

**VOL. 3  
No. 5**

**FEDERAL REPUBLIC OF NIGERIA**

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**Tuesday  
27<sup>th</sup> April, 2010**



# **NATIONAL ASSEMBLY DEBATES**

**FOURTH REPUBLIC  
THIRD ASSEMBLY  
(SIXTH SENATE)**

**THIRD SESSION**

**SENATE OFFICIAL REPORT**

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## **CONTENTS**

**Votes and Proceedings  
Announcements  
Motion  
Adjournment**

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0141

**SENATE OF THE FEDERAL  
REPUBLIC OF NIGERIA**

*Tuesday, 27<sup>th</sup> April, 2010*

*The Senate met at 11.20 a.m.*

**PRAYERS**

(The President in the Chair)

**VOTES AND PROCEEDINGS**

**The President:** Distinguished Senators, let us consider the Votes and Proceedings of Thursday, 22<sup>nd</sup> April, 2010; pages 753; 754; 755;

**Senator Dahiru A. Kuta** (Niger East): Mr. President, at the bottom of page 755, I do not believe that Senator M. K. Jibril could have missed out the spelling of *Senatorial* and wrote it *Senatorial* on his Letter-Headed Paper. The mistake would have come from the Secretariat.

**The President:** Senator Kuta, thank you very much, but it is not for us to be correcting the way people want to spell things on their Letter-headed papers in this place.

Pages 756 and 757

**Senator Dahiru A. Kuta:** Mr. President, I move that Votes and Proceedings of Thursday, 22<sup>nd</sup> April, 2010 be approved.

**Senator Kaka Mallam Yale** (Borno Central): Mr. President, I second that the Votes and Proceedings of Thursday, 22<sup>nd</sup> April, 2010 be approved.

*Question put and Agreed to.*

*Resolved:* That the Votes and Proceedings of Thursday, 22<sup>nd</sup> April, 2010 be approved.

**ANNOUNCEMENTS**

**Meeting of the PDP NEC Meeting**

The PDP NEC Meeting will hold today, 27<sup>th</sup> April, at the Wadata Plaza by 12.00.

(Signed)  
Senator Teslim K. Folarin  
(Senate Leader)

0142

**Meeting of the PDP Caucus Meeting**

The Peoples' Democratic Party (PDP) Caucus Meeting would hold today immediately after sitting in Senate Hearing Room One.

(Signed)  
Senator Teslim K. Folarin  
(Senate Leader)

***Letter of Appreciation***

*Senator David Mark,*

*Your Excellency,*

*On behalf of my wife, my family and indeed the entire members of Akwa-Ibom North-West Senatorial District, I write to convey my sincere appreciation for the empathy shown over the demise of my father-in-law, Chief Ndarake Charles Akpan.*

*It was very soothing and heart-warming to have received various contributions, condolence messages and sincere concerns especially during that moment of grief which went a long way towards the success of Chief Ndarake's final rites.*

*Please kindly extend our deep appreciation to your family and Members of this Hallowed Chambers for their exceptional show of solidarity during those trying moments. Please accept the assurances of my highest regards and consideration at all times.*

(Signed)  
Senator Aloysius Akpan Etok (JP)  
Chairman; Senate Committee on  
Rules and Business.

**Birthday Wishes**

On behalf of all of us, I would like to wish distinguished Senator Iyabo Olusola Obasanjo Bello, a Happy Birthday. Her Birthday is today, April, 27<sup>th</sup>, 2010. She obviously does not qualify for paid adverts but we wish her God's blessings and protections and many more returns.

0143

## **ORDERS OF THE DAY**

### **Motion**

#### **Executive Communication: 2010 External Borrowing Plan**

**Senator Teslim K. Folarin:** Mr. President, the first Order of the Day is a Motion standing in my name on the Executive Communication from the Acting President, Commander-in-Chief for the 2010 External Borrowing Plan of the Federal Government of the sum of \$915 million out of which \$179 million would be drawn in the 2010 Fiscal Year.

You will recall that the Executive communication was read in this Hallowed Chamber on Thursday, 22<sup>nd</sup> April, 2010. With your very kind permission, I move that this Executive Communication from the Acting President, Commander-in-Chief be considered by this distinguished Senate.

**Senator Maina Ma'aji Lawan** (Borno North): Mr. President, I second the Motion that the Senate do consider and approve the request of the Acting President, Commander-in-Chief on the 2010 External Borrowing Plan of the Federal Government.

**The President:** The essence of this Motion really is for us to pass a resolution approving this to enable the Federal Government access this fund. If we do not pass it, they would not be able to get it from any of the international organisations.

**Senator Ahmad Lawan** (Yobe North): Mr. President, while supporting the passage, I want to know and I am sure that many of my Colleagues here would also like to know the interest rate that would be charged on this loan. What exactly are those projects that this money would be used for? Who are the benefiting States or Communities?

I believe that these questions are germane and timely because if we are to oversight the application of the funds in due course, we need to know where these projects are and how much is the interest rate that would be charged on the loan.

0144

**Senator Mohammed A. Mohammed** (Bauchi Central): Mr. President, it is not just approving a lump sum amount without knowing how it would be utilised. In addition to what Senator Ahmad Lawan said, one would like to know how these facilities would be distributed to the communities. This is because the letter mentioned urban water and transport, human capacity development and Power Infrastructure.

I am not against the loan, but certainly, this Senate requires the details; we should not be approving things blindly for just the Executive to go and utilise them any how.

**Senator Annie Okonkwo** (Anambra Central): Mr. President, the most important thing is that we seriously support this particular Motion because as we can see, this is based seriously on infrastructure and capacity building. From what we have seen in the letter from the Acting President, if we borrow this money, it will definitely ginger and increase some of these infrastructures that we are lacking in this country. We also realise that it is our right because if we do not, other countries in the world would use such soft loans to pump into their economy for its sustenance.

I seriously believe that this Hallowed Chamber should approve it.

**Senator Mohammed Ibrahim Ida** (Katsina Central): Mr. President, I want to join those who spoke before me in commending this request for approval and in so doing, I want to raise two issues.

Firstly, we should appreciate that borrowing *per se* is not wrong. It is the way in which borrowed money has been used that creates problem but in this I am satisfied that the Executive has clearly explained the purpose for which it is to be used.

Secondly, I also appreciate that there has been a clear recognition of the fact that in the past we have had a very serious debt overhang, for the simple reason that borrowing by States were not done in accordance with the prescribed procedures and extant laws. This time around, there is a clear indication that it should be

0145

made so. I only hope that Government should follow up to see that all loans to the States are properly applied and the servicing clearly articulated. My only concern is the admission by the Government that there has been some none observance of some extant laws particularly, the Fiscal Responsibility Act and other laws.

I want to use this opportunity to call on the Executive to please see to it that when the National Assembly or the Senate gives an approval for a loan, along with it is the presumption that all the other prescribed provisions of the extant laws will be followed. Please, let it be followed because sincerely

speaking, National Assembly as part of its oversight functions should ensure that the provisions of extant laws are followed. If any of the provisions are found to be difficult or impracticable, it would be left for the Executive to make suggestions for amendment.

With these comments, I want to once more prevail on us to approve this as presented.

**Senator Ayogu Eze** (Enugu North): Mr. President, I rise to lend my support but in doing so to join my Colleagues who have spoken before me to caution that it is not about our approval and borrowing of the funds but the utilisation.

The areas that have been flagged for this loan are very critical areas and sectors of our lives. For instance, governance, capacity building; road projects; rural access and all the major issues that have been highlighted here are issues that deserve that we look for money to tackle them urgently because no country can actually attract foreign direct investment if you have not provided the basic infrastructures, such as roads and above all, tackle the issue of security.

Why the argument against the loan cannot be really stressed so much at this point in time is because it is well known that no Government can do without borrowing in one form or the other to support the activities of Government. This is a loan that we need to support infrastructure after all the safeguards might have been put in place and all cautions taken to ensure these loans are frugally managed, so that we would not

0146

slip back into where we were coming from because having got ourselves out of this debt quadrangle, it will be unfortunate if by our action or inaction, we get ourselves into the woods once more.

With this few remarks, I support what my Colleagues have said and I commend my Colleagues to support that we approve this loan.

**Senator Ahmed Mohammed Makarfi** (Kaduna North): Mr. President, I really have nothing to add but to advise that the details are contained in Annex I and I would recommend that the resolution to be conveyed be as stipulated in Annex I instead of just a bullet resolution without the detail.

In Annex I, it gives the interest rate, the tenure and the beneficiaries and those details ought to be contained in the Senate resolution that would be conveyed.

**The President:** The important thing is that they will not take all this money at the same time. The requirement from the Financial Institution is that there has to be a National Assembly resolution authorising them to be able to access this money. Clearly, the important thing is for them to have the authority to access the money. As to how they put it and what they do with it, we can supervise that locally here on our own. The essence of this Resolution is to give them the authority to access the money.

*Question put and agreed to.*

**Resolved:** That the Senate do approve the request of the Acting President, Commander-in-Chief for the 2010 External Borrowing Plan of the Federal Government for the sum of \$915 million out of which \$179 million would be drawn in the 2010 Fiscal Year

**Senator Teslim K. Folarin:** Mr. President, you would recall that earlier in the day, you read out two very important letters; one that the greatest Party in black Africa is holding its NEC Meeting and a Caucus Meeting of all PDP Members.

0147

For these two reasons, I want to move that we step down all other items on the Order Paper till another legislative day so that Members of the greatest Party can attend.

**Senator Adeleke O. Mamora** Lagos East): Mr. President, I second that the other items in the Order Paper be stood down till another legislative day.

*Question put and agreed to*

*(By leave of the Senate all other items on the Order Paper stood down till another legislative day)*

0148

### **ADJOURNMENT**

**Senator Teslim K. Folarin:** Mr. President, I now move that this Senate do adjourn till tomorrow, Wednesday, 28<sup>th</sup> April, 2010 at 10.00 a.m.

**Senator Adeleke O. Mamora:** Mr. President, I second the Motion that this Senate adjourn till tomorrow, Wednesday, 28<sup>th</sup> April, 2010 at 10.00 a.m.

*Question put and agreed to;*

*Resolved:* That the Senate do adjourn till tomorrow, Wednesday, 28<sup>th</sup> April, 2010 at 10.00 a.m.

*The Senate Adjourned accordingly at 12.30 p.m.*