

**HOUSE OF REPRESENTATIVES
FEDERAL REPUBLIC OF NIGERIA**

Tuesday 8th December, 2009

The House met at 10.50 a.m.

PRAYERS

(The Speaker in the Chair)

VOTES AND PROCEEDINGS

The Speaker: Hon. Members, the House is called to order. I have examined and approved the Votes and Proceedings of Wednesday 25th November, 2009.

ANNOUNCEMENTS

**Progress Report on Quick-Wins Millennium
Development Goals Programme**

The Speaker: My dear Colleagues, I have just received from the Office of Senior Special Assistant on Millennium Development Goals, Progress Report as at Mid-November 2009 on the Quick Wins Projects located in all in all Federal Constituencies of the country. Each Constituency Report is in the name of the hon. Member representing that Constituency.

Accordingly, I have directed the Office of the Clerk of the House to make copies of the Report available to hon. Members without delay. Furthermore, Members are requested to examine the Report in respect of their Constituencies and submit their comments, if any, to the Chairman, Committee on Constituency Outreach by Monday 14th December, 2009. This is for collation and onward transmission to the Office of the Senior Special Assistant to the President on Millennium Development Goals.

**Meeting of the House Leader with Chairmen and
their Deputies on Progress Report on the Budget
Proposals**

Also, this announcement is from the Leader and the Deputy Leader of the House. There will be a meeting between the Leader, Deputy Leader of the House and all Chairmen and Deputies of all Committees on Progress Report on the Budget Proposals at 12.00 noon. All Chairmen and their Deputies must be at that meeting.

Submission of Reports on Public Hearings

I must also add that all Public Hearings on fifty five or so Bills are almost completed. They were meant to be completed last week but I understand some are to be completed this week.

I also ask that the Reports on those Public Hearings should come in on or before 14th December 2009. You have done a great job so far; let us complete it by handing those reports before or on 14th December 2009.

**Conferees of Nigerian Content in Oil and Gas
Development Bill**

The Deputy Speaker: The following Members have been nominated to serve as Conferees to harmonise the above Bill with the Senate. They are:

- 1) Hon. Bassey Etim
- 2) Hon. Igochukwu Aguma
- 3) Hon. Tamarautare Brisibe who was the sponsor of the Bill
- (1) Hon. Yusuf Tuggar
- (2) Hon. Sylvester Ogbaga and
- (3) Hon. Muraina Ajibola.

Invitation to Burial Ceremony

This is from Hon. **Charles Odedo**. He wishes to announce the death of a sister, Mrs. Ifeoma Nwodo on the 26th November, 2009. Burial arrangements are to be done on Tuesday, 8th December 2009. Service of Songs will take place in Abuja at the FCT Christian Pilgrim Welfare Board, Plot 16, Algiers Street, Zone 5, Wuse, near the PDP Headquarters. The time will be from 5.00 p.m. to 8.00 p.m.

Interment and Burial Ceremony will take place on Saturday, 12th December 2009 in Anambra State.

(Signed)

Hon. Charles Odedo

Invitation to a Novelty Football Match

My dear Colleagues, you are all invited to a Novelty Football Match by the Senators' Wives Association of Nigeria and House of Representatives Members' Wives Association of Nigeria.

Do not look at me as if you do not know; you all know. I am sure your wives must have implored you all to be present. This is going to take place today, 8th December 2009 by 3.00 p.m.

The Venue is Anglican Girls Grammar School's Field, Apo, Gudu District, Abuja. All females hon.

Members are also invited. You do not need to bring your husbands, please, just be present.

Leader, who is playing the match?

Hon. Tunde Akogun (Akoko Edo): The match is between the wives of distinguished Senators and wives of hon. Members.

Meeting of the Appropriation Committee

This is from Hon. Ademola Adeseun, Chairman of the Committee on Appropriation. There will be a crucial meeting of the Appropriation Committee today, 8th December 2009 by 2.00 p.m. Immediately after the meeting, you will move straight to Anglican Girls Grammar School for the Novelty Match.

(Signed)
Hon. Ayo Ademola Adeseun
Chairman

PRESENTATION OF PUBLIC PETITIONS

The Speaker: Any Member who has a Petition to present to the House may, please, rise up to do so now.

Importation of Brand New Tubes and Tyres - Use of Brand name

Hon. Chukwudi Leonard Mayor Eze (Orlu/Orsu/Oru East): This is a Petition from Stakeholders on the importation of tubes and tyres in Nnewi Market in Anambra State.

The Speaker: I thought that was already banned.

Hon. Mayor Eze: No, it has not been banned. Stakeholders are petitioning against a Taiwanese company, Akebono Industrial and Co. (Nigeria) Limited over the unfair and primitive market competition in the importation and distribution of tyres and tubes in Nigeria. The Petitioners are seeking the quick intervention of this House to protect indigenous companies.

Non-Payment of Gratuity

The second Petition is from Nduka Angelina Ezinwa who was retired from the Federal Ministry of Education, Abuja.

She is praying this honourable House to intervene in the non-payment of her gratuity. She believes that this House will do justice to the matter.

With your permission, I would like to lay the Petition on the Table.

The Speaker: Please, proceed.

Petitions laid.

Wrongful Dismissal

Hon. Godfrey A. Gaiya (Jaba/Zango Kataf): The Petition before this honourable House is from Agan John Odi and two other members of my Constituency.

The three petitioners are former staff of the Nigerian Board for Technical Education, Kaduna. They are writing to this House over their wrongful dismissal. They are therefore, praying this House to intervene so that they could be reinstated. With your permission, I will lay their Petition on the Table.

Petition laid.

The Speaker: Is there any other Petition? (No response)

In absence of any other Petition, all Petitions are referred to the Committee on Public Petitions.

(All Petitions referred to the Committee on Public Petitions)

Hon. Sani Sale Minjibir (Minjibir/Ungogo): I have a Point of Order, Mr. Speaker. It is Order V, Rules 1 and 2 of our Standing Orders dealing with Privileges. It read thus:

Privileges

1. *Privileges are the rights enjoyed by the House collectively and by the Members of the House individually conferred by the Legislative Houses (Powers and Privileges) Act LFN 2004 and other statutes, practices, precedents, usages and customs.*

2. *Whenever a matter of privilege arises, it shall be taken into consideration immediately.*

While you were away on break, there were re-run elections that were held in Ondo State for the seat that was made vacant by the death of late Col. Joe Anota. While the elections were on, an incident happened that was reported widely in both the Print and Electronic Media. There was a report in the *Sunday Trust* of 6th December, 2009 citing Police on those re-run polls. It reads:

Police Arrest Senator, Rep. Members, mob threatens to lynch them.

In *The Nation* of Sunday, 6th December 2009 there was another screaming headline *Senator, Reps quizzed over stuffed ballot boxes.*

On page 12 of the same paper, there are pictures of the Senator being spoken to by some Policemen and the picture of alleged stuffed ballot boxes that were found in the custody of these Members of Parliament.

Mr. Speaker, I will start by, first of all, declaring that in a democracy nobody is above the law. No matter who you are the law is above you. We have all been speaking about the ills of the *(Interruptions)*

The Speaker: Hon. Chairman, Committee on Ethics and Privileges, I will advise that you stick to the order of privileges that you are quoting and also remember clearly that if anything is going to come up it is going to refer to the Committee that you chair.

Hon. Sani Sale Minjibir: Thank you, Mr. Speaker. I as the Chairman of the Committee on Ethics and Privileges feel rightly that a breach of my privilege and a breach of the privilege of the whole House have been committed by such reports and as such I owe it a duty to this House to report the matter before the House for any further action.

Hon. Ita Enang (Itu/Ibiono Ibom): Mr. Speaker, I rise on Order V Rule 3 at page 9 of our Standing Orders dealing with Privileges. The Order says:

A member raising a matter of privilege shall draw the attention of the House to the provisions of the Legislative Houses (Powers and Privileges) Act and Order Statue breach in relation to him.

This provision is in our Standing Orders and it is intended to ensure that before a Member raises a Matter of Privilege, that privilege is actually covered by the Legislative Houses (Powers and Privileges) Act or it is a privilege recognised by law and it is to draw the attention of the House to the particular provision breached in relation to him. This is what we adopted.

And unless my brother, Hon. Sani Minjibir draws attention to the particular provision of the House privilege that is breached in relation to him, he cannot be heard on the Order of Privilege.

Hon. John Halims Agoda (Ethiope East/Ethiope West): We are in a society and indeed an era where the society is in dire need of doing things right.

What the Chairman, Committee on Ethics presented before this honourable House this morning is that we have a collective stake that whatever happens to a Member by way of conduct and action will definitely affect our collective morality as a House. If we are preaching by the laws we pass here that we must do things right, we must conduct ourselves as good citizens. The Electoral Act (Amendment) Bill is before us; we want to ban the snatching of boxes. If it is alleged that one of us is now leading that criminality I think it is a dent on the collective image of this great institution.

This House should look at the issue brought by our distinguished Colleague from this parameter. We must lead by example. That is why we are here; no matter who is involved, we should lead by example.

The Speaker: It is all right. It is very simple really. Politics in our country is played in a very ruthless manner where white could be made to look as black vice versa. The only way to get to the bottom of such things is by conducting serious level of investigation into it. Therefore, I do not belong to the school of thought that our people begged us to come and become Members of the House. As we all aspire to serve when allegations are made, we must be ready to be investigated because we are public servants.

However, what really happens in most cases when these things are found to be untrue is that the damage might have been done to the persons mentioned.

Therefore, this matter will be referred to the Committee on Electoral Matters, Committee on Police Affairs and National Security to give us the report of what truly happened there.

Matter accordingly referred to the Joint Committee on Electoral Matters, Police Affairs and National Security for investigation.

ORDERS OF THE DAY

MOTIONS

Need for the Immediate Relocation of the Post-Amnesty Camp at Aluu; near the University of Port Harcourt to a more suitable Site

The Speaker: The first Order of the Day is a Motion on the Need for the Immediate Relocation of the Post-Amnesty Camp at Aluu; near the University of Port Harcourt to a more suitable Site standing in the name of Hon. Betty Apiafi. Is Hon. Betty Apiafi here? *(No response)* She is not.

Hon. Chairman, Rules and Business, is she aware of this?

Hon. Ita Enang: Of course, she is aware and she has indicated her willingness to take it.

I plead on her behalf that the Motion be stood down, Sir.

The Speaker: Apparently, we have to.

Motion with the leave of the House stood down.

Hon. Sani Sale Minjibir: Point of Order, Mr. Speaker!

The Speaker: Go ahead.

Hon. Sani Sale Minjibir: I rise to cite Order VIII, Rule 5 of our Standing Orders on Page 26. It is on Personal Explanation, which says:

Personal Explanation

By the indulgence of the House and leave of the Speaker, a Member may make a Personal Explanation although there be no question before the House; but no controversial matter may be brought forward nor may debate arise upon the explanation. The terms of the proposed statement shall be submitted in extensor to the Speaker when his leave to make it is sought.

I believe I did that since last week.

The Speaker: I was not even in the country last week.

Hon. Sani Sale Minjibir: Yes, but I did and it was stamp-received.

The Speaker: I am not aware of it.

Hon. Sani Sale Minjibir: It is nothing controversial.

The Speaker: Hold on, please. You are the Chairman of the Ethics Committee. I am not aware of this. So, you can let me know about it sometime today. Then, you can have the opportunity to do your Personal Explanation tomorrow. Otherwise, it may become controversial.

Motion with the leave of the House stood down.

Integration of Non-Indigenes into States

Other than their States of Origin Bill, 2009

A Bill for an Act to Integrate Non-Indigenes into States other than their States of Origin 2009 (HB.305) - *Order for Second Reading.*

The Speaker: Is Hon. Darlington Okereke here?

Hon Ita Enang: Mr, Speaker, the Hon. Okereke is not in. We spoke with him and he said he is ready to take his Bill today but I am surprised that he is not here.

May we stand it down, Sir and let us consult a little bit.

Bill with the leave of the House stood down.

National Institute for Hospitality and Tourism (Establishment) Bill, 2009

A Bill for an Act to Provide for the Establishment of a National Institute for Hospitality and Tourism and Matters Connected Therewith, 2009 –

Order for Second Reading.

The Speaker: Are Hon. Agbakoba and Hon. Doris Uboh here? *(No response)*

I understand that most of our Members are working on oversight vis-à-vis the Budget Proposals. Most of them are also working on the Public Hearing targets that we gave on the Floor. I can understand why one or two Members may not be here. However, Hon. Olukolu is here. So, move to the Order that refers us to the commencement of debate on the general principles of a Bill for an Act to Provide for the Establishment of a National Institute for Hospitality and Tourism and Matters Connected Therewith, 2009.

My dear Colleagues, you would recall that the Bill was read for the First Time on Thursday, 22nd October 2009. I now invite Hon. Ganiyu T. Olukolu to move that the Bill be read a Second Time.

Hon. Ganiyu Tunji Olukolu (Amuwo Odofin): I rise to move that a Bill for an Act to provide for the Establishment of a National Institute for Hospitality and Tourism and Matters Connected Therewith be read a Second Time.

Hon. Ralph Udenze Okeke (Anambra East/West): I rise to second the Motion as moved by Hon. Ganiyu Tunji Olukolu.

Question proposed.

Hon. Ganiyu Tunji Olukolu: Mr. Speaker, I will, first of all, start by appealing to this honourable House for a gracious passage of this Bill. This Bill is coming under Order XII, Rule 12(b) of the Standing Order of this House on page 54. The Bill is one of those not assented to by the President during the last dispensation. So, it has to go the whole hog of representation.

The Bill has to do with travel and holiday industry in Nigeria. It is of essence to explore the enormous benefits accruing from hospitality and tourism business in Nigeria so as to diversify the revenue base of the country from the monolithic base to multi base sources. The objective of this Bill is to provide a multi campus system throughout Nigeria and also to introduce professional, managerial, supervisory and technical training ground for people in that industry.

The functions of the Institute include, developing national training curriculum; organising staff development programme, providing consultancy services, regulating activities of catering schools and maintaining the school library.

The Bill also provides for a Governing Council on the orders of the Minister, having received the approval of the President. There will be a Chairman, a Director General who is the Chief Executive Officer and Accounting Officer. There will also be a representative from the Federal Ministry of Tourism, a representative from the National Tourism and Development Corporation (NTDC) and also a representative from the Federal Ministry of Education on the Board. The Director General (D-G) Industry Training Fund (ITF) will be there and other persons who are vast in catering services in the country.

The funding of the Institute mainly is to come from the Federal Government subvention but they can raise fees and charges from legitimate sources.

There are many benefits accruing from this Bill, mainly the economic benefit. There will be foreign exchange earnings and with this, we can plough them into our economic sector in the areas of electrification, health, environment, water supply, good road facilities and other areas. We should also know that with the Bill in place, there will be inflow of foreign investment. So, foreign investors will come in, set up business and even help our teeming unemployed youths. It will be of benefit to Nigeria and Nigerians.

There are many important benefits which time will not allow me to enumerate and analyze. I want to appeal to the House to, please, give the Bill a gracious support.

Hon. Abubakar Garba Shehu Matazu (Matazu/Musawa): This Bill, if my Colleagues could remember, especially those of my Colleagues who were here last session, was passed by this honourable House but unfortunately, it was one of the Bills that were not signed by former Mr. President before he left office.

In view of that, for us to have respect and honour our former Colleagues whom God have not brought back to this very important Chamber and even those of them that we lost and those who are no longer alive, we should commit this Bill to the Committee of the Whole.

The Speaker: My dear Colleagues, I will put the question that this Bill be read the Second Time and committed to Committee of the Whole.

Question put and agreed to.

Bill read the Second Time and Committed to the Committee of the Whole.

The Speaker: We have gotten in touch with Hon. Agbakoba from one of the Public Hearings.

Integration of Non-Indigenes into States Other than their States of Origin Bill, 2009

A Bill for an Act to Integrate Non-Indigenes into States other than their States of Origin, 2009 (HB. 305)
– *Order for Second Reading.*

The Speaker: The next Order of the Day is the Commencement of Debate on the General Principles of a Bill for an Act to Integrate Non-Indigenes into States other than their States of Origin. Members would recall that the Bill was read for the First Time on 22nd October 2009.

I will now invite Hon. Gozie Agbakoba to move that the Bill be read the Second Time.

Hon. Dozie Agbakoba (Onitsha North/Onitsha South): I move that a Bill for an Act to Integrate Non-Indigenes into States other than their States of Origin, 2009 be read the Second Time.

Hon. Emmanuel Jime (Makurdi/Guma): Mr. Speaker, hon. Colleagues, I rise most strongly to second this Motion as ably moved by Hon. Agbakoba.

Question proposed.

Hon. Dozie Agbakoba: I would like to lead this debate by saying that this Bill if it is passed into law will help move Nigeria forward in the direction of further integration of this great nation.

This nation was formed by somebody called Lord Lugard in 1914. So we have 95 years of history behind this Nigerian State. We shall be celebrating our Golden Jubilee next year.

Even though, it is claimed that Nigerian was formed by the imperial masters for their own economic interest, over these 95 years, Nigerians has come to appreciate one another to work together especially during the nationalist struggles trying to gain independence.

Hon. Emmanuel Yisa O. Jev (Buruku): Point of Order? I am raising Constitutional Order from Sections 41 and 42 of the Constitution of the Federal Republic of Nigeria, 1999. Section 41(1) says:

Every citizen of Nigeria is entitled to move freely throughout Nigeria and to reside in any part thereof and no citizen of Nigeria shall be expelled from Nigeria or refused entry there from.

If you read that together with Section 42 which says:

1. *A citizen of Nigeria of a particular Community, Ethnic Group, Place of Origin, Sex, Religion or Political Opinion shall not by reason only that if such a person –*
 - a) *be subjected either expressly or in the practical application of any law in force in Nigeria or any Executive or Administrative action of the government, to disabilities or restrictions to which citizens of Nigeria of other communities, ethnic groups, place of origin, sex, religions or political opinions are not made subject.*

I think this House does not need to go into an issue that the Constitution has expressly provided for. We should do things that better occupy our place.

Hon. Ita Enang: Mr. Speaker, with respect, I share the sentiment of my brother, Hon. Okey Jev, but at this stage, we should allow the sponsor of the Bill to fully put through his argument. It is not the matter that you could ask for a preliminary objection. It is also not a matter that you can say we cannot hear him at all. It is a matter that you can put your argument when you are speaking on it.

Hon. Raphael Samson Osagie (Orhionmwon Uhumwode): I submit with the greatest respect to Hon. Jev, my Colleague from Benue, that the provision in the Bill does not in any way contradict or contravene the provisions of the Constitution. Some of us have read the Bill and we know the issues that have been raised.

We are in a country where issues that will unite us are dividing us and I think this is one Bill that seeks to cure that particular aspect. It is wrong that we would be in the country where you cannot take up a Civil Service job in a State other than your own yet we are all Nigerians.

We should, please, allow Hon. Gozie Agbakoba to move his Bill after which we will debate it.

The Speaker: Hon. Colleagues, the provisions of the Constitution is clear. Depending on which divide we belong it is always clear to you if you are a leftist or rightist but try not to distinguish between left and right.

However, I am going to allow Hon. Gozie to complete his submission after which the House will decide on the constitutionality or otherwise of what he is saying, even though it is claimed that the Constitution is always clear.

Hon. Gozie Agbakoba: I just want to wrap it up by saying that laws are also made to enforce laws. The laws on humanity in Nigeria have been re-enacted depending on the situation. So, you cannot say that because it is in the books and you do not talk about them again; it is not in applicable. This is because you do that to help the process or to articulate the situation. So laws are made to support laws even though we are not agreeing to the submission of the hon. Member.

I want to say that we have our generation has a need for nation building; it is our business to build this nation and make it one country.

The Speaker: Which generation are you referring to?

Hon. Gozie Agbakoba: Our generation; we are the problem of this generation. The nationalists tried to bring us together but the problem is, how do we build?

The Speaker: There are about two generations in this world.

Hon. Gozie Agbakoba: Yes, all the people are one generation in history; the millennium is a common generation. I hope that this generation will see the need to clearly make sure that people who have abandoned practically their former States of origin and decided to settle in other States should be allowed to do so but there is no legal backing to support them. There are many cases of people who live in Jos, Lagos and Onitsha.

The Speaker: Hon. Colleagues, I believe that there are Members of this House representing different Constituencies in this Session than they did last Session. I also know that some Members of Legislature in Lagos State, may be Councillors and so on are not even from the South West of Nigeria. I know some Commissioners in Northern States are not originally from the North. The Constitution is working so I do not think we have much problem with that.

I will now put the Question that this Bill be read the Second Time.

Question put and negatived.

**Report of the Committee on Land Transport
on the Investigative Hearing on the State of
Nigeria's Rail Transport System**

The Speaker: The next Order of the Day, my dear Colleagues, is the Consideration of the Report of the Committee on Land Transport on the Investigation of the State of Nigeria's Rail Transport System. This report was laid on Wednesday, 28th October 2009.

Hon. Bernard Udoh, please, move for the consideration of the Report.

Hon. Bernard Ambrose Udoh (Ikot Ekpene/Essien/Essien Udim/Obot): I move that this House do consider the Report of the Committee on Land Transport on Investigative Hearing on the State of Nigeria's Rail Transport System and approve the Recommendations therein.

I so move.

Hon. Ahman-Pategi Aliyu Bahago (Edu/Moro/Pategi): I rise to second the Motion as moved by Bernard Udoh.

Question put and agreed to.

Resolved: That the House do consider the Report of the Committee on Land Transport on the Investigative Hearing on the State of Nigeria's Rail Transport System.

Hon. Tunde Akogun (Akoko-Edo): I rise to move that the House do resolve into Committee of the Whole to consider the report.

Hon. Emeka Nkem Ihedioha (Aboh Mbaise/Ngor Okpala): I rise to second the Motion as moved by the Leader that the House do resolve into Committee of the Whole.

Question put and agreed to.

**Report of the Committee on Land Transport on
Investigative Hearing on the State of Nigeria's Rail
Transport System - CONSIDERED IN THE
COMMITTEE OF THE WHOLE.**

(The Deputy Speaker in the Chair)

Hon. Bernard Ambrose Udoh (Ikot Ekpene/Essien Udim/Obot): Mr. Chairman, a Motion was moved sometime in September 2008 in respect of the above subject matter mandating the House Committee on Land Transport to conduct an investigative hearing on the railway modernization project and report to the House within weeks.

The Committee carried out an investigative hearing sometime in March this year and came out with the stated recommendation. It is, however, observed that most of the Committee's recommendation proffered had already been carried out by the Executive arm of government. But for the purpose of record, it is deemed necessary that we consider this Report.

During the findings, the Committee based their findings on facts by inviting all the stakeholders that have to do with the Railway; NRC, Due Process and Minister of Finance. At the end of the day, we came out with the recommendation as stated in the Report.

The Chairman: We will go straight to the three recommendations.

Hon. John Halims O. Agoda (Ethiope East/Ethiope West): I want to draw the attention of our

Colleagues to findings number two. With the permission of Mr. Chairman, I will read. It says:

- (ii) *That the Nigerian Government commission the China Civil Engineering Construction Company (CCECC) and Technics Engineering Architecture Marketing Nigeria Limited (TEAM) as consultants for the project at an agreed amount of \$358.4 million;*
- (iii) *That the total cost of the project amounted to \$8.3 billion. The Committee notes that the project was to be funded partly from a soft loan granted by the Chinese Government amounting to \$2.5 billion of which \$1.2 billion was for the project.*

Let me pick just two issues, the consultancy and indeed the cost of the project. The consultancy sum as stated by our Committee is \$358.4 million. If we are to translate this into Naira, you know it is a whopping sum. Did the Committee have the opportunity to have an alternative price mechanism that ascertained the fact that this whopping sum of money is ideal for consultancy?

The Chairman: The question is about the Consultancy which is over ₦50 billion. Hon. Bernard Udoh, in your recommendation, you said the project should continue the way it is and with a consultancy of over ₦50 billion. If you translate \$358 million into Naira, it is more than that.

Hon. Igochukwu N. Aguma (Port Harcourt I): On page 5 paragraph 3 of the findings, we have it there that; *the total cost of the project amounted to \$8.3 billion. The Committee notes here that the project was to be funded partly from a soft loan granted by the Chinese government amounting to \$2.5 billion of which \$1.2 billion was for the project.*

In the course of the Committee's investigation, was it found out that this National Assembly approved the loan?

The Chairman: I want the Chairman of the Committee to answer the two questions.

Hon. Andrew I. Uchendu (Ikwerre/Emohua): Still on recommendation (i) the Committee did recommend that the Railway Modernization project be continued. The implication of this is that there was suspension. If the project had earlier been suspended the House would need to be guided if they are recommending a continuation. This is because page 5,

paragraph 4 says that the project would be completed in 48 months. The report neither told us the commencement date of the project nor the date of completion. We need to know the point of take off of this project so as to know the completion period which would be 48 months from the start off period before we can accept the continuation and all that. The House also needs to know why the project was suspended initially.

The Chairman: He is talking about when the project started so that we know when these 48 months would lapse. We have two sets of questions on Recommendation (i).

Hon. Bernard Udoh, Chairman, Committee on Land Transport, I am not comfortable with \$358 million as cost of consultancy. That is over ₦50 billion on consultancy alone.

Hon. Bernard Ambrose Udoh: During the course of investigative hearing, the Committee sent out announcement to the public to give the Committee necessary information as regards the contract of Lagos - Kano Modernisation project. We further invited BPP in the course of our findings and the BPP told us that more than six consultants tendered. Out of all the contractors that tendered for the bids, it was only TEAM that had the lowest bid with technical expertise.

Secondly, when we realised that there was no money that we could expend, seeing the necessity of the Railway System in Nigeria, the Committee therefore recommended the continuation of the project even though the then Minister had suspended the contract.

The Chairman: Which Minister and under which government?

Hon. Bernard Udoh: The former Minister of Transport had written a letter of cancellation. We looked at both the pros and the cons of the cancellation of the contract. One was that if the contract is terminated or cancelled, that Nigerian Government would stand to pay a whopping sum of money.

The Chairman: How much will the Nigerian Government lose?

Hon. Bernard Udoh: We discovered that if the Chinese take the Nigerian Government to court, we will pay not less than \$2 billion. Therefore, we then said that since we do not have that money and we have a lot of things to do with money, that it is better not to

allow it to die rather and therefore we recommended re-scoping which means taking this contract in bits. The modernisation project has been suspended.

The Chairman: What was the reason the first Minister gave for the suspension of the project?

Hon. Bernard Udoh: The reason was that the Chinese company that was supposed to come out with the soft loan were not forthcoming and we went far to even look at the agreement.

The agreement the Nigerian Government entered with the CCECC was one-sided. The agreement was not in favour of the Federal Government. So what we did was to look for soft landing by even asking the CCECC to bring back the agreement and the Federal Ministry of Transport had to invite its legal team to re-examine the entire agreement with CCECC.

The Chairman: What about the loan aspect?

Hon. Bernard Udoh: On the loan aspect, the Chinese Government was not forthcoming but on the new modernisation project, they are now prepared and are coming out.

The Chairman: This is a very important Report Hon. Colleagues. This is how we are just misusing our money. Hon. Udoh, I could recall that one of the reasons for the suspension of the contract was that a similar contract was awarded somewhere else in Africa which is of the same distance, the same terrain, everything almost the same but the volume of the contract was only a little over US\$4 billion including the Housing Estate. That was the reason why I think that contract was suspended.

Hon. Tsegba Terngu: (Gboko/Tarka): Mr. Chairman, if you look at page 7 of the Report, the initial contract sum was \$15.4 billion and during the stereoscopic stage, it was reduced to \$8.3 billion and it was to be done in phases.

Nigeria has already paid an advance fee of \$250 million. This Railway modernisation is very important to save our roads. If we also look at Observation No. 6, it showed that this tender, before the selection of CCECC had passed through the Budget Monitoring and Price Intelligent Unit and Due Process.

If you also look at No.9 of the submission the initial contract sum was \$15.4 billion. After the stereoscopic it came to \$8.3 billion which means there was a reduction of \$7.1 billion.

This railway modernisation should be made to continue So, Recommendation (i) is recommended for approval.

Hon. Emmanuel Jime (Makurdi/Guma): I would like to make a quick comment regarding the complaint arising from the amount of money that was paid ostensibly for Consultancy Services. While I am not necessarily defending the total amount of money being a Member of this Committee I think I am able to offer the benefit of my understanding of why this particular amount of money was earmarked for consultancy.

Firstly, let me say that this amount of money was not totally paid to the consultants. That is the first thing that I think we should take note of.

Secondly, I think that the word *consultancy* may not be understood in the clear context in which the Land Transport Committee understood it and I suspect that may be that is where the problem is. As I understand it, the word *consultancy* implies that this particular firm was responsible for the design and the complete supervision of this particular project from the beginning to the end. So, when we talk about consultancy you may make the mistake of thinking that it is just simply for you to sit in your office and not be involved in the actual construction work.

The Chairman: What you are saying is that *Consultancy* comprises designs, supervision and all what have you in that project.

Hon. Emmanuel Jime: Exactly, from the start to the end.

The Chairman: Is the true Chairman that your Consultancy includes design, supervision and so on?

Hon. Andrew I. Uchendu: What Hon. Jime has stated is the fact.

Hon. Stanley Ohajuruka: I would want to draw the attention of this honourable House to item 9(a) of the findings. It says:

While the Committee alluded to the fact that comparisons were made with countries such as China, Italy etc., they did not indicate from this their findings as to whether they actually visited those countries to arrive at the benchmark with which they actually put into this Report.

I know, as has been stated here, that similar contracts were awarded in some other countries and it never came through. In fact, I do not think that the

Chinese Government can afford to pay anyone this kind of colossal amount that we are hearing here. If you also go to their final recommendation, this same Committee that was asked to investigate something as serious as this one, at some point it is even acquiescing with what we asked it to investigate.

I think that serious issue have been raised in this Report and the individuals who perpetrated this heinous misappropriation of funds of tax payers in Nigeria should be brought to book. This is the kind of thing I expect this Committee to have brought to the fore. This is a very serious issue and I want this Parliament to treat it as such. People must be held responsible for these monies that have been frittered away.

The Chairman: Hon. Bernard Udoh, you have heard what Hon. Stanley has said. His comment is more especially on China and Italy because the labour cost in Italy and that of Nigeria is not the same.

For you to go to Italy and compare what is obtainable in Italy and Nigeria is to me, something that may not be acceptable because cost of labour is much higher in Italy than in Nigeria. So, you have not done justice to that but you can look at countries that are in our class and find out what the cost of labour is if they have done similar projects and what they have paid.

Hon. Bernard Udoh: Mr. Chairman, it will be wrong for us to have comparison when it comes to railway system. We should take into consideration that terrains are not the same. If you compare Akwa Ibom State where I come from with what is obtains in Abuja, you will be wrong because the terrain is not the same.

This applies in every other contract that is being awarded. I do not think that is true because bearing in mind that before any contract is being awarded, we have a system that they have to go through all the details. We have the DPP that will go through all the details; not only on the value of the contract but technicality is also involved.

I believe that after due consideration, the CCECC was awarded this contract based on the technicality and as at when this contract was to be completed. So, a lot of issues are being put into consideration before contract is awarded. It is not just done on the surface of the value.

Hon. Emmanuel Deeyah (Gokana/Khana): Mr. Chairman, I want us to look at page 7, item 10, it says:

The Committee notes the inability of the Nigerian Government to drop down on the soft loan granted by the Chinese government for this project and regrets that no explanation was given during the hearing.

I know that it is not only CCECC that does things about railway in this world. I believe the reason they were given this concession or opportunity was not just because of the expertise but the fact that they were bringing something to the table. The Committee had a hearing but they were not able to bring forward an argument or a reason why the loan which was the basis - a very material aspect of this contract was not withdrawn.

Sir, we do not need to debate this issue. Let us ask the Committee to go back and re-examine this thing. I do not understand why consultancy alone will cost us ₦50 billion. The money that they were supposed to bring they have not brought and they are recommending that we asked them to go back to work under the name of re-scoping or whatever. This is Nigerian tax-payers' money.

I even understand that part of their reasons was that Nigerian Government was going to give them oil. So, if they get oil, they would do this thing. We should not at this stage be playing to the Gallery. We just noted it here that ₦50 billion is for consultancy alone.

Hon. Emmanuel Bello (Gombi/Hong): Mr. Chairman, my observation is that the information contained in this Report is inadequate. The Chairman of the Committee was releasing more information and I thought the information he released verbally should have been included here. For example, he gave us a vital information that the contract was cancelled and he did not reflect it in this Report. It should be reflected in the Report.

If you look at Recommendations (i), (ii) and (iii), especially Recommendation (iii) where the Committee specifically mentioned the name of two companies, I feel that something is wrong. This is because if the Committee feels that the companies mentioned in the Report should continue with the contract, the Committee should have also given us the details as to why it is making that recommendation. It means that something is wrong. If they are recommending that we should approve the names of companies, it means that the companies are no longer executing this contract. I feel that we should reject this Report in its entirety.

Hon. Ike Chinwo (Obio/Akpor): Mr. Chairman, you would recall that the Motion that gave rise to this

investigation was moved by my humble self and in that Motion; we made a lot of allusions that several payments were made in addition to the haphazard manner in which that contract was executed.

We had expected from this Report that this Committee would have refuted some of these allegations and tell this House what the correct position is as at today. You would recall that as a result of that Motion, the Federal Executive Council moved quickly to terminate this contract.

What we are seeing from this Report, in my opinion, does not give us anything. They are talking of re-scoping. Re-scoping from where and to where? This Report should be able to tell us if it is the basis on which the contract is now going on. If you take a look at pages 1 to 7, nothing like that is stated; this country deserves better.

Almost every Member on the Floor of this honourable House spoke on this Motion because railway transportation system is dear to our hearts; the state of our roads is getting worse every day because what we are supposed to transport by the rail system are being transported by road. We are talking about actualizing Vision 20-2020 but without a proper railway system; we cannot actualise it. So, if we are spending so much money on the railway system, we deserve to see results.

I urge this House to reject this Report in its entirety. Let the Committee come with a Report that will educate Members of this House on what the position is and let Nigerians know what they were doing based on their terms of reference.

Hon Leonard Okuweh Ogor (Isoko North/Isoko South): It is important that we notice here that there are two major challenges and from the challenges we have here, the Chairman of the Committee should be able to tell the Parliament here that this project which is the railway modernisation project is ongoing.

It is also important for him to also tell us that the re-scoping as is being recommended by the Hon. Minister of Transport be accelerated which is also what the Federal Government is doing.

As regards the contract award we recommend that CCECC and his team be allowed to continue with the modernisation and construction work since they have equipment and men on site. Based on the re-scope cost, all these projects are ongoing and I think it is important that we realise that we are dealing with ongoing situation where this contract has already been

awarded. If this information is not at our disposal, we may be thinking that we are addressing an issue that has not been taken into consideration.

I believe that what we need to look at is the previous transactions and I think that the Committee should be able to give us a clear analysis of what happened previously.

Hon. Igo raised a fundamental point which borders on the ₦2.5 billion and being guarded by the provisions of the Constitution, which states very clearly under Second Schedule, Legislative Powers, Item 7 of the Exclusive Legislative List dealing with borrowing of monies within or outside Nigerian for the purpose of the Federation or any State must be approved by Parliament.

I believe they should be able to tell us whether this fund was actually approved and if it was not approved, why was the contract awarded and almost US\$250 million paid? I think these are the clarifications that we need but as it stands today, the Federal Government has awarded this project. So let him give us the clear analysis in respect of the other sections that has actually happened before.

Hon Sani Sale Minjibir: Mr. Chairman, I believe that the issue of Due Process is not only concerned with how you go about awarding contracts from the beginning. The issue of Due Process is carried before, during, and after the contract award.

It might interest us to note that in the findings on item (6), it says:

From the memoranda submitted by the Budget Monitoring and Price Intelligence Unit, the Committee was satisfied that due process was substantially complied with in the conception of this contract.

This is because what he just talked about is the conception; we are not talking about the execution. When you go about the paying mobilisation fees to both the contractors and consultants, there are rules, modalities and laid down procedures for payment of mobilisation fees to contractors and consultants. Are we satisfied that such laid down procedure had been adhered to?

On item 8, the findings clearly stated that 90 per cent of survey and design which fall exclusively under the consultancy aspect have been completed with less than 2½ per cent of the amount of money that was supposed to be allocated for the consultancy. Clearly, there are huge question marks on the monies that have

been allocated for the consultancy work. It means that everything on this contract is premised on false footing.

Therefore, I believe that we need to seriously take a look at what is really going on here because everything clearly shows that what is going on is totally wrong.

Hon. Shaibu Abdullahi (Awe/Doma/Keana): Mr. Chairman, I think that people should not cash in on the strong desire and wish of Nigerians to have a railway system that will drain our economy. Already it has been revealed that earlier contracts were so lopsided and one-sided that something has to be given in and we have read about a new contract that Hon. Leo Ogor said is on-going.

We have to be careful before we accept that the recommendation of the Railway Modernisation project be continued. This House needs to be satisfied that it is truly in the national interest. And in all ramifications for this contract to continue, especially also given the loan aspect of the contract, it is not just that, may be, the House of Representative of the National Assembly does not approve the loan. In fact, knowing the way the Chinese has been executing contracts in this country and elsewhere, I can bet you, if we are not careful, we may have a railway system, but at the end of the day, we will not be able to maintain it, because, we have to be dependent on the Chinese. They would have to be executing contract with all the materials and equipments, the bolts and nuts from China and all the workers down to their drivers would be from China.

So before we accept this, we have to know that there is local content in the contract and that Nigerians would be trained and also that there is going to be technology transfer. Otherwise, at the end of the day, our desire to have a railway system may not be fulfilled or would be eternally dependent on the Chinese.

So, to simply say that the project should continue without convincing us that Nigeria and Nigerians stand to benefit beyond the haulage of goods in these contracts and that we would own the railway system if it is executed by the Chinese, I think we need to do more than that.

I support that the Committee or which ever that is going to re-examine this Report do a more thorough job on it.

Hon. Austin Nwachukwu (Ehime Mbano/Ihite Uboma/Obowo): I just want to turn to the recommendation on page 3 where they said that the CCECC and TEAM should be allowed to continue

with the modernisation and construction work since they already have equipment and men on site.

This Parliament should not get involved with the recommendation of companies that have shown interest in a particular project undone. First and foremost, I want to inform this House that this issue right now is on arbitration and you know what that means. The contract has been severed and in law if a contract is severed it means that all the terms are conditions as contained in that contract has ceased to be operational.

If a company does not meet up with the requirement as enshrined in a contract, then that contract would be determined. From what my father told me, I also want to say that if a woman has a child and employed a nanny to carry the child and the child dies, the nanny will go. If the nanny does not go, is she going to carry the woman or the husband? She has to go.

The issue is this; the subject matter is the contract and it has been severed and as such it makes no effect. Secondly I am saying that when the Power Committee of this House could not give us a formidable report as claimed by all of us here, we started to look inward and appointed an Ad-hoc Committee that look into the issue and gave us a very good Report.

In effect, I am saying that when rat is too much in the house the cat will be introduced. We can do likewise and have an Ad hoc Committee to scrutinise the Report and give us a formidable one.

Hon. Aliyu A. Wadada Danyaya (Keffi/Karu/Kokona): All that should be and is desired to be heard about this issue must have been heard. I would want us to look at this thing under three (3) aspects.

Aspect one, in every endeavour the importance for which you are entering into it is to be taken into consideration. Secondly, the level of commitment in which you have to go into the endeavour also has to be taken into cognizance.

Finally the accrued benefits to be gotten in such an endeavour must also be taken into consideration and if you look at this project politically, the importance of a railway system in every contemporary system cannot be over emphasised.

The commitment is already gotten because half payment had been given to the company that is handling the project. And finally the benefits to be accrued are very much well known to each and everyone of us.

The problem with this package is not about the company; neither is it about the project but it is about the way and manner the Committee put up this Report. The Committee should have been much more explicit on what this Report should be so that there will be clearer and better understanding of the situation as it should be by all of us.

The best way out of this lacuna is to look inward as suggested by my hon. Colleagues so that we have a Ad-Hoc Committee that will look at this issue and now come out with a much more detailed Report that will educate each and every Member of this Parliament as to the project in question but the benefit and the commitment are all in it already

The Chairman: I will now put the Questions on the recommendations.

Recommendation (i):

That the Railway Modernization project be continued.

Question put and negatived.

Recommendation (ii):

That re-scoping as recommended by the Hon. Minister of Transport Alhaji Ibrahim Bio be accelerated.

Question put and negatived.

Recommendation (iii):

That China Civil Engineering Construction Company (CCECC) and Technics Engineering Architecture Marketing Nigeria Limited (TEAM) be allowed to continue the modernization construction work since they already have equipment and men on site based on the re-scoped cost.

Question put and negatived.

Recommendation (iv):

That the Federal Government develops a blueprint for a railway system in the country.

Question put and negatived.

The Chairman: We have considered this Report and Members have made their input into the Report. We have agreed that we should have Standing Committees and unless they prove that they can not do

the job we cannot create an Ad-Hoc Committee. We can refer back this Report to the Committee to go and work again on this particular Motion.

Hon. Chairman you have heard the comments of your Colleagues; you must be serious with this job because Members are very much interested in this particular project. Anything that has to do with Rail, I know Members are interested. Therefore, you and your Committee please go and do this work once more.

Hon Igochukwu N. Aguma: Mr. Chairman I want to thank you for your usual sagacity. I commend you for having faith in Committees that are standing as set up by you.

I believe we have to give the Committee a timeline within which they have to submit a report so that we are seen to be in tune with whatever we are approving in other laws.

The Chairman: Again Chairman, in your Report please do not mention any company's name. You would recall that when Galaxy Backbone was mentioned in the Budget Appropriation, Members of this House were opposed to it. Therefore, mentioning names of companies that are to execute contract is totally out of order.

Even Ministers may change. If you say Ibrahim Biu is the Minister of Transport today, may be before you submit the Report he may no longer be the Minister of Transport. Therefore, we should avoid mentioning names. They have offices; let us mention their offices.

I believe Hon. Igo Aguma has made a point that we need to give the Committee a timeframe within which to Report back to the House.

Hon. John Halims O. Agoda: I thank Mr. Chairman for being a listening leader because what you have done today will bring credibility to this House. To that effect and for a thorough work to be done on this Report which we expect the Chairman to carry out, let us give him one week on account of the Budget.

Question put and agreed to.

Report, with the leave of the House, recommitted to the Committee on Land Transport, to report to the House within one week.

Hon. Bernard A. Udoh: Mr. Chairman, I want to sincerely thank my Colleagues, the Chairman for the confidence reposed in the House Committee on Land

Transport. We have taken this in good faith and we promise we will come back.

Hon. Tunde Akogun (Akoko-Edo): Mr. Chairman and my respected Colleagues, I move that the House do revert to Plenary.

Hon. Aminu Waziri Tambunwal (Tambunwal/Kebbe): I second the Motion as moved by the House Leader that the House do revert to Plenary.

Question put and agreed to.

Resolved: That the House do revert to Plenary.

(The Deputy Speaker resumed the Chair)

The Deputy Speaker: The House in the Committee of the Whole considered the Report of the Committee on Land Transport on the Investigation of the State of Nigeria's Rail Transport system and rejected all the recommendations and approved a recommittal of the Report to the Committee and to Report to the House within one week.

Hon. Tunde Akogun: I move that the House do

adopt the recommendations of the Committee of the Whole.

Hon. Aminu Waziri Tambunwal: I do second the Motion as moved by the House Leader.

Question put and agreed to.

Resolved: That the House do adopt the recommendations of the Committee of the Whole.

ADJOURNMENT

Hon. Tunde Akogun: Mr. Speaker, I move that the House do adjourn till tomorrow 9th December, 2009 at 2:00 p.m.

Hon. Ita Enang: I second the Motion moved by the Leader that the House do stand adjourned till 9th December 2009.

Question put and agreed to.

Resolved: That the House do stand adjourned till tomorrow Wednesday 9th December, 2009 at 2:00 p.m.

The House adjourned accordingly at 12:32 p.m.