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**MEETING OF THE FEDERATION ACCOUNT ALLOCATION COMMITTEE (FAAC),  
HOLDING AT THE MAIN AUDITORIUM OF THE FEDERAL MINISTRY OF FINANCE  
HEADQUARTERS ON TUESDAY, 16<sup>TH</sup> JULY, 2024**

**A G E N D A**

1. Opening Prayer.
2. Adoption of the Agenda for the Meeting.
3. Opening Remarks by the HMF/CME, Chairman of FAAC.
4. Consideration and Adoption of Minutes of the Previous Meeting held on Monday 10<sup>th</sup> June, 2024;

**5. Matters Arising from the Minutes of the Previous Meeting:**

**A. General Matters**

- i. Update on Forensic Audit Covering the Period 2015 to 2021 Authenticate NNPC/Federation Claims in respect of ₦2.7 trillion withheld by NNPC Limited – DHF;
- ii. Update on the Shortfall of ₦67,103,539,195.29 to Forex Equalization Account due to Suspension of the Application of the Mandated Exchange Rate by CBN for the Period July, 2017 to December, 2022; - CBN,
- iii. Review of the FAAC Revenue Reporting Template, Commissioners Forum.
- iv. IPSAS Proposed Budget for Fiscal Year 2024

**B. Report of Post-Mortem Sub-committee:**

- i. Update on the Review of Indices for Sharing Revenues in the Federation Account;
- ii. Computation of the 13% (Mineral Revenue) Derivation
- iii. Update on Exchange Rate Issues:
  - a. Exchange Rate Applied by CBN to FOREX Equalisation Account and Exchange Gain;

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- b. Exchange Rate Applied by NNPC Ltd on Domestic Crude, NUPRC/Royalty and FIRS/PPT
  - iv. Update on \$2,226,998,165.02 NPDC Indebtedness to DPR on Forcados Assets OML119, 60-63 series;
  - v. Review of Cost of Collection paid to agencies;
  - vi. Update on Review of the Transactions in the amount of ₦3.2 trillion FGN Treasury Crude Account No. 200054141287 with the Central Bank of Nigeria (CBN); and
  - vii. Reconciliation with Revenue Agencies on Outstanding Arrears of Revenue due to Federation Account.
6. Consideration of Statutory Revenue Allocation for the Month of June, 2024/Communiqué.
  7. Any Other Business:
    - i. Update on the Reconciliation of the Amounts Due to States from Withdrawals made by Federal Government from the Excess Crude Account/ Petroleum Profit Tax (PPT)/Royalties Account from 2009 to 2015 with States Debt – DHF
    - ii. Refund to States/FCT for Wrongful Remittance of Withholding Taxes and Stamp Duties by the Federal Inland Revenue Service into the Federation Account - DHF
    - iii. Payment of Taxes to FIRS in respect of ALGON Request
    - iv. Introduction of New Members;
    - v. Proposed Date for the Next Meeting
  8. Adjournment
  9. Closing Prayer.

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**MINUTES OF THE MEETING OF THE FEDERATION ACCOUNT  
ALLOCATION COMMITTEE (FAAC) HELD ON MONDAY, 10<sup>TH</sup>  
JUNE, 2024 IN THE AUDITORIUM OF THE FEDERAL  
MINISTRY OF FINANCE, HEADQUARTERS, ABUJA**

**PRESENT:**

1. Mr. Olawale Edun - Hon. Minister of Finance/CME  
(Chairman)
2. Dr.(Mrs.) Oluwatoyin S. Madein - Accountant-General of the Federation
3. Hon. Michael Akpara - Hon. Comm., MF, Abia State
4. Hon. (Mrs.) Augustina Wandamihya - Hon. Comm., MF, Adamawa State
5. Hon. (Dr) Linus Nkan - Hon. Comm., MF, Akwa Ibom State
6. Hon. Izuchukwu Okafor - Hon. Comm., MF, Anambra State
7. Hon. Michael Oglegba - Hon. Comm., MF, Benue State
8. Hon. Michael Odere - Hon. Comm., MF, Cross River State
9. Hon. (Sir) Okenmor F. Tilije - Hon. Comm., MF, Delta State
10. Hon. (Mrs.) Adaze Kalu - Hon. Comm., MF, Edo State
11. Hon. Akintunde Oyebode - Hon. Comm., MF, Ekiti State
12. Hon. Dr. Nathaniel Urama - Hon. Comm., MF, Enugu State
13. Hon. (Mal.) Muhammad C. Magaji - Hon. Comm., MF, Gombe State
14. Hon. Chuck O.N. Chuckuemeka - Hon Comm., MF, Imo State
15. Mr. Abdullahi S. I. Shehu - Rep. Hon. Comm., MF, Jigawa State
16. Hon. (Mrs.) Shizzer Nasara Bada - Hon. Comm., MF, Kaduna State
17. Hon. Ibrahim Jibril Fagge - Hon. Comm., MF, Kano State
18. Hon. Bashir Tanimu Gambo - Hon. Comm., MF, Katsina State
19. Hon. Asiwaju Asiru Idris, *FCA* - Hon. Comm., MF, Kogi State
20. Hon. Dr. (Mrs.) Hauwa Nuru - Hon. Comm., MF, Kwara State

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| 21. | Hon. (Mrs.) Munira Abdullahi             | - | Hon. Comm., MF, Nasarawa State                       |
| 22. | Hon. Lawal A. Maikano                    | - | Hon. Comm., MF, Niger State                          |
| 23. | Hon. Omowumi Isaac                       | - | Hon. Comm., MF, Ondo State                           |
| 24. | Hon. Akinola Ojo                         | - | Hon. Comm., MF, Oyo State                            |
| 25. | Hon. (Mrs.) Grace S. Dongkum             | - | Hon. Comm., MF, Plateau State                        |
| 26. | Mr. James Ngochindo                      | - | Perm Sec., MF, Rivers State                          |
| 27. | Hon. Muhammadu Jabbi Shagari             | - | Hon. Comm., MF, Sokoto State                         |
| 28. | Hon. Dr. Sarah Enoch Adi                 | - | Hon. Comm., MF, Taraba State                         |
| 29. | Hon. Mohammed Abatche Geidam, <i>mni</i> | - | Hon. Comm., MF, Yobe State                           |
| 30. | Hon. Muhammad Bello Auta, <i>fca</i>     | - | Hon. Comm., MF, Zamfara State                        |
| 31. | Mrs. Fatima Binta Alhassan               | - | Asst. Director, FCTA                                 |
| 32. | Dr. (Mrs.) Oluwatoyin Sakirat Madein     | - | Accountant-General of the Federation                 |
| 33. | H.E. Dr. Chris A. Akomas                 | - | Fed. Commissioner, RMA&FC                            |
| 34. | Mr. Kabir M. Mashi, <i>oon</i>           | - | Fed. Commissioner, RMA&FC                            |
| 35. | Ali Mohammed, <i>PhD.</i>                | - | Director, Home Finance Dept., FMF<br>(Ag. Secretary) |

**OFFICIALS IN ATTENDANCE:**

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|-----|--------------------------|---|-------------------------------------|
| 1.  | Dr. Mohammad M. Saleh    | - | Director, (FAAC), OAGF, FMF         |
| 2.  | Mr. Mohammed Aliyu       | - | Director, OAGF, FMF                 |
| 3.  | Mr. Dairo Olufemi        | - | Dep. Director, (Funds) OAGF, FMF    |
| 4.  | Mr. Makinde K. Ademola   | - | Dep. Director, (R&I) OAGF, FMF      |
| 5.  | Mrs. Rita O. Okolie      | - | Dep. Director, Fed. Acct. OAGF, FMF |
| 6.  | Mrs. Irene Uhunmwangho   | - | Dep. Director, OAGF, FMF            |
| 7.  | Mrs. Onyekwu C. Nonyelum | - | Director, BOF, FMB&NP               |
| 8.  | Mrs. Rose Nkechi Onukwue | - | Dep. Director, BOF, FMB&NP          |
| 9.  | Mr. Daniel Ajuzie        | - | CAO, BOF, FMB&NP                    |
| 10. | Mrs. Patience Onalumi    | - | SAO, BOF, FMB&NP                    |
| 11. | Dr. Philip I. Obasi      | - | Asst. Director, FMB&NPP             |

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|-----|------------------------|---|--------------------------------------|
| 12. | Mr. Okon Ekpenong      | - | SPO, NP, FMB&NP                      |
| 13. | Mrs. Chinasa M. Okpala | - | Director, (FAAC) RMA&FC              |
| 14. | Mr. Ahmed Ali          | - | Asst. Director, RMA&FC               |
| 15. | Mrs. Mary J. Dasibel   | - | Asst. Director, RMA&FC               |
| 16. | Mr. Emmanuel Ekpo      | - | ACRO, RMA&FC                         |
| 17. | Mr. Guy Nwokeocha      | - | PAO, RMA&FC                          |
| 18. | Mrs. Hauwa Yahaya      | - | PEO, RMA&FC                          |
| 19. | Mr. Munir Muhammed     | - | Director, FIRS                       |
| 17. | Mr. Iyen O. Eugene     | - | Snr. Manager. FIRS                   |
| 18. | Mr. Okechukwu Nwankwo  | - | Dep. Manager, FIRS                   |
| 19. | Mr. Ummy R. Mustapha   | - | Asst. Manager, FIRS                  |
| 20. | Mr. E. A. Essien       | - | Dept. Compt., NCS                    |
| 21. | Mr. D. L. Akpabio      | - | CSC, NCS                             |
| 22. | Mr. F. O. Afomughe     | - | ASC II, NCS                          |
| 23. | Mr. Joshua J. Danjuma  | - | General Manager, (FAAC) NNPC Ltd.424 |
| 24. | Mr. M. Animashaun      | - | Asst. Director, NUPRC                |
| 25. | Mrs. Asmau T. Belgore  | - | Manager, NUPRC                       |
| 26. | Mrs. O. Ofoegbu        | - | Dep. Manager, NUPRC                  |
| 27. | Mrs. Zeenat M. Aliyu   | - | RO, NUPRC                            |
| 28. | Mrs. U. M. Tijjani     | - | Snr. Mgr., NUPRC                     |
| 29. | Mr. A. Mas'ud          | - | PRO, NUPRC                           |
| 30. | Mr. Nwatarali George   | - | SM, NMDPRA                           |
| 31. | Mr. Adegbola Babatunde | - | Manager, NMDPRA                      |
| 33. | Mr. Paul Y. Naron      | - | Manager, MDGIF, NMDPRA               |
| 34. | Mr. Ojo Akinpelu       | - | CA, MPR                              |
| 35. | Mr. Maraizu Nwankwo    | - | Director, DMO                        |
| 36. | Mr. Frank N. Anyanwu   | - | Dep. Director, DMO                   |

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|     | Mr. Sa'ad Balarabe         | - | Director, NEITI              |
| 37. | Mr. Jide Arowosaiye        | - | HRD, NEITI                   |
| 38. | Mr. Innocent C. Ekeopara   | - | Chief Acct., MMSD            |
| 39. | Mrs. Mirable A. Eigege     | - | SEO, MMSD                    |
| 40. | Mr. H. S. Kagara           | - | Asst. Director, BKSD, CBN    |
| 41. | Mrs. Halima Usman Nagado   | - | PM, BKSD, CBN                |
| 42. | Mr. Halidu S. Yahaya       | - | Manager, CBN                 |
| 43. | Mrs. Rebecca Haruna        | - | Manager, CBN                 |
| 44. | Mr. Dikko Ibrahim          | - | AM. MPD, CBN                 |
| 45. | Miss. E. N. Okeke          | - | S/S. MPD, CBN                |
| 46. | Mrs. Akanbi O. Olubunmi.   | - | PAE. NGF                     |
| 47. | Mr. Mujaheed S. Labaran    | - | IA, NFIU                     |
| 48. | Mr. Ikechukwu L. Nwachukwu | - | Admin. Officer, Comm., Forum |
| 49. | Mr. Paul Jeffrey Otache    | - | Admin. Officer, Comm., Forum |

**SECRETARIAT:**

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|-----|--------------------------------|---|-----------------------------|
| 1.  | Dr. Essien Akparawa            | - | Home Finance Dept., FMFB&NP |
| 2.  | Mr. A. A. Umar                 | - | -do-                        |
| 3.  | Mrs. Anne O. Aburime           | - | -do-                        |
| 4.  | Mrs. Mary O. Oketa             | - | -do-                        |
| 5.  | Mr. Mas'ud Muhammed            | - | -do-                        |
| 6.  | Mr. Ogunbiyi Olatunji Sulaiman | - | -do-                        |
| 7.  | Mr. Sabo Asokai Samson         | - | -do-                        |
| 8.  | Mr. A. Abdulrahman             | - | -do-                        |
| 9.  | Mr. G. Onokele                 | - | -do-                        |
| 10. | Mr. Sylvester Adegbemi         | - | -do-                        |
| 11. | Mr. J. O. Moshood              | - | -do-                        |
| 12. | Mr. Hassan Samaila             | - | -do-                        |

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13.	Mr. Usman Muhammad	-	-do-
14.	Mrs. Oge Chudi-Nwosu	-	-do-
15.	Haj. Jamila Abdulkarim	-	-do-
16.	Mr. Femi Ajayi	-	-do-
17.	Mr. Yusuf Yahaya	-	-do-
18.	Mrs. Joy I. Ukoh.	-	-do-
19.	Mrs. Rose Abah	-	-do-
20.	Mr. Yusuf Ibrahim Naibi	-	-do-
21.	Mrs. Ihuoma Onwuka	-	-do-
22.	Mrs. Patricia Oguabike	-	-do-
23.	Mrs. Blessing A. Adewale	-	-do-
24.	Mrs. Medinat O. Isah	-	-do-
25.	Mr. Ado Musa	-	-do-
26.	Mrs. Josephine Amuwa	-	-do-
27.	Mr. Adamu Abubakar	-	-do-
28.	Mr. Mahmud Nasiru	-	Office of the Accountant-General of the Federation
29.	Mr. Iniobong C. Rabson	-	-do-
30.	Mrs. Affiong Bassey	-	-do-
31.	Mr. Samuel Ishaya Rikoto	-	-do-
32.	Mr. O. J. Ukoh	-	-do-
33.	Mr. Kolapo A. Shuaib	-	-do-
34.	Mr. Alexander Omale	-	-do-
35.	Mr. Austin K. Onyeaghala	-	-do-
36.	Mr. Idris Shehu	-	-do-
37.	Haj. Adamu Balira Musa	-	-do-
38.	Mr. E. E. Effiong	-	-do-

1	<b>OPENING:</b>	
2	The meeting of the Plenary Session of the Federation	
3	Account Allocation Committee (FAAC) commenced at about	
4	5:00pm with the Honourable Minister of Finance & Coordinating	
5	Minister of the Economy (HMF&CME) presiding. The 3 <sup>rd</sup> Stanza	
6	of the National Anthem was collectively recited as the opening	
7	prayer.	
8	<b>ADOPTION OF THE AGENDA FOR THE MEETING:</b>	
9	The Provisional Agenda for the meeting was considered and	
10	adopted without any amendment. The Honourable	
11	Commissioner of Finance (HCF), Enugu State moved the motion	
12	for the adoption of the agenda and seconded by his counterpart	
13	from Adamawa State.	
14	<b>CHAIRMAN'S OPENING REMARKS:</b>	
15	The Chairman welcomed members and apologized for late	
16	commencement of the meeting. He commended the various	
17	Sub-committees of FAAC and the Revenue Generating Agencies	
18	(RGAs) for their efforts and commitment towards improving the	
19	revenue inflow to the Federation Account. He noted the increase	
20	in the nation's Crude Oil production and advised NNPC Limited	
21	to improve on its remittance to the Federation Account.	
22	Furthermore, he disclosed that the Tripartite National	
23	Minimum Wage Committee had submitted its report to Mr.	
24	President for consideration before transmission to the National	

25 Assembly (NASS) for passage into law. Continuing, he noted that  
26 the FG in commemoration of its one (1) year in office, recently  
27 organized some activities within the Federal Capital Territory  
28 (FCT), Abuja to mark the event. He highlighted some of the  
29 economic policies of the current Administration and gave  
30 assurances that funds would be provided to small and medium  
31 scale enterprises in the country for employment generation.

32 Finally, he wished members happy Eid celebration in  
33 advance and thereafter, solicited their cooperation for the  
34 effective conduct of the day's meeting

35 **CONSIDERATION AND ADOPTION OF THE MINUTES OF**  
36 **THE PREVIOUS MEETING HELD ON THURSDAY, 16<sup>TH</sup> MAY,**  
37 **2024:**

38 The minutes of the meeting held on Thursday, 16<sup>th</sup> May,  
39 2024 were considered and adopted without any amendment.  
40 The HCF, Sokoto State moved for the adoption of the minutes  
41 and seconded by the HCF, Nasarawa State.

42 **MATTERS ARISING FROM THE MINUTES OF THE**  
43 **PREVIOUS MEETING HELD ON THURSDAY, 16 MAY, 2024:**

- 44
- 45 • **Update on the Forensic Audit Covering the Period 2015**  
46 **to 2021 to Authenticate NNPC/Federation Claims in**  
47 **Respect of ₦2.7 trillion withheld by NNPC Limited:**

48 The Director, Home Finance (DHF) reported that the Office  
49 of the Auditor-General of the Federation (OAuGF) was working  
on the Forensic Audit exercise of NNPC Limited as mandated,

50 which a report was expected to be made available to FAAC after  
51 the assignment.

52 Commenting, the Federal Commissioner,  
53 RMAFC/Chairman, Indices and Disbursement suggested that in  
54 view of the update, the item should be expunged from the  
55 agenda. However, the DHF noted that there was need for  
56 continued update on the issue to enable members keep track of  
57 the progress on the assignment.

58 • **Update on the Shortfall of ₦67,103,539,195.29 to Forex**  
59 **Equalization Account due to Suspension of the**  
60 **Application of the Mandated Exchange Rate by CBN**  
61 **for the Period July, 2017 to December, 2022:**

62 The representatives of CBN were not present at the meeting  
63 to provide update on the issue. However, commenting on the  
64 issue, the HCF, Gombe State complained that the matter had  
65 dragged on for too long and advised on the need for FAAC to  
66 take a final decision that would compel CBN to act appropriately  
67 to bring the issue to closure.

68 • **Review of the FAAC Revenue Reporting Template:**

69 The HCF, Enugu State/Secretary, Commissioners' Forum,  
70 reported that a draft report on the assignment was ready but  
71 would be subjected to a review before presenting it to the  
72 Plenary.

73	<ul style="list-style-type: none"> <li>• <b>Status of the Balance of ₦13,953,481,584.12 in the</b></li> </ul>	
74	<ul style="list-style-type: none"> <li>• <b>EMTL Account:</b></li> </ul>	
75	The Director, Federation Account, Office of the Accountant-	
76	General of the Federation (OAGF) reported that there was an on-	
77	going reconciliation exercise between his Office and CBN on the	
78	matter. He promised to provide update on the issue after the	
79	conclusion of the exercise.	
80	<ul style="list-style-type: none"> <li>• <b>Update on the Review of Indices for Sharing Revenues</b></li> </ul>	
81	<ul style="list-style-type: none"> <li>• <b>in the Federation Account:</b></li> </ul>	
82	The Federal Commissioner, RMAFC/Chairman, Indices and	
83	Disbursement reported that the Commission was still awaiting	
84	release of funds to commence the verification exercise.	
85	Furthermore, he disclosed that the required data and indices for	
86	the distribution of the funds in the Solid Minerals Account had	
87	been obtained from the Ministry of Mines and Steel Development	
88	(MMSD). He concluded that the Commission had forwarded the	
89	relevant information to the OAGF to enable further action as	
90	appropriate.	
91	<b>REPORT OF FAAC POST-MORTEM SUB-COMMITTEE</b>	
92	<b>(PMSC):</b>	
93	The highlights of the report of the Post-Mortem Sub-	
94	committee (PMSC) for the month of June, 2024 was presented	
95	by the Chairman, PMSC as follows:	

96	<b>Update on \$599,813,170.02 NPDC Indebtedness to NUPRC/</b>	
97	<b>Federation Account in Respect of Forcados Assets OML</b>	
98	<b>119, 60-63 Series:</b>	
99	The Chairman, PMSC reported that, out of the total amount	
100	of \$599,813,170.02 Legacy debt owed Nigeria Upstream	
101	Petroleum Regulatory Commission (NUPRC) by Nigeria	
102	Petroleum Development Company (NPDC), the sum of	
103	\$581,579,845.00 had been received as payment on GVC. He	
104	disclosed that part of the amount, in the sum of \$21,563,800.00	
105	was shared to the three tiers of Government in April, 2022 while	
106	the sum of \$499,388,524.92 was also shared in April, 2024. He	
107	added that the total amount disbursed so far was	
108	\$520,952,324.92, while the unshared balance in the GVC	
109	Account as at May, 2024 was \$63,459,078.41. He concluded	
110	that the total outstanding balance against NPDC was	
111	\$18,233,325.02.	
112	<b>• NNPC Limited Exchange Rate Differentials on PMS</b>	
113	<b>Importation and Other JV Taxes for the Period August,</b>	
114	<b>2023 to April, 2024:</b>	
115	The Chairman, PMSC reported that NNPC Limited informed	
116	the Sub-committee that it had outstanding claim of	
117	\$2,689,898,039,105.53 against the Federation as a result of the	
118	use of "Weighted Average Rate" as at May, 2024. Furthermore,	
119	he disclosed that the Sub-committee was able to establish that	
120	there was a Presidential approval to use the "Weighted Average	

121	Rate” from October, 2023 to March, 2024. He stated that the	
122	company sought extension of the period, but was advised to write	
123	through the National Economic Council (NEC).	
124	<ul style="list-style-type: none"><li>• <b>Review of Cost of Collection Paid to Agencies:</b></li></ul>	
125	The Chairman, PMSC reported that in line with the mandate	
126	of the assignment, the Sub-committee had engagements with	
127	FIRS and NCS but was yet to meet with NUPRC on the issue.	
128	He concluded that the work was in progress.	
129	<ul style="list-style-type: none"><li>• <b>NNPC Limited Project Gazelle Funding Escrow</b></li></ul>	
130	<b>Account:</b>	
131	The Chairman, PMSC reported that the representative of	
132	NNPC Limited informed the Sub-committee that the FG arranged	
133	a loan of about \$3.3billion through a Special Purpose Vehicle	
134	called project Gazelle Funding in order to stabilize the FOREX	
135	market. He added that the borrowing was backed by the	
136	company’s future sale of Crude Oil, which served a collateral.	
137	The Chairman stated that the agreement required NNPC Limited	
138	to deposit sales proceeds of PSC Royalty and Tax to Project	
139	Gazelle Funding Escrow Account from which 90% of the amount	
140	escrowed will be released to NNPC Limited/CBN while the	
141	remaining 10% will be committed to repayment of the loan	
142	facility. He concluded that the Sub-committee requested NNPC	
143	Limited to organize a stakeholders sensitization meeting to	
144	ensure that all members were well informed of the project.	

<p>145</p> <p>146</p> <p>147</p> <p>148</p> <p>149</p> <p>150</p> <p>151</p> <p>152</p> <p>153</p> <p>154</p> <p>155</p> <p>156</p> <p>157</p> <p>158</p> <p>159</p> <p>160</p> <p>161</p> <p>162</p> <p>163</p> <p>164</p> <p>165</p> <p>166</p> <p>167</p> <p>168</p> <p>169</p>	<ul style="list-style-type: none"> <li> <p><b>• Performance of the Revenue Generating Agencies Collections/Transfers to the CBN Component Statement in April, 2024 Federation Account:</b></p> <p>He reported that the sum of ₦1,043,333,538.60 was collected by the Ministry of Mines and Steel Development (MMSD) in the month of April, 2024 while the balance in the Solid Mineral Account as at April, 2024 was ₦19,347,345,803.60.</p> </li> <li> <p><b>• Assessing the Impact of FAAC Post-Mortem Sub-Committee on Outstanding Arrears of Revenue Inflows due to the Federation Account in April, 2024:</b></p> <p>The Chairman, PMSC reported that for the Month of April, 2024 the total sum of \$34,352,090.00 equivalent to ₦126,827,637,455.12 was reconciled and confirmed paid into the CBN designated accounts following the reconciliation with Agencies.</p> </li> <li> <p><b>• Outstanding Federation Account Revenue Arising from Inter-Agencies Reconciliation Meeting Held in June, 2024:</b></p> <p>The Chairman, PMSC reported that the total unresolved amount due to the Federation Account from the reconciliation meeting held with the Revenue Generating Agencies (RGAs) in June, 2024 was \$125,015,153.21 and ₦3,497,284,714,772.20. He stated that the outstanding amounts were still being reconciled with the relevant agencies at the monthly reconciliation meeting.</p> </li> </ul>	
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170	<ul style="list-style-type: none"> <li>• <b>Update on Balances in Special Reserve Accounts:</b></li> </ul>	
171	He reported the balances in the Special Reserve Accounts as	
172	at 30 <sup>th</sup> April, 2024 as follows:	
173	a) Stabilization Fund	- ₦46,656,693,169.92
174	b) Dev. of Nat Resources Fund	- ₦70,531,367,808.30
175	c) Domestic Excess Crude	- ₦6,324,176,981.07
176	d) Solid Mineral Account	- ₦19,347,345,803.85
177	e) Oil Excess Revenue Account	- ₦67,990,026.62
178	f) Police Trust Fund Account	- ₦27,389,773,732.83
179	g) Non-oil Excess Revenue Acc	- ₦595,867,395,576.30
180	h) Forex Equalization Account	- ₦18,500,744,903.02
181	i) EMTL	- ₦13,953,481,584.12
182	j) Exchange Gain	- ₦80,230,572,340.52
183	k) Special Intervention for Nig.	
184	Military	- ₦100,000,000,000.00
185	l) Good and Valuable Consideration	- \$63,459,078.41
186	m) Excess Crude PPT Account	- \$473,754.57
187	n) ECA Refund Ledger and Signature	
188	Bonus Account	- ₦302,745,632,644.81
189	o) Intervention to States Infrs.	
190	and Security	- ₦241,000,000,000.00
191	p) Ledger of 13% Derivation Refund	
192	on withdrawal from Signature	
193	Bonus	- ₦385,000,000,000.00
194	q) Ledger of 13% Derivation on	

195	Withdrawal from ECA	- <del>N</del> 350,000,000,000.00	
196	<b>Comments:</b>		
197	The Chairman commended the PMSC for the presentation		
198	and requested comments from members.		
199	The HCF, Kaduna State raised concern over the		
200	accumulation of outstanding arrears of revenue by RGAs against		
201	the Federation Account which was running into trillion of naira		
202	between 2023 and 2024. She therefore, advised on the need to		
203	expedite action in concluding the reconciliation with Agencies.		
204	The HCF, Akwa Ibom State referred to paragraphs 3.01 and		
205	5.01 of the PMSC report and requested clarifications as to how		
206	the <del>N</del> 2.6trillion exchange rate differentials against the Federation		
207	came about. Furthermore, he requested explanation on the \$3.3		
208	billion Foreign loan obtained by the Federal Government through		
209	Project Gazelle Funding, which the repayment was to be made		
210	using PSC Tax and Royalty sales proceeds of the Federation.		
211	The HCF, Delta State while aligning with the issues raised by		
212	his counterpart from Akwa Ibom State, observed the need for		
213	NNPC Limited to adhere to the CBN regulations on exchange		
214	rate transactions. He also called on the other Agencies to avoid		
215	the use of multiple exchange rates in their transactions.		
216	The HCF, Gombe State disclosed that the Project Gazelle		
217	Funding arrangement could be a good effort towards stabilising		
218	the exchange rate market. He however, observed that the money		
219	already coming in from the arrangement was not been remitted		

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220 into the Federation Account for sharing to beneficiaries. He noted  
221 that the States were not aware of the arrangement, adding that  
222 the repayment on the \$3.3 billion loan had caused a reduction in  
223 the revenue accruable to the Federation from the PSC.  
224 Furthermore, he complaint of the non-payment of dividend by  
225 NNPC Limited to the Sub-nationals and also raised concerns  
226 over the unresolved ₦1.5trillion claims by FIRS against NNPC  
227 Limited. He stressed the need for NNPC Limited to address the  
228 issues.

229         Contributing, the HCF, Enugu State noted that one of the  
230 problems hindering effective resolution of matters at FAAC was  
231 that, the officers representing some of the Agencies at the  
232 meeting lack the capacity to satisfactorily address questions  
233 being raised by members. He therefore, suggested the need for  
234 high level representation from Agencies attending FAAC  
235 meetings.

236         Commenting further, he observed that there were certain  
237 details about the Project Gazelle Funding that were not clear to  
238 the members. He raised concerns as to why the entire sales  
239 proceeds of PSC Royalty and Tax should be deposited in an  
240 Escrow Account before remitting part to the Federation Account.  
241 He suggested the need for members to be well informed of the  
242 details of the transaction even before the proposed Stakeholder  
243 Sensitisation meeting would be held.

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244	Commenting on the issue, the HCF, Cross River State	
245	requested to know if the amount being released to CBN/NNPC	
246	Limited from the Project Gazelle Funding Escrow Account would	
247	be remitted to the Federation Account for immediate distribution	
248	to the beneficiaries.	
249	Reacting to the issue of the ₦2.6trillion claim of NNPC Ltd	
250	against the Federation, the representative of NNPC Limited	
251	confirmed that the figure had increased significantly as at May,	
252	2024 due to the change in rate at which the company was	
253	sourcing for the Forex to pay for the landing cost of PMS. On the	
254	outstanding ₦1.5trillion, he disclosed that the issue was	
255	expected to be resolved after the conclusion of the reconciliation	
256	between FIRS and NNPC Limited.	
257	Responding to the issues raised, the Chairman explained	
258	that the Project Gazelle loan arrangement was a straight forward	
259	transaction and cost-effective option of financing that was	
260	available to the nation. He assured members of the Ministry's	
261	readiness to provide them with details on the transaction. He	
262	informed that, the project was already explained to the	
263	Governors at the National Economic Council (NEC) meeting and	
264	advised members to be guided by the resolution reached on the	
265	matter at the higher level.	
266	Continuing, the Chairman noted the need for the Agencies to	
267	nominate senior level officers to be representing them at the	
268	FAAC monthly meetings in order to ensure appropriate response	

269 to issues being raised. Furthermore, he supported the call for  
270 the elimination of the use of multiple exchange rates by the  
271 Agencies and assured that effort would be made to find amicable  
272 resolution to all the issues.

273 In the absence of any further comments, the Chairman called  
274 for the adoption of the PMSC report. Accordingly, the HCF,  
275 Gombe State moved for the adoption of the report and seconded  
276 by the HCF, Cross River State.

277 **CONSIDERATION/ADOPTION OF THE STATUTORY**  
278 **REVENUE ALLOCATION FOR THE MONTH OF MAY, 2024**  
279 **DISTRIBUTED IN JUNE, 2024:**

280 Presenting the Account for the month of May, 2024,  
281 distributed in June, 2024, the Accountant-General of the  
282 Federation, (AGF) reported that a Gross Statutory Revenue of  
283 ₦1223.894 trillion was collected and the sum of ₦157.183 billion  
284 was available for distribution, after the following deductions were  
285 made:

- 286 a. 13% Derivation Refunds on  
287 Withdrawals from ECA/  
288 Signature Bonus - ₦200.000 billion
- 289 b. 13% Refunds on Subsidy,  
290 Priority Projects and Police  
291 Trust Fund (1999-Dec. 2021) - ₦18.163 billion
- 292 c. Special Intervention for Nig. Military - ₦100.000 billion
- 294 d. 13% Derivation Refund on JVC and

295	Domestic Excess Crude	-N100.000 billion
296	e. Refund due to States from the	
297	net-off with States from	
298	Withdrawals made	
299	from ECA	- N120.000 billion
300	f. Intervention to States for	
301	Infras & Security	- <del>N</del> 100.000 billion
302	g. Second tranche of funding for	
303	Presidential Metering Initiative	- <del>N</del> 100.000 billion
304	d. Savings (Non-Oil Excess Revenue)	- <del>N</del> 000.000 billion
305	f. Part of Refund due to States from	
306	Signature Bonus Account	- <del>N</del> 200.000 billion
307	g. 4% Cost of Collection (FIRS)	- <del>N</del> 18.355 billion
308	h. FIRS 2024 Tax Refund	- <del>N</del> 20.000 billion
309	i. 7% Cost of Collection (NCS)	- <del>N</del> 18.293 billion
310	j. 4% Cost of Collection (NUPRC)	- <del>N</del> 19.461 billion
311	k. Transfer to NMDPRA	- <del>N</del> 39.841 billion
312	l. Refund to NUPRC on Cost of Collection –	<del>N</del> 9.474 billion
313	m. 13% Derivation Refunds iro NNPC Mgt Fee	
314	& Frontier Exploration Fund	
315	March, 2024	- <del>N</del> 3.124 billion
316	The AGF informed members that the total net Statutory	
317	Revenue of <del>N</del> 157.183 billion available for distribution was shared	
318	as follows:	
319	(a) Federal Government (52.68%)	- <del>N</del> 61.010 billion

320	(b) State Governments (26.72%)	- ₦30.945billion
321	(c) Local Governments (20.60%)	- ₦23.857 billion
322	(d) Derivation (13 % MR)	- ₦41.371 billion
323	She reported that the sum of ₦497.665 billion was realized	
324	from Value Added Tax (VAT) for the month and after the	
325	deduction of ₦14.333 billion and ₦19.907 billion, being 3%	
326	allocation to the North-East Development Commission (NEDC)	
327	and cost of collection to the FIRS and NCS, the balance of	
328	₦463.425 billion was shared as follows:	
329	(a) Federal Government (15%)	- ₦69.514 billion
330	b) State Governments (50%)	- ₦231.713 billion
331	(c) Local Governments (35%)	- ₦162.199 billion
332	The AGF stated that the Gross Statutory Revenue of	
333	₦1,017.216 billion received for the month was lower than the	
334	sum of ₦1,223.894 billion received in the previous month by	
335	₦9.604 billion. She disclosed that the Companies Income Tax	
336	(CIT), and Petroleum Profit Tax (PPT) increased significantly	
337	while Import and Excise Duties, Royalty Crude and Gas,	
338	Electronic Money Transfer Levy (EMTL), CET Levies and Value	
339	Added Tax (VAT) recorded considerable decrease.	
340	Concluding, she informed members that the distributable	
341	Statutory Revenue for the month was ₦157.183 billion, VAT was	
342	₦463.425, EMTL was ₦15.146 billion and Exchange Difference	
343	was ₦507.456 billion, bringing the total to ₦1,143.210 billion.	

344	<b>Comments on the Account</b>	
345 346 347 348 349	<p>The Chairman thanked the Accountant-General of the Federation (AGF) for the presentation. He informed members that he would take a leave from the meeting to enable him attend to some assignments. He requested the AGF to preside over the meeting on his behalf.</p>	
350 351	<p>Continuing the meeting, the Acting Chairman requested comments on the Account as presented.</p>	
352 353 354 355 356 357 358 359 360 361 362 363 364	<p>The HCF, Niger State referred to the Communique and observed that only about 50% of the budgeted revenue for the current year was being achieved by the RGAs and described it as a poor budget performance. He therefore, harped on the need to adjust the FAAC revenue budget projection to a figure that would be realistic for the RGAs to achieved. He also called on the Agencies to put in more efforts in revenue generation. Furthermore, he sought to know when the refund of cost of collection to NUPRC would be completed. He suggested that a reconciliation should be carried out to enable the determination of the actual figure and period of the refund. He also requested clarifications on the payment of 4% cost of collection on VAT to FIRS and NCS.</p>	
365 366 367	<p>The HCF, Delta State in his comment, requested to know the basis for the transfer being made to NMDPRA from the Federation Account. He also requested clarifications on the</p>	

368 amount computed as the 13% derivation revenue to Oil  
369 Producing States for the month.

370         Responding to the issues raised by the members, the Acting  
371 Chairman explained that the payment of 4% from VAT revenue  
372 to FIRS and NCS was in accordance with the amount of revenue  
373 collected by each Agency from VAT. On the budget  
374 performance, she explained that the figures as reflected in the  
375 Communique were to serve as guide to the RGAs towards  
376 meeting their targets and responsibilities. On the issue of refund  
377 of cost of collection to NUPRC, the Director, Federation Account,  
378 OAGF explained that the refunds were as a result of backlog of  
379 payments due to the Agency. He promised to provide further  
380 details on the issue at the next FAAC meeting with regards to the  
381 total amount of the refund due to NUPRC, the total amount paid  
382 so far and the outstanding amount.

383         Regarding the issue of transfer to NMDPRA, the Acting  
384 Chairman requested the representative of the Agency to  
385 comment on the matter. However, in the absence of the  
386 representative of NMDPRA at the meeting, the representative of  
387 NNPC informed that, the transfer might be based on the  
388 Petroleum Industry Act (PIA) 2021, which provided for the  
389 payment of gas flared penalty to the NMDPRA.

390         However, after exhaustive deliberations on the issue,  
391 members resolved that the releases to the NMDPRA be  
392 suspended and the amount deducted for the month be escrowed

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393	pending when sufficient explanation was provided to FAAC on	
394	the issue.	
395	Commenting, the HCF, Akwa Ibom State requested to know	
396	why NNPC Ltd suspended the payment of dividend to the	
397	Federation Account for sharing to the beneficiaries. His	
398	counterpart from Delta State requested clarifications on the basis	
399	for utilising the sum \$52,509,484 calendarized JV CIT due to	
400	FIRS for RITCS and sought explanation on the project called	
401	RITCS.	
402	Responding, the representative of NNPC Limited explained	
403	that the payment of dividend was not suspended but that it was	
404	the decision of the shareholders of NNPC Limited not to	
405	distribute the <del>N</del> 81billion calendarized dividend. Furthermore, he	
406	explained that RITCS which implied for Road Infrastructure, Tax	
407	Credit Scheme (RITCS) was a tripartite arrangement involving	
408	NNPC Limited, FIRS and Federal Ministry of Works, aimed at	
409	providing funds for the development of road infrastructure across	
410	the country.	
411	On that note and the absence of any further comments, the	
412	Acting Chairman called for the adoption of the revenue	
413	distribution for the month. Accordingly, the HCF, Kaduna State	
414	moved for the adoption of the distribution for the month and	
415	seconded by her counterpart from Delta State.	

416	<b>ANY OTHER BUSINESS (AOB)</b>	
417	<ul style="list-style-type: none"> <li>• <b>Presentation of the Report on Reconciliation of the</b></li> </ul>	
418	<ul style="list-style-type: none"> <li><b>Amount due to States from Federal Government</b></li> </ul>	
419	<ul style="list-style-type: none"> <li><b>Withdrawals from Excess Crude Account (ECA),</b></li> </ul>	
420	<ul style="list-style-type: none"> <li><b>Petroleum Profit Tax (PPT)/Royalties Account from</b></li> </ul>	
421	<ul style="list-style-type: none"> <li><b>2009 to 2015 with States Debts:</b></li> </ul>	
422	<p>The DHF reported that the Committee had concluded the</p>	
423	<p>exercise and the outcome showed that thirty (30) States had</p>	
424	<p>positive balances, while six (6) States had negative balances. He</p>	
425	<p>disclosed that the sum of ₦200 billion had been earmarked for</p>	
426	<p>payment to the States with positive balances representing the</p>	
427	<p>first instalment, while the States with negative balances would be</p>	
428	<p>expected to make refunds.</p>	
429	<ul style="list-style-type: none"> <li>• <b>Proposal for the Renovation of the Federal Ministry of</b></li> </ul>	
430	<ul style="list-style-type: none"> <li><b>Finance Building:</b></li> </ul>	
431	<p>The DHF informed members that a proposal was made for the</p>	
432	<p>rehabilitation of the Federal Ministry of Finance building, which</p>	
433	<p>was currently in a state of decay. He disclosed that the proposal</p>	
434	<p>would be transmitted to the Forum of Commissioners' Finance</p>	
435	<p>for consideration to enable further action as appropriate. He</p>	
336	<p>added that a Technical Committee would also be constituted to</p>	
437	<p>look into the issue and concluded that no money had been</p>	
438	<p>apportioned for the rehabilitation yet.</p>	

440	<ul style="list-style-type: none"> <li>• <b>Donation of HIV Kits to the 774 Local Government</b></li> </ul>	
441	<ul style="list-style-type: none"> <li>• <b>Councils of Nigeria:</b></li> </ul>	
442	<p>The DHF recalled that the issue of the cost of distribution of</p>	
443	<p>the HIV Test Kits donated to the 774 Local Government Councils</p>	
444	<p>was discussed at the last meeting and subsequently, referred to</p>	
445	<p>the Committee of the Forum of Commissioners of Finance, under</p>	
446	<p>the leadership of the HCF, Nasarawa State for review. He stated</p>	
447	<p>that the Committee was expected to come up with</p>	
448	<p>recommendations on modalities for distributing the donated</p>	
449	<p>items to the Local Government Councils.</p>	
450	<ul style="list-style-type: none"> <li>• <b>Retirement of two (2) Federal Commissioners of</b></li> </ul>	
451	<ul style="list-style-type: none"> <li>• <b>RMAFC and Director, Federation Account, OAGF:</b></li> </ul>	
452	<p>The DHF informed the meeting that the tenure of the</p>	
453	<p>Chairman, PMSC and the Federal Commissioner,</p>	
454	<p>RMAFC/Chairman, Indices and Disbursements would end in</p>	
455	<p>June, 2024. He also informed that the Director, Federation</p>	
456	<p>Account, OAGF would be retiring from the Service at the end of</p>	
457	<p>June, 2024.</p>	
458	<p>The Acting Chairman, congratulated the retiring officers and</p>	
459	<p>thanked them for their immense contribution to FAAC and the</p>	
460	<p>Nigerian Public Service in general. She wished them success in</p>	
461	<p>their future endeavours.</p>	
462	<p>Commenting virtually on behalf of members of FAAC, the</p>	
463	<p>Chairman, Commissioners' Forum/HCF, Ekiti State</p>	
464	<p>acknowledged the contribution that each of the retiring officers</p>	

465 had given to the development of FAAC, describing them as  
466 worthy public officers. He congratulated them and wished them  
467 well in their future endeavours. In their comments, the HCFs,  
468 Delta and Edo States appreciated the positive contributions of  
469 each of the retiring officers towards moving the FAAC forward as  
470 a committee. They also appreciated the officers for  
471 demonstrating good and exemplary leadership in running the  
472 affairs of their various offices and for maintaining good  
473 relationship with all the FAAC families.

474 Responding, on behalf of the retiring officers, the Chairman,  
475 PMSC expressed appreciation to all members of FAAC for their  
476 cooperation and support throughout the period of their active  
477 service. He assured that despite their exit, they would continue  
478 to be part of FAAC family and continue to contribute towards the  
479 development of the Committee. He prayed that God Almighty will  
480 continue to guide the members in taking the right decisions that  
481 would move the Committee and the country forward. Finally, he  
482 urged members to extend similar support to the in-coming  
483 successors to enable them succeed.

484 • **Introduction of New Members:**

485 No new member was present at the meeting.

486 **DATE OF NEXT MEETING:**

487 The next meeting of the Committee was scheduled for  
488 Thursday, 11<sup>th</sup> and Friday, 12<sup>th</sup> July, 2024 at the Federal Ministry  
489 of Finance, Headquarters, Abuja.

<p>490</p> <p>491</p> <p>492</p> <p>493</p>	<p><b>ADJOURNMENT/CLOSING PRAYER:</b></p> <p>The meeting adjourned at about 7:00pm on a motion moved by the HCF, Benue State and seconded by the HCF, Enugu State.</p> <p style="text-align: center;">.....</p> <p style="text-align: center;"><b>Chairman</b></p> <p>.....</p> <p style="text-align: center;"><b>Chairman,</b></p> <p>Forum of Commissioners</p> <p style="text-align: right;">.....</p> <p style="text-align: right;"><b>Secretary</b></p>	
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**HOME FINANCE DEPARTMENT,  
FEDERAL MINISTRY OF FINANCE  
ABUJA.**

**JULY, 2024**