

COMMENTS/OBSERVATIONS ON
REPORT OF AD-HOC COMMITTEE ON ACCOMMODATION,
LOGISTICS, FEEDING ETC OFFSHORE AND ONSHORE OF NIGERIA
PILGRIMS

PREAMBLE

In 2015, The Commission embarked upon a comprehensive reform of Hajj services in Nigeria and Saudi Arabia after making mind-boggling discoveries of pilgrims being short-changed. The companies affected decided to get back at the Commission by launching a bring-him-down campaign against the Chairman/CEO. A petition to that effect was submitted at the House of Representatives on Thursday 29th March, 2017. The petitioner among other things, asked the House to

“ ..set up a panel to critically probe the National Hajj Commission under the leadership of the incumbent Chairman particularly the last two hajj operations (2015 & 2016).”

When the bid to do so at the House of Representatives failed as the Committee on Public Petitions did not find anything incriminating against the Chairman, these persons resorted to the Senate, Media, Governors, Security and Anti-Graft Agencies, Traditional Rulers, Religious Organizations, etc.

On 7th June, 2017, Senator Ibrahim A. Danbaba (Sokoto South) accused NAHCON of “..extortion of pilgrims..”. He opined that the 2017 Hajj fares were exorbitant, unfair, unrealistic and lacked competitiveness”. He therefore requested the Senate to “*constitute an Ad hoc Committee to investigate the circumstances surrounding the present feeding regime, and the exorbitant Airfare as fixed by NAHCON with a view to exposing any sharp practice therein..*”

The Senate in its wisdom however resolved to mandate its Committee on Foreign Affairs, which oversees the Commission to investigate and report back to the Senate.

The Senate Committee on Foreign Affairs invited all stakeholders including Senator Ibrahim Danbaba, received and listened to arguments, investigated the matter and documented its findings. The findings exonerated NAHCON of culpability on the alleged exorbitant Hajj fares. It presented its report on the floor of the Senate on Wednesday 19th July, 2017. The report was debated and resolutions passed.

Apparently, the report of the Senate Committee on Foreign Affairs did not satisfy the sponsor of the motion, who went further to call the Senate to constitute “*..an Ad hoc Committee to look into the issue of accommodation, logistics, feeding etc onshore and offshore..*”. Similarly, the Ad hoc committee re-introduced the same issues the Committee on Foreign Affairs investigated. Hence, in the Ad hoc’s Committee’s first letter to NAHCON it stated that:

“ The Ad hoc Committee intends to carry out a holistic investigation into the activities of the commission (sic) with view to reposition it and sanitize its activities as it relates to the mandate given to it”. (See copy of letter attached as Appendix I)

This, evidently shows that the findings of Senate Committee on Foreign Affairs and to resolutions of the Senate on the report were not taken into consideration.

What was more worrisome was the Committee’s change of direction from the main issues it was formed to address to targeting of the current NAHCON Chairman/CEO as it narrowed down its searchlight to activities of the Commission from 2015 to date (as mentioned and widely circulated in its report). It also targeted him as a person having wrote to the CBN and three other Banks requesting the account details of Mohammed Abdullahi Mukhtar FROM INCEPTION TO DATE!

In addition, Ad hoc Committee during the course of its assignment, invited one IG Wala to testify before it on matters that are currently subject of litigation before two courts with suit nos **FCT/HC/CV/3018/17** and **CR/96/18**. Not just this, the Committee as part of its recommendations which have been widely circulated to media houses, made a counter-recommendation regarding a Saudi Service Provider on a matter in which there is a ruling by a Saudi Court in Makkah on 5th Muharram 1439. Please find ruling attached as Appendix II.

The 34-page report presented on the floor of the Senate on Thursday 18th October, 2018, in our opinion, was not fair to NAHCON as NONE of its explanations featured or were considered in the report. Secondly, the report contains several 'findings' that are based on wrong information and wrong conclusions. That NAHCON does not have procurement planning committee, plan or officers; That NAHCON issues Dud Cheques; That it rented houses in Makkah that are 5 to 10 km from the Haram; That certain countries pulled out from Saudi policy on traffic sharing; That NAHCON gives preferences to a company owned by a Nigerian; That NAHCON doubled transportation charge in Saudi Arabia from SR180 to SR360 and others too numerous to cite here are incorrect or misinformed assertions that can't be proved or substantiated.

COMMITTEE'S TERMS OF REFERENCE

The Committee changed its terms of reference from looking into Accommodation logistics, Feeding etc offshore and onshore of Nigerian pilgrims to an investigative one effectively setting aside the report of the Senate Committee on Foreign Affairs

COMMENCEMENT OF INVESTIGATIONS AND THREAT OF ARREST

The Committee commenced its activities by requesting the Commission to provide information on its activities between 2013 and 2017. While this was on, the Committee addressed a press conference on October 19th threatening to arrest the NAHCON Chairman/CEO for refusing to honour three invitations. This was a surprise to the Commission as none of the letters required the Chairman to appear before the but rather requests for documents. This is clearly an indication of mindset and public trial using the media. See Appendix III

PUBLIC HEARING

The Committee conducted a public hearing on 17th of January, 2018 in which the Commission made an elaborate presentation on the matter. Later on, NAHCON Chairman/CEO was invited to appear before the Committee on 27th February 2018 where he met two other invitees namely Capt. Joji and I.G. Wala.

The hearing which had a pre-determined outcome in mind reflected in the opening address of the Ad hoc Committee Chairman. In addition, However, the Committee did not reflect the explanations made by the Commission on many issues as will be indicated later. The methodology adopted by the Committee at the public hearing conducted by it in which some of the participants were compelled to swear with the Holy Qur'an while some just affirm is to say the least, had contravene the provisions of the Oaths Act. The special consideration given to Captain Mohammed Joji and I. G. Wala after the close of the public hearing was another indication towards this end.

FACT FINDING TRIP TO SAUDI ARABIA

The Committee also embarked on “..fact finding mission to the Kingdom of Saudi Arabia to verify the veracity or otherwise of all the aggregated information received..” However;

- i. The Committee did NOT meet Saudi Government Agencies like the Ministry of Hajj and Umrah which issues all instructions and guidelines for the provision of all pilgrims' services to ascertain the submissions of NAHCON on organized feeding services. Neither could it verify if NAHCON had failed to follow up on the interest of Nigerians affected by the 2015 stampede.
- ii. Similarly, it did not meet with the Saudi General Authority on Civil Aviation which is the Aeronautical Authority in charge of Hajj flights to determine the veracity or otherwise of the NAHCON's submission on 50:50 policy on passenger traffic sharing.
- iii. It did not meet the Establishment of Mutawwifs for Pilgrims from African Non-Arab Countries, the custodian and host of Nigerian pilgrims in Makkah to ascertain if NAHCON is overcharging or double charging Nigerian pilgrims on tent facilities in Mina and Arafat.
- iv. It did not meet the General Car Syndicate, the organizer of land transportation in Saudi Arabia to ascertain if NAHCON was responsible for increasing transportation costs in Saudi Arabia from SR 180 to SR360.

- v. It did not also meet the United Agents Office to ascertain if tent security and other charges mentioned in B(v) were charged by NAHCON, if and how they overlapped and evidence of payment.
- vi. It also made many allegations that were not discussed during the public hearing neither was the Commission communicated to for fair hearing. This made the findings inconclusive and completely unfair to NAHCON.

This puts the findings of the Committee into question as NONE of the Saudi Government Organizations that matter in this regard was consulted before making their findings.

FINDINGS/OBSERVATIONS

A Alleged Infraction on the 1999 Constitution

The Committee held that the Commission had committed “ Infractions of the 1999 Constitution of Nigeria (as amended), the Public Procurement Act, 2007 and other operational procedures and circulars by the National Hajj Commission of Nigeria NAHCON:”

- i. On the contrary, NAHCON is in full compliance with the aforementioned provision. The Commission had duly observed all the provisions of the public Procurement Act in all aspects related to the appropriated or proposed appropriated funds. It should be NOTED that at every point in time there is a resident procurement officer deployed by the Bureau of Public Procurement (BPP) to the Commission that head the Commission’s procurement department. All the Commission’s procurement processes followed due processes and the records are available for examination by all and sundry. The Commission has a Procurement Planning Committee headed by the Commissioner in Charge of Policy, Personnel, Management and Finance. Before now, The Commissioner in Charge of Planning chaired the Committee. He was preceded by the Commissioner Operations.

- ii. Furthermore, the Committee is confusing the Commission's statutory licensing processes of service providers for Hajj and Umrah activities with that of Commission's procurement processes budgeted and approved under the appropriation Act. This matter has been discussed on many occasions with the BPP where elaborate explanations were done. The BPP was requested to seek further guidance on the stand of NAHCON regarding all its licensing activities from the office of the Attorney General of the Federation. The Committee cherry-picked the Commission's response on BPP by quoting a part to support their allegation of blackmail and conveniently ignoring the part the Commission requested the BPP and NAHCON to appear before the Attorney General of the Federation and seek guidance on the contentious issue of its licensing processes. See Appendix IV

B Alleged Over bloated (sic) Charges

The allegations under this heading have been addressed in the Commission's submission during the investigation by the Senate Committee on Foreign Affairs. I kindly refer to the submission made there. It is pertinent to point out however that the the NAHCON Establishment Act 2006, of the National Assembly has empowered the Commission to charge “..fees, Commissions and dues for its services”.

i. NAHCON and Utilities Charges Commission Act.

NAHCON is not a 'Public Utility' within the meaning or intent of the "Utilities Charges Commission Act, 1992". The Ad hoc Committee itself agrees that NAHCON's charges does not fall under the Act because it went as far as recommending an amendment of the provisions of Utilities and Bills Act. The National Hajj Commission therefore, can't be accused of breaching any provision of the law.

ii. Components of the 2017 Hajj Fares

The components of the Hajj fare are classified under Local/onshore and Foreign/offshore charges. The local charges are arrived at by the Commission in consultation with States Pilgrims Welfare Boards. Some of the foreign charges are negotiated by the Commission along with States and the respective service providers (Makkah and Madina

Accommodation, Airfare and catering services. While others are fixed by the Saudi Authorities; Local transportation in Saudi Arabia, tent facilities, security deposits, United Agent Fees etc. The Ad hoc Committee should have consulted the relevant Saudi Authorities to verify NAHCON's claims or to confirm if there are duplications on these fares that are fixed, or not!

iii. The 2017 Hajj Airfare

Did the current NAHCON Chairman 'over bloat' the 2017 Hajj fares? The Commission made elaborate submissions before the various committees of the House of Representatives and Senate on this matter. It suffices to reproduce some of the facts here:

- a. The two major components of the Hajj fare have been the same since 2013. They were reduced in 2017 as shown below:

item	2013	2014	2015	2016	2017
Air Fare (\$)	1,700.00	1,700.00	1,700.00	1,700.00	1,650.00
Makkah Accommodation (\$)	1,067.24	1,067.24	1,067.24	1,067.23	960.51

- b. The reason for the increase in the Hajj fares that led to this investigation is the increase in NGN – USD exchange rates as indicated in the table below:

S/N	ITEM	2015	2016	2017
1	Total USD Components	\$4,721.93	\$5,077.00	\$4,839.00
2	NGN – USD Exchange rates approved by Government	160	197	305
3	Local Components of the Hajj Fare	₦18,315	₦24,500	₦50,665 (Abia)
4	Hajj Fares with \$750 BTA	₦766,557	₦1,008,197	₦1,511,223

- c. To prove (b) above three NGN-USD exchange scenarios are given:

S/N	ITEM	2015	2016	2017
1	Scenario 1 (Hajj exchange rate at \$1 = ₦305)	₦1,440,189.93	₦1,548,455.00	₦1,526,475.00
2	Scenario 2 (Hajj exchange rate at \$1 = ₦197)	₦930,220.00	₦1,000,149.00	₦1,003,893.00
3	Scenario 3 (Hajj exchange rate at \$1 = ₦160)	₦755,509.00	₦812,304.00	₦824,860.00

The 2017 Hajj Airfare of \$1,600 and \$1,700? First, one fact unknown to many and forgotten by others is that the **Hajj airfares in Nigeria had been \$1,700 and \$1,750 since 2012!** The Commission should therefore be commended for reducing it by \$50 in 2017 and an additional \$50 in 2018. How were the fares arrived at? Interested airlines that apply to airlift pilgrims submit their applications along with their proposed fares.

These proposed fares were announced by each applicant carrier during elaborate ceremonies to open applications which was publicised and attended by members of the National Assembly. For the last five years that I have been attending such ceremonies, the fare quotes by all applicant carriers ranged between \$1,500 and \$2,000. No carrier EVER quoted a fare below \$1,000 and the reason is obvious and succinctly explained by the MD/CEO of Med-View Airlines when he appeared before the Senate Committee Hearing on the 2017 Hajj fares on Monday June 12th, 2017. Hajj flights are on charter basis and operate 4-legs instead of the 2 operated by schedule carriers. Hajj flights from have to be operated on such charter basis because of the volume of passengers involved and GACA instructions regulating Hajj flights.

Nigeria's Hajj Fares compared to other Countries

Another important factor that makes fares from Nigeria higher than similar flights from farther places like Dhaka, Mumbai, Dakar or Johannesburg is because of the operational cost from Nigeria which is higher compared to these countries. Anyone interested in establishing the veracity or otherwise of this fact can conduct a fare-check between these cities and Jeddah using any date and any schedule carrier today. A fare-check for 16th July to 16th August 2017 on Ethiopian Airlines for these cities was done then and it was revealing. Schedule flights for Johannesburg with 7 hours' flight time to Jeddah was \$860, Dakar with 7 hours' flight time was \$986, Mumbai with 6 hours was \$663 all compared to Lagos with 5 hours but costs \$1,533! Max Air informed the Committee that it airlifted charged \$1,950. The NCAA made a presentation before the two Committees on this. Air tickets are determined by operational cost such as fuel, landing and parking charges, Navigational charges, ground handling and labour. Evidence of NCAA's guidance on the computation of airfares is attached as Appendix V.

Hajj Flights Versus Umrah Flights

It is pertinent to debunk the misconception that Umrah flights between Nigeria and Saudi Arabia should have the same cost as Hajj flights. The Committee conveniently overlooked the fact that regulations guiding Umrah flights are different from those guiding Hajj flights. Umrah Carriers are allowed to carry passengers on all legs of their flights between Nigeria and Saudi Arabia while Hajj flights from Nigeria are not permitted to do so hence the difference in fares. The aviation world knows that demand for aircrafts and seasons affect the prices of tickets. In this respect, the Hajj season can not be compared to the Umrah Season.

iv. MoU on Passenger Traffic Sharing Between Nigeria and Saudi Arabia

With regards the subsisting Memorandum of understanding between Nigeria and Saudi Arabia on traffic sharing of Hajj Passengers under Government quota, it should be understood that NAHCON is just one of the Nigerian Government Agencies involved in the matter. The Ministries of Foreign Affairs and Aviation, the Nigeria Civil Aviation Authority and Nigeria's Carriers were all involved with the Ministry of Foreign Affairs being the signatory to the agreement. To portray NAHCON as a 'culprit' or sole determinant in this matter is unfair to say the least.

It may interest distinguished Senators to note that in July, 2018 the Chairman Senate Committee on Foreign Affairs led a delegation, constituted by Mr. President, that included her counterpart in the House of Representatives, Nigeria's Ambassador to Saudi Arabia, the Consul-General, the DG NCAA, a representative of the Nigeria Governor's Forum as part of a high-powered delegation to Saudi Arabia, to re-negotiate the 50:50 BASA in Nigeria's favour which was successfully done. Nigeria yielded 30% in 2018 and will yield 35% in 2019, onwards, as against the 50% demanded by Saudi GACA in 2018.

Claims that Certain Countries Pulled out of Traffic Sharing Decree

Similarly, the claim by the Committee that some certain countries pulled out or that countries with large pilgrim populations use their local carriers is not right. On the contrary, despite the capacity of the National Carrier of Indonesia, Air Garuda, Saudi Arabian Airlines airlifted 110,000 Indonesian pilgrims in 2018. In 2017, Saudi Arabian Airlines airlifted Pakistani Pilgrims. The table below shows the countries that Saudi Carriers airlifted in 2017:

From Saudi Side Quota 2017		
Country	Flynas Uplifted	Saudia Airlines Uplifted
Mauritania	100%	0%
Burkina Faso	100%	0%
Ivory Coast	100%	0%
Ghana	100%	0%
Cameroon	100%	0%
Nigeria	30%	0%
Senegal	100%	0%
Togo	50%	0%
Benin	50%	0%
Gambia	100%	0%
Chad	100%	0%
Kazakhstan	50%	0%
Kyrgyzstan	100%	0%
Tajikistan	50%	0%
Uzbekistan	50%	0%
Iran	0%	50%
Malaysia	50%	0%
Turkey	3%	47%
Egypt	0%	50%
Sudan	14%	36%
India	6%	44%
Bangladesh	0%	50%
Pakistan	0%	50%
Indonesia	0%	50%
Maroc	0%	50%
Algeria	0%	50%

Table 1 showing Airlift Figures of Saudi Designated Carriers in 2017
- Source GACA

v. Refundable Deposits

All tent security and similar deposits not utilized are refunded to pilgrims annually, once the Ministry of Hajj does so. The Commission in March 2016, refunded the sum of 1.75 Billion Naira to Pilgrims Boards of the 36 States of the Country and the FCT for onward refund to pilgrims. Similarly, it refunded the sum of 526 Million Naira in 2017.

This refund was as a result of services not rendered or poorly rendered during the 2015 and 2016. Although the Commission submitted details of these refunds to the Committee, it was, however, not captured. These refunds were even published in National Dailies for public awareness. See Appendix VI.

vi. Alleged Hidden Charges

The Committee alleged that there were hidden charges which were succinctly explained by the Commission as they have always been captured in its estimates and declared or reported after the Hajj exercise to Mr President. It is shocking that, this allegation is being made, despite evidence tendered before the Ad hoc Committee, and other Committees that have investigated the Commission. The claim that payments for Zam-zam, Hand luggage screening and main luggage handling is an additional burden on pilgrims is misleading as it is done by the airlines. It is pertinent to note here that, airfares were negotiated down from \$1,700 and \$1,750 to \$1,600 and \$1,650 with the added benefits of complimentary Zam-zam and expedited return journeys as a result of the introduction of pre-departure screening.

C Revenue and Expenditure

i. Revenues and Expenditures of the Commission

As mentioned above, all revenue estimates are submitted to Mr. President in line with Section 12 Of the NAHCON Establishment Act. The Commission is in full compliance with the TSA policy that came into effect in 2015. It should also be noted that the Commission doesn't withdraw from either the Federation or Consolidated Revenue Fund.

ii. Alleged 'Spending Spree'

The claim by the Committee that the Commission "...goes on a spending spree.." for paying rent of its Makkah office accommodation is not the case. The SR 600,000 is within the thresholds of the Commission's Tenders Board contrary to the claims made in the report and the Tenders Board duly authorised the expenditure.

iii. Allegation that NAHCON Misled Government

Similarly, the claim that NAHCON misled Government by quoting two different figures is not a true reflection as the difference between the two figures is that of estimated release for 2015 offshore budget which was N622,118,168 and the actual release of N311,059,084.00 for the same financial year.

iv. Hajj Development Levy

This levy was introduced with the full consultation of Hajj stakeholders in 2013. The Commission sought and received presidential approval to introduce the levy as well as where to deposit the funds. In addition, a standing order to guide its utilization was issued. The same procurement process the Commission has been accused of jettisoning is what delayed the implementation. It is necessary to state that the funds are yet to be spent and are domiciled in the Central Bank of Nigeria which the Committee has actually verified.

v. Hand Luggage Screening Committee

It is true that the Commission constitutes a hand luggage screening Committee. The function of this Committee is to facilitate and liaise between the Screening Company which is licensed to undertake such activity by Saudi Authorities and the various State Pilgrims who are known by the Screening Committee.

vi. Double Payment to Screening Company

There was indeed a mix-up that resulted to a screening company paid twice. However, the Company reported the double payment and returned the wrong payment to the Commission. See attached documents. See Appendix VII.

vii. Same Company Contracted to Convey Luggage

The Company in question is a certified Cargo and Shipping agent which was contracted by the various AIRLINES and not NAHCON. The payment for its services is part of the Ground Handling cost of the various airlines, namely, fuelling, catering etc. Contrary to the allegations of the Committee, the pilgrim is not overburdened with these charges as the Airlines pay the Handlers directly. Once again, cost of air ticket was reduced not added as additional burden.

8.2 ACCOMMODATION

The Commission has mentioned many times that Madina Accommodation is the sole responsibility of NAHCON. Makkah Accommodation on the other Hand is the rsponsibilty of various State Boards. States choose their providers and their buildings among those licensed by the Commission.

The involvement of NAHCON in regulating Makkah Accommodation as from 2015 is what led to reduction rates from SR7,000 in 2014 to SR,3500 in 2017 for the same house. The Commission should be applauded and not condemned for this feat.

The claim that there was no reduction in Madina Accommodation is untrue. The rates for Madina Accommodation in 2016 was \$617; it was negotiated down to \$430 in 2017 and \$418 in 2018.

Madina Accommodation

The Commission rents Madina Accommodations for the entire Hajj season due to the bad experiences in previous years when pilgrims were kicked out of their hotels or arrived Madina without available space. Nigerian Government incurred huge financial losses in penalties due to this. However this has been a thing of the past ever since the entire season system was resorted to. It is true that the Commission mandates its accommodation providers to rent out the hotels when not in use. The amount realized were transparently reported to the Government. It should be noted that previously when the Commission did not make this arrangements, landlords in Madina still rented out houses when empty without declaring or surrendering the proceeds to the Commission.

This is why the Commission was able to reserve and pay initial deposits even before receiving payments from States. This is to ensure that Nigerian pilgrims remain in Markaziyya area of Madina. It may interest all to note that as we speak today, Malaysia and Indonesia have been mandated by their Governments to adopt the Nigerian approach for Madina Accommodation!

The claim that “80% of Nigerian pilgrims were accommodated for 2 to 5 days is a highly distorted fact” and has no iota of truth to it. Almost all Nigerian pilgrims go to Madina in Phase I and stay for 8 days in Madina. The few that stay less than 8 days are those that arrive in the first five days of Dhul Hajj and the very few that go to Madina in Phase II

It is important to state that contrary to the accusation by the Ad Hoc Committee. the major reason for the Commission insisting on staying in Markaziyya is preservation of lives! Before moving into Markaziyya area of Madina, Nigeria loses lives of so many pilgrims every year in Madina due to road accidents. However, **since Nigeria moved 100% into Markaziyya in 2016, no Nigerian life was lost due to accidents neither did they sustain accident related injuries.**

The Committee also claims that: *the sum of SAR5,504,126.67 equivalent to N550,412,666.67) was collected in 2016 as rent realized from hotels and that only N5,000,000 was paid as against “..over N1billion (One billion naira) generate”*

Revenue from Rents

- i. The Commission realized SAR6,926,271.77 as revenue which the Committee report itself captured on page 13 and 14 of its report. The amount was succinctly declared to Government as mentioned earlier. The claim that only 5 million was paid as against over 1 billion is a callous and reckless claim by the Committee.
- ii. The narration “refund of overpayment” was the correct description of the transaction which Saudi Banks require to honour the cheques issued by the Landlords.

Penalty Deductions / Alleged indebtedness to Landlords in Madina

- iii. The Commission, in line with the provisions of section 17 and 21 of the 2016 Hajj Accommodation agreement with two of the Madina Landlords, penalized them by deducting payment for houses they changed after agreements were signed because this has been their tradition. One of the agents dragged the Commission to a Saudi court over this and judgment was given in favour of the Commission on 5th Muharram, 1439 by a court in Makkah in suit no 392766.

- iv. The claim that there are outstanding payments is therefore a misrepresentation of facts because the Commission clearly reported these deductions to Government in section 6.7 of its 2016 Hajj report. One of the providers, Messrs Amjad Salam took the Commission to court in Makkah where a judgement was awarded in favour of the Commission was issued. It is disheartening to note that whereas neither the Saudi Judiciary nor its Ministry of Hajj accused the Commission for holding the money of a Saudi Citizen, An Ad hoc Committee of the Nigerian parliament is unhappy with the Commission for protecting the rights of Nigerian pilgrims.

Allegation of Fraudlently acquired Receipts

The Commission as a responsible Government agency always requests treasury receipts from office of the Accountant General of the Federation. Please see attached, the formal requests for the treasury receipts in 2015 marked as Appendix VIII

Makkah Accommodation

The Claim that the present Chairman edged out Nigerian companies providing accommodation in Makkah for selfish reasons is a proof of the personal vendetta pursued by those that lost out due to NAHCON's reforms

Traditionally, the policy for pilgrims' accommodation in Makkah was through a system of benchmark pricing for all accommodations in Makkah. The system was to ensure that all State Pilgrims Welfare Bodies secure befitting and standard accommodations for their pilgrims at that rate. In 2016 the benchmark price fixed by the Commission for Makkah Accommodation was maintained for the fourth consecutive year at SAR4,000. Some States Pilgrims Welfare Boards (SPWB's) however with the assistance of their State Governments secured accommodations for prices higher than the benchmark and as such financially augmented the pilgrims by paying the difference. This difference ranged between SAR1,000 to SAR2,500.

However, on the introduction of e-payment recently introduced by Saudi Government and adopted by the Commission, it was discovered that some of the properties secured, negotiated and paid for by some States were far below their prices. A particular State was discovered to have paid SAR5,300 Saudi Riyals for an accommodation secured by an Agent at SAR2,500. Another was discovered to have collected the approved SAR4,000 for a property the Landlord gave at SAR1,800. These shocking discoveries necessitated the need for the Commission to review and extend its regulatory functions in the area of monitoring and negotiating for pilgrims accommodation in Makkah where the State Pilgrims Boards were largely responsible for.

The first step taken by the Commission in 2017, was to abolish the old benchmarking system after discovering that it was abused by some State PWB's in collaboration with Accommodation Providers. It resolved to accept each building based on its merit and market value. The price for each building was negotiated in a forum under the Chairmanship of Commissioner PPMF (Policy, Personnel Management and Finance) staff of the Commission, Chief Executive of the concerned Pilgrims Welfare Board or his representative and the Landlord/Agent.

Alleged Increase in Makkah Accommodation Rates

Contrary to the claims of the Committee that cost of Makkah Accommodation escalated because of the actions of the, the Commission, the prices of ALL accommodations in Makkah actually reduced as attested to by the Committee itself (See Item 8.2 (ii) on page 20 of the Committees report). It is important at this juncture to mention a few examples: Some houses that were previously secured for SAR7,000 were negotiated down to SAR3,900 and SAR3,500. The Committee conveniently ignored the presentation made before it on this. One of the tables presented before it is reproduced below for ease of reference:



The Presidency

**NATIONAL HAJJ COMMISSION OF NIGERIA (NAHCON)
SAVINGS MADE ON MAKKAH ACCOMMODATION FOR 2017 HAJJ**

S/N	STATE	ALLOCATION	2016 RATE SR	2017 RATE SR	SAVING FROM 2016 RATE SAR	TOTAL AMOUNT SAVING FROM EACH STATE SAR
1	BAUCHI	3,213	4,900	4,606	294	944,622.00
2	NIGER	3,619	4,000	3,824	176	636,944.00
3	SOKOTO	5,571	4,000	3,750	250	1,392,750.00
4	OGUN	1,358	4,000	3,950	50	67,800.00
5	KATSINA	4,930	4,000	3,560	440	2,169,200.00
6	BENUE	390	4,000	3,750	250	97,500.00
7	DELTA	107	4,000	3,750	250	26,750.00
8	BAYELSA	81	4,000	3,750	250	20,250.00
9	ARMED FORCES	497	4,000	3,500	500	248,500.00
10	GOMBE	2,205	4,000	3,750	250	551,250.00
11	RIVERS	377	4,000	3,500	500	188,500.00
12	EBONYI	97	4,000	3,500	500	48,500.00
13	IMO	47	4,000	3,500	500	23,500.00
14	ANAMBRA	63	4,000	3,500	500	31,500.00
15	BORNO	2,789	4,000	3,718	282	786,498.00
16	ONDO	302	4,000	3,100	900	271,800.00
17	ENUGU	67	4,000	3,100	900	60,300.00
18	TARABA	1,457	4,000	3,833	167	243,319.00
19	PLATEAU	1,348	4,000	3,677	323	435,404.00
20	YOBE	2,256	4,000	4,000	0	0.00
21	JIGAWA	2,677	4,000	3,768	232	621,064.00
22	KOGI	838	4,000	4,000	0	0.00
23	ZAMFARA	4,496	4,000	3,523	477	2,144,592.00
24	KANO	6,607	4,000	3,907	93	614,451.00
25	ADAMAWA	2,097	4,000	4,000	0	0.00
26	EKITI	209	4,000	3,500	500	104,500.00
27	NASARAWA	1,867	4,000	3,950	50	93,350.00
28	KEBBI	4,629	4,000	3,860	140	648,060.00
29	FCT	2,661	4,000	3,969	31	82,491.00
30	KWARA	2,168	4,000	3,500	500	1,084,000.00
31	KADUNA	5,330	4,000	4,000	0	0.00
	TOTAL	64,351.00	124,900.00	115,595.00	9,305.00	13,637,395.00

COMPILED BY : AHMAD M. SHIRA

Similarly, some states that previously paid SAR5,300 for accommodations situated over 3km away from the Grand Mosque, were now able to get same and better accommodations situated less than 2km away from the Haram at SAR4,000. In Makkah Accommodation, Nigeria was able to save another SAR13,637,395 equivalent to **USD3,639,000**. It is clear from the above that the beneficiaries of this racketeering would not be happy with the Commission.

The Commission recently come under attacks in form of petitions to Government, the National Assembly and an orchestrated mudslinging campaign over conventional and social Media by Arewa Foundation (Led by one Suleiman Ibrahim Sabo alias Sabo Lagos)

This Association came to the fore when one Ibrahim Sulaiman, A Nigerian resident in Saudi Arabia used it to send a petition to the National Assembly. It was discovered that Ibrahim Sulaiman an employee of a company, **Island Economic** with incorporation number **4031059023** patronised by Kano State Pilgrims Welfare Board in 2016(1437AH).

He provided three houses with license nos. 9070, 13536 and 11205, and having capacities of 714, 855 and 836 capacity in Share' Mansoor Area of Makkah at an exorbitant rate. It was discovered that the Company leased the property from the landlord at SAR2,500 then collected the 4,000SAR benchmark price from the Commission.

The company went further to collect additional funds from Kano State Government with a claim that the 4,000SAR would not cover the cost of pilgrims' accommodation thereby soliciting and receiving financial augmentations to the tune of **SAR1,544,054** (One Million Five Hundred and Forty-Four Thousand, Fifty-Four Saudi Riyal). This translated to an extra SAR642 per bed space. Investigations showed that the State was made to cough out the sum of N873.7 Million Naira of public funds between 2011 and 2016 to fund this unwarranted subsidy.

It was for this reason that the Commission refused to license Island Economic and other companies discovered to have perpetrated similar malpractices from providing accommodation to Nigerian pilgrims' in 2017(1438AH). Ibrahim Suleiman then used the Arewa Foundation to lodge a petition before the House of Representatives, wrote letters to Governors, Emirs and Anti-Graft Agencies. Having failed in all these, its allegations in their entirety were reproduce by this Ad-hoc Committee.

NAHCON Patronizing Shuraka Al Khair Company

The Claim that NAHCON gave Shuraka al Khair 23 States in 2017 is false because States and NOT NAHCON choose their Accommodation providers in Makkah. The Chairman of the Ad hoc Committee is fully aware of this as he himself chose Shuraka Al Khair for four years! While serving as Governor of Kebbi State. He introduced the Company to his successor who also patronized it for three years.

Distance of Makkah Accommodation

We also find the claim that Nigerian pilgrims were accommodated 5 – 10 Kilometers away from the Haram in Makkah laughable. No pilgrims Accommodation in Makkah during the 2017 Hajj operations was up to 5km. None. We challenge the Committee to produce any evidence of such! All service charges the Committee claimed were unilaterally introduced by NAHCON are contained in the agreements signed and declared to Government as mentioned earlier.

Allegation on Issuance of dude (sic) cheques.

This is a heavy allegation the Commission will not take lightly. The Commission as a responsible Nigerian Government Agency has never and God-willing will never issue a dud cheque to anyone.

The Company in question, Messrs Arif Mohammed Hijazi Establishment, provided accommodation in 2014. It was paid its fees fully in three instalments in October 2014 in line with the provisions of the signed agreement. However, the manager of the company was arrested by Saudi Authorities and detained. After his release, he could not cash the cheques because by the policy of Saudi Arabian Monetary Agency (SAMA), all accounts of Hajj Missions are closed for any transactions after Muharram. Hence, his inability to cash the three cheques issued in October, 2014. It is obvious that this matter pre-dated the current Chairman.

In 2016, he formally requested to Commission to re-issue the cheque to him which it obliged and the amount of the three cheques issued in October 2014 SR144,000; SR72,000 and SR22,670 were added and a single cheque totalling SR238,67.00 was issued to the company. However, because of the a court case filed against the manager, he could not cash the cheque. Similarly he refused to deposit the cheque in the company's account for reasons best known to him. He had requested the Commission to re-issue the cheque in his name which it declined as it was against established financial regulations.

Feeding

Instructions guiding Hajj arrangements have made it mandatory for ALL Hajj missions to organize feeding for its pilgrims during their stay in Saudi Arabia. As mentioned earlier and presented to the Ad hoc Committee, the visa of pilgrims will not be issued without attaching that pilgrim to a caterer in Makkah, Madina and Masha'ir (Mina and Arafat) Only licensed Saudi Companies are allowed to offer these services. The Commission has however, through regulation, mandated the Saudi caterers to partner with Nigerian companies and provide wholesome meals to the pilgrims. (Please see advert attached).

This effort of the Commission has yielded good results as the quality of the feeding improves every year. This was attested to by pilgrims and their respective Welfare Boards.

Alleged Sidelining of Nigerian Caterers

The claim that NAHCON sidelined Saudi-based Nigerian caterers in favour of Shuraka Al Khair in 2017 is wrong and misleading as Shuraka Al Khair Company did not participate in feeding Nigerian pilgrims in 2017! Secondly, we have mentioned many times that States select their caterers in Makkah and not NAHCON. In Madina where NAHCON has total control, it did not engage the mentioned company.

Logistics

We have mentioned this and submitted evidence before the Ad hoc Committee that NAHCON does not fix transportation charges in Saudi Arabia. It was fixed by the Saudi Government through its General Car Syndicate. The Agreement as well as minutes of meetings where the issue was discussed has been submitted to the Committee which it ignored.

That “..the Commission also claimed the 2018 Hajj fare will not come lower..” is a false allegation as the 2018 Hajj fares were indeed lower than the 2017 Hajj despite the increase in some components such as VAT, transportation fares and tent charges. The Commission deserves commendation on this and not condemnation. The table below shows reductions:

SUMMARY OF THE 2018 HAJJ FARE PACKAGE

S/N	State	2018 HAJJ ALLOCATION	2017 HAJJ FARE (₦)	FINAL 2018 HAJJ FARE (₦)	SAVINGS PER PILGRIM FROM 2018 HAJJ FARE (₦)
1	Abia	62	1,526,473.77	1,402,574.04	132,571
2	Adamawa	2,601	1,530,101.18	1,485,914.74	53,858
3	FCT	2,721	1,538,218.62	1,501,538.24	45,351
4	Lagos	2,010	1,512,647.82	1,499,714.12	21,606

Animal Sacrifice

The claim that the Commission made compulsory hadaya arrangements for its pilgrims is false. The Commission did not make it mandatory as it is not a mandatory requirement for every pilgrim.

The Commission through investigations by its Security Committee discovered that there was a lot of racketeering going on under the guise of facilitating the performance of sacrifice (*Hadaya*) for pilgrims. Some self-appointed agents in Nigeria and in Saudi Arabia collect monies from pilgrims for the purpose of performing *Hadaya*. The Security Committee discovered that in many instances, the *Hadaya* is either underperformed or not performed completely. To arrest the situation, the Commission decided to strengthen its cooperation with the Islamic Development Bank Adahi Project through Jaiz Bank Plc as the only approved medium for *Hadaya* while applying punitive measures on those who seek to disregard the arrangement.

The Commission resolved to adopt this approach to ensure no Nigerian pilgrim is defrauded as the reputation and capacity of these banks is not in doubt. Due to this reform, the Commission saved innocent pilgrims from being duped to an estimated \$1.6 Million. It also improved the image of Nigeria in Saudi Arabia. It is interesting that all stakeholders; pilgrims, Saudi Government, Pilgrims Boards are happy with this. Whose interest then, is the Ad hoc Committee protecting

Annual Hajj Officials

That NAHCON and States sponsor outrageous number of officials from relatives and friends is untrue. While NAHCON can not hold brief for any State, it has restricted the recruitment of its officials to Medical personnel, Ulama, Media and institutional representatives nominated by their respective organizations.

Claim that Saudi Arabia does not Recognize NAHCON

If this claim is true, how is it that the Commission will open offices and Clinics in Makkah and Madina with signboards and the Nigerian flag without the Saudi authorities clamping on them? How is the Commission able to sign agreements, conduct formal correspondences, open and operate bank accounts?

Conclusion

In light of the foregoing, I wish to appeal to the leadership of the Nigerian Senate to consider the submission above while deliberating on the Ad hoc Committees Report. I also wish to draw the attention of this distinguished institution that some of the matters deliberated upon by the Ad hoc Committee are subjects of litigation before two FCT courts with reference FCT/HC/CV/3018/17 and CR/96/18. A third suit is before another court in Kano with no K/332/2017. Similarly, one of matters raised has a subsisting judgement from General Court of Makkah no 392776 delivered on 5th Muharram, 1439 AH..

The Senate has established a reputation of being the vanguard of justice for Nigerians. It has upheld the highest standards of legislative practice and procedures. It must not allow the subjective view of a few to derail it from this path.

The Commission still maintains that the increase in the 2017 Hajj fare was as a result of the rise in the exchange rate from NGN197 /1USD in 2016 to NGN305/1USD in 2017.

All we appeal for is fairness to all concerned as the report in its totality is unfair to the Commission, State Pilgrims Welfare Boards/Commissions/Agencies, Tour Operators, NCAA, the CBN, Saudi Government and its Agencies, Service Providers and the Nigerian Consulate in Jeddah.

M. Ahmed

(Ag. Secretary to the Commission)