this Constitution, each House of the National Assembly shall have power by resolutions published in its Journal or in the Official Gazette of the Government of the Federation to direct or cause to be directed an investigation into any matter or thing with respect to which it has power to make laws.

Section 88(2)(b) says:

Expose corruption, inefficiency or waste in the execution or administration of laws within its legislative competence and in the disbursement or administration of funds appropriated by it.

What I want us to note is that if this Motion succeeds, it requires a Resolution and not only a Resolution, we need to publish it in our own Journal or Gazette to make it work. That is the requirement of the Constitution, and that is what I want us to take note of.

The President: All right, distinguished Senator Dahiru, your Point of Order is sustained. Can we go to the Prayers please?

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Prayer 1 says: *Direct its Committee on Housing and Urban Development to investigate the following:*

1(a) – *The activities of the Presidential Implementation Committee (PIC) on Alienation of Federal Government Property;*

Senator Joy Emodi (Anambra North): Mr. President, giving the importance of this Motion to address the clarion call of injustice by the good people of Nigeria, may I add that we also involve the Committee on FCT and Housing to word together?

The President: The responsibility of FCT is within the FCT itself. This activity would cover the entire nation, including lands and properties in Kano? I will put the Question on the Prayer.

Question put and agreed to.

Prayer 1(b) says: *The sale and alienation of Federal Government Property in the states of the federation, as well as the financial proceeds of same together with accrued interests and service charged.*

Senator Lee Ledogo Maeba (Rivers South East): Mr. President, I want to know the rationale behind calling these Prayers 1(a)(b)(c)(d) instead of Prayers 1, 2, and 3. I do not know the rationale.

The President: I think that the simple rationale is that it is Senator Obiora and his co-sponsors' style of doing it because there can be no other rationale. Senator Ewa-Henshaw, you are one of them, explain to him since you are next to him.

Senator Bassey Ewa-Henshaw (Cross River South): Since I did not contribute to this debate I will leave it to hang in the air. I am one of the sponsors and I support the Motion.

The President: It does not really mean, it can be prayers 1, 2, 3 or 1(a) (b) (c), it is not a big deal.

Senator Kabiru Ibrahim Gaya: I have an Amendment to make. We have discussed the issue of houses of heads of institutions and the Games Village that were sold, there is need for us to add the sentence thus: *The sale and alienation of Federal Government property in the states of the federation and Abuja.* I want to add the words *and Abuja* after the *Federation*.

Amendment put and agreed to.

Senator Mohammed Kabiru Jibrin (Kaduna Central): I propose that Prayers 1(a) and (b) be merged.

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The President: No. We have passed the stage of merging them. We cannot amend Prayer 1(a) anymore. The Senate has resolved on that. I have put the Question and an answer had been given.

Main Prayer as amended put and agreed to.

Prayer 1(c) says: *All matters relating to lands belonging to the Federal Government including the administration, allocation and revocation in the States of the Federation.*

The Amendment in 1(b) applies *mutatis mutandis* to this one. That is the addition of Abuja.

Senator Uche Chukwumerije (Abia North): Mr. President, Prayer 1(c) appears to me omnibus and a bit too wide. It goes beyond the confines of the activities of the Presidential Implementation Committee (PIC) which is the burden of this Motion. If we interpret it well, it states *all matters to land belonging to Federal Government* - it includes FCT and every other thing dealing with land. So, I do not think that Prayer 1(c) is necessary.

The President: Senator Chukwumerije is right. Senator Obiora, what exactly do you want to specify there? You have to limit it a bit otherwise you will be allocating Federal Government lands also.

Senator Ikechukwu Obiora: That actually is Prayer No. 2 and it goes outside the confines of the powers and jurisdiction of the Presidential Implementation Committee. Just like the Senior Learned Counsel did say, we intend to come up with some form of advice to the Plenary Session regarding land administration which is now done *ad-hoc*. At the end of the day it is targeted to give the basis of policy formulation for the Executive branch if we pass it to come up with a uniform and universally applicable policy.

The idea of this particular one is to check all Federal lands which have been carved out into plots and sold without accountability. By way of information, in every State of the Federation there are some portions of land designated by the Federal Government for Federal Housing. These lands have been sold to the public without accountability. It is not all lands in the States; it is those lands which have been designated by the Federal Government for Federal Housing. Those are the ones we would want to look into.

The President: Senator Obiora, your Motion is principally on Presidential Implementation Committee (PIC), and that is very well captured by

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your Prayer 1(a) on the activities of the PIC on alienation of Federal Government property. Now, to allocate to yourself the responsibility of all Federal Government lands might not work out. First of all, in my opinion it is an exercise you would never be able to complete in two years. It is too wide and it would bug down your Committee. I must advise that this Committee must hurry on this assignment and not keep it for another two years. Saying that it is Prayer No. 2 means that Senator Lee was right in the point he raised and you could have corrected it to read Prayer No. 2 at that time. In addition to what you are saying, I will put the Question on Prayer No. 2. I hope the explanation is understood.

Several distinguished Senators: What has he done?

Senator John Ikechukwu Obiora: I withdraw that Prayer.

The Senate President: Senator Obiora has corrected it to read Prayer 2 instead of 1(c). That is the first correction. Now that you have decided to withdraw it we now have only Prayer 1(a) and (b).

Senator Umoru Dahiru: I want to draw our attention to our Standing Order 98(25) which states that there shall be a Committee to be known as Committee on Federal Capital Territory appointed at the commencement of the life of the Senate. The jurisdiction of the Committee shall include among others, allocation of land in the Federal Capital Territory.

Now, in the assignment given to the Committee on Housing, they are asked to include Abuja in their investigation. If we could recall, the Committee on FCT had done a thorough job and we were happy with what actually took place. I am wondering whether we are going to repeat the same exercise. This is because FCT is a Special Committee and that has been shown under Section 62 of the Constitution. Therefore, we better draw a line of demarcation as respects the functions of this Committee that we are giving this assignment. What are they going to do in Abuja? That is the issue.

The President: Senator Dahiru, you are right but it is you the Lawyers who always say that it is better to err on the part of surplusage. This does not spoil the soup; does it? Senator Obiora, in fairness, you should not delve into what Senator Sodangi has done anymore. It is just in case there are one or two omissions.

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Senator Joy Emodi: Mr. President, it is necessary for us to be specific and restrict this assignment to other parts of the Federation and not Abuja. This is because once we add Abuja; they will never finish this assignment. That was why *ab initio* I felt we should include FCT in case they would want to take some advice from them. But be that as it may, it is necessary to exclude Abuja because they had done a thorough job. If we include it, of course, the assignment would not be completed in good time.

The President: That is the point I have just made to Senator Obiora that he should not go and dig up anything in Abuja again. But if there is one or two left and you do not include it and they bring it to his knowledge, he will not be able to do anything about it. It is just to err on the part of surplusage as far as this is concerned.

Senator Obiora, please, your Committee should not bug itself down with Abuja. Really, Abuja is just in case there is something that was not taken up during Senator Sodangi's exercise.

Even if we did not mention Abuja, as Abuja is always treated as one of the States, he could still have done something in Abuja. Is it not? Once you say States of the Federation, Abuja is automatically included.

Senator Jibril Aminu: (Adamawa Central): Mr President, I like to add an Amendment which should be additional Prayer which is that: *The Committee shall review the sale of houses of official residences of top management officials in the MDAs (Ministries; Departments and Agencies) and consider revoking them with retroactive effect.*

In other words, we have just heard about top level official residences that have been sold and the people that later took up the jobs in these institutions have no place to live.

The President: Senator Obiora, this is your Motion and as long as you carry on with private discussion your Committee will miss points out and at the end of the day we will be bugged down here.

Senator Jibril Aminu: I do not see the justice of that, is it that the Federal Government will find it difficult to organise and maintain these houses or that they cannot find a way of organising contractors or that really the economic problems of this country were because of the maintenance of some of those houses? I do not believe it. It is not right. There are some official residences that should remain official residences. There is no reason people should sell

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them, particularly when we do not know what the prices are. In fact, the Committee did not raise the issue of price which also should have been raised. But let me just confine myself to this issue of official residences of people at the top management level of Ministries; Departments and Agencies. That Committee should look at it and should consider their revocation which should have retroactive effect.

The President: If there is any such recommendation, would it not be covered by the activities of the PIC? That is overall activities of the PIC. If they have recommendations to make, let them come back to us with recommendations on the way they see the activities and whether there is a requirement for revocation. But we should be careful so that we are not just moving like *Yoo, yoo* going up and down.. Prayer 1 is really the essential thing and it covers the whole activities of the PIC. The rest are just emphasis on Prayer 1.

Senator Isiaka Adetunji Adeleke (Osun West): Mr. Chairman, I am member of this Committee. We held a meeting after receiving petitions from Nigerians. We requested for some documents from the Ministry and the PIC and no documents were sent to us. We held another meeting and asked the Secretariat to write to the PIC and the Ministry to attend the Public Hearing held sometime last week they refused to attend. I want this Senate to give the Committee powers to invoke Section 89(1)(d) of the Constitution to compel their attendance.

The President: Senator Isiaka, I am yet to see where they said you need authority from us to invoke Section 89. You have the power and you do not need our clearance for that.

Senator Anyim Ude (Ebonyi South): Mr President, I am worried at the perception that the Senate is only baking and cannot bite. Against that background and in order to strengthen the power given to us by Section 88(2)(b) in exposing corruption *et cetera* and against the background of all that our distinguished Colleagues have said about several Probes and Public Hearings that we have held; that on Sports, Aviation and FCT which is only being partially implemented because a former Colleague is there now as a Minister; and against the investigation I carried out that the Senate Secretariat communicates the Secretary to Government of all our decisions and those things are dumped there.

I propose additional Amendment that reads: *The Senate should invite the Secretary to the Federal Government to brief the Senate on the progress of implementation of Senate decisions on all investigations and Public Hearings conducted since 2007.*

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The President: Senator Anyim Ude with all due respect that does not fall under PIC nor does it fall under Housing. How do we smuggle it in here? It is not related to anything here. Senator Victor Ndoma-Egba made the point very clearly that Nigerians should understand that our powers do not go to implementation, those responsible for it should do it. I will advice individual Committees that once we pass any Resolution and we send it officially, if they ascertain that there is no implementation, they can bring it back to the Floor here as a proper Motion.

Senator Obiora, you must make sure that this job is concluded on time. It is a delicate job. Again, like I gave the warning during the similar exercise on FCT, you must be careful so that we do not begin to get all sorts of allegations coming out of it. I will suggest that you meet and get this concluded as quickly as possible. How soon can you do this?

Resolved: That the Senate -

Direct its Committee on Housing and Urban Development to investigate the following:

1(a) – *The activities of the Presidential Implementation Committee (PIC) on Alienation of Federal Government Property;*

1(b) - *The sale and alienation of Federal Government Property in the states of the federation and Abuja, as well as the financial proceeds of same together with accrued interests and service charged.*

Senator Ikechukwu Obiora: Mr President given the impending vacation of the Senate, we will be asking for six weeks because we will be going on holiday if the schedule is correct by the end of the month.

The President: Are you saying that you will use some part of the holiday for it? In that case, we shall give you eight weeks.

CONSIDERATION OF REPORTS

Report of the Committee on Niger Delta on the Niger Delta Development Commission (NDDC) 2009 Budget Proposal

Senator Teslim Folarin (Oyo Central): Mr President, the second Order of the day is the presentation and consideration of the Report of the Committee on Niger Delta on the 2009 Budget Proposal for the Niger Delta Development Commission (NDDC). The Report of the Committee was laid on Wednesday 16th July, 2009.

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I now move that this Senate do now resolve into Committee of Supply to consider the schedule to the estimates.

Senator James Manager (Delta South): Mr President, I move that I be given permission to present the Report on the Niger Delta Development Commission (NDDC) Budget for 2009 which was laid on the Table on Thursday last week.

The President: Having laid it already and it is scheduled on the Order Paper you do not need to move a Motion to present it again. I have called you to present it now, so just go ahead and present it.

Senator Teslim K. Folarin: Mr. President, I have already moved that we go into the Committee of Supply.

The President: So, your Motion is that we go into the Committee of Supply?

Senator Teslim Kolawole Folarin: Yes, Sir.

The Chairman: If so, why did Senator James Manager got up then? Is it because I called you?

Senator James Manager: Yes, Sir.

Senator Maina Ma'aji Lawan (Borno North): Mr. President, I rise to second the Motion that the Senate do resolve into the Committee of Supply to consider the Report of the Committee on Niger Delta on the NDDC Budget for 2009.

Question put and agreed to.

Report of the Committee of Niger Delta on the 2009 Budget Proposal for the Niger Delta Development Commission (NDDC) - CONSIDERED IN THE COMMITTEE OF THE WHOLE

Senator James Ebiowou Manager: Mr. Chairman, the Senate of the Federal Republic of Nigeria at its sitting on Thursday, 2nd July 2009 considered the request of Mr. President, Commander-in-Chief, on the 2009 Budget Proposals for the Niger Delta Development Commission (NDDC) and referred same to the Committees on Appropriations and Niger Delta for further legislative action.

The President of the Federal Republic of Nigeria presented a Budget of N96,617,570,000.00 (Ninety Six Billion, Six Hundred and Seventeen Million, five Hundred and Seventy Thousand Naira Only) made up of the following:

(a) Personnel Expenditure - 4,176,960,000.00

(b) Recurrent Expenditure - 3,979,510,000.00

(c) Capital Expenditure (Internal) - 404,660,000.00

(d) Projects (Development) Expenditure 88,056,440,000.00

TOTAL EXPENDITURE **N96,617,570,000.00**

REVENUE SOURCES

The revenue sources are made up of the following:

(a) Federal Government Contribution (i.e. submission by Mr. President) - 9,503,370,000.00

(b) Federal Government Contribution (i.e Excess Crude Oil) - 21,814,200,000.00

(c) Oil Companies Contribution and Others - 45,000,000,000.00

(d) Other Internally realized income - 300,000,000.00

TOTAL REVENUE - **N96,617,570,000.00**

During the Budget defence session, the Committee was informed that the sum of N26,874,440,000.00 was brought forward from year 2008 Budget. Additionally, the expected contribution from oil companies operating in the Niger Delta region (based on their Budget with NAPIMS) was raised from N45 billion to N50 billion. This brings the expected revenue of the Commission to a total of N128,492,010,000.00 (One Hundred and Twenty-Eight Billion, Four Hundred and Ninety-Two Million and Ten Thousand Naira) only.

After the meeting with the Niger Delta Development Commission, the Committees on Appropriations and Niger Delta harmonised the Budget proposals with the House of Representatives Committees and came out with the following recommendations.

1. The recommended Revenue Profile for the Commission for the fiscal year 2009 is as follows:

(a) Balance Brought Forward **N26,874,440,000.00**

(b) Federal Government Contribution N29,503,370,000.00

(c) Federal Government Contribution (i.e Excess Crude Oil) - 21,814,200,000.00

(d) Oil Companies Contribution and Others - 50,000,000,000.00

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(e) Other Internally realised income 300,000,762.00

TOTAL REVENUE ₦128,492,010,762.00

2. The recommended Expenditure Profile for the Commission for year 2009 is as follows:

(i) Personnel Expenditure ~~₦4~~,175,967,729.00

(ii) Recurrent Expenditure N 4,017,203,549.00

(iii) Internal Capital- N 1,276,473,912.00

(iv) Projects Development Expenditure 119,021,365,572.00

TOTALEXPENDITURE N128,492,010,762.00

3. That the Senate do pursue relentlessly, the proper calculation and release of the 15 *per cent* statutory contribution of the Federal Government for the funding of NDDC.

4. That the Senate do pursue an allocation formula that clearly defines the status of the Ecological Fund to enhance the NDDC revenue base.

5. That the Senate directs the Management of NDDC not to carry out any virement in the approved Budget without recourse to the National Assembly.

PRAYERS:

That the Senate do consider and approve the 2009 Budget for the Niger Delta Development Commission (NDDC) in the sum of ₦128,492,010,762.00 (One Hundred and Twenty-Eight Billion, Four Hundred and Ninety-Two Million, Ten thousand, Seven Hundred and Sixty-Two Naira) only

Senator Abubakar Sodangi: Mr. Chairman, I rise to commend the Committee on Niger Delta and to ask the hallowed Chamber to, as a matter of urgency, approve this Budget as presented. We are all aware of the happenings in the Niger Delta and the only thing to cushion down tension and to collaborate with the Federal Government is to see that we pass this Budget so that the implementation will commence in earnest. It is just like a pregnant woman in a delivery room, with due respect to the women among us here. Every prayer is needed to assist her deliver. This is the time for us to see that all things are done so that we can have succour to the Niger Delta crises.

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With this few remarks I commend the expediency that has been manifested and demonstrated by the Committee. I urge my Colleagues to pass this Budget expeditiously.

Senator Ahmad Ibrahim Lawan (Yobe North): Mr. Chairman, I congratulate the Committee on the Niger Delta for very speedy and expeditious work and submission of the Report. However, I have some observations to make.

First of all, I will like to have an explanation on the basis on which the contribution from oil companies was raised from ~~₦45~~ billion to ~~₦50~~ billion that is an addition of N5 billion. I want to be convinced that we have solid and reliable source so that we do not build on a very quick sound.

I want to observe that there is between 55 and 60 *per cent* increase in the internal capital funding. That jump was from ~~₦404,606,000.00~~ to ~~₦1,276,473,012.00~~.

Lastly on page 4, in my view, when we make Budget we should ensure that we have very easy way of monitoring expenditures and implementation. So, on capital expenditure, I want to suggest that we have the details in terms of units of items to be bought and price per unit. That is one way we can be guided when we go for monitoring otherwise, the lump sum allocation would not warrant for good monitoring of the expenditure to be done.

Senator Anyim C. Ude (Ebonyi South): Mr. Chairman, I want to ask the Chairman of this Committee, distinguished Senator James Manager that this is July and this is a budget for one year, why are we discussing this Budget now and how will it affect the implementation of the Budget itself?

The Chairman: What do you want us to do, not to discuss it? It came late, that is all and we are handling it.

Senator Annie Okonkwo (Anambra Central): Mr. Chairman, I want to first of all, commend the Chairman of NDDC for this budget. We could see from the Federal Government proposal that they recommended more fund, because the area needs to be funded.

In the last paragraph of the Report, it was said that there is about 15 *per cent* statutory contribution by the Federal Government. We would like to know how much that is worth. What is the value of that 15 *per cent*? What is the outstanding that he is urging the Senate to facilitate. This is because the truth of the

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matter is that we all have realised that Niger Delta area needed to be funded. We need to provide infrastructure and funds are required to do so. We would not want a situation where we make provision for funds in this Budget and at the end of day those funds are not being provided. Therefore, I urge this hallowed Chamber to know exactly how much that is involved and ensure that funds are provided for the Niger Delta development.

We should also be more serious in the implementation of the projects. If we appropriate a lot of money for projects, we have to make sure that those projects are completed. Once this budget is approved, we would not like it to be carried over. They should work to make sure that the funds approved are properly utilised for the projects that are meant for.

I urge my Colleagues, though the Budget came late, we should try and approve it as soon as possible so that the implementation will start in earnest.

Senator Kanti Bello: Mr. Chairman, I am in full support of this submission. I am very happy to note that all the projects development expenditure have been clearly spelt out in various states. The only advice I have for the Committee, is to have an effective oversight function to ensure that these projects are really executed.

I have a very little question to my friend distinguish Chairman, Senator James Manager. There is a small amount of N35 million for what they call Transportation Marriage. Does it mean that when any worker in NDDC is getting married he or she will receive a gift of a car or is used to transport him to his wife? I just want clarification on that otherwise, I am in full support of the Budget and urge this Senate to kindly pass this Budget immediately so that work can start in earnest in the best interest of our country.

Senator Patricia Naomi Akwashiki (Nasarawa North): Mr. Chairman, in the Budget highlights, there is a list of about ten projects. In the Capital Projects in Part (C) there is Projects Development Expenditure. I do not seem to see where all these constructions are captured. I just want a clarification.

Senator Victor Ndoma-Egba: Mr. Chairman, Point of Order!

The Chairman: Yes, Point of Order, Senator Victor Ndoma-Egba.

Senator Victor Ndoma-Egba: Mr. Chairman, my Point of Order is under Order 87 which reads: *If the House of Representatives amendments are not*

acceptable to the Senate, then Conference Committee of the Senate and House of Representative shall meet.

(c) The Conference Committee shall deliberate only on areas of disagreement between the Senate and the House of Representatives. The Conference Committee shall not insert in its report any matter not committed to it by either Senate or House of Representatives nor shall it be in order to strike out from the Bill, any matter agreed to by the Senate or House of Representatives.

On page 2 of the Report, Recommendation 5 and if Mr. Chairman permits me, I will read.

After the meeting with the Niger Delta Development Commission, the Committee on Appropriations and Niger Delta harmonised the Budget proposals with House of Representatives and came out with the following recommendations.

What we are discussing right now is the Report of the Conference Committee as harmonised. Therefore, all these observations and interventions are not necessary because it is a Conference Committee Report more or less.

The Chairman: You are right, but if they have observations to make or questions to ask, there is no problem with that particularly if it requires an explanation from him. What they have done is to work ahead, because ideally, we ought to have discussed it and it would have gone for a Conference and they return the harmonised version. Maybe, because of the time lag, they decided to harmonise it ahead of time. We hope that the House of Representatives will not change anything because if they do, then we are back to square one.

Senator Nimi Barigha-Amange (Bayelsa East): Mr. Chairman, I have few observations which I want the Chairman of the Committee to explain. What prompted the return of N26 billion from the 2008 Budget? There are a lot of jobs to be done, yet a whole N26 billion was returned unspent.

I also observed duplication of projects that are being handled by the State Governments yet they are captured in this Budget. Again, some of the projects have kept appearing in every year's budget, in 2007, 2008 and now 2009 and they do not exist.

The Chairman: You have to let us know those projects that are in the Budget that do not exist and have appeared for three years running.

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Senator Barigha-Amange: I have, for example, the internal roads in Basabiri and Ogbolumabir (*Interruptions*)

Several distinguished Senators: Which country is that one?

Senator Barigha-Amange: It is better for me to search for it properly. (*Flips through the papers*)

The Chairman: Whilst you are searching for that, is there any other observation? Take your time but you have to search for it and make sure that you tell us or that statement is withdrawn before they begin to say we are approving projects that do not exist.

Senator Barigha-Amange: The last comment I would like to make is on a projects of N300 million and only N3 million is being allocated, that means, it would last for ten years before they would be completed. I do not think it is necessary for us to be allocating money like that to projects. If the projects could not be executed, they should be dropped.

Senator Dahiru Bako Gassol (Taraba Central): Mr. Chairman, I just want to ask a question, I do not understand the difference between Capital Expenditure Internal and Project Development Expenditure. I asked this question because if you go to page 5, item 38 is about building construction (including 3 states offices building, Head Office Extension and Health Unit Upgrade which has been allocated N50 million. Then in Part C, item 1 there is Head Office/Regional Offices which is allocated N48 million, I do not understand?

Some distinguished Senators: We do not understand you.

The Chairman: Senator Manager, do you get his question?

Senator James Ebiowou Manager: I did not quite get his question.

The Chairman: Senator Gassol, can you make the point clearer.

Senator Gassol: My question is that, on page 1 of the Report, Item 2.0(c) there is Capital Expenditure (Internal) with N404 million and then the next Item 2.0(d) Projects (Development) Expenditure with N88.056 million allocation. To me, all of them are Capital Expenditures.

Again, on page 5, Item 38 you have building construction (including 3 states offices building, Head Office Extension and Health Unit Upgrade which has been allocated N50 million. Then in Part (c) you have Head Office/Regional Offices with N48 million allocations. Are all these not capital projects? I do not understand it.

Senator Bode Olajumoke (Ondo North): Mr. Chairman, I am wondering why there was no allocation to items such as Patrol Boats and Flying Boats?

Senator Chris Anyanwu (Imo East): Mr. Chairman, I want to make a small observation about the implication of some roads but I have passed the information to the Chairman of the Committee.

Senator Ayogu Eze (Enugu North): Your Excellency, the observation I just want to make even though this is a work that was done jointly between Niger Delta and the Appropriations Committees, the issue of excess crude appearing in page 1 is really not the problem of the Committees but that of those who originated this budget. We have always agreed that this is an illegal source of revenue because it is contrary to the provisions of our Constitution for us to be keeping money in receptacles that are not known to our laws. Why is it appearing in a Law that we are going to pass? It is neither a problem of the Niger Delta Committee nor is it that of the Appropriations Committee. This is just to conscientise the Senate for us to know what to do about this illegality that has persisted in our system.

Senator Nkechi Nwaogu (Abia Central): Mr. Chairman, I am a bit worried about this Annual Budget we are doing today. Is the idea to faintly put some little money just for the sake of putting or are we suppose to make some concrete achievements in NDDC Commission. For instance, we are told that emphasis is now on road construction, agreed, but a situation where you marshal out roads from various member states for one billion and in 2009 a road which cost has been estimated at one billion plus and the Committee makes a recommendation in year 2009 of N10 million, I wonder what we truly mean by this kind of exercise. We would like the Chairman, to let us know their idea for such decisions.

Senator Patricia Naomi Akwashiki: Mr. Chairman, when I got up to talk earlier it was based on the fact that I was looking at the wrong document. It appeared a wrong document was distributed to most of us on this side. We do not have the real budget for Niger Delta. What we have here is not a budget. This looks like only a recurrent expenditure and that was why I was asking about the Capital.

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The Chairman: I am sorry about that.

Several distinguished Senators: It is not true. We do not have the two copies of the budget documents.

The Chairman: All right, I am sorry about that. Clerk, what is the problem?

Senator Barigha-Amange: I have just gotten few areas but I know that if I have time to go through I will bring more. For example, the Shore Protection/Jetty – Nembe, in Volume 2, Page 16, No.192, no work is going on, no contract awarded, it is a non existing project

The Chairman: I am sorry, Senator Barigha-Amange, you are the one who raised the issue so you can clarify your question properly. You are saying that this project does not exist on the ground and that for three years running they have allocated funds. You have to find out if the fund has been expended also. Senator James Manager, before you speak, allow him to name the other ones.

Senator Barigha-Amange: The other ones are: the Unity Bridge between Nembe-Ogbolumabiri and Nembe-Basabiri does not exist. The internal roads of Nembe, Ogbolumabiri do not exist but every year I see them in the budget, who is the Contractor?

Senator James Manager: Mr. Chairman, in the first place, I want to apologise on behalf of the Committee for those who have gotten only one volume, you should have two volumes. It is just that the machine printing the documents broke down yesterday evening. By the grace of God I want to assure you that you will get the second volume.

Several distinguished Senators: We do not need it again after this discussion.

The Chairman: No! How come it that it is only those on that side that did not get the documents? And they printed exact copies for those on this side?

Several distinguished Senators: No, we do not have it also.

Senator James Manager: Mr. Chairman, I have promised that they will get all the complete copies. Having said that budget is an intension or proposals and proposals are based on certain assumptions. At the end of the day if you have the money as proposed, then you will do those things you have set out to do. But if at the end of the day you do not have the money or circumstances beyond your control have made it difficult for you to execute those projects, then it would be rolled over. This is an elementary principle of budgeting which is known to everybody.

If a particular project is appearing yearly that means the project is yet to take off. It does not mean that the intention is not there. I think that is the case with Bayelsa State cited by distinguished Senator Barigha-Amange.

Closely related to Senator Barigha-Amange's comment is the issue raised by Senator Nkechi Nwaogu. The budget of NDDC is based on certain assumptions and, of course, it is also based on certain facts and figures because it is about oil production per state. If you look at what we have presented to you, Rivers State is taking a clear lead and that is because we have not adjusted our proposals. This is the Budget of 2009. Whatever the argument that is on ground is not yet reflected from NAPIMS Office. By the time these things are adjusted when we will be looking at the 2010 Budget, I am sure it would be properly reflected.

Therefore, it depends on the amount of money that is going to Abia State for that particular year. Take for example, this year, it is based on the oil production of Abia State for the previous year with facts and figures presented by NAPIMS Office. So, it is with that money that we budget. If at the end of the day the intentions are there and you have very little to achieve or actualise those intentions, then you will see the problem that we have pointed out.

Distinguished Senator Ayogu Eze raised the issue of Excess Crude. The case was made by so many people including the Committee on Niger-Delta. The Commission had not enjoyed proceeds from the excess crude since it was established by an Act of Parliament. The case was made and the President decided that the excess crude for 2008 which the Commission did not enjoy be given to it and that is exactly the present position. The Chairman of the Senate Committee on Finance and so many other people were involved in all these. At the end of the day, Mr. President resolved that the excess crude be paid to the Niger Delta Development Commission and that is why we have the Excess Crude Account reflected. The one that was supposed to have gone to the Niger Delta Development Commission in 2009 which was shared by all the tiers of government to the exclusion of the Niger Delta Development Commission is reflected. It is even reflected in the main Budget of this year.

On the issue of Flying Boats raised by distinguished Senator Olajumoke, we are not the implementation officers. The implementation officers are there in Port Harcourt and they were all privy to whatever decisions that were reached. I am not going to buy flying boats for them because it is not my

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responsibility. At the end of day, we met and agreed that they have enough flying boats on ground and for this year, they will not need flying boats. That is why there was no provision for flying boats.

On the issue of Capital Developmental Projects and Internal Capital, we asked this question last year and at the end of the day what was presented on the Floor of the Senate was exactly what is here today. They said that the Internal Capital is the one that is tied to, for example, renovation of offices, purchase of vehicles, etc. But the Development Capital is the one that will go into actual construction of roads and bridges. That is the explanation that NAPIMS Office gave to us and this same explanation was given to the Deputy Senate President who raised the issue out of curiosity last year.

On the issue of implementation, yes, we are considering the Budget for 2009 for the Niger Delta Development Commission in July. This is unfortunate that we have this on our hand but I think by the Grace of God Almighty we would put everything right. I want to believe that the Senate President and the Leadership of the Senate have emphasized over time that we must go out for oversight functions. As a Committee, by the Grace of God, we would do that.

The issue of the late arrival of the budget is beyond this Committee. You know when the budget was submitted by the Executive and whatever we are doing is based on the submission from the Executive. So, it is something that is beyond our control but we have emphasised that the budget for 2010 must come in 2009 for the Niger Delta Development Commission.

But believe me, the Budget for the Niger Delta Development Commission is also tied to the National Budget because the contribution that would go to the NDDC will come from the National Budget. So, they cannot do their own over and above the one for the National. These are some of the constraints they have. Apart from that, we bombarded them with a lot of questions and they said they made their submissions quite early in the year and it is because of the bureaucratic red-tapism that delayed it that we are receiving the budget late. By the Grace of God Almighty, I want to make a promise that the Committee will be very emphatic on the arrival of the budget early enough for us to consider it because the region certainly needs more than what we are doing in terms of funding and in terms of actual implementation of the budget.

Having said that, I think I have made an attempt to answer, at least, the majority of the questions.

0610

The Chairman: What I will do rather than go item by item, would be to take on Part A, Items 1- 40 and put the Question on all of them together.

Senator Isiaka Adetunji Adeleke (Osun West): Mr. Chairman, I have an observation.

The Chairman: Yes, observation?

Senator Isiaka Adetunji Adeleke: On item 1, Chairman's Office the Personnel Costs and the Overhead Costs are the same amount. Can that be true?

The Chairman: Well, unfortunately, we cannot alter it because it is reconciled figures. But something may be wrong, I do not know.

Senator James Manager: What is basic is the Recurrent which is reflected there. Last year, Chairman's Office had zero allocation so, this year we decided that we should give him something hence we reflected what is in the Recurrent in the Capital.

Question put and agreed to.

PART A - RECURRENT NON-DEBT EXPENDITURE

Item 1 - (CHAIRMAN'S OFFICE) - N37,695,760.00 - *ordered to stand part of the Schedule*

Item 2 - (MANAGING DIRECTOR'S OFFICE) - N161,489,402.00 *ordered to stand part of the Schedule*

Item 3 - (EXECUTIVE DIRECTOR FINANCE AND ADMINISTRATION'S OFFICE) - N109,535,076.00 *ordered to stand part of the Schedule*

Item 4 - (EXECUTIVE DIRECTOR'S PROJECT OFFICE) - N116,688,449.00 *ordered to stand part of the Schedule*

Item 2 - (CORPORATE AFFAIRS DEPARTMENT) - N349,922,433.00 *ordered to stand part of the Schedule*

Item 3 - (INTERNAL AUDIT) - N86,422,427.00 *ordered to stand part of the Schedule*

Item 4 - (SECURITY DEPARTMENT) - N291,258,900.00 *ordered to stand part of the Schedule*

0611

Item 5 - (DUE PROCESS) - ₦80,793,380.00
ordered to stand part of the Schedule

Item 6 - (SPECIAL PROJECTS) -
₦153,822,821.00 *ordered to stand part of the
Schedule*

Item 7 - (DIRECTORATE OF LEGAL
SERVICES) - ₦285,020,961.00 *ordered to stand part
of the Schedule*

Item 8 - (DIRECTORATE OF PROJECT
MONITORING AND SUPERVISION) -
₦207,469,599.00 *ordered to stand part of the
Schedule*

Item 9 - (DIRECTOR OF FINANCE AND
SUPPLY) - ₦267,687,664.00 *ordered to stand part of
the Schedule*

Item 10 - (DIRECTORATE OF
ADMINISTRATION AND HUMAN RESOURCES)
- ₦777,822,247.00 *ordered to stand part of the
Schedule*

Item 11 - (DIRECTORATE OF PLANNING,
RESEARCH, STATISTICS AND MIS) -
₦186,44,049.00 *ordered to stand part of the Schedule*

Item 12 - (DIRECTORATE OF
AGRICULTURE AND FISHERIES) -
₦158,094,736.00 *ordered to stand part of the
Schedule*

Item 13 - (DIRECTORATE
ENVIRONMENTAL PROTECTION AND
CONTROL) - ₦117,523,803.00 *ordered to stand part
of the Schedule*

Item 14 - (DIRECTORATE OF EDUCATION,
HEALTH AND SOCIAL SERVICES) -
₦128,757,239.00 *ordered to stand part of the
Schedule*

Item 15 - (DIRECTORATE OF COMMUNITY
AND RURAL DEVELOPMENT) - ₦225,915,478.00
ordered to stand part of the Schedule

Item 16 - (DIRECTORATE OF UTILITIES
INFRASTRUCTURE DEVELOPMENT AND
WATERWAYS) - ₦171,291,651.00 *ordered to stand
part of the Schedule*

Item 17 - (DIRECTORATE OF COMMERCIAL
AND INDUSTRIAL DEVELOPMENT) -
₦169,282,218.00 *ordered to stand part of the
Schedule*

0612

Item 18 - (DIRECTORATE OF YOUTH,
WOMEN, SPORTS AND CULTURE) -
₦133,408,405.00 *ordered to stand part of the
Schedule*

Item 19 - (HEADQUARTERS) -
₦1,693,104,928.00 *ordered to stand part of the
Schedule*

Item 20 - (ABUJA LIAISON OFFICE) -
₦107,684,769.00 *ordered to stand part of the
Schedule*

Item 21 - (ABIA STATE OFFICE) -
₦140,386,160.00 *ordered to stand part of the
Schedule*

Item 22 - (AKWA IBOM STATE OFFICE) -
₦138,798,245.00 *ordered to stand part of the
Schedule*

Item 23 - (BAYELSA STATE OFFICE) -
₦135,527,203.00 *ordered to stand part of the
Schedule*

Item 24 - (CROSS RIVER STATE OFFICE) -
₦130,351,480.00 *ordered to stand part of the
Schedule*

Item 25 - (DELTA STATE OFFICE) -
₦193,913,140.00 *ordered to stand part of the
Schedule*

Item 26 - (EDO STATE OFFICE) -
₦125,946,440.00 *ordered to stand part of the
Schedule*

Item 27 - (IMO STATE OFFICE) -
₦103,525,147.00 *ordered to stand part of the
Schedule*

Item 28 - (ONDO STATE OFFICE) -
₦147,847,505.00 *ordered to stand part of the
Schedule*

Item 29 - (RIVERS STATE OFFICE) -
₦134,401,460.00 *ordered to stand part of the
Schedule*

Item 30 - (125% CONTRIBUTORY PENSION)
- ₦401,211,748.00 *ordered to stand part of the
Schedule*

Item 31- (PENSION PAST SERVICE
LIABILITIES) - *ordered to stand part of the
Schedule*

0613

Item 32 - (STAFF GROUP STAFF ASSURANCE SCHEME) - ~~₦0~~ ordered to stand part of the Schedule

Item 33 - (WORKMEN COMPENSATION) - ₦53,562,000.00 ordered to stand part of the Schedule

Item 34 - (DEATH BENEFIT) - ₦60,000,000.00 ordered to stand part of the Schedule

Item 35 - (BEREAVEMENT/CONDOLENCE PURSE/TRANSPORTATION) —ordered to stand part of the Schedule

Item 36 - (TRANSPORTATION (MARRIAGE) - ordered to stand part of the Schedule

Item 37 - (HUMAN RESOURCES SERVICES/EMPLOYEE RELATIONS) - ₦35,000,000.00—ordered to stand part of the Schedule

Item 38 - (RETIRES PENSION SCHEME) - ₦200,000,000.00—ordered to stand part of the Schedule

Item 39 - (NATIONAL HEALTH INSURANCE SCHEME (NHIS) - ₦90,000,000.00—ordered to stand part of the Schedule

Item 40 - (RECRUITMENT SERVICES) - ₦37,500,000.00 ordered to stand part of the Schedule

TOTAL PERSONNEL + RECURRENT - ₦8,194,171,278.00 - ordered to stand part of the Schedule

PART B – CAPITAL EXPENDITURE

Item 6 - (MOTOR VEHICLE – BUSES (COASTER) - ₦30,000,000.00 - ordered to stand part of the Schedule

Item 10 - (EQUIPMENT – PERSONAL COMPUTER) - ₦15,250,000.00 - ordered to stand part of the Schedule

Item 11 - (EQUIPMENT – LAPTOP COMPUTER) - ₦12,600,000.00 ordered to stand part of the Schedule

Item 12 - (EQUIPMENT – PRINTER AND UPS)- ₦7,000,000.00 ordered to stand part of the Schedule

Item 13 - (EQUIPMENT – PHOTOCOPIER/GIS ACCESSORIES) - ₦76,651,160.00 ordered to stand part of the Schedule

0614

Item 14 - (EQUIPMENT – SCANNER) - ₦2,719,000.00 ordered to stand part of the Schedule

Item 15 - (EQUIPMENT – FAX MACHINE) - ₦785,000.00 - ordered to stand part of the Schedule

Item 16 - (EQUIPMENT –SHREDDING MACHINE) - ₦1,800.000.00 - ordered to stand part of the Schedule

Item 17 - (EQUIPMENT – FIRE PROOF CABINETS) - ₦1,200,000.00 ordered to stand part of the Schedule

Item 18 - (EQUIPMENT – SHELVES AND CABINETS) - ₦12,600,000.00 ordered to stand part of the Schedule

Item 19 - (EQUIPMENT – SPLIT UNIT AIRCONDITIONED) - ₦3,800,000.00 ordered to stand part of the Schedule

Item 20 - (EQUIPMENT – WINDOW UNIT AIR) - ₦780,000.00 ordered to stand part of the Schedule

Item 21 - (EQUIPMENT – DIGITAL CAMERAS WITH GPS) - ₦1,950,000.00 ordered to stand part of the Schedule

Item 22 - (EQUIPMENT – BOREHOLE) - ₦1,250,000.00 ordered to stand part of the Schedule

Item 23 - (EQUIPMENT – VIDEO CAMERAS) - ₦540,000.00 ordered to stand part of the Schedule

Item 24 - (EQUIPMENT – AUTOMATIC WATER ANALYSER) - ₦560,000.00 ordered to stand part of the Schedule

Item 25 - (EQUIPMENT – ECHO SOUNDER) - ₦1,120,000.00 - ordered to stand part of the Schedule

Item 26 - (EQUIPMENT – HEAD HED GPS) - ₦300,000.00 - ordered to stand part of the Schedule

Item 27 - (EQUIPMENT – TELEVISION AND VIDEO PLAYER) - ₦1,360,000.00 ordered to stand part of the Schedule

Item 28 - (FURNITURE – EXECUTIVE DESK AND CHAIR) - ₦5,600,000.00 ordered to stand part of the Schedule

Item 29 - (FURNITURE – JNR EXECUTIVE DESK AND CHAIR) - ₦5,550,000.00 ordered to stand part of the Schedule

0615

Item 30 - (FURNITURE – OFFICES DESK AND CHAIR) - ₦9,480,000.00 ordered to stand part of the Schedule

Item 31 - (FURNITURE – SECRETARIES DESK AND CHAIR) - ₦2,000,000.00 ordered to stand part of the Schedule

Item 32 - (FURNITURE – VISITORS CHAIRS ETC) - ₦3,480,000.00 ordered to stand part of the Schedule

Item 33 - (HOUSEHOLD FURNITURE) - ₦541,250.00 ordered to stand part of the Schedule

Item 34 - (OTHER – RAIN-BOOTS, RAINCOATS) - ₦1,020,000.00 ordered to stand part of the Schedule

Item 35 - (OTHER – LIFE JACKETS) - ₦1,305,000.00 ordered to stand part of the Schedule

Item 36 - (OTHER – SAFETY HELMET AND BOOTS) - ₦2,100,000.00 ordered to stand part of the Schedule

Item 37 - (COMPUTER SOFTWARE AND INFRASTRUCTURE) - ₦32,350,000.00 ordered to stand part of the Schedule

Item 38 - (BUILDING CONSTRUCTION (INCLUDING 3 STATES OFFICES BUILDING, HEAD OFFICE EXTENSION AND HEALTH UNIT UPGRADE) - ₦50,000,000.00 - ordered to stand part of the Schedule

Item 39 - (OTHERS – INCLUDING NEW HEAD OFFICE FENCE AND FURNISHING, FUEL DUMP) - ₦990,787,500.00 ordered to stand part of the Schedule

TOTAL - ₦1,276,473,912.00 – ordered to stand part of the Schedule

PART C – PROJECT DEVELOPMENT EXPENDITURE

Item 1 - (HEAD OFFICE/REGIONAL OFFICES) - ₦48,393,955,0710.00 ordered to stand part of the Schedule

Item 2 - (ABIA STATE) - ₦3,263,943,771.00 ordered to stand part of the Schedule

Item 3 - (AKWA IBOMSTATE) - ₦13,121,171,170,878.00 ordered to stand part of the Schedule

0616

Item 4 - (BAYELSA STATE) - ₦9,538,489,830.00 - ordered to stand part of the Schedule

Item 5 - (CROSS RIVER STATE) - ₦3,832,661,201.00 - ordered to stand part of the Schedule

Item 6 - (DELTA STATE) - ₦9,369,329,557.00 - ordered to stand part of the Schedule

Item 7 - (EDO STATE) - ₦3,030,100,495.00 - ordered to stand part of the Schedule

Item 8 - (IMO STATE) - ₦3,518,940,325.00 - ordered to stand part of the Schedule

Item 9 - (ONDO STATE) - ₦5,553,983,343.00 - ordered to stand part of the Schedule

Item 10 - (RIVERS STATE) - ₦19,441,986,101.00 - ordered to stand part of the Schedule

TOTAL - ₦119,021,365,572.00 – Ordered to stand part of the Schedule

GRAND TOTAL - ₦128,492,010,762.00 – Ordered to stand part of the Schedule

Senator Teslim Kolawole Folarin: Mr. Chairman, I move that the Chair do now report progress.

Senator Kabiru Ibrahim Gaya: Mr. Chairman, I support the Motion that the Chair do now report progress.

Question put and agreed to.

(The President resumed the Chair)

The President: The Senate in the Committee of Supply considered the Report of the Committees on Appropriations and Niger Delta Development Commission on the 2009 Budget Proposals for Niger Delta Development Commission (NDDC) and approved as follows:

Schedules Part A as recommended;

Part B as recommended;

Part C as recommended, and

Grand Total as recommended.

0617

Is this a true reflection of what transpired in the Committee of Supply?

Several distinguished Senators: Yes.

Approval of the 2009 Budget for Niger Delta Development Commission (NDDC)

Senator Teslim Folarin: Mr. President, I move the Motion that the Senate do now approve the 2009 Budget for the Niger Delta Development Commission (NDDC).

Senator Kabiru Ibrahim Gaya: Mr. President, I rise to second the Motion as ably moved by the Leader of the Senate.

Question put and agreed to.

The President: Senator Manager, please, you said that this is a reconciled figure between you and the House of Representatives Committee, because we do not want this to come back again for the two Houses to pass two different figures. There was lots of emphasis here on implementation. To be honest, 90 *per cent* of the problems in the Niger Delta is as a result of lack of implementation of the Niger Delta Development Commission budget itself. I hope that once they get on ground, we will implement this budget and, strictly, too, and on time.

Senator Teslim Folarin: Mr. President, as you are aware there are two important Public Hearings going on as I am speaking. One is on Tobacco Bill and two Water Bills, for this reason, I want to move that the last item on the Order Paper be stood down to another legislative day.

Senator Kabiru Ibrahim Gaya: Mr. President, in view of the issues raised by the Leader, I second the Motion that the last item on the Order Paper be stood down to another legislative day.

The President: Senator Bent is here. Are we not enough to carry on? *(Laughter)*

0618

Senator Teslim Folarin: Mr. President, these are very critical Bills and a lot of our Members will like to participate.

Question put and agreed to.

(By leave of Senate the last item on the Order Paper accordingly stood down to another legislative day)

Senator Bello Hayatu Gwarzo (Kano North): Observation!

The President: Observation, distinguished Senator Gwarzo.

Senator Bello Hayatu Gwarzo: Mr. President, this NDDC Bill has not been read the Third Time.

The President: There is a bit of problem there. It is not exactly a Bill. That is why, if you noticed, I did not go line by line. It is a Report submitted. The Report is what we have approved. I was a bit careful not to read it as a Bill, too. Since we did not start it as a Bill, I could not have concluded it as a Bill. Your observation is noted, but it is not correct though. *(Laughter)*

ADJOURNMENT

Senator Teslim Folarin: Mr. President, I now move that this Senate do now adjourn till tomorrow 22nd July, 2009 at 10.00 a.m.

Senator Kabiru Ibrahim Gaya: Mr. President, I second the Motion moved by the Leader that the Senate do adjourn till Wednesday, 22nd July, 2009 at 10.00 a.m. prompt.

Question put and agreed to.

Resolved: That the Senate adjourn till Wednesday, 22nd July, 2009 at 10.00 a.m. prompt.

The Senate adjourned accordingly at 1.05 p.m.