

**SENATE OF THE FEDERAL
REPUBLIC OF NIGERIA**

Wednesday, 13th April, 2016

The Senate met at 10:55 a.m.

PRAYERS

(The President in the Chair)

VOTES AND PROCEEDINGS

The President: Distinguished Senators, we have before us the Votes and Proceedings of Tuesday, 12th April, 2016 for approval. We will start consideration from page 367- 643.

Senator Aliyu Sabi Abdullahi (Niger North): Mr. President, I move that the Votes and Proceedings of Tuesday, 12th April, 2016 be approved.

Senator Augustine Ovie Omo-Agege (Delta Central): Mr. President, I second that the Votes and Proceedings of Tuesday, 12th April, 2016 be approved.

Question put and agreed to.

Resolved: That the Votes and Proceedings of Tuesday, 12th April, 2016 be approved.

ANNOUNCEMENTS

Visitors in the Gallery

The President: I wish to acknowledge the presence of Members of the National Law Students Association of Nigeria, National Secretariat Abuja. They are in the gallery to observe the Senate Proceedings.

I wish them a fruitful observation of the Senate Proceedings.

The visitors stood for recognition.

Please sit down.

Delegation to Abia

The delegation we announced yesterday on behalf of the Senate to condole the Government and the family of late Senator Okoroafor should also include the Senators from Abia, Senator Abu Ibrahim and Senator Samuel Anyanwu.

PERSONAL EXPLANATION

Presence of Insurgence in Taraba State

Senator Bwacha Emmanuel (Taraba South): Mr. President, Point of Order.

The President: Order what?

Senator Bwacha Emmanuel: Mr. President, Order 43 of the Senate Standing Rule. With your kind permission, can I read?

The President: Please, read.

Senator Bwacha Emmanuel: Mr. President, Order 43 reads:

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

I had earlier on brought a Motion before this Senate in respect of the presence of insurgence in Taraba State who had been displaced from the war theatre in Borno. I am saddened as I speak on the event of yesterday in Taraba State in Gashaka precisely and the area I mentioned in my Motion that has a game reserve stretching several kilometres that is being seen as a veritable point of assembly by the insurgence.

I did mention in my Motion that these people are not Fulani herdsmen, they are insurgence who parade themselves and lie that they are herdsmen. Assuming, without conceding, that they are Fulani herdsmen, what message are they trying to pass to Nigerians that at this time when one of them is the President of Nigeria, they ought to have been law abiding than what they are doing. *Premium Times* reported the number of deaths to be 40 but what we have from the security operatives in Taraba is 15.

I feel that because of the sanctity of lives, something has to be done. This is an opportunity for the government of the day to ensure that the Commander-in-Chief is not blackmailed by these insurgents, who claim they are herdsmen when they are not. The various security operatives in Nigeria must take action. The Armed Forces, Police and Director-General of the State Services must act and within time, otherwise, we are yet sliding into another phase that will drag Nigeria into anarchy and we are sitting on the precipice.

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I must say that it is very important the government act urgently because lives of people are involved. These villagers have been cleared from their villages so as to allow wide expanse of land for the insurgence to settle and begin a new attack on the Nigeria State. A word is enough for the wise.

MATTER OF URGENT PUBLIC IMPORTANCE

Disappearance of Chibok Girls

Senator Dino Melaye (Kogi West): Mr. President, Point of Order!

The President: Senator Dino Melaye, Order what?

Senator Dino Melaye: Mr. President, Order 42, with your kind permission, may I read.

The President: Please read.

Senator Dino Melaye: Mr. President, Order 42:

The matter for discussion shall, if possible, be referred to the President of the Senate before commencement of the day's sitting and the President of the Senate shall refuse to allow the claim unless he is satisfied that the matter is definite and urgent.

(2) If the claim is allowed by the President of the Senate and the Leave of the Senate is given, by at least one-fifth of all the Senators, no matter shall stand over till the next legislative day.

I bring to the notice and knowledge to Senators in this Chamber that it is two years since our daughters disappeared from their dormitories in the Chibok Community of Borno State, and as a responsive and responsible Senate, we cannot fold our hands while our daughters are still in the hands of their captors.

I want to bring this to the knowledge of the Senate, so that if given opportunity, a proper Motion can come where security agencies will be challenged and if possible, a Closed Session to brief us about their efforts so far in bringing back these girls and to also show sympathy with the parents and families of these missing girls. I may not want to belabour us but if I have the support of my Colleagues, we will bring the Motion tomorrow because we will not succeed as people in government, either in the Legislature or in the Executive until these girls return safe and alive.

The President: Distinguished Colleagues, in-line with our Rules, Senator Dino Melaye came to discuss the issue on this Motion for it to be brought back on the next legislative day.

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Question put and agreed to.

Epidemic Outbreak of Enteritis in Abia North

Senator Mao A. Oluabunwa (Abia North): Mr. President, Point of Order.

The President: Senator Oluabunwa, Order what?

Senator Mao A. Oluabunwa: Mr. President, I am calling your attention on Order 42 and 52 respectively. With your kind permission, can I read?

The President: Distinguished Senator Oluabunwa, you know that according to our Rules, you should have had this discussion with me before now.

Senator Mao Oluabunwa: I told you about the epidemic outbreak of enteritis in Abia North.

The President: All right, read.

Senator Mao Oluabunwa: Mr. President, Order 42 (1) reads

The matter for discussion shall if possible be referred to the President of the Senate before commencement of the day's sitting and the President of the Senate shall refuse to allow the claim unless he is satisfied that the matter is definite and urgent.

(2) If the Claim is allowed by the President of the Senate and the leave of the Senate is given by at least one fifth of all Senators, the matter shall stand over till the next legislative day.

The President: There are two issues. The first is if the Senate President deems it fit that you should come. Secondly, the fact that we have already taken a Motion on that today, so unfortunately, I will have to rule you out of order on Order 42.

Status of Bills

Distinguished colleagues, I have received the Status of Bills referred to Committees and the number of reports that are outstanding over 24 weeks, which is totally unacceptable. We need to start taking action quickly. Unfortunately, I have to get commitments from the Chairmen of some of these Committees. One is Nigeria Railway Corporation, Repeal and Re-enactment Bill. The Chairman is here, we have not got the report back. Chairman, I want a commitment from you today on when we are going to get this.

Senator Olugbenga Bareehu Ashafa (Lagos East): Mr. President, I am the Chairman Committee on Land Transport. The problem we have is about scarcity of funds from the administration.

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We have not up till now had our Public Hearing because the money has not been released. I will want to appeal to Your Excellency to assist us, as soon as we get that money, the Public Hearing will be done and the report will be ready.

The President: Yes, please give us a commitment, if you get the money immediately this week, can you bring us that report within two weeks?

Senator Olugbenga Ashafa: Very sure Sir.

The President: The Chairman, Police Affairs, Crime and Criminal Practice System Bills.

Senator Ibrahim Abu (Katsina South): Mr. President, as my friend said, the issue of scarcity of funds, we have applied for funds for the last four weeks, up till now, we have not got the funds. So immediately we get funds, we would be able to submit that report within two weeks.

The President: But there is Imprest in the Committee! Anyway, I have taken note. The next Committee is Banking; is the Vice Chairman Banking here because I know the Chairman is not here.

The next Committee, (Counterfeit and Fake Drugs) joint Committees on Health and Narcotics; are the Chairmen here? Who are the Vice Chairmen of the two Committees? Yes Senator Matthew Urhoghide.

Senator Mathew A. Urhoghide (Edo South): Mr. President, on behalf of the Health Committee, I want to say that only this week on Monday, we had our Public Hearing on the referral that was made to the Committee. I want to assure you that in the next two weeks, the report will be ready and will be submitted to the Senate.

The President: Thank you Chairman. Chairman, Special Duties: North East Development Commission Bill. The Vice Chairman, Special Duties; Leader, maybe I will give you the responsibility to track the Chairman of the Special Duties to ensure that within two weeks, we can have this report.

Distinguished Colleagues, I take note of some of the Committees as regards funding, but for some Committees, we will address that immediately. Some Committees that funding are not the issue, please ensure that these reports come from public hearing to be addressed immediately, so that we can start taking these Bills for Third Reading. Thank you.

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PRESENTATION OF A BILL

Senator Mohammed Ali Ndume (Borno South): Mr. President, the first Business of the Day is presentation of a Bill, standing in the name of Senator Donald Alasoadura, on the Petroleum Industry and Governance Bill, 2016.

You may wish to invite the Clerk of the Senate to read the Short Title of the Bill.

Petroleum Industry and Governance Bill, 2016

Petroleum Industry and Governance Bill, 2016 (SB. 237) - presented by Senator Donald Alasoadura (Ondo Central); *read the First Time*.

ORDERS OF THE DAY

CONSIDERATION OF BILLS

Public Procurement Act (Amendment) Bill, 2016

A Bill for an Act to Amend the Public Procurement Act to provide for and adopt a Local Concept Policy and timely completion of Procurement processes, and Other Related Matters –

Order for Second Reading.

Senator Mohammed Ali Ndume: Mr. President, the first Order of the Day is the Second Reading of the Public Procurement Establishment (etc.) Act, 2004 Amendment Bill, 2016. Distinguished Colleagues, you will recall that the Bill was read the First Time in this Chamber on Thursday 10th March, 2016.

I wish to also inform this Chamber that this Bill with another one that Distinguished Senator Abaribe is sponsoring is the same and they have agreed to consolidate the two Bills. Therefore, the Senate President may wish to invite Distinguished Senator Samuel Egwu and thereafter invite Distinguished Senator Abaribe, so that they make the presentation jointly and we do not have to go over this again.

You may wish to invite Senator Samuel Egwu to move the Motion for the Bill to be read the Second Time.

Senator Sam Egwu (Ebonyi North): Mr. President, permit me to lead the debate on the general principles of this important Bill, which seeks to amend the Public Procurement Act to enforce the patronage of locally produced goods by Nigerian Government.

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The Bill was read for the First Time on the Floor of the Senate on Wednesday, 16th March, 2016.

Recall that in the 1960s to the 80s, made-in-Nigeria products were popular with Nigerians and many African countries, as big trucks came from West African, Central African and East African countries to purchase products churned out from factories scattered in the various industrial estates across the country. It bleeds my heart to say that most of those factories, warehouses and industrial estates known to have been producing these goods being sought after by many African countries in the past have been abandoned.

It is no longer news that government spends billions of Naira yearly to import automobiles alone leaving out a local manufacturer, Innoson Vehicle Manufacturing Company (IVM) and other locally assembled automobiles to suffer low patronage since government is the biggest spender in the country and this has slowed down production in those companies, some have even closed down. The story is the same across various other sector of the economy.

It is no more news that successive administrations do not patronise locally made goods as is done in other countries, even though most of the locally made products are of high standard and can compete favourably with imported ones. This situation has impacted negatively on the economic fortunes of the country. This trend is what this Bill seeks to reverse.

Given the right enabling environment, Nigerians are willing to help government promote the objectives of diversification and backward integration. Government must on the long run insist that those who seek to sell in the Nigerian market must set up their factories here, and produce for the Nigerian market inside Nigeria.

We have all the raw materials that may be needed and we have the market, the biggest in Africa. The point is not about being local, it is about developing the capacity to turn Nigeria into a world-class production and economic centre; government must play a leading role in this regards.

We must know that the love of foreign products is partly responsible for high cases of unemployment in the country and that each time a Nigerian imports container of foreign products, jobs are created for youths of the exporting country where the products come from, while many Nigerians are rendered jobless.

With the support of my Colleagues in passing this Bill into law, I foresee a future where graduating students from our universities will easily be absorbed by companies producing locally.

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With the passage of this Bill into law and deliberate effort by government to buy locally made products, the Nigerian citizens will definitely follow and one can only imagine the billions of jobs that will create in the country. The time to act is now as reliance on imported good will further worsens the economic fortune and survival of our nation.

Mr. President, I do not think we need to dwell so much on this Bill since the Motion on patronage of locally produced good was extensively debated in this Chamber not long ago. The Bill should be out rightly referred to the relevant Senate Committee for further legislative action. I therefore, urge my distinguished Colleagues to support the passage of this Bill to give legal backing for the patronage of locally produced goods by government organs.

You are the champion of this made in Nigeria goods. I remember you went for the Trade Fair organised by the Aba Traders here in Abuja, you also bought Mr. Innoson made in Nigeria car which other Senators follow suit. I know Senator Ben Bruce, the Deputy Senate President and myself as the Chairman of Industries bought. Therefore, we are promoting the use of made in Nigeria goods and I think this Senate should be in the fore-front of that campaign.

Therefore, government as a rule, must first spend their huge money locally patronising made in Nigeria goods, so that that our economy will grow and the needed employment created. Mr. President and my Colleagues, thank you for supporting this Bill.

Senator Enyinnaya Harcourt Abaribe (Abia South): Mr. President, we met this morning and decided that we will consolidate both amendments Act that are before this distinguished Senate. What I want to do is to add more to what Senator Samuel Ominyi Egwu, former Governor of Ebonyi State, where they produce Salt locally for consumption in Nigeria said.

The merit of the amendment, I think is very clear to all of us. This amendment Bill seeks to amend a specific part of the Procurement Act and that is Section 34 of the Public Procurement Act (A.44) 2004. What it seeks to do here is that, if we pass this amendment, it will change a key word in Section 34 from 'may' to 'shall' of course, once we change it to 'shall' it would made it mandatory for government agencies to patronise made in Nigeria products when available.

The amendment will also grammatically increase the percentage of goods that are purchased by all public procurement agencies because what we see in practice is that because of the word *may*, most procurement agencies will pretend that alternatives do not exists in Nigeria for what they want to buy. Therefore, once we change to 'shall' that will be mandatory.

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Also we want to change a percentage that is already in the Procurement Act. In the Procurement Act, presently, only 15 *per cent* of procured goods in Nigeria are obligatory to be Nigeria made goods.

I want to see whether in this Act, we can change it to 50 *per cent* as a minimum. Of course, when I say 50 *per cent*, I do not mean that it must be, what I am saying is, if you do not find it then you can apply and now take foreign made goods, but you are obligated to source for it, and that is what we intend to do. Of course, when it goes to Committee, we would go on and see how far we can go with that.

Therefore, it is this alteration which we say that would bring effect into the manufacturing sector and would help us as Nigerians to be able to actually help ourselves to climb out of this economy problem that we have today. In doing so, my Colleagues, Nigerians who wear made in Nigeria goods, because when I see the array of what all of you here are wearing, *agbada* and your caps, and of course, for those of us from the South-East and South-South, what we wear and every other thing; we can go and make this possible for Nigeria. I thank you Mr. President.

Senator Robert Ajayi Boroffice (Ondo North): Mr. President, I congratulate and thank the sponsors of this Bill for bringing this up. Sir, if we pass this Bill, it will be an important help from this Assembly in stimulating our local economy and diversifying our economy. It is very unfortunate that at this stage of our development, we still rely largely on imported goods and services.

I could recall Mr. President, when I was newly appointed Co-ordinating Director of Science in Assembly; I observed that the rulers, pencils and erasers that we are using in this country were imported from China. It worried me that the first contact our children have in primary school is a technology from China.

I then set up a Committee to look into the local production of ruler, this is just a piece of wood with scribbling on it and we have discovered that we have consumed about forty million pieces of ruler a year and we also have market in West Africa but the efforts to get this done, through the budget to protect local production was turned down. The Science Equipment Development Agency in Enugu produces and then the Secretary to the Government of the Federation made a pronouncement that all government agencies and institutions must patronise this institution. I was surprised that the following week of it, the government made an order of over US\$2 million Science Equipment from outside this country.

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This Bill will help to instil some discipline in us in this country. There is no way we can stimulate our local economy and diversify our economy if we do not patronise made in Nigeria goods and this will strengthen the hands of our officers in the development agency.

Some years back, nobody wanted to buy made in China or Japan because people thought that they were inferior but today, you can see that their technologies have advanced. The only way we can advance our technology is to patronise locally made goods and services so that it can also be good.

I wholeheartedly support this Bill and I want to urge my dear Colleagues to support it so that it is passed urgently.

Senator Ben Murray-Bruce (Bayelsa East): Mr. President, the public misunderstands what we are trying to do here by saying buy made in Nigeria products. They think we are trying to thrust upon them products that are inferior, so they resent it; government officials resent it, and the average person resent it.

I will tell you a small story that explains what I am trying to say. In 1994, I went to Los Angeles to meet Mohammed Ali, the former Heavy Weight Champion and I asked him what he did for black people. He said to me that when he became World Champion in 1960s, he changed his name from Cassius Marcellus Clay to Mohammed Ali. Once he changed his name to Mohammed Ali, he got Herbert Mohammed, the Black Muslim to promote his fight. White American at that time said to him; *you must be crazy, a Black Muslim cannot promote the heavy weight title fight in America.*

In 1964, white people call blacks niggers and it is certain that they did not like Black Muslim to take fight there. And they said to him, you could have a Black Muslim promoting a heavy weight title fight, but then, he just knew what he was doing. Mohammed Ali said to me as he said to the white Americans that because of that move, a great number of promoters in America today are now blacks.

The issue is demand and supply, scarcity and choice, economics one on one. When Obasanjo banned orange juice to be imported in the year 2000 when he was the President, Chivita Limited was the only Company making orange juice in Nigeria, they were not very popular. Today, because of that ban, Chivita Limited is a dominant juice manufacturer in Nigeria because we have natural juices across the land.

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People complained about made in Nigeria products, they said the products are inferior; again, it is about knowledge of demand and supply. If you pay for products at the market value, that manufacturer will improve quality, standard, quantity and you will be happy with the product. There is no easy way to solve a problem, if you are sick, you take a shot, they take you out for surgery then you get better.

This Bill is critical and I commend those who are presenting this Bill. We need shock therapy to solve Nigeria's problem, we must face it; Nigeria is broke. So it is wonderful because technically, we are very lazy people, now we are going to think and because we think we are going to buy the Nigeria products because we have no choice.

I support this Bill and I urge you, not just the government, but Nigerians and the private sector to buy made in Nigeria products. They complaint about the quality, it is justifiable, we agree, let us acknowledge that; but if you buy the products, they will increase quantity and quality and you will be happy with the products. Let us do it the way Mohammed Ali changed America with the perception of Black Muslims and Blacks making it possible for people like Don King and others to be successful as promoters. As I listen to him in 1984 during the Olympics Games of Los Angeles, I realised there was no easy way to solve this problems. We must address it.

I have three Innoson vehicles; I have a bus, SUV and I have a car about three and my people are happy with them. I bought three. And if I have any complaint, I will call the company to fix it and they will get better. Now I understand Innoson is fixing jets fighters; because of him, our people can bomb Boko Haram in the North East. I understand the manufacturers of the Makes cannot repair those planes. Now, an Igbo man in the East is fixing Jet Fighter that he never made. Necessity becomes the mother of invention; he is doing a fantastic job if we can follow his lead and others like him.

The most successful car in the world right now, the Javelin Volt which was carved in three years ago was designed by a Nigerian from Sokoto, a Nigerian from Sokoto design a Javelin Volt in America; that is one of the amazing cars, which for the first forty miles uses electricity. The next used combustible engine designed by a Nigeria from Sokoto State. We are brilliant people we urge the government to stop pretending.

I think the leadership in Nigeria imitate the British colonial masters that once ruled us. So when the colonial masters left and when the leadership took over, they pretended to be white British resident ruling the rest of Nigeria. The rest of us are Nigerians and leadership are foreigners; this is how I see Nigeria.

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If the leadership can start thinking like Nigeria and stop thinking like foreigners and every time they have headache, going to Dubai, if we are thinking like Nigeria, it will be a great country. It is a conscious issue; we must be patriotic and must be conscious of what we are and who we are. We must say to ourselves we are proud people and we are concerned about whom we are and we must learn and live by example. Thank you.

Senator Aliyu Magatakarda Wammako (Sokoto North): Mr. President, let me join my Colleague in commending the sponsors of this important Bill, which I believe no one will not like to say something good about.

It is obvious and honest that I may only like good quality legislation with multiple effects on our dwindling economy; secondly the problem of unemployment, and thirdly, the national image. This Bill, in my opinion and all other opinions earlier expressed, is most timely, relevant to all and sundry. On our part, I do believe that we are going to do our best; it is my hope and prayer that sometimes we need action on the part of the Executive. This single Bill has come to address many challenges that bedevil our dear nation, so I lend my weight to this Bill. Mr. President, thank you.

Senator George Akume (Benue North West): Mr President, I rise to support this amendment Bill not really because the sponsors are members of the former Governors forum, but principally because they are from the South-East. Why do I say so, there was this great Nigerian from the South-East, famous nationalist, Maazi Mbonu Ojike, who, in promoting a local fabrics said *boycott the boycott-tables*. He was promoting the application of our local fabrics; they used to appear so immaculate in their traditional attire.

Today we come here, Aliero is wearing something very foreign, and the great Senate President is wearing foreign material. Basically, there is a lot we can learn from this Bill and it is not really the Bill itself that is the issue, it is enforcement. At the end of the day, are we going to enforce what we are talking about? Let us assume that tomorrow, all of us appear in Agbada; like Scotland, they wear skirt, I am very proud of that.

Distinguished Colleagues, let us give this a very serious thought. In the past when the Federal Government decided in its wisdom to establish assembly plant, one in Kaduna for production of Peugeot, one in Lagos for production of Volkswagen and another one in the East for Mercedes Trucks, and there was one in Bauchi for Styr and Kano, Fiat. All these things, I do not know whether they are produced, but I believe they are finally gone to where they belong.

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Today, the National Assembly want to buy vehicles, instead of going for local brands, we go for Camry, SUV's etcetera. This cannot add value to the economy of this nation; we must be very proud of what we are producing here. Like one of my Colleagues said here about Chinese products and Japanese products in those days, today, Japanese products are celebrated all over the world; while we ridicule Chinese products, they are all over Nigeria market. You go anywhere in Abuja, you will find Chinese market, you go to Lagos, there are Chinese market, you go virtually to all these towns, you will find Chinese market. I believe if our textiles factories were allowed to flourish, they would have improved and the quality could have been better than what we are importing, using our very scarce foreign resources.

I support this Bill and as Senator Abaribe said, let us increase our local content now that our resources are very scarce; this is the time we can bring out all the best from our people. Nigeria's human resource based is huge. I met Andrew Young one day in Montego Bay; he said something which was very interesting. He said 25,000 Nigerians were consultants in the medical field, and he said he visited some of the most sophisticated facilities in the US and he discovered that many of these facilities, Nigerians have contributed immensely in bringing them to function.

Let us give serious thought to this amendment and at the end of the day, let us trust that there would be enforcement, and the Senate should lead in ensuring that there is enforcement of this amendment. Thank you very much.

Senator Chukwuka Joseph Utazi (Enugu North): Mr President, I want to thank Senator Sam Egwu and Senator Abaribe for bringing this amendment, which is very timeous. It was just yesterday in Enugu, the Governor of Enugu State organised an Investment Summit and the essence of that investment summit is to make people to take home how Nigerians should invest in Nigeria; South-Easterners to invest in South-East economy. If every geopolitical zone does same, we can stop talking about capital flight and job flight to far places like China and other parts of the world. Like it was pointed by one of the contributors, investors have discovered that Nigeria is a huge market for them, their products are all produced outside the country and they come over here to sell without Nigeria putting anything except distribution.

It is very urgent that we start doing something here and this Bill is in right direction, and then if we get this Bill through and is assented to, National Assembly will not just fold its hands because it is enforcement that is the issue. If we pass it and Executive picks and chooses which one to honour, we have failed.

We need also to follow and ensure that if this Bill is passed, and then we remove the 'may' and put the 'shall' that makes it mandatory. All the Committees have to go out there and ensure that the procurement of office equipment that we use in offices are they made in Nigeria, and the timber they are using in producing these things; are they done in our backyards here? We move them and send to abroad to put them in good condition and they bring them here. The vehicles, ANAMCO in Enugu have decided to close shop, Innoson is the only one hanging on in the South-East trying to do something and we need to encourage him. But I think that outside this, we have to bring about the mind-set of our people, our mind-set that we are going to start patronising ourselves; if we start doing those things, they will work well.

I used to have an Indian Teacher in Political Science in University of Nigeria, Nsukka. He told us in those years that in this country, he could not understand us. He said that in Indian, if you are posted as an Ambassador over there, and if you import the car you are going to use there, that any day you want to leave, that your vehicle must leave first before you even depart because no Indian will buy second hand cars. In their country, they have made it mandatory that nobody can use cars not produced in Indian. If we do the same thing here, Mr. Senate President, I think we would be going a long way. Thank you so much for this opportunity.

Senator Joseph Gbolahan Dada (Ogun West): Mr. President, I stand to support this Bill. Apart from what my Colleague just said about the Indian government; they also say that; what you do not produce you do not deserve, that is how they started their concept. The way we should go forward in our country is for us to patronise Nigerian made goods. You can see recently the way our music industry grows because we have started patronising Nigerian music. Our music has become international music today; our African Magic is also in the whole world.

If we look at the way India develops today, we all see a car called Tata. Tata is a modification of Leyland motors. Leyland motors were in Nigeria; they have a plant in Apapa, they have another plant in Lagos, one at Ibadan but today, Leyland has folded up. In India, they transformed Leyland to Tata, these are the way forward.

Ajaokuta steel has failed to produce a flat sheet; they are producing rods for construction. We need to modify the Ajaokuta Steel to produce flat sheet so that we can mould it to construct bridges and provide jobs for our people. We also need to make efforts. If Nigeria Governors over the years have been contentious to partners made in Nigerian products, I did not understand the need for that, even this Senate.

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There was a debate here some months ago about buying cars, if we want to buy Toyota cars, Land Cruisers and so on; we are not interested in buying Nigeria goods. Why? So these are the issues. I feel that we should also patronise Nigeria cars, it is very important. AMCO has been in production for many years but today, they want to close down. PAN in Kaduna has challenges; Volkswagen closed down now they came back; government must make efforts to make it compulsory for the government Agencies and the Parastatals to patronise our goods.

The President: Distinguished Senators, I did not think anybody is against this Motion, if not, let me put the question?

Question put and agreed to.

Bill read the Second Time and referred to the Committee on Procurement to report within three (3) weeks.

Distinguished Colleagues, I too want to join in commending Senator Sam Egwu and Senator Abaribe for this very important Bill. I feel very delighted that we have this Bill before us that has passed Second Reading. It is twofold issue here, I know the emphasis we have talked about has been on the local content but part of this Bill also addresses the timely implementation of the Budget. The amendments try to cut down the processes and the time it takes. Some of the issues we have seen in the past is after the Budget is passed, the processes for implementation is the problem; months and months, you will find out that the processes of Budget has not even been completed. But some of the recommendations here will shorten those time frames and this will have impact on the country, help the Executive to implement Budget and help Nigerians to benefit from the Budget.

I cannot over emphasise how relevant this Bill is, but I am sure if we can pass it, we would have touched the lives of many entrepreneurs; many people's lives will change. Government every year, minimally, will spend close to ₦3 trillion and in the past this ₦3 trillion has all gone on imported goods. Even if it is just part of that, it shall support local industries, then many young people, honestly by this singular Act of National Assembly, we would have made their lives different.

I want to commend those who have brought this forward, and also here in the National Assembly as we said, some of us are already using some of these made in Nigeria cars, and Management too has been told to give preference to these areas.

**Public Officers Protection Act Cap P41 LFN
2004(Amendment)Bill, 2016**

A Bill for an Act to Amend the Public Officers Protection Act CAP P41 LFN 2004 –

2202

Order for Second Reading.

Senator Ndume Mohammed Ali: Mr. President, the next Order of the Day is the Second Reading of the Public Officers Protection Act CAP P.41 Laws of the Federation of Nigeria, 2004 amendment Bill, 2016.

You will recall that the Bill was read the First Time on Tuesday, 16th February, 2016. I can observe that Senator Peter Nwaboshi is not in the Chamber, so I have to move that we stand down the Second Reading of this Bill to another legislative day.

Senator Emmanuel Bwacha (Taraba South): Mr. President, I second the Motion that we stand down the second Reading of this Bill to another Legislative Day.

Question put and agreed to.

Bill by leave of the House stood down to another Legislative Day.

ORDER OF THE DAY

MOTIONS

**Incessant Kano Markets' Infernos of Sabon Gari,
Singer and Kwari**

Senator Mohammed Ali Ndume: Mr. President, the fourth Order of the day is a Motion, standing in the name of Senator Rabiu M. Kwankwaso, on the incessant Kano Markets Inferno of Sabon Gari, Singer and Kwari.

Senator Kwankwaso Musa Mohammed Rabiu (Kano Central): I beg to move:

The Senate

Notes that on a Saturday morning 26th March, 2016, at about 12.00 a.m. the Abubakar Rimi Market popularly known as Sabon Gari Market was razed by fire adjudged to be the worst fire outbreak in the history of market infernos in the country;

Concerned about the perennial occurrences of fire outbreak in recent times in Kano, Sokoto, Birnin Kebbi, Kaduna, Gashua, Ibadan, Warri, Minna, Yola, Jos, Ado Ekiti, Ikom in Cross River, Lagos and gas explosion in Port Harcourt and Nnewi in Anambra State;

Notes also that from November, 2015 to January 2016, 11 Boarding Secondary Schools in Kano were affected by incidence of infernos causing the death of 7 students;

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Observes that the Kurmi Market (an inter-continental trade hub between Northern Nigeria and the Middle East) that has been in existence since 15th century was gutted by fire on the 10th February, 2016, similarly, on the 18th of the same month the Singer Market was also razed down.

Further observe the furniture section of the Sabon Gari market was also devastated by fire on the 3rd December, 2015 and on Saturday the 26th March, 2016; the same market recorded one of the worst infernos in the history of fire outbreaks in the country. So also barely six days later the furniture section of the Gwarzo Market was gutted by fire on the 31st March, 2016.

Notes that 15 persons sustained various degrees of injury during the Sabon Gari Fire Incident of 26th March, 2016 that destroyed at least 3,800 shops that constitute about 90 per cent of the market and property worth billions of Naira was lost in the Saturday inferno.

Acknowledge and appreciate the Senate and its leadership for sending a delegation under the leadership of Senator Bala Na'allah the Deputy Leader of the Senate to visit Kano and commiserate with the victims of the GSM Market Bomb blast that occurred on Wednesday 18th November, 2015 and even donated handsomely to the victims.

Concerned that no one seems to know what causes these incessant fire incidences that have become a perennial occurrence in our markets across the country;

Worried that at the rate which these fire outbreaks occur is becoming worrisome and calls to question the effectiveness of our Federal and State Fire Service and other emergency response management agencies tasked with the mandate of urgently addressing the trend of infernos among others;

Convinced that sensitising and effective implementation of simple but important tips on National Fire Safety Code could save lives and property during such emergencies.

Resolved to:

- (i) *Call* on the Federal Government to constitute a special taskforce that will be saddled with the responsibility of investigating the incessant fire outbreak in public places across the country;
- (ii) *Call* on National Emergency Management Agency in collaboration with National Orientation Agency to embark on a national campaign on the need for the public to strictly adhere to national fire safety code in order to prevent the perennial occurrence of fire outbreaks;

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(iii) *Urge* the three tiers of Government – Federal, State and Local Government Councils - to provide their Fire Service Departments with requisite state-of-the-art firefighting equipment, introduce routine training and motivation strategies of the fire service staff so that they can respond more efficiently during fire outbreaks;

(iv) *Urge* the traders and government to look into the possibility of introducing an insurance coverage scheme for the markets and traders;

(v) *Call* on the Federal Government and other regulatory Agencies to evolve and enforce modern means of preventing and combating fire disasters by ensuring that all markets in the country are built with plans to prevent outbreak of fire incident and properly equipped with modern firefighting equipment to ensure that our people are not subjected to this kind of distressing loss;

(vi) *Urge* the Federal Government and other Corporate bodies to come to the aid of the Sabon Gari Market traders by providing them with special grants to continue sustaining a livelihood as well as contributing to the nation's Gross Domestic Product; and

(vii) *Invite* the Senate to constitute a Committee that will visit Kano to commiserate with the traders of the Sabon Gari, Kurmi and Singer Markets and the Government and people of Kano State; and also all other States that were being mentioned earlier on.

Mr. President let me thank Senator Umaru Ibrahim indeed and all other co-sponsors of this Motion. I so move Mr. President, thank you.

Senator Barau I. Jibrin (Kano North): Mr. President, I stand to support this Motion in its entirety. I also want to sympathise with the victims of this inferno that took place in various places of this country. The recent inferno that took place in the largest market in West Africa located in Sabon Gari, which is properly called Abubakar Rimi Market where over 3,800 shops were burnt to ashes and properties worth billions of Naira were involved.

Thousands of trader lost their businesses, I will give you an instance, this particular trader used to have three shops and each shop contained various types of goods and each shop contained goods not less than ₦6 million. Unfortunately for him, a day before the fire disaster, he brought goods worth that amount of money and that was all he had.

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With incessant inferno, so many Nigerians will remain jobless. We need to do something. I think the major problem was that on that day, nobody knows where the fire was coming from. We live in an environment, where if there is anything that is happening, you will find a way to make sure that it is put out and does not affect us.

Mr. President, this incident affects those who do not have anything now as we speak to bring back their businesses together. I think that there is need for the federal government, the State government is doing all it can to make sure that something is put together for them to rebuild their lives. This hallowed Chamber should come in to make sure that the Federal government also comes into the matter to make sure that these people are assisted as soon as possible. I so submit.

Senator Theodore Ahamefule Orji (Abia Central):

Mr. President, I stand to support the Motion that has been moved by Senator Musa M. Kwankwaso. Your Excellency, the primary functions of government everywhere, especially in Nigeria is the protection of lives and property.

Your Excellency, just last Wednesday, the National President of National Association of Market in Nigeria held a conference and in that conference, he said that no fewer than six hundred lives and goods worth over three trillion has been lost to market fires in the country between 2010 and 2016. He further went to say that Nigeria economy has also lost ₦5.3 trillion to market disasters by fire between 1999 to March, 2016.

This is a monumental waste on our people and on our economy. In all the States in the Federation, you can check out, fire disaster has affected three quarters of the States in all their goods markets; not to talk of this devastated one that happened in Kano. I know that most of us who are here have relations and parents who are traders in the market and you can imagine what it means when your store is razed and all you have there is gone, and you have to start from the scratch.

Many have been rendered hopeless and I am sure this is what is happening in Kano today. Another thing is that we travel outside to go and bring investors to Nigeria to invest, neglecting our major investors in the markets. Trading is our major investment area, people are there, spending our money investing; yet the government is not taking time to protect the markets, a major area of investment.

Therefore, this Motion is timely and it is aimed at arousing the consciousness of those who are in position of authority to do something, so that they would look into this issue of fire disaster that is ravaging all the markets in the Federation, not only in Kano. Kano's own is the one that has propelled people now to talk.

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It has happened in my State Abia, it has happened in Anambra, Jos, Gombe, River, Lagos - everywhere. Fire every day, we would not sleep, but we should make sure that fire does not consume us.

We have to fight the fire and the way of fighting it is by adopting the resolution that Senator Musa Kwankwaso has put here, at least reviving and re-engineering the fire service system of this country; so that they would be capable of fighting the fire disasters. Another thing is that we do not know the source of this fire, is it politically motivated or not and most of the time when investigations are carried out, the report do not come out so that people would read and know the causes of the fire disasters.

On that note Your Excellency, I want to thank Senate Musa Kwankwaso for bringing up this issue.

Senator Ike Ekweremadu (Enugu West): Mr. President, let me use this opportunity to express my thanks and gratitude to the Sponsors of this Motion. What happened in Kano, obviously, is a national disaster. It is true the fire incident took place in Kano, but will I be correct if I say that every Senator here has a constituent with a shop in that Kano market.

Therefore, it affects everybody that is here, it affects every Nigerians, so I express my sympathy to the entire country, especially the families of the traders that are affected. Mr. President, at this period when it is difficult for government to provide employment, the two major sources of employment in Nigeria remains its farmers and farming, so we get very worried when there is a tragedy along those two paths.

When we hear about maybe cattle rearers destroying farms, farmlands and crops, we get worried because many people are thrown out of employment, many people would be affected by hunger. Therefore, it happens when there is fighting incident in our markets because we know the number of people who ordinarily would have had employment elsewhere who took to trading in order to survive.

Sir, I believe it is something we must take serious, so that is why I say we have to thank Senator Musa Kwankwaso for bringing this up. Two things I guess we need to do as a country to avert this kind of incident are:

- (1) To modernise our major market, yes, we say that we do not have fire service to come and quench these fires. But if we have been able to go to some of these markets, we would have discovered that if we have fire trucks, it would be almost impossible for them to penetrate into the market because every little space is taken up. Therefore, we need to modernize these markets in such a way that there should be tracks for fire fighters and fire trucks to get into the market once we have this.

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The change all over the World is to build Malls; we must begin to move away from this open market to building of Malls, so that in constructing these Malls, certain measures are taken even from conception to ensure that fire incident are tackled and minimised efficiently. In most part of the world, you hardly hear of fire incident in markets because this has already been taken care of by modern designs of market. The other issue is insurance, all those traders struggle to be leaders of markets, organisations, but they do not care about the welfare of those they are leading. I feel time has come for them to begin to organise insurance for the traders so that in times like this, they can fall back on the insurance companies to help them to go back to business.

I support everything that need to be done to support all those brothers and sisters who are affected by this fire incident, so that they can quickly go back to their businesses by providing some funds whether as loans or grants. If you do not do that, many people will be thrown out of employment, many people will go back home without any means of livelihood and they may be tempted to take the path of crime. I believe that we need to support these people at this time; our constituents need our help and support at this critical time. I want to thank the sponsors of this Motion for bringing it up.

Senator Ali Ndume: Mr. President, the previous speaker, especially the mover of the Motion has said it all. I want to add that this Senate should not just stop at lamenting and making observations, or that they should have been this or that. The fire incident in Kano and in many other places had happened, and majority of the affected individuals are middle income Nigerian citizens that are not modern in terms of business dealings. If you go to the Sabon Gari market, or to the markets affected, most of their monies are kept in their shops in a save, this is all gone. Even if you build modern market for them now, they cannot start because they have lost virtually everything.

I believe that this Senate should go further to urge the Federal Government to do something in terms of assisting financially, those affected so that they can pick their pieces again. If something is not done, (*Interruption*) No! It is not like paying them back, if we leave them like this, it means they are done for, they cannot start up again. We should urge the Federal Government to do something in other to help these marketers that are affected to start their lives again; otherwise, some of them do not have the capacity. The insurance we are talking about, it is now. If the government help them to say, all right, now that you are starting up, you must insure your shop. There is the need, when it comes to the prayers of this Motion to include, *urging the Federal Government to financially assist those affected in this incident.*

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Senator Abdul-Aziz Murtala Nyako (Adamawa Central): Mr. President, I want to look at this matter from a different perspective. I do have a naval background and as such, I really have to look at matters from security point of view. Speaking very strategically, when the market in Yola got burnt, I visited the market. While it was burning, I saw the amount of effort to stop this fire; they kept on pouring water, the fire refused to stop.

When I came back here, Singer Market in Kano got burnt and I became very alarmed. I now decided to look at all the markets that got burnt and at fixed dates. I will request that Senator Musa Mohammed Rabiu Kwankwaso should fix dates as to when each and every one of this market got burnt, he will realise that there is a pattern.

The Yola market got burnt on the 5th January, on the 6th January another market got burnt, on the 7th January, Numan Market got burnt, and on 8th January Gurore Market got burnt. I was discussing with the DG, NEMA which happens to be in my Committee. When we were discussing, he was on his way to Kano because Sabon Gari Market was engulfed as of that time. I said to him that I do not agree, I think there is a pattern.

I got the DSS back in Yola, we went through everything and we now fix dates, clearly between the 5th January and the 9th January, markets were being burnt one after the other. Between the 26th and the 27th when Kano was on fire, the same DG NEMA called me about 30 minutes later to tell me that the market in Gusau was also on fire. So clearly it shows, in my opinion, that all these markets got burnt within a period of just four months, and if you plot the dates, you will see clearly in my opinion they are being burnt.

In my opinion, there should be a higher degree of security awareness; and we have to ask ourselves who is doing this? I do not believe that what is happening here, especially if you plot the dates, is an accident, or they are happening by accident. I very much believe that there is a degree of sabotage. We have to ask ourselves who is sponsoring these things? Who is doing these things to Nigeria? We have to think from the security point of view.

I pass this message through the DSS to the DG SSS that they should look at this matter in a more holistic way. I will also appeal to the citizenry, especially those that are traders in the market. I sat with the traders in Yola and brought their attention to this, that somebody is burning these markets. Over a period of four months, I believe that somebody is burning these markets and I cannot, in any way, dissociate this matter with even what is happening in the North-East.

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We should look at it from a security point of view, from a very strategic point of view and come up with a very holistic approach as to how we can protect ourselves as our country. I will submit, lastly, that somebody somewhere is sponsoring these things, they are not happening by accident.

The President: Distinguished Colleagues, we will go to the Prayer.

- (1) *Call on the Federal Government to constitute a special taskforce that will be saddled with the responsibility of investigating the incessant fire outbreak in public places across the country –*

Amendment proposed.

Senator James Manager (Delta South): Mr. President it is just that Local Government Councils are not functioning; otherwise management of market is usually that of Local Government. In this particular case, the amendment that I am soliciting is:

Call on the States and Local Governments to constitute a special taskforce that will be saddled with the responsibility of investigating the incessant fire outbreak in public places across the country.

The President: Is there any seconder?

Senator Enyinnaya Harcourt Abaribe (Abia South): Mr. President, I second the amendment to the Motion putting the responsibility of this matter on States and Local Governments.

Amendment put and agreed to.

- (2) *Call on the National Emergency Management Agency in collaboration with the National Orientation Agency to embark on a national campaign on the need for the public to strictly adhere to national fire safety code in order to prevent perennial occurrence of fire outbreaks –*

Question put and agreed to.

- (3) *Urge the Three Tiers of government – Federal, State and Local Government Councils – to provide their Fire Service Departments with requisite state of the art firefighting equipment, introduce routine training and motivation strategies on the fire service Staff so that they can respond more efficiently during fire outbreaks –*

Question put and agreed to.

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- (4) *Urge the traders and government to look into the possibility of introducing an insurance coverage scheme for the markets and traders –*

Question put and agreed to.

- (5) *Call on the Federal Government and other regulatory agencies to involve and enforce modern means of preventing and combating fire disasters by ensuring that all markets in the country are built with plans to prevent outbreak of fire incident and properly equipped with modern firefighting equipment to ensure that our people are not subjected to this kind of distress in loss.*

Question put and agreed to.

- (6) *Urge the Federal government and other corporate bodies to come to the aid of the Sabon Gari market traders by providing them with special grants to continue sustaining a livelihood as well as contributing to the nation's Gross Domestic Product.*

Amendment proposed.

Senator Emmanuel Bwacha: Mr. President, the amendment I want to propose is in addition to prayer (5):

Call on the Federal Government and the State Government of Kano to provide grants to the victims of this fire incident.

It should not be just Federal Government; the State Government too should be involved in providing grants for the victims.

The President: There is a prayer for grant which says:

Call on the Federal Government and other regulatory agencies to enforce modern means of preventing and combating fire disaster by ensuring that all markets in the country are built with plans to prevent outbreak of fire incident properly equipped with modern fire-fighting equipment.

So your amendment is to prayer (6) not (5).

Amendment put and agreed to.

- (7) *Invite the Senate to constitute a committee that will visit Kano to commiserate with the traders of the Sabon Gari market and the government and people of the State.*

Amendment proposed.

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Senator Kabiru Ibrahim Gaya (Kano South): Mr. President, I appreciate the Mover of the Motion Senator Kwankwaso, but there is an amendment on this aspect, we have five fire incidents, Sabon Gari is one of the markets, so we should say *Sabon Gari and other four markets*.

Senator James Ebiowou Manager: Mr. President, I second the Motion for the amendment as proposed by Senator Kabiru Gaya.

Amendment put and agreed to.

Senator Aliyu Magatakarda Wammako (Sokoto North): Mr. President, I want to propose that this prayer be amended as follows:

To invite the Senate to constitute a committee that will visit Kano, Sokoto, Kebbi and other parts of the country as per page 359 of today's Order Paper.

The President: Distinguished Colleagues, the Mover of the Motion had already acknowledged and appreciates that the Senate should send a delegation, so prayer (vii) is not necessary, but I will put the question.

Question put and negatived.

Senator Emmanuel Bwacha: The additional prayer I want to propose is, since the Kano market is a major source of revenue to the State Government, the State Government should also provide grants for the victims of this fire outbreak.

Senator Ibrahim Abdullahi Gobir (Sokoto East): Mr. President, my additional prayer is that the original plan of the market should be strictly adhered to. There should be no attachment to shops.

Resolved: That the Senate:

- (i) Call on the Federal government to constitute a special taskforce that will be saddled with the responsibility of investigating the incessant fire outbreak in public places across the country;
- (ii) Call on National Emergency Management Agency in collaboration with the National Orientation Agency to embark on a national campaign on the need for the public to strictly adhere to national fire safety code in order to prevent the perennial occurrence of the fire outbreaks;

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(iii) Urge the three Tiers of government – Federal, State and Local Government Councils - to provide their Fire Service Departments with requisite state of the art firefighting equipment, introduce routine training and motivation strategies on the fire service staff so that they can respond more efficiently during fire outbreaks;

(iv) Urge the traders and government to look into the possibility of introducing an insurance coverage scheme for the markets and traders;

(v) Call on the Federal Government and other regulatory agencies to involve and enforce modern means of preventing and combating fire disasters by ensuring that all markets in the country are built with plans to prevent outbreak of fire incident and properly equipped with modern firefighting equipment to ensure that our people are not subjected to this kind of distress in loss;

(vi) Urge the Federal government and other corporate bodies to come to the aid of the Sabon Gari market traders by providing them with special grants to continue sustaining a livelihood as well as contributing to the nation's Gross Domestic Products; and

(vii) Invite the Senate to constitute a committee that will visit Kano to commiserate with the traders of the Sabon Gari market and the government and people of the State.

The President: Distinguished Colleagues, I want to thank Distinguished Senators for their extensive contributions to this Motion. I appreciate this.

We all commiserate with the family and the traders because this kind of fire outbreak is very devastating for any trader in any part of the country or any part of the world, as such, the State, Local Government and Federal Government should all take action to see what we can do to prevent this rampant cases of fire outbreaks and to address modernisation of some of our markets.

Urgent Need for Effective Implementation of the Joint Venture Cash Calls Obligations

Senator Mohammed Ali Ndume: Mr President, the next Order of the Day is a Motion, standing in the name of Senator Bassey Albert Akpan. You may wish to invite Senator Bassey Albert Akpan, Chairman of Committee on Gas to move the Motion.

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Senator Bassey Albert Akpan (Akwa-Ibom North-East): Mr President, this is a Motion co-sponsored by all the Members of the Senate Committee on Gas as well as all the Members of the Senate Committee on Up-stream. This Motion seeks to address the Urgent Need for Effective Implementation of the Joint Venture Cash Calls Obligations by the Nigerian National Petroleum Corporation (NNPC) in accordance with the Appropriation Act of the National Assembly.

The Senate:

Observes that the persistent constraint by the Nigerian National Petroleum Corporation (NNPC) to meet its cash call obligations has taken a turn for the worse on the country's crude oil production output and sundry activities in the oil and gas industry;

Notes that the National Assembly has been appropriating for the NNPC Joint Venture cash calls obligations in the past;

Further notes that the current outstanding cash call obligations in the oil and gas sector stands at over \$6 billion;

Aware that cash calls are treated as first line items by NNPC before remittance of available balance on its collectibles revenue from crude sales to the Federation Account and as such should be treated in accordance with fiscal appropriation approval of the National Assembly;

Observes that the effective utilisation of Joint venture cash calls bill will enhance production, reserves sustainability and the general portfolio management of the oil and gas industry;

Disturbed that where the NNPC fails to meet its Joint Venture cash call obligations, there is nothing absolutely the International Oil Companies (IOCs) can unilaterally do to salvage the situation hence the current lull in the industry;

Further disturbed that the inability of the Nigerian National Petroleum Corporation (NNPC) to meet its joint ventures cash call obligations has led to a loss of confidence by investors in the oil and gas sector;

Worried that the resultant effect of this is a drastic reduction in the Gross Domestic Production (GDP), Oil Production, depleting oil Reserves with a resultant compounding effect on unemployment due to severance of workforce by IOCs;

Concerned that lack of activities by IOCs will definitely affect our oil and non-oil revenue collections through Company Income Tax which can hinder the implementation of the current budget, 2016, as approved by the National Assembly.

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Worried that the crude oil production from the joint venture between NNPC and the International Oil Companies (IOCs) has declined by 47 percent as at the last quarter of 2015 due to the inability of the Federal Government to meet its cash call obligation;

Believes that the operation of the NNPC joint venture cash call is devoid of transparency and accountability;

Strongly believes that it is illegal and unconstitutional for the NNPC to spend billions of dollars, which should have gone into settlement of Joint Venture cash calls obligations on inconsequential administrative expenses;

Concerned that with the current National Assembly approval of over ₦1trillion for 2016 Fiscal year on Joint Venture cash calls, we must ensure strict adherence to the provision in the 2016 Appropriation Act and the approved MTEF 2016 – 2018.

Accordingly resolves to:

- (i) *Mandate* the Committees on Gas, Petroleum Upstream, Finance and Appropriations to investigate the operations of the NNPPC Joint Venture Cash Calls obligations;
- (ii) *Invite* NNPC and International Oil Companies (IOCs) to explain their roles in the management of the NNPC Joint Venture cash call expenses as approved by the National Assembly; and
- (iii) *Proffer* adequate sanctions for any violation arising from the administration of Joint Venture Cash Call obligations in the Oil and Gas sector as approved by various appropriation Acts of the National Assembly.

Mr. President, this time that we are Members of the National Assembly, we have to do our responsibility of oversight. It is important to note that upon approval of the budget by National Assembly, the National Assembly has approved the implementation of the Joint Venture Cash Call of NNPC. As we have stated in this Motion, this Joint Venture Cash Calls is treated as a first-line charge before the remittance to the Federation Account. How then do we have this issue of outstanding of Joint Venture Cash Calls even to the tune of \$6 billion?

We seek your support to enable us unravel the operations of the Joint Venture Cash Call. One thing is very significant, a situation where NNPC spent almost \$4 billion per year on administrative expense without meeting the Joint Venture Cash Calls obligations which is extremely fundamental towards the development of this country cannot be acceptable.

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We believe very strongly that this is an important issue as urgent as any other matter of national importance that has called on the attention of the National Assembly to ensure that whatsoever is approved going forward that we will adhere strictly to the approvals of the official Act of the National Assembly. We seek your support and understanding and you are to ensure that Nigeria can only get better. Let us not get used to our past way of doing things, which has not taken us anywhere. We owe this country a duty to ensure that whatsoever we do in the National Assembly will be to a collective wellbeing of all Nigerians. We seek the support of these distinguished Senators to ensure that the right thing is done.

Senator Abaribe Enyinnaya Harcourt (Abia South): Mr. President, I want to commend Senator Bassey Akpan in pointing out all the anomalies that have gone wrong in the oil sector. I want to bring to the notice of Senator Bassey Akpan that having been in this Committee before, I will think that we need the mandate of this Senate.

To my understanding, the oversight function of the various Committees is what we are really talking about because oversight means that we should ask these Agencies that are under us if there are mandatory provisions that have been done in the budget of the Federal Republic of Nigeria and how has it been done? It is when you want to do that you will now delve into this investigation.

While I agree that you need to look into the usage and how the NNPC has actually done part of its responsibility and obligation. I think that our mandate will be surplusage, as the lawyers will say, and if you want us to give you the surplusage, of course, we will do that. But one thing should be known, any agency of government that has obligation to Nigerians should follow what we have passed as law which is the Appropriation Act. You have every right to ask them to answer questions that you have raised and when they answer those questions, if you find that their responses are not good enough, you can bring it back to us for further investigation.

As much as I support this, the different Committees mentioned: Gas and Petroleum should note that appropriation does not actually come except for the mere fact of getting what was passed by the Appropriation. Let them do their jobs. Several times on this Floor, we have always raised this fact that Committees have every right given to it under the relevant sections of the Constitution to do what is necessary to make this economy continue to function very well. I will like to commend Senator Bassey Akpan for bringing this up and to emphasise that Committees should do their jobs.

The President: Distinguished Senator Abaribe, you have made good points and as you rightly said, committees should do their jobs because these matters affect the entire economy.

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Senator Yusuf Abubakar Yusuf (Taraba Central): Mr. President and my distinguished Colleagues, I support this Motion one hundred percent and it is because it is apt. This is the right time to look into how we are going to solve this problem of this infraction. So many countries that are involved in oil are not doing this Joint Venture Cash Calls, why are we sticking to or entering Joint Venture Cash Calls?

Secondly, if money is allocated for Cash Calls, it is to NNPC that it is allocated but it is not that it is actually managing the Cash Calls. That is for NAPIMS which is National Petroleum Investment Management Services. So, if NAPIMS is managing the petroleum investment, at the same time, NNPC also is an investment of the nation, there is a problem there. NAPIMS is an agency of NNPC and NNPC is the one that is managing the Joint Venture Cash Calls.

In my opinion, to solve this problem, it is either we look into how we are going to separate NNPC and NAPIMS so that we can have a different management of this investment or we create a Bill to create a Commission that will manage the investment of the nation in Petroleum Industry. We saw that the \$6 billion; it is a huge amount of money, where will the money come from? In the past, if NNPC felt that they were government and they could decide what to do with the money, but this is Federation money; it is not only Federal government money.

So I support this Bill and we should do proper investigation on how the Cash Calls are actually managed because the Cash Calls are provided in a lump sum and we know that there are so many agreements with these companies. So all these agreements have to be separated independently so that we know what is Mobil doing, what Shell is doing and what other IOCs are doing?

I suggest that after supporting this Motion that we also have to look at this infraction, who will manage what? Is it NNPC that will manage NAPIMS or is it NAPIMS that will manage NNPC?

Senator Chukwuka Joseph Utazi: Mr. President, it is taken for granted that we know that being a mono-crop economy, we depend on petroleum products – the crude – to support the economy.

It is right to say that the passage of the Petroleum Industry Bill is very important in everything we are doing. The piecemeal approach to it can never solve the problem. It is only when the Senate decides to take the lead and we get back to the Petroleum Industry Bill and work on it. We should devote all the time that we have to do it, especially now before elections starts coming and then we will be under stampede.

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I feel that this is the time to handle some of these important Bills that are outstanding and then this issue that my brother has just raised will be handled; we will address it holistically to find a permanent solution to the fears here and there.

However, while I support some of the things said here, I still believe that domestic duties of the various Committees like Senator Abaribe said should be done. As regards the issues raised here, the Committee on Upstream can do anything they need to do; they do not need to come back here again to be empowered on what they know they should be doing officially.

When somebody is coming, I feel that there is misunderstanding or lacuna somewhere, if not, if they have anything they want to do, the committee will just call a meeting and do their job instead of coming back here to get another support before they can do what they want to do. This is uncalled for.

Senator Barau I. Jibrin (Kano North): Mr. President, since 1999 when I was in the House of Representatives, the JVC arrangement has not been transparent. I was one of those who were very sceptical about it because it was always something that was done in secrecy. Any attempt to see what was happening or know why we have backlog of payment that has not been made to the JVC has always been resisted. I think this Motion is a welcome idea.

I would have loved to align myself with the position of Senator Utazi, but the Senate President has said it all. It is very clear the importance of the Petroleum Industry Bill to our economy, which is a life wires of our economy of course. I align myself with this Motion and I think there should be an attempt to clearly find out what is happening. This is because this money that we are talking about is a backlog of payment since the past administration. What happened, why were the payments not made? It is our duty to find out. I support this Motion in its entirety and we should unravel the reasons this money has not been paid.

Senator Paulker Izibefien Emmanuel (Bayelsa Central): Mr. President, I support this Motion and in doing so, the issue of non-compliance by NNPC as it affects Cash Calls is on yearly basis irrespective of the fact that appropriations are being made year-in-year-out. This no doubt affects the development infrastructure of this all-important industry.

The non-compliance of this cash calls by NNPC more often than not, gives effect to the fact that these companies are being directed to source for loans outside the shores of this country. In doing so, interest mounted over the years and it is not surprising that even this \$6 billion that we are saying is part of these loans that are being sought by these oil companies.

2218

There is no doubt the Federal government will one day in one form or the other be forced to pay this money. Mr. President would be amazed that government owes this much and then these moneys are being appropriated.

I share the sentiments with some of my Colleagues that it is needless for Committees to come to the Floor to seek for mandate. In the 7th Senate, something happened that a head of parastatals went to court and because there was no approval by the Floor of the House, the Court rules that the Committee had no powers. The issue of non-compliance of cash calls is the heartbeat of the NNPC, because the development of infrastructure, the Oil reserve and everything surrounding the industry rests solely on this singular act.

I support these Committees by coming up to get that mandate from the Floor. I support this Motion, and the Mover of this Motion that this distinguished Chamber gives the mandate to investigate this all-important cash-calls syndrome.

The President: Thank you Senator Paulker for that eloquent delivery of your views. We will now go to the Prayers:

(1) Mandate the Committees on Gas, Petroleum, Finance and Appropriations to investigate the operations of the NNPC Joint Venture Cash Calls obligations –

Amendment proposed.

The President: Amendment to Prayer 1, Senator Ogola Foster?

Senator Ogola Foster (Bayelsa West): Mr. President, the issue of non-remittance of Cash Calls involves non-accountability and therefore, one of the Committee that should be added should be Public Accounts Committee. I want to amend the prayer to read that after Finance, you add Public Accounts then an Appropriation.

Main Question put and agreed to.

(2) Invite NNPC and IOCs to explain their roles in the management of the NNPC Joint Venture Cash Calls expenses as approved by the National Assembly –

Question put and negated.

(3) Proffer adequate sanctions for any violation arising from the administration of Joint Venture Cash Calls obligations in the Oil and Gas Sector as approved by various Appropriation Acts of the National Assembly.

Question put and negated.

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Resolved: That the Senate:

- (i) Mandate the Committees on Gas, Petroleum Upstream, Finance and Appropriations to investigate the operations of the NNPPC Joint Venture Cash Calls obligations.

The President: Distinguished Colleagues, I want to join others too to thank Senator Bassey Albert Akpan for this important Motion. We do also take cognisance of the comments of Senator Abaribe and Senator Utazi, but I think that the view expressed by Senator Paulker, going by previous experiences is germane. The quantum of the money involved is huge, and by and large, this has been going on for years and it affects the economy.

There are also fundamental issues like flouting of the Constitution. In fact, this is the first line charge specifically meant for the oil companies and Joint Venture Cash Calls operations and for it to be used for other issues; it is a slight on both Chambers and must be taken seriously.

This particular time that we have just passed the 2016 budget, even if this was being done in the past, we must break away from it now and ensure that for 2016, the right thing is done on first line charge for the purpose of JVCs and for the purpose of oil production.

I hope this Ad-Hoc Committee or Joint Committee will do a decent job in looking at not only what has happened in the past, but also to ensure that in 2016, we depart from that practice. This Joint Venture Cash Calls can be done in more transparent and accountable way, so that NNPC does not continue to use Joint Venture Cash Calls for other usages. If they have issue of funding, they can come with a budget for whatever those requirements are.

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I thank the Mover of this Motion for this. The Chairman on Gas will lead the Committee in the investigation.

Suspension of other Item on the Order Paper

Senator Mohammed Ali Ndume: Mr. President, I want to move that we stand down the next items on the Order Paper and the rest, if any, till the next Legislative Day.

Senator Emmanuel Bwacha: Mr. President, I rise to second the Motion moved by the Leader.

(With the leave of the Senate, other items on the Order Paper are stood down to the next Legislative Day)

ADJOURNMENT

Senator Mohammed Ali Ndume: Mr. President, having concluded today's Proceedings on the Order Paper, I move that this Senate do stand adjourn till Thursday, 14th April, at 10.00 a.m. prompt.

Senator Emmanuel Bwacha: Mr. President, having sorted out the land swap issue, I would like to second the Motion moved by the Leader.

Question put and agreed to.

Resolved: That the Senate do stand adjourned till Thursday, 14th April, 2016 at 10:00 a.m. prompt.

The Senate adjourned accordingly at 1:02 p.m.