
**MEETING OF THE FEDERATION ACCOUNT ALLOCATION COMMITTEE (FAAC),
HOLDING AT THE MAIN AUDITORIUM OF THE FEDERAL MINISTRY OF FINANCE
HEADQUARTERS ON TUESDAY, 16TH 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 10th 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;

-
- 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.

**MINUTES OF THE MEETING OF THE FEDERATION ACCOUNT
ALLOCATION COMMITTEE (FAAC) HELD ON MONDAY, 10TH
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 Oyebo | - | 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 |

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 (Ag. Secretary)

OFFICIALS IN ATTENDANCE:

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

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

	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:

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 Adegbelemi	-	-do-
11.	Mr. J. O. Moshood	-	-do-
12.	Mr. Hassan Samaila	-	-do-

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	OPENING:	
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 rd Stanza	
6	of the National Anthem was collectively recited as the opening	
7	prayer.	
8	ADOPTION OF THE AGENDA FOR THE MEETING:	
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	CHAIRMAN'S OPENING REMARKS:	
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, 16TH MAY,**
37 **2024:**

38 The minutes of the meeting held on Thursday, 16th 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 • **Update on the Forensic Audit Covering the Period 2015**
45 **to 2021 to Authenticate NNPC/Federation Claims in**
46 **Respect of ₦2.7 trillion withheld by NNPC Limited:**

47 The Director, Home Finance (DHF) reported that the Office
48 of the Auditor-General of the Federation (OAuGF) was working
49 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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"> • Status of the Balance of ₦13,953,481,584.12 in the 	
74	EMTL Account:	
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"> • Update on the Review of Indices for Sharing Revenues 	
81	in the Federation Account:	
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	REPORT OF FAAC POST-MORTEM SUB-COMMITTEE	
92	(PMSC):	
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	Update on \$599,813,170.02 NPDC Indebtedness to NUPRC/	
97	Federation Account in Respect of Forcados Assets OML	
98	119, 60-63 Series:	
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	• NNPC Limited Exchange Rate Differentials on PMS	
113	Importation and Other JV Taxes for the Period August,	
114	2023 to April, 2024:	
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"> • Review of Cost of Collection Paid to Agencies: 	
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"> • NNPC Limited Project Gazelle Funding Escrow 	
130	Account:	
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.	

145	<ul style="list-style-type: none"> • Performance of the Revenue Generating Agencies Collections/Transfers to the CBN Component Statement in April, 2024 Federation Account: 	
146		
147		
148	He reported that the sum of ₦1,043,333,538.60 was	
149	collected by the Ministry of Mines and Steel Development	
150	(MMSD) in the month of April, 2024 while the balance in the Solid	
151	Mineral Account as at April, 2024 was ₦19,347,345,803.60.	
152	<ul style="list-style-type: none"> • Assessing the Impact of FAAC Post-Mortem Sub-Committee on Outstanding Arrears of Revenue Inflows due to the Federation Account in April, 2024: 	
153		
154		
155	The Chairman, PMSC reported that for the Month of April,	
156	2024 the total sum of \$34,352,090.00 equivalent to	
157	₦126,827,637,455.12 was reconciled and confirmed paid into	
158	the CBN designated accounts following the reconciliation with	
159	Agencies.	
160	<ul style="list-style-type: none"> • Outstanding Federation Account Revenue Arising from Inter-Agencies Reconciliation Meeting Held in June, 2024: 	
161		
162		
163	The Chairman, PMSC reported that the total unresolved	
164	amount due to the Federation Account from the reconciliation	
165	meeting held with the Revenue Generating Agencies (RGAs) in	
166	June, 2024 was \$125,015,153.21 and ₦3,497,284,714,772.20.	
167	He stated that the outstanding amounts were still being	
168	reconciled with the relevant agencies at the monthly	
169	reconciliation meeting.	

170	<ul style="list-style-type: none"> • Update on Balances in Special Reserve Accounts: 	
171	He reported the balances in the Special Reserve Accounts as	
172	at 30 th April, 2024 as follows:	
173	a) Stabilization Fund - N 46,656,693,169.92	
174	b) Dev. of Nat Resources Fund - N 70,531,367,808.30	
175	c) Domestic Excess Crude - N 6,324,176,981.07	
176	d) Solid Mineral Account - N 19,347,345,803.85	
177	e) Oil Excess Revenue Account - N 67,990,026.62	
178	f) Police Trust Fund Account - N 27,389,773,732.83	
179	g) Non-oil Excess Revenue Acc - N 595,867,395,576.30	
180	h) Forex Equalization Account - N 18,500,744,903.02	
181	i) EMTL - N 13,953,481,584.12	
182	j) Exchange Gain - N 80,230,572,340.52	
183	k) Special Intervention for Nig.	
184	Military - N 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 - N 302,745,632,644.81	
189	o) Intervention to States Infrs.	
190	and Security - N 241,000,000,000.00	
191	p) Ledger of 13% Derivation Refund	
192	on withdrawal from Signature	
193	Bonus - N 385,000,000,000.00	
194	q) Ledger of 13% Derivation on	

195	Withdrawal from ECA	- N 350,000,000,000.00	
196	Comments:		
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 N 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		

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.	

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

320	(b) State Governments (26.72%) - N 30.945billion	
321	(c) Local Governments (20.60%) - N 23.857 billion	
322	(d) Derivation (13 % MR) - N 41.371 billion	
323	She reported that the sum of N 497.665 billion was realized	
324	from Value Added Tax (VAT) for the month and after the	
325	deduction of N 14.333 billion and N 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	N 463.425 billion was shared as follows:	
329	(a) Federal Government (15%) - N 69.514 billion	
330	b) State Governments (50%) - N 231.713 billion	
331	(c) Local Governments (35%) - N 162.199 billion	
332	The AGF stated that the Gross Statutory Revenue of	
333	N 1,017.216 billion received for the month was lower than the	
334	sum of N 1,223.894 billion received in the previous month by	
335	N 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 N 157.183 billion, VAT was	
342	N 463.425, EMTL was N 15.146 billion and Exchange Difference	
343	was N 507.456 billion, bringing the total to N 1,143.210 billion.	

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

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	

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

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

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 th and Friday, 12 th July, 2024 at the Federal Ministry	
489	of Finance, Headquarters, Abuja.	

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

HOME FINANCE DEPARTMENT,
FEDERAL MINISTRY OF FINANCE
ABUJA.

JULY, 2024