

NIGERIA GOVERNORS' FORUM

NATIONAL SECRETARIAT
ABUJA.

NIGERIA
GOVERNORS'
FORUM



INTERNAL MEMO

To: Nigeria Governors' Forum
From: Director General
Date: 26th February, 2020
Subject: **FAAC Distribution in February, 2020**

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At the last meeting of the Federation Account Allocation Committee (FAAC) held in February 2020 in Lagos, the following details emerged:

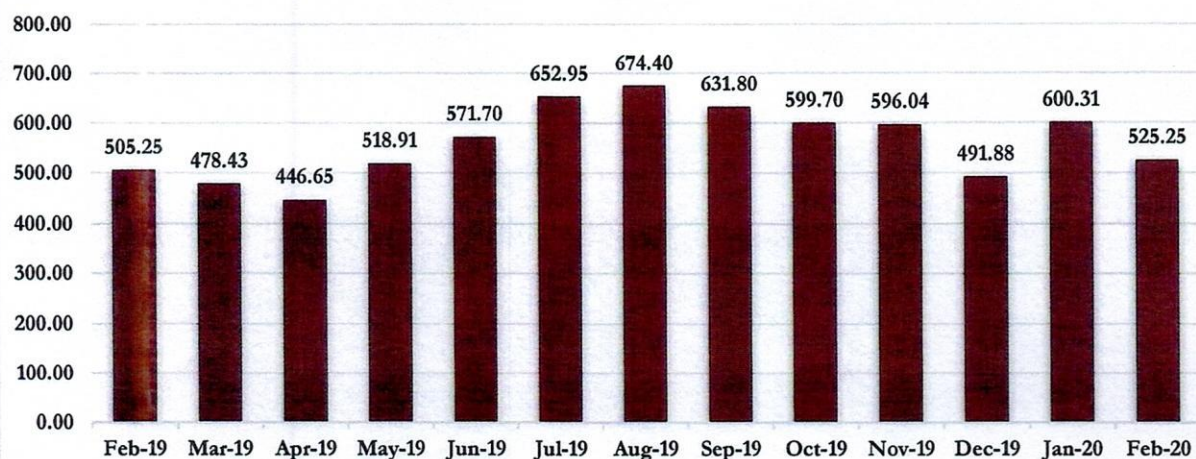
1. FAAC Revenue for January 2020 shared in February 2020 was **₦525.253 billion**, made up of **₦358.054 billion** mineral revenues, **₦166.540 billion** non-mineral revenues and **₦0.659** excess bank charges recovered. The amount was lower than the previous month's revenue of **₦600.314 billion** by **₦75.061 billion**.
2. A net statutory allocation of **₦508.686 billion** was distributed as follows:
 - a) Federal Government (52.68%) - **₦243.704 billion**
 - b) State Government (26.72%) - **₦123.610 billion**
 - c) Local Government (20.60%) - **₦95.298 billion**
 - d) Derivation (13% of Mineral Revenue (**₦354.417 billion**)) - **₦46.074 billion**
 - e) The total cost of collection equaled **₦12.556 billion**: FIRS (**₦3.287 billion**), NCS (**₦5.632 billion**) and DPR (**₦3.637 billion**).
3. The total distributable revenue for the month (including VAT) was **₦630.011 billion**.
 - a) There was **₦16.298 billion** augmentation from Non-oil Excess Revenue Account for the month.
 - b) There was no distribution from Forex Equalization Account
 - c) There was **₦1.044 billion** Exchange Gain.
 - d) A grand total of **₦647.353 billion** was distributed.

Please find attached, a breakdown of the Statutory Revenue Allocation showing the following:

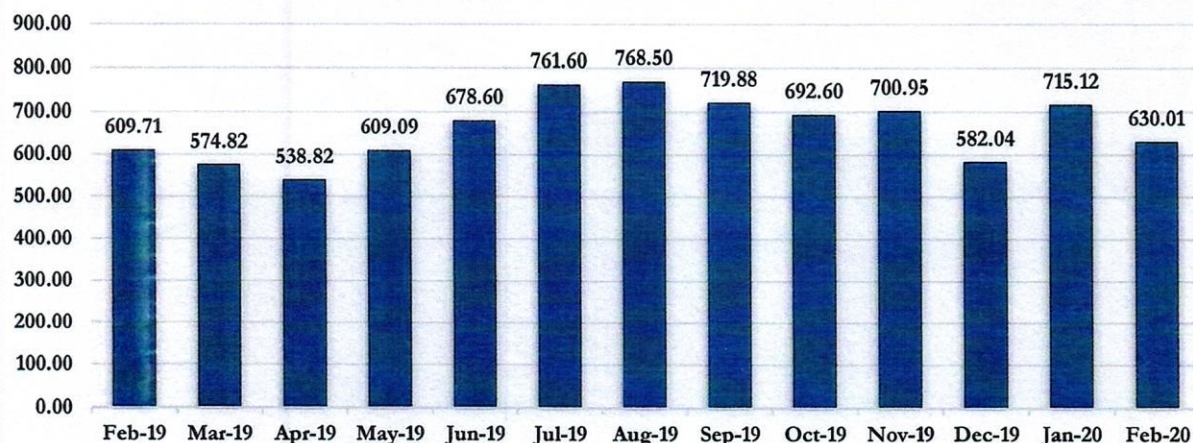
- a) Distribution of FGN, State and the FCT
- b) Transfer to Excess Crude/Domestic Crude
- c) Transfer from Excess Domestic Crude to subsidy
- d) Transfer to Excess Oil Revenue
- e) Non-oil Excess Revenue
- f) Cost of Collection (FIRS, NCS & DPR)

REVENUE SUMMARY

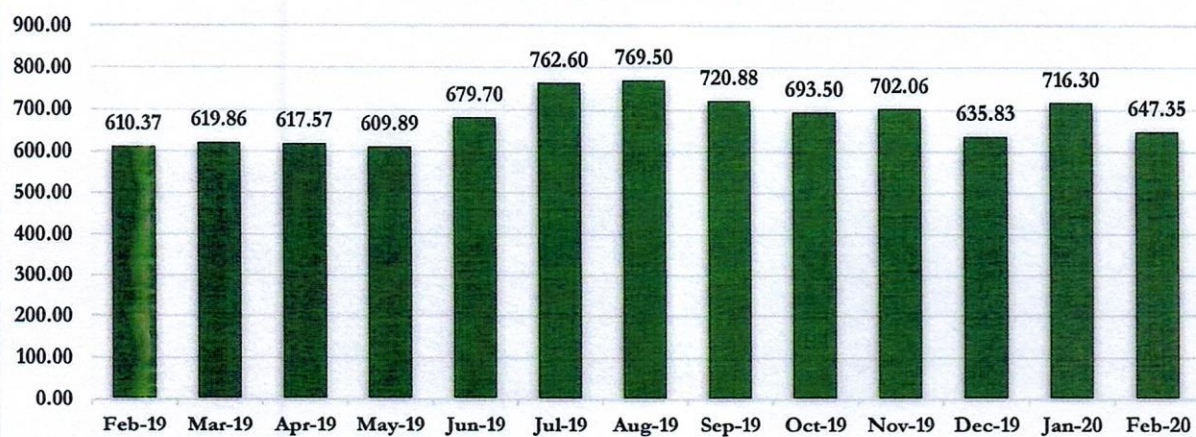
Statutory Revenue - Mineral and Non-Mineral Revenue (₦ Billion)



Total Revenue Including VAT (₦ Billion)



Total Distributable Revenue Including VAT & Exchange Gain (₦ Billion)



Notes

FAAC Meeting Declared Inconclusive

The FAAC meeting held on February 19th, 2020 at Eko Hotel & Suite, Lagos was declared inconclusive as a result of low distributable revenue for the month. The revenue distributable for the month was **₦631.055 billion** and it was lower than the **₦716.298 billion** distributed in the previous month by **₦85.243 billion**. The Commissioners of Finance requested for an augmentation to either **₦700.000 billion** or **₦650.000 billion** threshold as agreed by the FAAC and suggested that the revenue be taken from 3 different account namely: the Forex Equalization Account, Non-oil Excess Account and the Special Fund Account. After a long deliberation it was agreed that **₦16.298 billion** to be borrowed from the Non-oil Excess Revenue Account adding up to **₦647.353 billion** for distribution.

However, the Commissioners of Finance agreed only to the benchmark of **₦650.000 billion** to be shared and that the available **₦647.353 billion** will be collected while awaiting the balance of **₦2.647 billion** at Abuja the following week.

NGF

Federation Account Allocation Committee (FAAC)

A statement of income distributed in February, 2020 (January Account) by the Federation Account Allocation Committee

1.0 Introduction

I hereby present the summary of Federation Account Revenue in accordance with the existing laws/statutes and relevant revenue allocation formulae for the month of January, 2020 for distribution in the month of February, 2020

2.0 Sectorial breakdown of funds available for distribution for the month of January, 2020

	Budget 2019	Jan.	Variance	Dec.	Diff. Jan. & Dec.
	N'b	N'b	N'b	N'b	N'b
(a) Mineral Rev.	753.837	358.054	-395.783	390.232	-32.178
(b) Non-Mineral Rev.	220.704	166.540	-54.164	210.082	-43.542
Total revenue	974.541	524.594	-449.947	600.314	-75.720
(c) Excess Bank Charges	0.000	0.659	0.659	0.000	0.659
Total revenue	974.541	525.253	-449.288	600.314	-75.061

3.0 Comparative analysis of funds available with prior Statements of Accounts

(a) Statutory Revenue Allocation	Budget 2019	Jan.	Variance	Dec.	Diff. Jan. & Dec.
	Billion(N)	Billion(N)	Billion(N)	Billion(N)	Billion(N)
Total funds available for distribution	974.541	525.253	-449.288	600.314	-75.061
Less: (iii) Transfer to Domestic ECA.	0.000	0.000	0.000	0.000	0.000
Less: (iv) Excess Non Mineral Revenue	0.000	0.000	0.000	-16.298	16.298
Less: (i) Transfer to Excess Crude, PPT	0.000	0.000	0.000	0.000	0.000
Statutory Allocation	974.541	525.253	-449.288	584.016	-58.763
Less: (ii) 4% Cost of Collection FIRS (N82.170 billion)	-4.588	-3.287	1.301	-5.534	2.247
Less: (iii) 7% Cost of Collection NCS (N80.469 billion).	-4.839	-5.632	-0.793	-4.753	-0.879
Less: (iv) 4% Cost of Collection DPR (N90.925 billion)	-8.684	-3.637	5.047	-4.468	0.831
Less: 13% Derivation to Lagos state	0.000	0.000	0.000	0.000	0.000
Less: Refund to FIRS & NCS	0.000	-4.011	-4.011	-4.000	-0.011
Net Statutory Allocation	956.430	508.686	-447.744	565.261	-56.575
Distribution					
Federal Government (52.68%)	452.222	243.704	-208.518	271.361	-27.657
State Governments (26.72%)	229.372	123.610	-105.762	137.638	-14.028
Local Govts Council (20.60%)	176.837	95.298	-81.539	106.113	-10.815
Derivation(13% of Mineral Revenue) (N354.417 billion)	97.999	46.074	-51.925	50.149	-4.075
Total	956.430	508.686	-447.744	565.261	-56.575

real
Producing
state

(b)

Value Added Tax (VAT) Distribution

For the month of Jan, 2020, the gross revenue available from the Value Added Tax (VAT) was =N=104.758 billion as against =N=114.805 billion distributed in the preceeding month, resulting in a decrease of =N=10.047 billion. The distribution is as follows:

	Budget 2019	Jan.	Variance	Dec.	Diff. Jan. & Dec.
	Billion(N)	Billion(N)	Billion(N)	Billion(N)	Billion(N)
Amount for distribution					
VAT (Gross)	141.991	104.758	-37.233	114.805	-10.047
Less: Alloc. to NEDC Project (3% of N104.758)	0.000	3.143	-3.143	3.444	-0.301
Less: 4% Cost of collection-FIRS & NCS (VAT) (N104.758)	5.680	4.190	-1.490	4.592	-0.402
	136.311	97.425	-38.886	106.769	-9.344
Distributed as follows:					
Federal Govt.(15%)	20.447	14.614	-5.833	16.015	-1.402
State Governments (50%)	68.156	48.713	-19.443	53.385	-4.672
Local Government Councils (35%)	47.709	34.099	-13.610	37.369	-3.270
Total	136.311	97.425	-38.886	106.769	-9.344

Summary of Distribution to the three tiers of Govt. (Inclusive of Cost of Collection to NCS, DPR & FIRS)

	Statutory	VAT	Exchange Gain		Total
	Billion(N)	Billion(N)	Billion(N)	Billion(N)	Billion(N)
Federal Government	243.704	14.614	0.485	0.000	258.803
State Governments	123.610	48.713	0.246	0.000	172.568
Local Government Councils	95.298	34.099	0.190	0.000	129.587
Derivation (13% of Mineral Revenue)	46.074	0.000	0.123	0.000	46.197
Cost of Collection/FIRS & NCS Refund/Alloc to NEDC	16.567	7.333	0.000	0.000	23.900
	525.253	104.758	1.044	0.000	631.055

4. Comment

The gross statutory revenue of N=525.253 billion received for the month was lower than the =N=600.314 billion received in the previous month by =N=75.061 billion. There was a significant increase in Import Duty revenue while Companies Income Tax (CIT), Value Added Tax (VAT), Oil and Gas Royalties and Petroleum Profit Tax (PPT) recorded decreases.

The distributable Statutory Revenue for the month is =N=525.253 billion. The total revenue distributable for the current month (including VAT, Exchange Gain and Excess Bank Charges recovered) is =N=631.055 billion.

5. Dates and Venue of Next Meeting

The next Federation Account Allocation Committee (FAAC) Meeting is proposed for Tuesday 17th and Wednesday 18th March, 2020 at the Auditorium of the Federal Ministry of Finance, Abuja.

6. Conclusion

The Accounts along with the supporting statements are hereby submitted for your consideration and approval.
(Signed)

Ahmed Idris, FCNA

Accountant-General of the Federation

19th February, 2020

SCHEDULE-XIII SUMMARY OF STATUTORY REVENUE ALLOCATION DISTRIBUTION STATES AND LGCS

SN	STATE	GROSS STATUTORY	TOTAL DERIVATION OIL & GAS	TOTAL	DEDUCTION	STATE NET	LGCS NET	TOTAL NET	SN
1	ABIA	3,047,993,579.13	543,512,146.55	3,591,505,725.68	784,860,116.22	2,806,645,609.46	1,975,205,390.93	4,781,851,000.39	1
2	ADAMAWA	3,242,541,015.76	0.00	3,242,541,015.76	530,805,345.22	2,711,735,670.54	2,491,438,112.50	5,203,173,783.03	2
3	AKWA IBOM	3,272,673,894.59	9,619,022,338.53	12,891,696,033.12	1,280,977,022.14	11,610,719,010.98	3,318,449,162.08	14,929,168,173.06	3
4	ANAMBRA	3,236,466,486.91	0.00	3,236,466,486.91	291,337,089.90	2,945,129,407.01	2,504,902,108.20	5,450,031,515.20	4
5	BAUCHI	3,893,577,630.13	0.00	3,893,577,630.13	1,241,884,053.40	2,651,693,576.73	2,843,559,581.70	5,495,253,158.42	5
6	BAYELSA	2,880,140,765.98	9,438,655,367.32	12,318,796,133.30	1,607,444,826.03	10,711,351,307.27	1,157,432,833.51	11,868,784,140.78	6
7	BENUE	3,650,480,724.80	0.00	3,650,480,724.80	1,654,431,087.33	1,996,049,637.47	2,954,694,420.48	4,950,744,057.96	7
8	BORNO	4,044,209,478.03	0.00	4,044,209,478.03	492,621,009.42	3,551,588,468.61	3,359,409,682.39	6,910,998,151.00	8
9	CROSS RIVER	3,273,231,820.84	0.00	3,273,231,820.84	1,650,842,778.61	1,622,389,042.23	2,127,154,348.48	3,749,543,390.71	9
10	DELTA	3,305,050,807.29	13,612,662,009.67	16,917,712,816.96	1,413,217,623.32	15,504,495,193.64	2,775,041,135.33	18,279,536,328.97	10
11	EBONYI	2,912,119,198.09	0.00	2,912,119,198.09	463,460,572.03	2,448,658,627.06	1,555,267,314.74	4,003,925,941.80	11
12	EDO	3,043,631,286.67	1,599,824,987.21	4,643,456,273.89	746,693,292.48	3,896,762,981.41	2,123,282,072.57	6,020,045,033.98	12
13	EKITI	2,910,475,907.19	0.00	2,910,475,907.19	807,163,030.52	2,103,312,876.67	1,685,952,955.06	3,789,275,841.74	13
14	ENUGU	3,273,514,322.84	0.00	3,273,514,322.84	425,546,089.84	2,847,968,233.00	2,157,286,152.57	5,005,254,405.57	14
15	GOMBE	3,066,005,679.93	0.00	3,066,005,679.93	965,154,833.39	2,100,850,846.54	1,424,190,421.02	3,525,041,267.55	15
16	IMO	3,384,331,853.53	828,793,898.64	4,213,125,752.17	1,060,897,927.34	3,152,227,824.83	2,891,243,328.74	6,043,471,153.57	16
17	JIGAWA	3,640,162,853.34	0.00	3,640,162,853.34	344,139,452.64	3,296,023,400.70	3,037,523,336.60	6,333,546,737.30	17
18	KADUNA	4,264,874,171.64	0.00	4,264,874,171.64	568,544,943.60	3,696,329,228.04	3,415,982,615.21	7,112,311,843.24	18
19	KANO	5,163,104,992.69	0.00	5,163,104,992.69	720,465,596.73	4,442,639,395.96	5,438,537,092.69	9,881,176,488.65	19
20	KATSINA	4,001,259,427.61	0.00	4,001,259,427.61	501,565,517.25	3,499,693,910.36	4,140,450,860.35	7,640,144,770.71	20
21	KEBBI	3,437,101,810.80	0.00	3,437,101,810.80	494,661,881.01	2,942,439,929.79	2,613,068,925.30	5,555,508,855.09	21
22	KOGI	3,597,607,987.85	0.00	3,597,607,987.85	757,879,599.52	2,839,728,388.33	2,333,709,947.93	5,173,438,316.25	22
23	KWARA	2,897,499,880.79	0.00	2,897,499,880.79	610,762,826.72	2,286,737,054.07	1,911,097,577.32	4,197,834,631.39	23
24	LAGOS	4,360,577,112.02	0.00	4,360,577,112.02	4,733,025,932.79	-372,448,820.77	3,255,547,438.08	2,883,098,617.31	24
25	NASSARAWA	3,001,816,102.51	0.00	3,001,816,102.51	537,455,476.09	2,464,360,626.42	1,665,790,297.75	4,130,150,924.18	25
26	NIGER	3,855,699,130.77	0.00	3,855,699,130.77	653,000,229.44	3,202,698,901.33	3,155,876,093.66	6,358,574,994.99	26
27	OGUN	3,024,110,596.00	0.00	3,024,110,596.00	1,351,856,850.90	1,672,253,745.10	2,135,613,644.32	3,807,867,389.42	27
28	ONDO	3,030,101,697.77	1,264,423,928.05	4,294,525,625.82	1,518,374,683.95	2,776,150,941.87	2,103,043,301.58	4,879,194,243.45	28
29	OSUN	2,968,672,637.81	0.00	2,968,672,637.81	1,937,926,188.95	1,030,746,448.86	2,830,499,289.36	3,861,245,738.22	29
30	OYO	3,650,884,059.45	0.00	3,650,884,059.45	1,239,681,984.57	2,411,202,074.88	3,590,238,160.19	6,001,440,235.07	30
31	PLATEAU	3,399,093,370.17	0.00	3,399,093,370.17	1,725,122,248.31	1,673,971,121.87	2,303,059,812.46	3,977,030,934.32	31
32	RIVERS	3,510,459,146.45	9,167,394,548.78	12,677,853,695.23	900,150,491.23	11,777,703,204.00	2,854,770,312.04	14,632,473,516.03	32
33	SOKOTO	3,587,370,558.64	0.00	3,587,370,558.64	466,017,860.40	3,121,352,698.24	2,839,206,515.79	5,960,559,214.04	33
34	TARABA	3,135,511,751.88	0.00	3,135,511,751.88	575,668,338.77	2,559,843,413.11	2,154,968,686.84	4,714,812,099.95	34
35	YOBE	3,232,310,112.15	0.00	3,232,310,112.15	276,526,552.19	2,955,783,559.96	2,169,632,158.80	5,122,415,718.76	35
36	ZAMFARA	3,239,193,988.87	0.00	3,239,193,988.87	1,092,909,056.92	2,146,284,931.95	1,957,696,990.80	4,103,981,922.75	36
37	FCT-ABUJA	0.00	0.00	0.00	0.00	0.00	864,654,624.40	864,654,624.40	37
		123,433,855,631.90	46,074,289,204.75	169,508,144,836.65	36,423,072,389.17	133,085,072,447.49	94,112,486,711.77	227,197,559,159.26	