

**HOUSE OF REPRESENTATIVES
FEDERAL REPUBLIC OF NIGERIA**

Monday, 16th May, 2016

The House met at 12:14 p.m.

PRAYERS

(The Speaker in the Chair)

VOTES AND PROCEEDINGS

The Speaker: Hon. Colleagues, I have examined and approved the Votes and Proceedings of Thursday, 5th May, 2016.

ANNOUNCEMENTS

**Notice of Zonal Meeting of the PDP South-East
Caucus**

The Speaker: This is to inform all honourable Members of the PDP South-East caucus that there will be a crucial Zonal meeting scheduled as follows:

Date: Monday, 16th May, 2016

Venue: Meeting Room 426, Opposite Deputy Minority Leader's Office

Time: 1: 30 p.m. prompt.

(Announcer)

Hon. Chukwuka Onyema Wilfred
Deputy Minority Leader

**Notification of bereavement: Late Hon. Ovunda
Insirm (JP)**

The Speaker: I have here with me notification of the death of Hon. Ovunda Insirm (JP). It reads thus:

With the consent of his family, I write to inform you of the death of one of my constituents, Hon. Ovunda Insirm, who died on Thursday, 28th April, 2016 at the age of 65.

The said Hon. Ovunda was a Member of this honourable House in the First Republic (1979 – December, 1983) under the then National Party of Nigeria (NPN). He represented Obio/Akpo Federal Constituency of Rivers State and was the Chairman, House Committee on Defence. By this letter, I hereby request that this honourable House accord

the deceased his due respect as well as participate in the burial rites whenever same is fixed by the family.

Whilst thanking you for your usual understanding; please, accept as always, the assurances of my highest regards and consideration.

Sincerely yours,
(Signed)

Hon. Kingsley Chinda Ogundu

**Notice of death of Hon. Timothy Oguntuase
Akinbode**

The Speaker: On a sad note again, I have another announcement from Hon. Bode Ayorinde. It reads:

**Notice of death of Hon. Timothy Oguntuase
Akinbode**

The death has been announced of Hon. Timothy Akinbode, the Asiwaju of Ndoni Kingdom, Ose Local Government Area of Ondo State.

Hon. Akinbode served as a Member of the House of Representatives between 1979 and 1983. He died on the 17th April, 2016 and will be buried on the 10th September, 2016.

Up till the time of his death, Hon. Akinbode was a committed democrat, a community leader and a farmer.

May his soul rest in perfect peace.

Yours faithfully,
(Announcer)
Hon. (Dr.) Bode Ayorinde

The Speaker: Hon. Members, as it is the custom of the House, would you please, rise for a minute silence in honour of the departed Colleagues.

(A minute silence accordingly observed)

ORDERS OF THE DAY

MOTION

Admittance into the Chamber

The Speaker: Hon. Colleagues, the first Order of the day is a Motion on admittance into the Chamber. I now invite the Leader of the House to move the Motion.

Hon. Femi Hakeem Gbajabiamila (Surulere 1): Mr. Speaker, I move that the House, pursuant to Order XIX, Rule 217 (1) of the Standing Orders of the House, do admit into the Chamber, the Hon. Minister of State for Petroleum Resources and his entourage for the purpose of an interactive Session on the Recent Deregulation of the Petroleum Downstream Sector in Nigeria.

I so move.

Hon. Jibril Umar Buba (Lokoja/Kogi): Mr. Speaker, I second the Motion as moved by the Leader of the House to admit the Hon. Minister and his entourage into the Chamber.

Question put and agreed to.

Resolved: That the House, pursuant to Order XIX, Rule 217 (1) of the Standing Orders of the House, do admit into the Chamber, the Hon. Minister of State for Petroleum Resources and his entourage for the purpose of an interactive Session on the Recent Deregulation of the Petroleum Downstream Sector in Nigeria.

The Speaker: Whip, you may please invite the Minister into the Chamber.

Several hon. Members: No, no, no. All we are saying, save Nigeria!

EXECUTIVE SESSION

The Speaker: It is always better if we disagree before we agree. Minority Leader, please you have the Floor.

Hon. Leonard Okuweh Ogor (Isoko North/Isoko South): Mr. Speaker, I move that the House do resolve into an Executive Session to discuss some very pending national issues.

Hon. Sani Mohammed Aliyu (Rano/Bunkure/Kibiya): I second the Motion ably moved by the Minority Leader.

Question put and agreed to.

Resolved: That the House do resolve into Executive Session.

Plenary Session suspended: 12:45 p.m.

Plenary Session resumed: 2:10 p.m.

ANNOUNCEMENT

The Speaker: The South East caucus of the House, the Deputy Minority Leader asked me to announce that the meeting will take place soon after this Session at the same venue but different time.

Hon. Alhassan Ado Garba (Doguwa/ Tudun Wada): Mr. Speaker, our guest and his team are seated.

INTERACTIVE SESSION

Interactive Session with the Honourable Minister of State (Petroleum Resources)

The Speaker: The second Order of the day is an Interactive Session with the Honourable Minister of State for Petroleum Resources. I now invite the Leader of the House to move that the Interactive Session do commence.

Hon. Jibril Umar Buba: I move that the Honourable Minister of State for Petroleum Resources move forward to give his charge.

Hon. Alhassan Ado Garba: I second the Motion ably moved by the Deputy Leader of the House.

The Speaker: Hon. Minister of State for Petroleum Resources is now invited to make his presentation to the House.

Presentation of the Hon. Minister of State (Petroleum Resources) (With the Aid of Power Point)

The Hon. Minister of State (Petroleum Resources) (Dr. Ibe Kachikwu): The Speaker of the House of Representatives, Leaders of the House of Representatives, Honourable Members of the House of Representatives, good afternoon. I have come here today to dialogue with you on a decision that we took regarding the price of PMS and the need to liberalise the Downstream Sector of the Petroleum economy.

I know that this has generated a lot of discussions pros and cons, but I want to start by saying that this is not a decision that was taken almost easily or perfectly. First, I need to take you through the trajectory of the history of the seven months that I have been here and to be able to show you that no decision has been taken since I have gotten into this position without very deep thoughts given to them.

When I joined, Pipelines and Refineries were basically comatose. None of them was working and some of the energies we put around getting

Refineries and Pipelines to work have been intense to the point where as of today for the first time in about nine years, we have three of the Refineries working with their supportive Pipelines even though they are working at capacities below where they should be, but that is the sort of energy that we have given to this. I mention this only because questions would be asked what else have you done to try and avoid the situation and we have done a lot.

The second was that we met a situation where we owe about six hundred billion naira in subsidy payment at the time that we joined, which was the first reason why Independent Marketers and Contractors refused to join the responsibility to bring in Petroleum products. We did two things. We first looked at the number on which the subsidy was based, which then was about 55 million litres a day. We worked it through very hard and came to the point that we resolved that we did not need more than 45 million litres in this country. First, we reduced the consumption data.

After that, we then addressed the subsidy issue, first, by paying what was owed, and about ~~N~~600 Billion was paid about November in 2015. We then decided that quite frankly the country was not in any position to continue to move and pay for subsidy. We introduced the price modulation mechanism, which by January assisted us in removing effectively the subsidy issue.

We had done that and despite that we went on to fix a price at the time of about ~~N~~86 to ~~N~~86.50. We addressed both the subsidy issue - the quantum of consumption and yet the price ratio. We reviewed all the supportive contracts that were essential to bring in Petroleum Products the OPAs and all that created a new vapour methodology called the DSDP and through that process save this country one billion dollars in the course of bringing in Petroleum Products.

Finally, we then introduced the price modulation which enabled us in the first instance to actually bring down prices. We have gone at this very intellectually first to find what the problem is, and find solutions before we came to where we are. Now with this as a background, let us look at why we say that this is urgency now, and why there was absolutely no other alternative than what we did.

The first page will deal with why we had no other option, because this is being viewed by a lot of Nigerians and some of who might not be versed in the technological implications of what happens in this industry; let us start historically and chronologically. First of all, the operational module in this sector is that 50% of products are brought in

by NNPC using your four-four-five crude that is allocated and 50% of those products – the rest of the 50% makes up the 100% is then brought in by private marketers.

Typically both of them work well and hands shake, then, you have a 100% supply and you do not have a sort of queues that you have. What happened of course was that marketers stopped bringing in their 50% first because there was no subsidy paid on time. There was subsidy being owed for about a year before we came in. And after that subsidy was then paid, because there was no foreign exchange to be able to address the need. Why was there no foreign exchange? It is not a name calling or blame given item; it is the reality of our factual position. There are very many reasons why they were not. First, there was a massive decline in the Foreign Exchange earnings of the government through a 70% drop in pricing, from a hundred and ten dollar per barrel to about an average of forty dollars per barrel. So, that depleted quite frankly the Foreign Exchange position of the government.

The second was that, even the crude volume itself basis upon which you place your pricing also depleted. As I talk to you today, because of the incessant Pipeline ruptures that have happened, and the incessant attacks in the States in those areas, we have lost basically eight hundred thousand barrels and so we declined from 2.2 million barrels which was the focus of the 2016 Budget to 1.4 million barrels. Obviously, we are going to continue to work hard to see how we can get these issues resolved and get our productions back, but as I talk to you today, we are basically producing about 1.4 million barrels. So, those two factors depleted the Foreign Exchange capacity and without that Foreign Exchange therefore, marketers could not bring in the product.

When we noticed that, NNPC did a few things. The first thing we did was that we began to forward by to cover some portion of that 50% that was not available and we brought forward all the way from January right into the end of March. Forward by means that you are getting in importers and international sellers whom you are saying to give me the products at some future dates - 90, or 120 days I will make a payment to solve the immediate needs of now. We did that for about three months until we got to a point when nobody internationally was ready to give us any more products because we did not have the paying capacity, because Foreign Exchange was not there.

We resorted through the kind of authorisation of his Excellency, the President to take non four hundred FAC designated crude, which means that we went outside the four-four-five just to provide

products for the Nigerian Citizen and that we did for the whole of April. Bearing in mind what I said earlier that Subsidy was removed in January and so for three months that we removed the subsidy, we had an over recovery from January to March, but in the month of April once we began to get into this difficult situation because first, the price of crude through the efforts that we have made began to rise. It was nice on one hand, but the rise in price of crude meant that obviously the difficulties of being able to sell at the current prices were no longer there and so ordinarily the month of April using price modulation would have gone up in price.

We did this because at that time there was intense scarcity of products in the country, arising from the fact that even with its best effort, NNPC could not provide the hundred *per cent* of the country's needs. But because of the scarcity therefore, we did not increase the prices and so for the month of April, a figure of about ₦12 billion arose out of subsidy and it basically re-emerged. We are able to cover most of the subsidy payment for April because of the over recovery and discipline we had done in NNPC by saving in the month of January to march.

I am going through this chronology for us to understand how much energy and effort has gone into trying to manage a very complicated situation. For all the efforts made, the reality still was that NNPC did not have the logistics to set up for this purpose, to be a sole distributor in the country, sell products largely at losses and to provide the logistics of essentials to distribute a thousand and five hundred trucks all over the country and so queue loomed. With queue looming, it meant that the economy was grounding to a halt day by day.

What is more critical was that when we resulted in taking federation crude we deprived the States of the legitimate income they were supposed to have on their FEC distribution to be able to meet their needs. It is therefore not a surprise that most states salaries are being owed for the last three to five months and that situation will absolutely continue if we did not take a decision to firstly release federation crude and to secondly bail out for the foreign exchange primary market which was not available anyway. This is therefore a criticality that was essential.

It was clear to us by the end of April that four things will happen if we continue in the way we are going. The first will be the inability of the three tiers and not just the State but State and Federal governments to meet their financial obligations because the more of the federation crude we took, the more it impacted all the areas of government. The second is that there was going to be increased scarcity because despite doing that, NNPC still

lacked the logistics capability to cover the country. But a lot of Nigerians have taken the advantage of the price distortions in the system simply diverting a lot of these products to neighbouring countries. We were losing hundreds of trucks of products and to a very large extent, we are providing subsidy for our neighbouring countries.

The third was that there was a continuous upsurge in prices. You will notice that over that period prices range from about ₦150 to ₦400 in very distant areas. This is because anybody you allocated products to, rather than take it to the filling stations preferred to go quite frankly to the inter-land where the products were scarce or across the border where he could easily sell it for much higher gains and so we are pouring water into basket or oil into a basket.

The fourth and more critical is that the reality in our upstream sector that provides basically about eighty *per cent* of our earnings in this sector had been completely neglected. Over the last four years, if you look at the data, we have paid an average of between twenty and thirty *per cent* of our cash calls, and so, the Oil industry (upstream) is gradually grounding to a complete halt. Also, the more you took federation money, the more it was impossible to attempt to meet your cash call requirements. Therefore, in one hand, you were depleting the little resources that you had and on the other hand, preventing yourself from earning new resources. It was a situation really thrust in us that really there was no other option but to find a way of navigating our way from a regulated into a liberalised environment and asking us to go find funding however we could, otherwise we will continue the fuel situation.

I will show you here a simple graph showing that the yellow lines represent basically your federation earnings; the first green line represents basically the cost of importing petroleum products. You will see that as you move on that over time, the federation income begins to get a point where they are deepening below what is needed to bring petroleum products and by January, February, March you will see the red delta, and this is saying that we are actually going to be spending more in terms of foreign exchange requirement in poor petroleum products than what you actually earn in total, and in that situation no country quite frankly could go on.

I have tried to compare the period of January 12 that we tried the last exercises and now because that keeps occurring; the situations were abysmally different. The first is that crude prices in 2012 was about One hundred and Ten dollars, crude prices today are about forty dollars. The second is that in 2012 you provided the pricing by backing it up with an intensive subsidy and over a period of 2013 right

to 2015 you are paying an average subsidy amount to about ₦1.4 trillion and above.

In 2016 looking at Appropriation Act there is no provision for subsidy. If you look at the foreign exchange component, it is provided through the Central Bank all through 2003. So, you have double subsidy providing foreign exchange at a regulated foreign exchange market plus providing subsidy. Cumulatively if you add up, it was in excess of ₦2 trillion. In 2016, there was no availability of foreign exchange even if we wanted to make it available.

Finally in 2012, the problem was not enough attention paid to strategic investment that will help you free up infrastructure or enhance it including refineries. We are making very great efforts and strides at refining. First of all, we have been able to bring them back working at very minimum capacity, which is helping in distribution right now, but secondly have also advertised to bring in investors into the sector to enable us invest more and get them into the near ninety-five *per cent* capacity which is the ideal performance capacity of most refineries if you want to keep them going.

We have also advertised for crude located refineries. If we are able to meet the targets that we set in terms of investments in these areas, our target obviously is to reduce importation of petroleum products and by the end 2018 by sixty *per cent* when our refineries are performing in Nigeria in hundred *per cent* capacity. Then, by 2019 the crude located refineries would have been installed and we will begin to export petroleum products and at the end of 2019/2020 there is also a private refinery coming on board, which is the Dangote refinery. If you add the cumulative of seven hundred and fifty thousand barrels that we are shooting for and about six hundred and fifty thousand barrels that Dangote is shooting for, we will be producing far in excess of the needs of the country.

The urgency of now: Why did we take the action? And what Action did we take? The first are the difficulties that I have told you earlier and the lack of any available option whatsoever and with the better days all over the place, we did a couple of things. First, we create a liberalised environment which set to private sector people, find your foreign exchange through any other means, inclusive of secondary market and bringing your products and sell at the right price. Ordinarily, we would have left that price to loom and decide itself, but we said that it was better we propose protecting the masses of this country, that we started with what is called a price band. Therefore, we set a price band of ₦135 to ₦145 and put a cap of maximum of ₦145 on it. Price band means that anybody, depending on the

efficiencies that you have, can sell at any band between this ₦135 and indeed less at ₦145. What you will find is that efficiencies will set in and those who have investments through the whole spectrum of the sector, inclusive of being in importation business, having in tankage space, in trunking and distribution outlets will ultimately enjoy efficiencies that will enable them sell at less than ₦145. Those who are interested in specific segments will obviously have less efficiency.

The third thing that we did was to ensure that PPRA and DPR are lining up to their responsibilities of making sure that no one sells above this band and that we are going to be watching this. Looking at the graph somewhere down the road in your package, you will find that with this price, Nigeria remains the lowest pricing destination for petroleum products and at even ₦145 we are lower than every West African country around us. There is the question on what is going to be the guarantee that the smuggling will not continue. First, we are closer to the selling margins of those countries. But secondly, we would also need to continue to have enforcement.

My experience has been that the moments in this country where there is available market and the prices are fair and all right, marketers do not tend to involve themselves in too much smuggling. The moment they see a huge band between those, they get involved in that and so, you would notice immediately that when we did this that you could see the result impact on the cities immediately.

What has happened so far is that this band has gone into effect and the effect of this immediately is that the queues have disappeared. As of today, looking at the 36 States, there are only one or two States that still have a yellow mark. The green mark is perfect supply while the yellow mark is basically borderline supply. Only two States are affected and we are dealing with that. But this happened within a period of three days and it sends a very clear message.

We expect that smuggling and diversion will reduce tremendously. This is not an issue.

We expect that NNPC will no longer result to Federation Crude to be able to meet importation. Therefore, that over time in fact, we will be in a position to begin to look at the possibility of giving back some of that federation crude. But in a situation where the federation crude is reducing, you have to begin to look at other streams of income. So, as marketers begin to play their role, find their Forex, do their business, you will find that NNPC will begin to slow down on the amount of federation crude that

it is taking. So there will be buoyancy in terms of federal income.

All indications revealed so far is that the marketers are taking this seriously and we are beginning to see some of the things we never saw before. For example, as for today, we have about three international companies that have indicated a willingness to sell petroleum products on a naira charged basis and not on Forex basis on the current market pricing. So what you are seeing is people who ordinarily would be expecting you to give them crude, and foreign exchange are beginning to look at the very dynamic market and ready to play under different roles, which is very interesting.

In going forward, I want to point the attention of this very exalted House to the fact that the problems of the oil industry are intense. Let us not kid about it. There are still a whole lot of things that we have to pay attention to. Infrastructure is key. As a country, we have really not invested in infrastructure in the oil sector over the last 30 years. Our pipelines are about 35 years old and none has been replaced; we have not been able to put gas infrastructure in place; our refineries are next to comatose and old, we are working very hard at them; our depot facilities are critically on a breakdown stage. So, no serious infrastructure has taken place. And no country in the world will expect that the price system in a country will benefit its citizens if it does not invest in its infrastructure.

So, rather than the energy we put on PMS, we need to begin to focus on building massive infrastructure all over the country. I know how much effort it has taken me to be able to pump products from the South to the North, from the South to the East, From the South to the West. It has been one battle after another. But the time has now come to go and invest in proper pipelines, proper tracking, and proper buried levels and begin to move with the world in what we are supposed to be doing.

We have to look at refining. I have told you what our goalpost is on refining and we are going to pursue that very aggressively. This is because I do share the sentiments of most Nigerians that the country that produces 2.2 million barrels and has the capacity to produce more should not be in the business, quite frankly of importing petroleum products. And I can assure you that I am very firmly committed to that direction.

We need to begin to look at our upstream. We have unwittingly killed the upstream. Today, there is no single rig operating in Nigeria. All the rigs are gone. When rigs go, it means that no meaningful exploration can take place. Why is that? It is because

we have not funded upstream. We are unable to deal with our cash call payments and every month I labour as approvals are brought to me to sign upstream contributions and I find out that I am contributing between 20 and 30 *per cent* of what the oil majors have asked as our cash call contribution for which we have signed on. Why is that? It is because income is dwindling.

One of the things that I am working on right now is in negotiating with them on how we can completely exit cash calls and let us be able to go into the banking sector externally and find the funding that we need to run our upstream sector and free the Federal Government from cash calls. So like I said, at every given point, as the problems come, we are throwing a lot of energy and intelligence at them.

We need to focus on gas. Oil industry is monolithic in its very nature, but we have concentrated on only the crude. A huge amount of energy is required on gas. It requires a lot of investment because unless we get gas back to the earning block, unless we provide the right gas terms, which we are working on finalising now, unless we have tried the right kind of investment in gas and gas infrastructure, we would leave a very huge amount of assets in this country undeveloped. We are not going to get the kind of power that we need, we are not going to get the kind of parallel income that we need and those are areas where we need to put a lot of energy into.

We need to continue to engage the general public and sensitise them on the challenges of this sector so that they see what we face. This is because the average Nigerian is so intelligent that if he gets the facts and understands what the problems are, he will act accordingly.

I point all these out largely so that you will see that the oil industry is bedevilled with tones and tones of problems, which require very immediate attention, where we are going to be called on as leaders to make decisions that are critical for the survival of this.

I have had questions asked in terms of what are the social palliatives of this. The first response I intend to give on social palliatives is that whenever you have an increase, everybody says all right, what are you passing back? First, let us understand what we are doing. The only amendment we have done to the template is an amendment on FX based pricing. So there is no palliative coming from the 50 *per cent* importers. They are simply getting enough money hopefully to find the FX and that is still not going to be easy. Let us not make mistake about it. There is no guarantee that that secondary market is buoyant or

deep enough to fund an average of \$550 million that is going to be required for them to do this. But we have tried to circumvent that, by like I said, bringing in individuals who are willing to sell in Naira, continue to use our DSDP programme to provide more product fluidity.

But the first palliative you are actually going to see is that if we keep to a 100 *per cent* of our FAC contribution out of our 4-4-5, States will get the money that they require, staff or the labour force will be paid and that is the first palliative, getting your salary first is a major palliative in today's environment.

The second of course, is that the government itself has provided a lot of social investment and spending palliatives. I am sure you are aware that we are spending over half a trillion that will impact over eight million Nigerians in various spheres. ₦5.5 million of this will go to feed school children, about 1.6 million traders, market women, men artisans are to receive interest free loans to help their business, one million extremely poor and vulnerable Nigerians are receiving about ₦60,000 this year in 12 months payments of ₦5,000 each. Altogether, the Federal Government will be directly impacting the lives of more than eight million people. I do not need to run through that because it is contained in the Budget.

The point I need to make is that the Buhari government is not a pain inflicting government. It is a solution seeking government. We are looking for solutions to problems that have been there for many, many years. Sometimes, they will impact pain, but we plead with Nigerians to understand that the pain is only temporal. If we take the right decisions and we are courageous enough about doing those things, what we need in this country to remove that pain on a permanent basis will come.

I also need to add in terms of those palliatives that of course, more work force will be created. Today, if we continue with what we were doing, we are at the risk of losing close to 400,000 jobs in the downstream sector. Today, I am sure you are aware that we have lost literally over 350,000 jobs in the upstream sector. Dealing with these issues will enable us go back to an economic sanity that will ensure that these jobs do not get lost. In fact, rather than lose jobs, we will create about 200,000 to 300,000 more jobs in the upstream sector.

I have added in your materials, a few of the frequently asked questions and if you spent time and I urge you please to spend time to look at them, you will find that lots of the answers to questions that you frequently ask have been answered.

I think God in His infinite mercies deemed it fit to have your communities elect you to occupy this very important position at a very critical time in the life of this nation. At a time when issues of very critical importance are surfacing, and today provides you like many others, a critical opportunity to make critical decisions on a matter that is very critical to our nation. I urge you honourable Members to please take it with the seriousness that it deserves.

I have played my little role as a technocrat pointing out what the direction should be and providing solutions. His Excellency the President has played his role by giving guidance and approvals where we need to move forward. I urge and plead with you, that it is your turn individually and collectively to play your role for our country's survival at this critical time. May God give you courage that you need to take the right decision.

The issue is not what happened in 2012 I keep repeating; the issue is your positions today because as leaders you are bound to change positions given the exigencies of the moment; that is the responsibilities you owe your communities and the Nigeria nation. There is criticality of today that requires an urgency of now and that is what we are focusing on.

Again, I repeat that there is no moment at the history of this country have we faced a matter so plain, so functional, so determinate of our rebirth, so critical to the oil sector, so critical to our states and their income strings, and so critical quite frankly to the convenience of Nigerians; at no time have faced an issue so essential to our survival and our growth as a nation than this issue that we face today.

Therefore, today, this moment, this time, now, I urge you to please with God's guidance to do what is absolutely essential and deal with a situation which is quite frankly has no other alternative if we are to survive as a nation.

I thank you very much for listening. May God bless you all; may God bless our President, and may God bless Nigerians.

Thank you very much. (*Applause*)

The Speaker: Please, could you give him a seat so that we can commence with dialogue. Now honourable Members, we have all heard him. First of all, if you have any information that has not been provided, or if you think that the one that he has provided is not correct, you can now give us the information; any additional information or if there are any materials in the presentation that you think are not factual.

Hon. Goni Bukar Lawan (Bursari/ Geidam/ Yanusari): Hon. Minister, you are welcome to the House of Representatives - the Home of Justice. Mr. Speaker, my question is that before the removal of the subsidy the official price was ₦86.50K, when the Federal Government announced the removal of ₦17.70K - the subsidy, you only add the removal - that price of the subsidy which is ₦17.50K, ₦286.50K it will give you ₦100.05 per litre.

My question is how do you arrive at N145 per litre?

The Speaker: It is not the issue of questioning first. If you have accepted that what he has presented is factual, that is the fact, or if you want to challenge anything and if there is none, then, we move to questions. So, we have all accepted that what he presented is factual, no errors, no corrections, so let us move to questions now. We will take two from each row. All right, Hon. Philips wants to challenge the fact.

QUESTIONS AND ANSWERS SESSION

Hon. Shaibu Philip (Etsako East/West Central): Hon. Minister Sir, from your question and answer section of this document and flowing from what you have said and what I have heard you said elsewhere, it is obvious that our refineries are obsolete and I can relate it to buying a new car and buying a *tokumbo* car. Who goes to the mechanic frequently more? It is the *tokumbo* man compared to the new one. That is how our refinery is. From your question here, I am seeing that in 2018 you will get all the refineries working; is it the obsolete refineries that you are struggling to maintain or new refineries that are coming? (*Interruptions*)

The Speaker: That is the question, Hon. Shaibu Philips. So, we are going to questions now and then we will start from this row.

Hon. Takighir Dickson Dominic (Makurdi/ Guma): Hon. Minister, my question is this; we are talking about deregulation of the downstream sector, Nigerians know that this day will come, even though our people are pained; that it has come at this time that 27 states have not been able to pay salaries to their workers and then you dropped these things on their laps without information, and education that will either prepare them or whatever.

My question is that if we are deregulating the downstream sector, why do we place a cap on the ceiling of the price? This is because if you are encouraging other people to come in and invest in this sector, I thought that we should leave the prices to market forces, the standard practice that market

forces will allow prices go down or go up on their own if there are no players.

Secondly, you talked about palliatives - the moneys that would be paid to graduates, what are the modalities your Ministry or government is using to choose those unemployed graduates? (*Interruption*)

The Speaker: So Dickson, we will take your first question. We will move to Hon. Yakubu. Please, Honourable Members, just go straight to your questions so that we can save time.

Hon. Yakub Abiodun Akanni Balogun (Lagos Island II): The question is that I listened to the Labour President this morning on AIT and what he was saying was that at the meeting that you held that led to the ₦145 per litre, it was not that amount that was actually agreed on and even the ₦120 per litre that was agreed by those at the meeting, he said he wanted to go and tell the other members of his union so as to bring the final thing, just then, they heard the announcement.

Secondly, what is the landing cost to NNPC or to the private marketers of a litre of petrol?

Hon. Mohammed Sani Abdul (Alkaleri/Kirfi): Hon. Minister, my question is not on the details of your presentation, but on the situation on ground nationally. We are in a democratic setting and we have separation of powers; the Executive, the Legislature and the Judiciary and we have also a decision making, if you like, channels and processes for taking national important decisions.

Why is it that you did not follow or toe the line of constitutionality by channelling your decision to deregulate this very important life sector of our economy by following strategic decision of national importance? In other words, when you do all your studies you will bring into the National Assembly, and we will look at it. Even if we would look at it over the weekend like it is done in the best practices all over the world but you just implement it and today you are coming.

Hon. Anayo Nnebe (Awka North/Awka South): Let me start first by commending your superlative performance since your appointment as both the Group Managing Director of NNPC and Hon. Minister of States for Petroleum. Hon. Minister, my question is very simple. You have raised the price of petroleum to ₦1.5 but it is a clear fact that before the increase in the price, that there was no filling station in the South-East that was selling below ₦130 per litre.

What effort are you making to ensure that the dealers in the South-east comply with the government directive? This is because if you allow it like this, they will be selling at ₦200 per litre in the South east, while in Abuja they sell at ₦145. So, it is very important that you intervene in the South East, so that what operates in other parts of the country should operate in South east.

Hon. Iriase Pally Isumafe Obokhuame (Owan East/West): Hon. Minister, I believe that whatever you have written here is not only true, but what we have an idea about. This is because what is contained in this document, we are still shying away from taking the bull by the horn. I listened carefully to you.

Why are we running away from the evil days that will catch up with us? You are deregulating and not regulating. Who is fooling who? And if you are deregulating and you want to do price advisory, could it not be done confidentially, without necessarily coming to Nigerians and slamming price control on them and the price control is not acceptable, or would not easily be acceptable by the buyers and even the sellers would be sceptical because we do not know how far this your price regulation would go. Why are we shying away from taking the bull by the horn? Thank you.

Hon. Ossy Prestige Chinedu (Aba North/Aba South): Hon. Minister, Sir, I have few questions, please. First, what is your Ministry doing to enforce your ₦145 because I know that as at now, some people are selling at ₦200?

Secondly, you mentioned that PPPRA would now be allowed to regulate. We know before this time that is PPPRA that announces price adjustment of petroleum products. But now, your Ministry has taken over that particular duty of announcing prices of petroleum products. Is it because of your inability to inaugurate the Board of PPPRA because I know that there is no Board in place or that you have decided to keep it by the side in order to enable you do what you want to do?

Again, what is the daily output of the locally refined products? You have not told Nigerians the quantity that is being produced by our refineries, whether they are dead, fully dead or half dead. If they are producing say, ten litres a day, how much will that be sold to Nigerians? Will it still sell at the same price with those that are imported from wherever all over the world?

Again, you also said here that NNPC will also be importing alongside this major marketers. If NNPC will be importing, I supposed at ₦197 per dollar as

against the major marketers sourcing their foreign exchange from the secondary market; at what price would NNPC be selling this product to Nigerians because we ought to know? We also want to get this clarification, Hon. Minister. Yesterday, I read from the newspapers when the Vice President said that there is no deregulation; that what we are having is price differential based on the exchange rate; that you are not deregulating yet. Could you please tell this House so that we can tell our people whether you have regulated or it is because of the differential in exchange rate? We also want to know.

Hon. Ogun Sergius Oseasochie (Esan North East/South East): Hon. Minister of State for Petroleum, I want to appreciate the measures and steps you have taken, especially in the upstream sector. Having said that, where I believe that you have struggled with is the downstream and I would quickly point them out. When crude oil was twenty something dollars, some of us said that was the right time to deregulate.

I believe delay in making that decision is part of what we are struggling with today. Then, we have always known and you have pointed them out here that Nigeria is the lowest price destination in West Africa and that whatever this price is called whether liberalisation or deregulation, it would stop smuggling and diversion. If we knew this all this while, we should have deregulated long ago because we have enough market here and in the sub-region. You mentioned three international companies that are willing to bring in products in naira.

We did not deregulate when we should have done that. It is because we have deregulated supposedly AGO and DPK. What is the issue with PMS because when we did those ones - kerosene and DPK and AGO we did not fix any price and following what you said, from the announcement and what had been published, those ones are running well, even diesel is coming down., and so, why PMS? Why are we involved in capping it? Thank you, Mr. Speaker.

Hon. Abubakar Hassan Fuluta (Birniwa/Guri/Kikasamma): Hon. Minister, from your presentation, it is very clear that what we are going through is not deregulation, but a mere price increase. You have also told us that no subsidy, yet PEF (Petroleum Equalising Fund) will continue to do its function of equalising the prices. If you look at the template of the pricing of the products, the aspect dealing with NTA (National Transport Average) where our marketers contribute and claim, that aspect is being paid for by the consumers. In essence, consumers under this arrangement are still subsidizing marketers for the transportation cost. Why do you retain this aspect under a policy of deregulation?

Hon. Beni Lar (Langtang North/ Langtang South): Mr. Speaker, my comment is about bringing attention to a very similar situation that occurred in the past. If Nigerians read *ThisDay* newspaper of today, deregulation of common sense approved and we now have leader condemned almost everything that is happening today, because back then, we had different governments and in different times, the comments were very clear.

Before any increase is made in the price of fuel, the poverty level of Nigerians should be considered. What is the minimum wage now in this country? The minimum wage is about Eighteen Thousand Naira. Most Nigerians can hardly afford to put three square meals on their table. Is this the right time to talk about fuel increase or fuel hike or subsidy removal or whatever it is? Mr. Speaker, is this the right time to bring this to this country?

Secondly, this government promised that all our refineries will be working in one year, fully functional; is that what we have? Has the APC Government provided that? Are our refineries working to the extent that it should be?

I also want to ask a question; we have the PPPRA and the Price Control Act; in this same Chambers you stated very clearly that the only body that has the right to fix prices is the PPPRA after due consultation with the board. And you said in your comments that the board has not been set up. So if the board of PPPRA has not been set up, why are we fixing prices in-discriminatorily? Are we following due process?

Lastly, let us be sensitive to the plight of Nigerians. Electricity was increased by sixty *per cent* just about two months ago. Is this the right time for us to be talking about this? I want us to ask ourselves these very pertinent questions before we decide.

We are all in the course of moving this country forward. All of us seated here representatives are all progressives, because we believe in the progress of this country; but let us follow a process where we will be sensitive to the plight of Nigerians. We will do the right thing and not further aggravate the situation which is already very fragile on ground.

The Speaker: Honourable Minister, I am sure that you have enough questions now, so please respond to the questions that have been asked and then we take more from the other rows.

THE HON. MINISTER'S RESPONSE TO THE QUESTIONS

The Hon. Minister: Hon. Speaker, the first question that was asked was on how we arrived at the ₦145 pricing and it was very simple. If you take the template of the previous and now, what we have changed basically is the foreign exchange component. If you apply the secondary markets ruling numbers of over Two Hundred and Eighty-Five and you get those numbers.

You asked on refineries; are we dealing with the obsolete ones, are we dealing with the new ones; or we are dealing with both? Refineries last about fifty years all over the world. It is not age that is the issue, it is maintenance and what we need to do is to go in and maintain those refineries. Already, we have gotten them to a point where at least three of them are working today. They have never been in that situation for over eight years. So, there is a potential to get them back to about ninety *per cent* capacity; we are going to it. Just down the road, Ivory Coast has a refinery just as old as ours; it is still working till today, and managed by experts. In fact, a week ago, I went over there to try and see if I can get some cargo for Nigeria. It is maintenance that is our issue. We are not going to throw away the so-called obsolete refineries. They are not obsolete but just ill-maintained and that we need to maintain them.

In addition, we have also advertised for three locative refineries. We call them co-location refineries because we want to share the benefits of those refineries being in the same land space as the current refineries, where they share power, pipelines and tankage space, it makes less expensive. Both refineries are going to be worked on.

Hon. Member Dickson from Makurdi asked me on the timing of deregulation; why did we place a cap on ceiling of price? Let me point out something here; the reality is that AGO and kerosene pioneered the attempt to privatize those as it were. But the consumption of AGO and kerosene is probably about fifteen *per cent* of the consumption of PMS in the country. So, PMS is a lot more politically volatile product.

In reaching out to a liberalized market, you will see that I have used the word very carefully; when economists sit down with you and say what deregulation is; it has very many components. I think we are going to ultimately hopefully get there, but that is not where we are today. Where we are is that we are giving you a full liberalised environment and those will ultimately lead you to where you want to go.

The reason we have placed some level of upward cap on it is for the same reasons that you are complaining that this is not the right time; that we do

not want to take advantage of Nigerians. It is to make sure that somehow in a transitory mode those prices flush in and quietly settle. Once the marketers have begun to do what they are supposed to do, and the environments are operating very liberally and efficiently, and our refineries begin to get to a stage where they are actually working, you will find that deregulation will take its natural course.

Deregulation is not necessarily something you put by virtue of a caveat or a policy direction; it is a system of business activities that leads you to a certain conclusion on the theory. So, you do not go from theory to the practice, the practice will lead us to the theory that you are concerned about.

We talked of palliatives; I already mentioned the palliatives. The question was how do we ensure that the beneficiaries of those palliatives are well selected? I want to trust that the Federal Government will do those. NNPC and the Ministry are not necessarily the ones who are going to do that function.

You said that the Union did mention that we had an agreement on ₦120; that is not true. We had an agreement on ₦145. We met them copiously, we dealt with the templates, they were part of that template discussion, and as a matter of fact, they were the ones who indeed counselled that there was a need to ensure that the selling price of NNPC, which could be lower, should be as close to those of the private marketers for two simple reasons. First, if you sell at lower prices for NNPC in the city centres, you will have complete chaos. When we sold at the ₦650 versus ₦86, if you watch the key behaviours during the times when we had the queues, we have a four mile queues versus one mile queues in other areas. That was a major source of concern. But in the hinterlands, we were selling at ₦135. With time, we will continue to look at those things and see how we can give back a bit more from our NNPC selling stations once we see that supply dynamics have all regularized.

There was never a ₦120; a simple calculation on the template will show you that you could not have been at ₦120. If we were doing ₦120, the price modulation will have taken almost automatic effect on that; so it was not that.

There was a calculation that subsidy was at ₦86.50, there was a ₦17 thereabouts. No, the actual price of selling of products before it was reduced just on the eve of the time of elections was ₦97. So, if you throw in your ₦17 actually, you are arriving at the ₦120. But ₦120 does not buy you the FX. FX was the major issue. Why not bring it to the National Assembly? Section 23 of PPPRA tells you what the

responsibility of the Minister is in terms of this sort of situation and although there is a pricing regulation, but PPPRA regulation was later than that and has given that responsibility. Now, what PPPRA is doing is not fixing price, it is creating a price band policy and that is within its legitimate powers.

On the South-East, what efforts are we going to make to ensure that there is enforcement? I do sympathise with a lot of people from the South; it has always been a perennial problem. They enforce prices all over and the South-East does not quite follow those rules. We are going to try and enforce. Every effort is going to be made; it is not just the work of PPPRA and DPR, we are going to be relying also on the Governors. We have been able to build a wide coalition involving Governors and their security apparatus to ensure that they help us and they were very helpful during the periods when we had to address the queued supplies. We are going to be using that to enforce. Looking at the data that was spread in the last two days, literally every part of the country is enforcing ₦145 per litre now, other than one or two cities, again in the South-East and we are addressing that already.

The Deputy Whip asked why could we not just confidentially announce this figure just like we did when we did kerosene and AGO and then take out the cap and let the prices be determined by themselves. Again, for the reasons that I have mentioned, which is just to watch the beginning environment and because of the volatility, once we get all the buying, I think these things futuristically, we would take a different pattern of approach. But it was very critical that we manage this very carefully.

There is a mention of PPPRA Board, the President is considering that. They are working on that and I do not think there is any decision not to appoint the PPPRA Board. I think they would have been taken along with all the Boards that are being created and His Excellency realises the urgency of this and he is addressing that.

You asked; what volume do the local refineries produce currently? It is 9,000,000,000 (Nine million) litres. What price are they going to sell? Again, the same reason I gave you for NNPC sales. You would realise that one of the reasons why the refineries are hot is that most times we sell products out of the refineries at a regulated environment and once you do that, you do not have money to maintain the refineries. It is important under the new restructuring that we did if you remember, refineries are now being run collectively as one divisional entity and they are going to be looking at their P & L, capturing their income and see how they can help maintain going forward, their infrastructure. I think they would

capture a lot of the money that they make under this heading, working with a new price band. They would have a bit of margin to be able to address refinery maintenance.

What would NNPC sell for? Currently, we are selling for ₦135 per litre in the hinterlands and ₦143 at some stations and ₦145 in some. Ultimately, we would look at those, because the reality is that NNPC could sell less. But the question we have to determine whether it is better for NNPC to sell less, and then create a fraudulent caveat of diversion. This is because I cannot give you the assurance that I would monitor every sale to an NNPC filling station through a truck and be sure that it gets there and it is sold at that subsidised price. If you do not, those products would end up in the stations of the marketers, again through a fraudulent diversion. So, the question is whether to do that and in addition cause chaotic traffic situations or to take the extra earnings on that and pass it back to the Federation Account to be able to address issues on holistic basis. We are looking at those and we are going to come up with some responses and your opinions on this would be very helpful.

Mention was made on what the Vice President said in terms of this not being deregulation but is addressing exchange rate. I think everybody is trying to run away from the nomenclatures. Quite frankly, at the end of the day, the practice on the field would tell you where we have arrived. I would not want to go into the economic semantics on what it is called.

Several Hon. Members: Give it a name!

The Hon. Minister: I have called it liberalisation. Hon. Member from Esan South asked; why have we not deregulated? I think like I have said, the question is obvious, this helps to liberalise the field and deregulation would follow its own due course as practice happens. We have seen AGO and DPK worked. That is true and I believe that PMS ultimately would work in such a way that the prices would also been impacted. Today, we are selling AGO at 30 per cent less than the market even predict and we should be able to get that with PMS.

Is this the right time to do this? There is never a right time. It is where we are today. It is a time that is inevitable. It was not an issue of could we or could we not. We are in a situation where we have no option really, if we have to pay salaries, if we have to continue development and if we have to survive as a country. I think the time has been thrust on us by destiny and faith. I think those were the questions.

QUESTIONS FROM HON. MEMBERS

Hon. Leonard Okuweh Ogor: Let me first and foremost state clearly that you came in with the concept of dialogue. For me, I believe this is more like putting the cart before the horse because this decision has already been taken and it is like passing the information of your decision to us. There is an issue that I want to raise here my Hon. Minister and I see you like a technocrat. In 2012, our former President, Goodluck Ebele Jonathan, decided to remove subsidy. In the issue of your Budget, your Vice President said that they have not removed subsidy. But in the Budget itself, there was no provision for subsidy. I really cannot see the explanation when you did not provide for it in the Budget that you have presented and you are telling us that the subsidy has not been removed. It beats my imagination and that may be another nomenclature.

Hon. Minister, the issue here is that in 2012, our former President, Goodluck Ebele Jonathan decided to remove subsidy in the interest of the project Nigeria and the present government that we are all part of, including the President with all due respect and all of them over the country, raised that issue of *Save Nigeria*. Now, I put the question to you: As a technocrat, in retrospect, looking at the savings we would have made so far, from that 2012 to date, where probably close to almost, if I am not wrong, six trillion has gone down the drain. Do you not think President Goodluck Ebele Jonathan was a man that saw tomorrow? (*Applause*)

Secondly, in being patriotic, knowing fully well where we would have been today, may I say that looking at the scenario, as a nation vis-à-vis being patriotic do you not believe we owed that government an apology?

Several Hon. Members: No!

Hon. Leonard Okuweh Ogor: Please let me land; it is not your issue. I am asking a question. I am looking at issues that are before us, because I believe that if all of us are taking the right decision at the appropriate time, like you are taking this decision now and we opposed it just for playing the politics, I do not think it is in our interest. That was purely opposed in playing some form of politics. Looking at the scenario, what do you think should have been the right decision? I put a simple question to you as a technocrat.

Hon. Chukwuka Onyema Wilfred (Ogbaru): Hon. Minister, you put a lower limit of ₦135 and upper limit of ₦145, do you not think if we are going forward with this, that we should remove the lower limit? This is because if I am importing at ₦80 for instance, and I want to sell it at ₦100, it is illegal from what you did. I know a lot of importers can do

that. Mine is like a suggestion, why do you not remove the lower limit and leave the upper limit?

Hon. Oke Busayo Oluwole (Obokun/Oriade): My constituency in unison rejects the price increase. I have gone through the submission of the Hon. Minister of State for Petroleum, assuming without conceding with the templates and all the issues that have been canvassed in this submission and taking into consideration the provisions of the Constitution of the Federal Republic of Nigeria, particularly Section 14 (2) (b), and Section 16 (1) (a) and (b) which dwell on the functions and purpose of government and the need to manage our economy efficiently.

Hon. Minister, I come from intellectual community, when you criticise a position, you should have an alternative or options. My question to you this afternoon is that; in the face of economic planning, both in short term, medium term and long term basis, is it the best decision you have taken considering the fact that Nigeria will continue to survive infinitively in view of other macro-economic principles and measures? Is it the best decision you arrived at?

Like I have said Hon. Minister, the palliative measures you had deliberated upon, to me, they are highly discriminative in nature. How many millions Nigerian youths do you have; how many under privilege Nigerians do you have that you just want to take care of one million out of them and how do you want to go about that? Specifically, I agree and I concurred with subsidy removal, which I will refer to the Peoples Democratic Party (PDP) economics and I thank you for been pragmatic for adopting PDP economics.

Hon. Minister, if I were to be in your shoes, I agree that we need to remove the subsidy because it is being enjoyed by few cabal, and that the subsidy you remove can be spread to Nigerians in other sectors - education, road, health, power and all that. My approach if I am in your shoes would have been that, all right, we are in this situation that we find ourselves, where is our reserve? Do we have reserve? Can we take care of these issues for the next six months or one year? *(Interruptions)* You asked for the options.

Hon. Minister, in a nutshell to avail my Colleagues rooms to ask their questions my position is that you have thought within the box - within the Petroleum Sector, you need to think outside the box as well. You need to look at other micro-economic policies that you can deploy to manage this situation.

The Speaker: I am picking on Zonal basis, so if someone from your zone has spoken you should not indicate to speak.

Hon. Asabe Vilita Bashir (Damboa/ Gwoza/ Chibok): Hon. Minister, my question is that in the past, NNPC and its subsidiaries like the DPR could not enforce official pump price. Sir, how would the current situation be different?

The Speaker: Are you done with the question? So, she has spoken for all Members from the North-East. I will take Hon. Shehu Garba for the North-West.

Hon. Shehu Nicholas Garba (Jemaa/Sanga): Hon. Minister, my question is very simple. At the current price of ₦145 per litre, is it full cost recovery and if it is so, do we then take it that when the dollar moves the price will move accordingly?

The Speaker: I think the only Zone that has not spoken is the North-Central; so, I call on Hon. Olufunke Adedoyin.

Hon. Princess Olufunke Adedoyin (Ekiti/Isin/ Irepodun/Oke-Ero): Hon. Minister, I have a number of observations and one question. Hon. Colleagues, I believe the point has been made regarding the situation the country finds itself in. We understand that it is a difficult time. We all have constituencies and we know because they speak with us and they tell us and we are also part of this citizenry. We also pay electricity bills; so we know that this price increase will lead to increases in food prices and transportation prices.

However, we must remember that like a tree that falls over one fine afternoon, the termites had been eating away inside the tree for many years. This issue cannot be put at the door step of the All Progressive Congress (APC) government. Minority Leader was speaking about the attempt to remove subsidy in 2012. Hon. Colleagues, it was a different time and a different place under different conditions. I believe we need to deal with the realities at this time. We need to deal with the realities now! We do not have time to give it six months to discuss it. *(Interruption)*

The Speaker: Hon. Members, could you allow her to ask her question? You have 50 seconds to round up.

Hon. Princess Olufunke Adedoyin: My question Hon. Minister is that for many years we have heard in the Budget and we have heard in the Press about turnaround maintenance contracts for Nigeria

refineries. I would like to have update on why our refineries have not kept up in terms of maintenance. Secondly, I will like the Hon. Minister to enlighten the House about the progress that has been made with refineries licences that had been issued over the last two or three years. Also, how come none of our local refineries are still working apart from Eleme and Kaduna refineries?

The Speaker: So all the Zones have taken their turns in this row; we move here, South-East - Hon. Nnenna Elendu-Ukeje.

Hon. Nnenna Ijeoma Elendu-Ukeje (Bende): Thank you for yielding the Floor to me. Hon. Minister, I will like to welcome you to this very hallowed Chambers of the House of Representatives and I will like to ask a couple of questions. I listened with wrap attention to your submission. Let me speak to the Minority Leader of the House and state very clearly that it is evident that when you are in the driving sit, the view is very different from when you are a passenger.

But having said that, Hon. Minister, I want to ask you some questions and you speak to running away from the nomenclature, you speak to liberalising, deregulating, whatever it is I will like to ask you that post liberalisation, post-deregulation, post-subsidy, whatever to borrow your word nomenclature you choose, what price modulation? What are the immediate mid-term and long-term plans to halt importation of Petroleum products? This is because I believe that is the issue. I have listened to you and I have seen that you have spoken very glowingly and flowingly about these issues but I will like some exact timelines, I want timelines that this House can hold you to, I want timelines that Nigerians can hold you to.

The reason for that is that we believe that the reason that Nigerians are groaning under what it is that you present to us today, is the fact that we have hope that tomorrow would be better. So, we want to know when this importation will stop, and when we will stop subjecting ourselves to the market forces of your deregulation, liberalisation in such a way that eventually, Nigerians will actually start to benefit from the fact that we are an oil producing nation.

My second question Hon. Minister is that with the oil price crash, we should be boosting our production and you spoke about it, you glided over it. I heard something like that but you just glided over it; and I would like to understand what it is and I think this question should have come before my first question. But this question is that, with the oil price crash, we should be boosting our production. This is because only then we will of course; boost the productions

that help us get to the very daring figures that you have given us. With almost no drilling going on, what are the steps the NNPC and you are taking to boost exploration in the hope that we will be able shore up on what it is and of course, move Nigerians in the direction that we all obviously wanted?

Hon. Lynda Chuba Ikpeazu (Onitsha North/Onitsha South): Hon. Minister, you spoke about the issue of liberalization and that you have not done deregulation and I may refer you to question number 4, page 11 of your submission. I do not agree with the fact that you have not done deregulation and I will tell you why and then I will ask you my question. This is because once you liberalize, it is wonderful, but there is no way the government can now deregulate. This is because the government can only regulate NNPC price, but you cannot do that for the other marketers because they source for funds from outside; so there is no way you will have somebody that change money for ₦380 and you fix a price for somebody that paid ₦280, it is not possible. So, what we are going to have right now assuming this goes on because this is a *fiat accompli* that you have presented to the House this afternoon. What we are going to have going forward is a complete deregulation.

Now, my question is, deregulation at this point because

Personally, I do not disagree with removal of fuel subsidy; but my problem with it right now is the timing because I know that even today, for example the price of rice has gone up, you know it is in Nigeria; and the purchasing power of the people have not risen. So my question is that, as part of the Executive, are there economic policies that have been put in place, that would cushion the aftermath of this? This is because people have to have avenues where they can increase their economic power in order to actually be able to be in this society right now, because it is very cold out there. So, what has the Executive put in place?

Hon. Ahmed-Pategi Aliyu Bahago (Edu/Moro/Pategi): Hon. Minister, I have listened to your presentation, which in my opinion, honestly, is not a very good ground of selling this position to us. It is very sketchy; it took you just about 15 minutes to make your presentation on such an important issue that has to do with the lives and well-being of the people of Nigeria, a large number, 170 million Nigerians.

To begin with, on page 3 of your presentation, you spoke about the diminishing foreign supply situation, which you said forced on you the Nigerian National Petroleum Cooperation, 90 *per cent* supply

responsibility of this nation, without mentioning the price that it costs you to import this 90 *per cent*. In making a presentation like this, values are important. I would like to know what value is that 90 *per cent* that you imported since October, 2015? Why is this important? It is because you claimed you saved One Billion Dollars over the period.

Equally, we know that in the presentation made by the Vice President the other day, he claimed that the marketers will source their foreign exchange not from the Central Bank but from another market; that market was not indicated clearly. This is because what we heard was that it is not the parallel market but the secondary market; so we now have three sources of raising foreign exchange in this country from what the Vice President said about three days ago. First, the One Hundred and Ninety-Seven Naira official rate; Secondly, the Two Hundred and Eighty-Five Naira bank rate, and the third one is what we know to be Three Hundred and Sixty Naira. We need clarity on this because the reason this price is going up from Eighty Six Naira and Fifty Kobo to One Hundred and Forty-Five Naira is because of this primary reason.

On the cost of foreign exchange, we need to be guided as a people to give direction as to which market will decide the price. Equally, it is important because we need to know you as the regulator and the one that also import 50 *per cent* going forward; the PMS, we need to know which market you are going to source your foreign exchange from; so that as a Parliament we can hold you to account when we come to do oversight on how much you have taken from the Central Bank of Nigeria or from the Two Hundred and Eighty Dollar market or if it is the Three hundred and Seventy-one that you are sourcing your product from? That is the first question. *(Interruptions)*

The Speaker: Hon. Pategi, it is all right, you have spoken enough. Let us have Hon. Reyenieju Daniel Oritsegbubemi for the South-South Zone.

Hon. Reyenieju Daniel Oritsegbubemi (Warri South/Warri West): Hon. Minister, I have listened to you very carefully. During your presentation, I heard you talk about co-location of brand new refineries, which means we may be having three; one each in Kaduna, Warri and Port-Harcourt. If that is true, you will recall that in the past, our former President, Olusegun Obasanjo privatized some of these refineries, but this was reversed almost immediately as he left power, would you have done something different or are you contemplating at this moment ever privatising some of these refineries?

Would it be in the interest of this nation if some of these refineries are privatised? I asked these questions against the background that most people will always that the government has no business being in business. I will also tell you that one major problem that we have with most of our facilities and infrastructure most especially when it is run by government is lack of maintenance. Turn-around maintenances are not done when they ought to be done. Do you contemplate privatising in any of these refineries as the case may be during your tenure? Thank you.

Hon. Abbas Tajudeen (Zaria): Mr. Speaker, my question to the Honourable Minister is on the creative refineries, which the previous administrations signed Agreement with a consensus of investors from China of which the target completion period was supposed to be last year. What is the present Minister doing to ensure that the refinery is particularly the one in Kogi State is realised? This is because it will help in sorting out this problem of fuel scarcity. Thank you.

Hon. Hassan Isa Mohammed (Jamare/Itas-Gadua): Hon. Minister, by the year 2020 United States of America will be the highest producer of oil, so imagine your consumer becoming the highest producer. It means that the demand of our international product is not needed from them. A lot of other countries are now coming on board having oil from Angola, Ghana, Sudan, Chad, Cameroun, others and so forth, it means that we have no option than to diversify our domestic products. We have to till from the monolithic culture of the economy to keep diversifying.

The other option we have is to look inward and open more refineries in each zone. We need to have one refinery at least in each zone and we need to have six refineries. Oil has a multiplying effect, if one sector of the economy is affected every other sector of the economy is being touched.

Finally, you are the Minister of State, Managing Director, and a lawyer of sound repute, but truly, what is happening is like you are operating unconstitutionally. You cannot be an operator and at the same time be a regulator. I do not know if our opposition Members will take us to court. Mr. Speaker, I am afraid of what is happening and that is why most of the problems and accusations are coming from other quarters that he is the only all-in-all in oil industry; that is why he has no supervision, and that he is the only person doing everything in the sector. Thank you.

Hon. Mukaila Olayiwola Kazzim (Abeokuta North/Obafemi-Owode/Odeda): Hon. Minister, have you ever thought of partial deregulation while you

were taking your decision? This is bearing in mind that our refineries are not hundred *per cent* in action. The price in which we are putting the petrol today, we should think of what we are producing in our refineries and correlate it with the subsidy price, then we can know what percentage to subsidise.

The second part of it is the multiplier effect on the economy. If we reduce savings by workers and eventually this will automatically reduce the loanable funds by financial institutions, which automatically also will reduce the ability of small-scale industry to perform very well in the economy. Thank you.

The Speaker: We have listened to all the Zones from that row; we will listen to Hon. E.J. Agbonayinman because he said the question he is asking borders on oil installations; so we will take that question on security. Deputy Leader and then the Leader will round up. Hon. E.J. you have the Floor, please.

Hon. Agbonayinman Johnson Ehiozwa (Egor/Ikpoba/Okha): Hon. Minister, my question is very simple. We have a situation about the insecurity and vandalism of the pipelines, for a long period of time there have not been the movement of crude through the pipeline, but today, a selfless Nigerian decided to go about doing the needful. They say ask not what your country can do for you but what you can collectively and individually do for your country.

Receiving a letter of concept from NNPC which of course you are the boss, today the rehabilitation have been carried out by these self-Nigerian, how do you intend and what is the way forward to pay because a lot of billions have been put into this? Is there a plan to pay the investors who did this for us - for all Nigerians? This is because it was just a letter of concept, and we want to encourage others, so that at the end of the day, we do not want to see people that will say I am not interested about serving our dear nation. Thank you.

The Speaker: I was wondering whether Hon. E.J. has become the new Hon. Kazaure on the Floor; everything is simple and he complicates it. He said it is very simple but he complicated it. Well, I wish him quick recovery.

Hon. Jibril Umar Buba: I want to commend the effort of the Hon. Minister on the way and manner he has been running the Ministry transparently and honestly. Having said that, the first question I want to ask was included in the speech of the man who represented the North West, Hon. Tajudeen and that is the three refineries particularly, the one that was supposed to have taken off in Kogi State.

Secondly, how soon are you going to privatise our refineries for them to work efficiently and optimally? Thank you.

The Speaker: Leader, please hold on. The Whip wants to chip in a bit.

Hon. Alhassan Ado Garba: Mr Speaker, let me in my way start by thanking the Hon Minister for just one point you made very clear and also thank you very specifically on that point, when in the course of your presentation, you looked at the face of Members of this House and speak it to Nigerians to tell them you are taking a very costly decision at a very critical time. Also that the decision you have taken is one that is trying to source for a solution to problems that have been created not just this time, but over the years. This is a very good clarification and I think it is an important point that we need to commend you for being bold to tell Nigerians that we are trying to solve a problem created in the period of several other years in history.

My question to you Hon Minister at this point is that in the course of your submission you made a very critical reference to the drop we have in the volume of the crude that we secure daily, which by the projections of the year 2016 Budget is put at 2.2 million barrels a day. You have critically stated that because of the renewed sabotage and the vandalism of the pipelines in the Niger Delta area, it has dropped by over eight hundred thousand per day; dropping to about 1.4 million barrels per day.

One would have expected you to have at that point, in which I will now want to ask, to share in confidence with Nigerians and the House of the Nigerian People what genuine plans are you really taking practically to really re-secure the Niger Delta in the face of this renewed vandalism.

This is a very important point because you are discussing with the Parliament here where we have relevant Committees that interface or synergise with relevant government agencies, including the security agencies. Taking this advantage to share with us in confidence what they are doing about the security of the Niger Delta will place our Committees with the vantage position to help you create an enabling environment for relevant agencies vis-à-vis security agencies or other relevant agencies to re-secure Niger Delta area, while we have this coming from them and re-secure our pipeline processes in Nigeria.

The Speaker: Leader of the House, please round up

Hon. Femi Hakeem Gbajabiamila: Hon Minister, I thank you for your presentation. From the

questions asked and the comments made by Members of this House, I am sure that you realised that a lot of our Members and most of them asked very pertinent questions and they asked not as politicians, but this time as Leaders. This is because politicians think of the next election, while Leaders think of the next generation and believe the questions that have been asked by Members across speak to the very core of our existence as Nigerians and the next generation.

A lot of issues have been raised and many have spoken about why now, and in your presentation you repeated over and over the urgency of now, but unfortunately, I do not think you hammered that point well enough. Therefore, in your response, I want you to really hammer it. In fact, to me, it is like the urgency of yesterday.

Hon. Minister, I want to take you up on one point, which I think we may need to look at. You talked about Section 23 of the Petroleum Act and one of the Members asked why you did not bring your position to the National Assembly for enactment. That has not been the practice, but in looking at that provision of the Act, I will want us to go back perhaps after today and look at the position of Section 51 or 59 and let us try and reconcile it. This is because it talks about the hikes in prices, lowering of prices and it implies that those things should be brought for enactment in the National Assembly.

Let us look at this and I think whatever we do should be done in the confines of the law and perhaps of course, you can describe this as another doctrine of necessity. There is something I believe you have not done. I believe you have dropped the ball in going around and communicating. I am not you as a person, but the government in communicating to Nigerians.

There is something I got when I started doing my research. The impression people have today is that this problem is isolated to Nigeria. A lot of people believe that this is a peculiar problem to Nigeria; there is something I record crude awakening on what you have not done, which is the comparative analysis of what is happening to all oil producing countries in the world. In doing my little research, I found that in Russia there is seventy per cent dependence on Oil has hiked its interest rate to seventeen *per cent* to strengthen its robot, Venezuela is sixty *per cent* inflation and declared a sixty days economic emergency and they began to raise statics in which we have not done. Saudi Arabia with all its deposits and its seven hundred million dollar foreign reserves has certainly raised its pump price by forty *per cent* and they did not do these yesterday. They did this in December to curb subsidy; Qatar thirty *per cent* hike in petrol price since January 14 and are now selling at

equivalent of one hundred and forty naira to curb subsidy as well, and cancelled their National Health Care System. The same applied to Iran, Iraq, etc. and there is no OPEC country today that can balance its budget because the average needed for them to be able to balance their budget is about one hundred dollars per barrel.

I want the Hon. Minister to address this issue globally and in the global context and not the Nigerian context. If we do that, people will begin to understand that this is not a Nigerian problem, but a global one and if something is not done fast we might run into trouble. We have talked about nomenclature, semantics, and deregulation, liberalisation, but here is one for you because the Members and the public have asked why did you deregulate and cap at the same time, and how about protecting deregulation, which is exactly what you have described here and perhaps you would want to elaborate on that.

Protective deregulation in the sense that you are protecting the masses from exploitation of the few and these are the issues that I think we should engage people more. I also think that you have made a mistake and some of us have gotten into trouble because of that. My position has been well documented, Members have knocked me here and my articles in 2010 have been published in the newspapers today, but like you have rightly said, this is about the urgency of now. The exigencies are different and we would run into trouble if we do not go the way other OPEC countries are going and that is my position and would like you to clarify that.

The Speaker: Hon. Minister, before you respond there are two questions here from some Nigerians. The questions are as follows:

1. What measure have you put in place for quality control?
2. How long will it take to have sufficient refineries in place and will it be possible by then to have reduction in the pump price. Will this ever happen in our life time?
3. Someone want to know what you intend to do about Ogoni clean-up and Gas flaring.

Hon. Minister, you may wish to respond to these questions.

THE HON. MINISTER'S RESPONSE TO THE QUESTIONS

The Hon. Minister: Hon. Speaker, because of the exigency of time, let me start with the very last comments of the House Majority Leader.

I like the coinage of urgency of yesterday. Perhaps that tells my story better. For the reality like I have emphasised, we have searched other streams that if there were other options open to us, we probably would have explored it. For our income stream, our foreign exchange reserve position, the need to address these issues quickly and bring back our polity to a point where there is stability in the economic system makes it imperative that if we should have wanted to take a decision a long time ago. But today, we are craving your indulgence to understand that we have decided on this because quite frankly, there is no much other option left to us. So, it is as urgent as urgency can beget.

The reality and you are quite right in terms of global comparison, if you look at the material and I hope I am right, that you have, there is included there a comparative analysis of most OPEC countries. So that date is already in your system and it clearly shows that over the last 12 months, every single member of OPEC has exited subsidy, has increased fuel pricing and even countries that are so blessed by virtue of the sort of reserve potentials they have, including UAE and Qatar who have the highest reserves in the world, have all pulled off subsidy and increased pump prices quite dramatically. This is because the realities is that without that they did not believe they will be able to balance their budget and even at that they are running deficit budget.

So, it is a global problem and Nigeria can therefore not sit back given the fact that Nigeria even earns less. With 170 million people we cannot sit back and refuse to take an action. The greatest difficulty for this country would be not to do something when we are faced with stark realities of difficulties, we would be failing our polity.

Is it deregulation or is it liberalisation? What I do know is that going forward as much as is possible, the private market sphere will help us determine the prices of these products. This is because the reality is that no matter how much we do, those individuals who have been moved like you correctly said, to the secondary market, would have the opportunity to sell their products at the price that gives them enough compensation to create the incentive to continue to bring. Whatever title we call that, the time will tell what it has become. But we must not also fail in our responsibility. You do not have perfect deregulation all over the world. Governments have a responsibility even in the US to ensure that prices do not go asunder.

Ultimately, the hope is that market forces tend to help you determine your pricing. But if you decided fairly ridiculously to get into a pricing environment that is far in excess of what the general market trend

is, you will be left with your products in your tanks and that may well happen. But in the transition introductory phase, it will be a grave error in my view not to ensure that we are at least keeping a watchful eye on those. I buy the suggestion of the hon. Member who said that we should deemphasise the lower brand and emphasise more the upper brand and he is absolutely right.

The only reason why we talk of ₦135 to ₦145 band is to capture the NNPC activity. We have placed no ban at all in terms of the marketers who are bringing in products. This is because we expect like in the case of AGO that the trending behaviour of pricing may be such that ultimately we will sell these products lower than the prices that we see them today. By the time our refineries begin to work and somebody asked when will that happen? We have been given very clear mandate in terms of an 18 months spread within which to get our existing refineries, reform sufficiently to be able to hit at least over 90 *per cent* capacity. Those things will help us reduce dramatically the volumes of products that we import.

In terms of other refineries, we are looking at 2019. We have heard about the Green Refineries, I really have to study again what really has happened to some of them because those have not been brought quite frankly to my attention since I resume.

But different from that, we have had about 65 modular refinery licences issued out. Nobody has come forward yet, taking advantage of those refinery licences and one of the policies of government would obviously be to give some deadlines within which if nothing happens we have to cancel those licences and give it to individuals who are willing to make the investments that are essential to begin refining.

Let me however say that as attractive as building many refineries are, a time will come when really the surplusage in the investment in the refinery would be such that you will find that you are over building. This is because if you are building with a mind to have a crude supply, you have got to look at what is the total volume of our crude availability for these refineries.

Therefore, if we met our 750,000 and Dangote who is far gone makes his 650,000 and we create some opportunities for some modular smaller refineries in some of these Niger Delta areas where we do need to recognise some of the very mediocre technology to see how we can bring them to some level of organisation, where they can put some investments in those refineries, we would have met some of the needs that we have and also be able to meet much more exportation.

Of course, most refineries in the world do not necessarily have crude supplies; they import their crude wherever then can find it. As a line of business, that is something we will begin to look at futuristically.

I have been asked whether we plan to privatise the refineries at some point in time. My understanding with my principal has been that the first thing is to get those refineries in a level where they are not going to be sold as scraps. And that is why we invited investment on a zone basis to get them built up to a point where they are at least something you can then put out in the market in a way that is all right, otherwise we will be selling scraps really. And that is what we are doing. At some point in time, that decision will be made and it will not be made by me alone, but by the Federal Executive Council.

I have been told that I operate unconstitutionally because of the convergence of the two portfolios. I have always answered this very clearly that there is no unconstitutionality about it. My reading of Constitution is that law of 30 years is right there is nothing wrong with that. Having said that, in terms of the practical efficacy of combining those portfolios, the only individual who will decide why he did what he did and when he thinks what he did needs to be brought to an end is my appointer, the President of the Federal Republic of Nigeria. I would not spend too much time procrastinating on that. I am sure he will do what he needs to do at the time that he wants to do that.

What are we doing in terms of dealing with upstream especially with all the pipeline problems and sabotages that we are seeing? It calls to mind again whether holistically we have dealt with the problems of the Niger Delta. There is always a seemingly attraction to utilise forces to solve these problems, but experience has taught us that that never really works. So, we are going to be obviously ensuring that the security agencies I am sure they are doing the best that they can to police a lot better, get enough equipment and we are working with them on those. But importantly, we are going to try to begin a very robust engagement to find out what has broken in the contract of relationship that used to exist between the Niger Delta and the Nigerian populace and why suddenly the resort to sabotage is taking the order of the day. Those engagements are going out very quietly now and very soon hopefully we will begin to find some solutions.

We also need to look at the Amnesty Programme and find out to what extent we have kept faith with what was the initial intent of the programme because that is one of the areas of bother in those

communities. Whatever the reasons are, engagement is key, policing is key and throwing economic palliatives to those sectors are also key; to the extent that we begin to invest, to the extent we are looking at mobile filling stations, we are looking at trying to get them involved in securities of the pipelines, and we are trying all sorts of things.

We are trying to create funding mechanism that will enable them look at investment in some of the modular refineries that they would want to operate today and we have given out licence even in those areas. I think the whole lot of mixture of economics, security, dialogue and engagement ultimately will get us to where we should be. Our Budget is based on 2.2 million barrels a day. It is absolutely critical for this government that we get back to those numbers as fast as we can and a lot of energy is going on around this. I do not know whether I have left any question unanswered.

The Speaker: In line with what you said yesterday, how do you handle with that?

The Hon. Minister: Mr. Speaker, I actually started with that, I told him I like phraseology better, but it was urgency of yesterday or urgency of now it connotes the sense of huge abundant urgency. Again, I will emphasize why that urgency came straight into our doorsteps. These include lack of foreign exchange earnings, depleting volumes in terms of crude volumes and non-participation of private marketers in this, the breakdown of laws and if we do not do what we are doing now, I have said in my material that, the queues will be back in very full force. There will also be complete social disruption, FAC obligations could not be met, and governors could not pay salaries. Federal government in fact could not pay salaries and probably Members of this honourable House could not be very easily and cushiony even receive their emolument and entitlement in a very quick order; that is the reality and that is the urgency of now. The urgency knocks on our doors every day and every minute that we stand here.

Of course, in addition, we also mentioned that the upstream sector which we have not funded sufficiently will completely collapse and so we need to get back to a point where we reserve whatever money we have to address the problems. And I look at the honourable Member who mentioned whether there was apology that was owed on us and because I am not a politician, I am not able to put together the nuances that require an apology, but what I do know is that the former President never declares himself to be a Pastor, so for seeing tomorrow, is only the prerogative of Pastors.

Thank you very much, your Excellency.

(The Honourable Minister and his entourage took their leave from the Chamber)

The Speaker: Hon. Members, we have heard from the Minister, but I guess it is not enough for us to take a decision based on what we have heard from the Minister now. We know that Labour is already calling for a strike and the principle of natural justice, which is cardinal part of jurisprudence demands that we will also hear from them, so that we will also be able to take a position as a House.

In line with that, I want to invite Hon. Ossai Ossai to move a Motion and if the Motion passes, perhaps we could have a kind of interface with the Labour and then the Committee can report to us and then we can take a decision based on what we have heard from them and what the interface with the Labour will reveal.

MOTIONS

Invitation of the Nigerian Labour Congress and other Stakeholders on the Deregulation of the Petroleum Downstream Sector in Nigeria

Hon. Ossai Nicholas Ossai (Ndokwa East/Ndokwa West/Ukwuani): Mr. Speaker, arising from the dialogue as said by the Honourable Minister and also cognizance about these issues that you have raised, on issues that all sectors in the oil industry must be consulted in line with our Eighth National Assembly Agenda, I move this Motion that:

The House:

Notes the importance of Petroleum Products to the Nigerian masses as regards the prices of petroleum products to our economy;

Also notes that various organizations including the Nigerian Labour Congress (NLC), Civil Organizations and other important opinion blocs in the country have agitated the current price hike of petrol in the country;

Worried that the impact of the petroleum price hike on the masses will greatly affect our livelihood;

Resolves to:

Constitute an *Ad Hoc* Committee to interface with other stakeholders like the Nigerian Labour Congress, Civil Rights Organizations including stakeholders in the petroleum industry and report back to this honourable House within five days.

Hon. Hassan Adamu Shekarau (Birnin/Gwari/Giwa): Mr. Speaker, I second this Motion ably moved by Hon. Ossai Ossai.

The Speaker: It is a simple and straightforward Motion.

Question put and agreed to.

Resolved to:

Constitute an *Ad Hoc* Committee to interface with other stakeholders like the Nigerian Labour Congress, Civil Rights Organizations including stakeholders in the petroleum industry and report back to this honourable House within five days.

The Speaker: Hon. Ossai, did you mention the number of days within which to report to the House and how many days; is it five days?

Hon. Ossai Nicholas Ossai: Five days.

Hon. Alhassan Ado Garba: Mr. Speaker, I have information to give, Sir!

The Speaker: Yes, go ahead, please.

Amendment proposed.

Hon. Alhassan Ado Garba: I am trying to pick from where the last mover of the Motion stopped. I am trying to see reason that this honourable House should take cognizance of the likely action to be taken by the Labour Organization. So, I think this Motion should have taken into cognizance this possible intention by the Labour to go on strike; to now urge the Labour in the light of this initiative of the House that they should now suspend their intended labour strike next tomorrow pending the outcome of this subject.

The Speaker: I thought that was part of the prayer.

Hon. Alhassan Ado Garba: It was not, and that should be included, Sir. Also, the timing which he said five days, I suggest that you make it a week.

The Speaker: I do not know the procedure we adopt now, whether to amend that or we move for another Motion.

Hon. Yussuff Sulaimon Lasun (Irepodun/Olorunda/Osogbo/Orolu): Mr. Speaker, there is a Rule in our Standing Order that consequent upon a Motion, you can move another Motion, so based on

that Rule, Hon. Ado can move his Motion. It is in the Rule, but I cannot remember now. *(Interruptions)*

The Speaker: It is on Order I, Rule 1: *Consequent upon a Motion a Motion can be moved.* So the Whip has moved a Motion in line with Order I, Rule 1.

Hon. Aishatu Jibril Dukku (Dukku/ Nafada): Hon. Speaker, I second the Motion as ably moved by my Colleague.

Amendment put and agreed to.

Resolved to:

- (i) Constitute an *Ad Hoc* Committee to interface with other stakeholders like the Nigerian Labour Congress, Civil Rights Organizations including stakeholders in the petroleum industry and report back to this honourable House within one week;
- (ii) Urge the Nigerian Labour Congress (NLC) to suspend its planned strike action pending the outcome of the report of the *Ad-Hoc* Committee set up by the House.

The Speaker: In view of the urgency of the matter, the Motion we took said five days. This would be the composition of the *Ad-Hoc* Committee:

- | | |
|-----------------------------|----------|
| 1. Whip of the House - | Chairman |
| 2. Deputy Leader - | Member |
| 3. Deputy Minority Leader - | Member |
| 4. Chairman Defence - | Member |
| 5. Chairman Justice - | Member |
| 6. Chairman Labour - | Member |
| 7. Chairman Down Stream - | Member |

- | | |
|----------------------------------|--------|
| 8. Chairman Upstream - | Member |
| 9. Chairman Navy - | Member |
| 10. Hon. Idris Waze - | Member |
| 11. Hon. Philip Shuaibu - | Member |
| 12. Hon. Sani Zango Daura - | Member |
| 13. Hon. Prestige Ossy - | Member |
| 14. Hon. Lawal Abubakar - | Member |
| 15. Hon. Hon. Daniel Reyenieju - | Member |
| 16. Hon. Nnenna Elendu Ukeje - | Member |
| 17. Hon. Sunday Adekpoju - | Member |
| 18. Hon. Asabe Filita Bashir - | Member |
| 19. Hon. Ossai Nicholas Ossai- | Member |

They have five days to report to the general House. So, in the absence of any other matter, I invite the Leader to move that the House do adjourn.

ADJOURNMENT

Hon. Femi Hakeem Gbajabiamila: Mr. Speaker, this is a Special Session. I therefore especially move that this House do adjourn till tomorrow, Tuesday, 17th May, 2016 at 11.00 a. m.

Hon. Nnenna Elendu Ukeje: Mr. Speaker, I most humbly second the Motion as ably moved by the Leader of the House.

Question put and agreed to.

Resolved: That the House do stand adjourned till Tuesday, 17th May, 2016 at 11.00 a.m.