



SENATE OF THE FEDERAL REPUBLIC OF NIGERIA

VOTES AND PROCEEDINGS

Wednesday, 24th May, 2017

1. The Senate met at 10:45 a.m. The Deputy Senate President read Prayers.

2. **Votes and Proceedings:**

The Senate examined the Votes and Proceedings of Tuesday, 23rd May, 2017.

Question was put and the Votes and Proceedings were approved.

3. **Announcement:**

Acknowledgment:

The Deputy Senate President acknowledged the presence of the following who were in the gallery to observe Senate Proceedings:

- (i) Staff and Students of Lead British International School, Gwarinpa, Abuja;
- (ii) Staff and Students of Great Heights Academy, Kado District, Abuja; and
- (iii) Staff and Students of Desire of Nations Redeemer's School, Jabi, Abuja.

4. **Petitions:**

- (i) Rising on Rule 41, Senator Kabiru G. Marafa (*Zamfara Central*) drew the attention of the Senate to a petition from Chima H. Ebere Esq. on behalf of TMDK Oil Traders, against the Chairman of Flour Mills Nigeria Plc., for breach of contractual agreement. He urged the Senate to look into the matter.

Petition laid and accordingly referred to the Committee on Ethics, Privileges and Public Petitions [Rule 41(3)] to report within two (2) weeks.

- (ii) Rising on Rule 41, Senator Ovie A. Omo-Agege (*Delta Central*) drew the attention of the Senate to three (3) petitions from:
 - (a) Mr. James Abirhire, on behalf of Ovre-Eku Community, over persistent, lawless invasion and extra-judicial killings of the people by the Military;
 - (b) S. M. Egbune, Esq. on behalf of Sapele Community, Delta State, over poor electricity supply by the Benin Electricity Distribution Company Plc.; and
 - (c) Samson Ofuebo on behalf of Chevron Texaco Retirees Association, over premature retirement by the company.

He urged the Senate to look into the matters.

Petitions laid and accordingly referred to the Committee on Ethics, Privileges and Public Petitions [Rule 41(3)] to report within two (2) weeks.

- (iii) Rising on Rule 41, Senator Suleiman O. Hunkuyi (*Kaduna North*) drew the attention of the Senate to a petition from his constituent, Prof. Yusuf Dankofa on behalf of Mr. Ali Sadiq, over unjust detention by Directorate of State Services. He urged the Senate to look into the matter.

Petition laid and accordingly referred to the Committee on Ethics, Privileges and Public Petitions [Rule 41(3)] to report within two (2) weeks.

The Senate suspends the receiving of petitions until further notice.

5. Personal Explanation:

Rising on Rule 43, Senator Ovie A. Omo-Agege (*Delta Central*) drew the attention of the Senate to the persistent gruesome killings of Urhobos and other Nigerians in Delta Central Senatorial District and other parts of the nation by terrorist elements masquerading as herdsmen in the rural communities and farms. He urged the Senate to look into the matter and the intervention of Security operatives to curb the menace.

The Senate condoles the victims' families and urges the Security Agencies to intensify efforts at arresting this situation.

6. Motion:

DISCOs, Electricity Consumers and the Burden of Overbilling.

Motion Made: That the Senate is worried over the astronomical rise in electricity bills across the country;

notes that years after the privatization of the power sector, the Distribution Companies (DISCOs) handling the retailing and marketing of electricity in the Nigerian Electricity Supply Industry have not been able to effectively meter their customers thereby leaving millions of their customers at their mercy through estimated billings;

notes also that with privatization of the power sector, many Nigerians hoped that things would get better, especially with regards to the improvement of power supply and the quality of services to be rendered;

laments that the customer had expected upon take-over by the new owners, that metering would be one of the issues that will be urgently addressed to restore confidence in the industry, as this is the only way to determine actual consumption, instead the DISCOs came with astronomical monthly increase in the name of cost reflective tariff;

saddened that DISCOs prefer to hound consumers with jaw-dropping estimated bills by devising means and ways of smartly retrieving meters from customers in order to realize targeted profit margin through the imposition of arbitrary billing system usually referred to as "Crazy Bills" by customers;

observes that a 2 Bedroom or 3 Bedroom Apartment receives a monthly Bill of ₦25,000 to ₦40,000 respectively. This will no doubt impact negatively on our fight against corruption as a man on ₦18,000 monthly minimum wage with electricity bill of ₦25,000 monthly, will do anything possible to settle his electricity bills;

aware that available and affordable electricity is supposed to be a right and not a privilege as section 14(2)(b) of the 1999 Constitution of the Federal Republic of Nigeria as amended stipulates that "the security and welfare of the people shall be the primary purpose of Government"; and

notes also that electricity customers without meters are now at the mercy of the DISCOs with very little or no protection for them from the Regulator, the Nigerian Electricity Regulatory Commission (NERC).

Accordingly resolves to:

- (i) mandate the Committee on Power, Steel Development and Metallurgy to look into the astronomical electricity billings by DISCOs across the country; and
- (ii) urge the National Electricity Regulatory Commission to assume its responsibilities by prevailing on the DISCOs to desist forthwith the practice of estimated or arbitrary billing system so that the customer can have value for his money (*Senator Dino Melaye — Kogi West*).

Debate:

By the leave of the Senate, Motion suspended until the Senate receives the Report of the Committee on Power, Steel Development and Metallurgy on the hike in Electricity Tariff by the Ministry of Power, Works and Housing; Nigerian Electricity Regulatory Commission (NERC); and Distribution Companies (DISCOs).

7. Committee on Customs, Excise and Tariff:

Report on the Nigerian Customs Service Management Act (Repeal and Re-enactment) Bill, 2017 (SB. 247):

Motion made: That the Senate do consider the Report of the Committee on Customs, Excise and Tariff on the Nigerian Customs Service Management Act (Repeal and Re-enactment) Bill, 2017 (*Senator Hope O. Uzodinma — Imo West*).

Question put and agreed to.

Report presented.

Motion made: That the Senate do resolve into the Committee of the Whole to consider the Report (*Deputy Senate Leader*).

Question put and agreed to.

(SENATE IN THE COMMITTEE OF THE WHOLE)

CONSIDERATION OF A BILL FOR AN ACT TO REPEAL THE CUSTOMS AND EXCISE MANAGEMENT ACT, CAP. C45, LAWS OF THE FEDERATION OF NIGERIA, 2004 AND OTHER CUSTOMS AND EXCISE LAWS; TO ESTABLISH THE NIGERIA CUSTOMS SERVICE; REFORM THE ADMINISTRATION AND MANAGEMENT OF CUSTOMS AND EXCISE IN NIGERIA AND FOR OTHER RELATED MATTERS, 2017

PART I — ESTABLISHMENT OF THE NIGERIA CUSTOMS SERVICE, SCOPE AND APPLICATION

Clause 1: Establishment of the Nigeria Customs Service.

- (1) There is established a body to be known as the Nigeria Customs Service (in this Act referred to as "the Customs Service").
- (2) The Customs Service —
 - (a) shall be a body corporate with perpetual succession and a common seal;
 - (b) may sue or be sued in its corporate name;

- (c) may acquire, hold, and dispose of any property, whether moveable or immoveable; and
- (d) shall direct, manage and enforce the provisions of this Act and the customs and excise laws listed in the Third Schedule to this Act.

Committee's Recommendation:

That the provision in Clause 1 be retained (*Senator Hope O. Uzodinma — Imo West*) — *Agreed to.*

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

Clause 2: Scope and application.

The provisions of this Act shall apply to all matters connected with the management and administration of customs and excise and inspection of goods and services.

Committee's Recommendation:

That the provision in Clause 2 be retained (*Senator Hope O. Uzodinma — Imo West*) — *Agreed to.*

Question that Clause 2 do stand part of the Bill, put and agreed to.

PART II — FUNCTIONS AND POWERS OF THE NIGERIA CUSTOMS SERVICE

Clause 3: Functions of the Customs Service.

The functions of the Customs Service are to —

- (a) administer, direct, manage and enforce the provisions of this Act and the customs and excise laws listed in the Third Schedule;
- (b) collect and account for revenue from customs duties, excise duties, other taxes, charges, fees and special assessments as may be assigned to it by the government from time to time.
- (c) administer any aspect of trade and fiscal policies that the Government of the Federation may mandate it to administer;
- (d) promote trade facilitation;
- (e) protect Nigeria against smuggling, customs fraud, and all other violations of customs and excise laws and the laws of Nigeria subject to customs jurisdiction;
- (f) in collaboration with the relevant agencies, carry out all border enforcement and regulatory activities required by law;
- (g) collate and publish in collaboration with relevant agencies accurate trade statistics;
- (h) engage in regular consultations with individual traders or trade associations and other stakeholders;
- (i) do all such things as are necessary for or incidental to the carrying out of its functions and duties under this Act and the laws of Nigeria subject to customs jurisdiction.

Committee's Recommendation:

That the provision in Clause 3 be retained (*Senator Hope O. Uzodinma — Imo West*) — *Agreed to.*

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

Clause 4: Powers of the Nigeria Customs Service.

In the exercise of its functions under this Act, the Customs Service shall subject to approval by the Commission have the powers to —

- (a) acquire, hold, purchase, mortgage and deal with property, whether movable or immovable, real or personal;
- (b) enter into contracts or incur obligations;
- (c) advice or develop regulations on the management and administration of customs and excise management;
- (d) issue operational guidelines for the efficient administration and operation of the provisions of this Act.

Committee's Recommendation:

That the provision in Clause 4 be retained (*Senator Hope O. Uzodinma — Imo West*) — *Agreed to.*

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

Clause 5: Customs officers to have power of police officers, etc.

For the purpose of carrying out or enforcing the provisions of the customs and excise laws, all officers shall have the same powers, authorities and privileges as are given by law to police officers.

Committee's Recommendation:

That the provision in Clause 5 be retained (*Senator Hope O. Uzodinma — Imo West*) — *Agreed to.*

Question that Clause 5 do stand part of the Bill, put and agreed to.

Clause 6: Limitation of actions against the Customs Service.

- (1) Notwithstanding anything to the contrary contained in other law, no action shall be instituted against the Customs Service in respect of any act, neglect, or default done or omitted to be done by any officer in his capacity as an officer of the Customs Service with regard to the regulations made pursuant to section (4) of this Act unless it is commenced within three months next after the act or negligence complained of, or in the case of a continuing damage or injury, within three months next after the ceasing thereof.
- (2) No suit shall be commenced against the Commission before the expiration of a period of one month of intention to commence the suit shall have been served on the Commission by the intending plaintiff or his authorized agent and the notice shall clearly and explicitly state —
 - (a) the cause of action;
 - (b) the particulars of the claim;
 - (c) the name and place of abode of the intending plaintiff; and
 - (d) the relief which he claims.

Committee's Recommendation:

That the provision in Clause 6 be retained (*Senator Hope O. Uzodinma — Imo West*) — Agreed to.

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

PART III — CUSTOMS SERVICE COMMISSION, MEMBERSHIP, FUNCTIONS AND POWERS**Clause 7: Establishment of the Customs Service Commission and Membership.**

- (1) There is established for the Customs Service a Customs Service Commission (in this Act referred to as "the Commission")
- (2) The Commission shall superintend over the administration of the Customs Service.
- (3) The Commission shall consist of —
 - (a) a Chairman who shall be a retired carrier Comptroller-General or Deputy Comptroller-General shall be appointed by the President for a period of four(4) years subject to confirmation by the Senate for a tenure of four years and renewable once and no more;

Amendment Proposed:

Leave out the provision in Clause 7(3)(a) and *insert* the following instead thereof:

"(a) a Chairman who shall be appointed by the President for a period of four (4) years subject to confirmation by the Senate for a tenure of four (4) years and renewable once and no more;" (*Senator Magnus N. Abe — River South-East*).

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

- (b) the Comptroller-General, who shall be the deputy Chairman;
- (c) all Deputy Comptrollers-General of the Customs Service;
- (d) the Legal Adviser to the Customs Service;
- (e) a representative, not below the rank of a director, from the following Federal Ministries —
 - i. Finance;
 - ii. Trade and Investment;
 - iii. Transport,
 - iv. Interior; and
 - v. Aviation;
- (f) the Chairman of the Federal Inland Revenue Service;
- (g) two (2) other members representing the organized private sector for a period of four (4) years and renewable for another four years; and no more;
- (h) the Chairman Revenue Mobilization, Allocation and Fiscal Commission;

- (i) a retired Justice of the Supreme Court or Court of Appeal.
- (j) a representative of the Chartered Institute of Freight Forwarders in Nigeria (CRFFN) (*Senator Hope O. Uzodinma — Imo West*).

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

Clause 8: Commission Proceedings.

The Supplementary Provisions set out in the First Schedule to this Act shall have effect with respect to the proceedings of the Commission and the other matters contained therein.

Committee's Recommendation:

That the provision in Clause 8 be retained (*Senator Hope O. Uzodinma — Imo West*) — *Agreed to.*

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

Clause 9: Functions and Powers of the Commission.

The Commission shall be responsible for —

- (a) formulating the general policy guidelines for the Customs Service;
- (b) overseeing the administration of this Act;
- (c) managing and superintending over the policies of the Customs Service or matters pertaining to the administration, assessment, collection and accounting for revenues as may be directed by the Chairman from time to time;
- (d) reviewing and approving strategic plans for the Customs Service;
- (e) employing from the available recruitment pool, workers and employees that can be trained and made readily adaptable to attain the quality of officers with the professional standards envisioned for the Customs Service;
- (f) determining the terms and conditions of employment, promotion and discipline;
- (g) developing commensurate remuneration and appropriate incentive package for the sustainability of skilled and professional manpower; and
- (h) stipulating the remuneration, allowances, benefits and pensions of the staff and employees of the Customs Service with the approval of the appropriate authority of the Federal Government.

Committee's Recommendation:

That the provision in Clause 9 be retained (*Senator Hope O. Uzodinma — Imo West*) — *Agreed to.*

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

Clause 10: Delegation of Commission's powers.

The Commission may, subject to such conditions as it may think fit, delegate any of its powers under this Act to —

- (a) the Comptroller-General; or

- (b) any customs officer not below the rank of Deputy Comptroller-General;
- (c) a committee consisting of such number of persons as the Commission may determine.

Committee's Recommendation:

That the provision in Clause 10 be retained (*Senator Hope O. Uzodinma — Imo West*) — Agreed to.

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

Clause 11: Minister to give general directives to the Board.

The President may give to the Commission such directives without prejudice to section 7 (2) as are necessary for the performance of the duties and responsibilities of the Board under this Act and under the related customs and excise laws (*Senator Hope O. Uzodinma — Imo West*).

Amendment Proposed:

Leave out the word "President" and insert the word "Minister" instead thereof (*Senator Kabiru G. Marafa — Zamfara Central*).

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

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

Clause 12: Limitation of actions against the Commission.

- (1) Notwithstanding anything to the contrary contained in other law, no action shall be instituted against the Commission in respect of any act, neglect, or default done or omitted to be done by any officer, servant or agent of the Commission in his capacity as an officer, servant or agent of the Commission with regard to the regulations made pursuant to section (10) of this Act unless it is commenced within three months next after the act or negligence complained of, or in the case of a continuing damage or injury, within three months next after the ceasing thereof.
- (2) No suit shall be commenced against the Commission before the expiration of a period of one month of intention to commence the suit shall have been addressed and served on the Secretary to the Commission by the intending plaintiff or his authorized agent and the notice shall clearly and explicitly state —
 - (a) the cause of action;
 - (b) the particulars of the claim;
 - (c) the name and place of abode of the intending plaintiff; and
 - (d) the relief which he claims.

Committee's Recommendation:

That the provision in Clause 12 be retained (*Senator Hope O. Uzodinma — Imo West*) — Agreed to.

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

Clause 13: The Comptroller-General and Deputy-Comptrollers General.

- (1) The President shall appoint from the Customs Service, subject to the confirmation of the Senate, a Comptroller-General who shall—
 - (a) be responsible for the overall management of the Customs Service;
 - (b) execute the policies and decisions of the Commission;
 - (c) undertake the day to day administration and carry out the policy directions for the Customs Service;
 - (d) be accountable for all revenue collections and all expenditures made under this Act;
 - (e) supervise the records and oversee the proper keeping of accounts of the Customs Service;
 - (f) be responsible for the execution and sealing of documents including contractual and arrangements, memoranda and similar undertakings entered into by the Customs Service provided that the Comptroller-General may delegate this function to any Customs Officer; and
 - (g) perform such other functions as may be assigned to him by the Commission.
- (2) There shall be appointed from the Customs Service, Deputy Comptrollers-General, Assistant Comptrollers-General reflective of the Federal Character laws of the Nation, who shall assist the Comptroller-General in the execution of his duties and responsibilities.
- (3) The numbers of and duties of the Deputy Comptrollers-General and Assistant Comptroller-General to be appointed pursuant to the provisions of subsection (2) of this section shall be as may be determined by the Commission.

Committee's Recommendation:

That the provision in Clause 13 be retained (*Senator Hope O. Uzodinma — Imo West*) — *Agreed to.*

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

Clause 14: Other Staff of the Customs Service.

- (1) The Board shall have powers to appoint such number of staff and other persons as deemed necessary for the efficient discharge of the functions of the Customs Service under this Act and under other related customs and excise laws.

Amendment Proposed:

Leave out the word “Board” and *insert* the word “Commission” and wherever it appears instead thereof (*Senator Joshua M. Lidani — Gombe South*).

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

- (2) The Customs Service shall pay its staff and other persons employed by it such remuneration and allowances as the Commission may from time to time determine (*Senator Hope O. Uzodinma — Imo West*).

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

Clause 15: Board Secretariat.

- (1) There shall be appointed by the Commission from within the Customs Service, a Secretary (in this Act referred to as the "Administrative Secretary") who shall —
- (a) be a customs officer of not less than salary Grade Level 15;
 - (b) be responsible for the day to day administration of the work of the Commission; and
 - (c) perform such other functions as the Commission may from time to time assign.
- (2) The Commission shall also appoint from within the servicesuch other staff as may be necessary for the efficient performance of its functions and to assist the Administrative Secretary in the performance of his duties.
- (3) The Customs Service shall make annual budgetary provisions to meet the running costs and expenditures of the Commission.

Committee's Recommendation:

That the provision in Clause 15 be retained (*Senator Hope O. Uzodinma — Imo West*) — *Agreed to.*

Question that Clause 15 do stand part of the Bill, put and agreed to.

Clause 16: Pension and Gratuity.

- (1) Employment in the Customs Service shall be pensionable and accordingly, staff of the Customs Service shall, in respect of their employment, be entitled to pensions, and other retirement benefits as may be approved by the Commission.
- (2) The provisions of subsection (1) of this section notwithstanding, nothing contained in this Act shall prevent the appointment of a person to any office in the Customs Service on terms which preclude the grant of a pension in respect of that office.
- (3) For the purposes of the application of the Pensions Reforms Act, any power exercisable by the Minister under the Pension Reform Act or any authority of the Government may be exercised by the Commission.

Committee's Recommendation:

That the provision in Clause 16 be retained (*Senator Hope O. Uzodinma — Imo West*) — *Agreed to.*

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

Further consideration of Bill deferred to another Legislative Day.

Chairman to report progress.

(SENATE IN PLENARY)

The Deputy Senate President reported that the Senate in the Committee of the Whole considered the Report of the Committee on Customs, Excise and Tariff on the Nigeria Customs Service Management Act (Repeal and Re-enactment) Bill, 2017 deferred further consideration and approved as follows.

Clauses 1- 6	—	As Recommended
Clause 7	—	As Amended
Clauses 8 and 9	—	As Recommended
Clauses 10 and 11	—	As Amended
Clauses 12 and 13	—	As Recommended
Clause 14	—	As Amended
Clauses 15 and 16	—	As Recommended

Question: That the Senate do approve the Report of the Committee of the Whole — *Resolved in the Affirmative.*

8. Committee on Sports and Youth Development:

Report on the Nigerian Football Federation (Establishment, etc.) Bill, 2017 (SB. 154):

Consideration of Report deferred to another Legislative Day.

9. Central Bank of Nigeria (CBN) Act, CAP C4 LFN, 2007 (Amendment) Bill, 2017 (SB.64):

Consideration of Bill deferred to another Legislative Day.

10. National Directorate of Employment Act CAP 28 LFN 2004 (Repeal and Re-enactment) Bill, 2017 (SB. 144):

Consideration of Bill deferred to another Legislative Day.

11. Prevention and Punishment of Torture Bill, 2017 (SB.47):

Consideration of Bill deferred to another Legislative Day.

12. Federal Capital Territory Act CAP F6 LFN (Amendment) Bill, 2017 (SB. 115):

Consideration of Bill deferred to another Legislative Day.

13. Non-Governmental Organization Regulation Bill, 2017 (SB.111):

Consideration of Bill deferred to another Legislative Day.

14. National Institute of Credit Administration (Establishment, etc.) Bill, 2017 (SB.153):

Consideration of Bill deferred to another Legislative Day.

15. Anti-Criminal Gang Bill, 2017 (SB.39):

Consideration of Bill deferred to another Legislative Day.

16. Personal Information Protection Bill, 2017 (SB.310):

Consideration of Bill deferred to another Legislative Day.

17. Unclaimed Dividends Fund Bill, 2017 (SB.195):

Consideration of Bill deferred to another Legislative Day.

18. National Fertilizer Quality Control Bill, 2017 (SB.338):

Consideration of Bill deferred to another Legislative Day.

19. Social Safety Nets Service Bill, 2017 (SB.371):

Consideration of Bill deferred to another Legislative Day.

20. Adjournment:

Motion made: That the Senate do now adjourn till Thursday, 25th May, 2017 at 10:00 a.m. (*Senate Leader*).

Adjourned accordingly at 1:06 p.m.

Ike Ekweremadu, CFR
*Deputy Senate President,
Senate of the Federal Republic of Nigeria.*