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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, 17<sup>TH</sup> SEPTEMBER, 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 Friday, 16<sup>th</sup> August, 2024;

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

**A. General Matters**

- i. Update on the Shortfall of ~~N~~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;
- ii. Review of the FAAC Revenue Reporting Template, Chairman, Commissioners Forum;
- iii. Update on payment of 1% share to FCT with respect to signature Bonus/ECA withdrawal – AGF;
- iv. Update on Project Gazelle – SSA –HMF/CME;
- v. Update on letter of reminder to CBN on representation at FAAC – DHF; and
- vi. Update on IPSAS 2024 Budget - DHF.

**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:



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- 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. 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
  - vi. Reconciliation with Revenue Agencies on Outstanding Arrears of Revenue due to Federation Account.
  - vii. Update on NNPC Project Gazelle Funding Escrow Account
6. Consideration of Statutory Revenue Allocation for the Month of August, 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. Report of the Joint Committee on the review, reconciliation and establishment of unremitted 13% Derivation due to the Oil Producing States from the Federation Account on Cash Calls and Domestic Crude Oil - DHF
  - iii. Hosting of the 2024 NACOFED Conference
  - iv. Introduction of New Members – Chairman, Commissioners Forum; and
  - v. Proposed Date for the Next Meeting – DHF.
8. Adjournment
9. Closing Prayer.



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**MINUTES OF THE MEETING OF THE FEDERATION ACCOUNT  
ALLOCATION COMMITTEE (FAAC) HELD ON FRIDAY, 16<sup>TH</sup> AUGUST  
2024 IN THE AUDITORIUM OF THE FEDERAL MINISTRY OF FINANCE,  
HEADQUARTERS, ABUJA**

**PRESENT:**

- |     |                                  |   |  |
|-----|----------------------------------|---|--|
| 1.  | Mr. Wale Edun                    | - | Hon. Minister of Finance/CME<br>(Chairman) |
| 2.  | Madam Lydia S. Jafiya, mni       | - | Permanent Secretary, Finance               |
| 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. Yakubu Adamu, PhD           | - | Hon. Comm., MF, Bauchi State               |
| 8.  | Hon. Maxwell Ebibai              | - | Hon. Comm., MF, Bayelsa State              |
| 9.  | Hon. Ahmed Ali Ahmed             | - | Hon. Comm., MF, Borno State                |
| 10. | Hon. Michael Odere               | - | Hon. Comm., MF, Cross River State          |
| 11. | Hon. (Sir) Okenmor F. Tilije     | - | Hon. Comm., MF, Delta State                |
| 12. | Hon. Dr. Leonard C. Uguru        | - | Hon. Comm., MF, Ebonyi State               |
| 13. | Hon. (Mrs.) Adaze Kalu           | - | Hon. Comm., MF, Edo State                  |
| 14. | Hon. Akintunde Oyebo             | - | Hon. Comm., MF, Ekiti State                |
| 15. | Hon. Dr. Nathaniel Urama         | - | Hon. Comm., MF, Enugu State                |
| 16. | Hon. (Mal.) Muhammad C. Magaji   | - | Hon. Comm., MF, Gombe State                |
| 17. | Hon. Chuck O.N. Chuckuemeka      | - | Hon. Comm., MF, Imo State                  |
| 18. | Prof.. (Mrs.) Hannatu Sabo Ahmad | - | Hon. Comm., MF, Jigawa State               |
| 19. | Hon. (Mrs.) Shizzer Nasara Bada  | - | Hon. Comm., MF, Kaduna State               |
| 20. | Hon. Ibrahim Jibril Fagge        | - | Hon. Comm., MF, Kano State                 |
| 21. | Hon. Bashir Tanimu Gambo         | - | Hon. Comm., MF, Katsina State              |

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| 22. | Hon. Abubakar Muhammad BK                | - | Hon. Comm., MF, Kebbi State                       |
| 23. | Hon. Asiwaju Asiru Idris, <i>FCA</i>     | - | Hon. Comm., MF, Kogi State                        |
| 24. | Hon. Dr. (Mrs.) Hauwa Nuru               | - | Hon. Comm., MF, Kwara State                       |
| 25. | Hon. (Mrs.) Munira Abdullahi             | - | Hon. Comm., MF, Nasarawa State                    |
| 26. | Hon. Lawal A. Maikano                    | - | Hon. Comm., MF, Niger State                       |
| 27. | Hon. Dapo Okubadejo                      | - | Hon. Comm., MF, Ogun State                        |
| 28. | Hon. Omowumi Isaac                       | - | Hon. Comm., MF, Ondo State                        |
| 29. | Hon. Ogungbile Adeola Olusola            | - | Hon. Comm., MF, Osun State                        |
| 30. | Hon. Akinola Ojo                         | - | Hon. Comm., MF, Oyo State                         |
| 31. | Hon. (Mrs.) Grace S. Dongkum-            |   | Hon. Comm., MF, Plateau State                     |
| 32. | Hon. Emmanuel Frank-Fubara               | - | Hon. Comm., MF, Rivers State                      |
| 33. | Hon. Muhammadu Jabbi Shagari             | - | Hon. Comm., MF, Sokoto State                      |
| 34. | Hon. Dr. Sarah Enoch Adi                 | - | Hon. Comm., MF, Taraba State                      |
| 35. | Hon. Mohammed Abatche Geidam, <i>mni</i> | - | Hon. Comm., MF, Yobe State                        |
| 36. | Hon. Muhammad Bello Auta, <i>fca</i>     | - | Hon. Comm., MF, Zamfara State                     |
| 37. | Mr. Haruna Moh'd Aris                    | - | Director, FCTA                                    |
| 38e | Dr. (Mrs.) Oluwatoyin Sakirat Madein     | - | Accountant-General of the Federation              |
| 33. | Mr. M. B. Shehu                          | - | Chairman, RMA&FC                                  |
| 34. | Mr. Ahmed Yusuf                          | - | Fed. Commissioner, RMA&FC                         |
| 35. | Dr. Ali Mohammed, <i>PhD.</i>            | - | Director, Home Finance Dept., FMF<br>( Secretary) |

**OFFICIALS IN ATTENDANCE:**

- |    |                           |   |                                     |
|----|---------------------------|---|-------------------------------------|
| 1. | Mr. Mohammed Gawo Aliyu   | - | Director, (FAAC), OAGF, FMF         |
| 2. | Mr. Makinde K. Ademola    | - | Ag. Director, (R&I) OAGF, FMF       |
| 3. | Mrs. Rita O. Okolie       | - | Dep. Director, Fed. Acct. OAGF, FMF |
| 4. | Mr. Jeremiah Imoukthebe   | - | Asst. Director, (R&I) OAGF, FMF     |
| 5. | Mrs. Onyekwu C. Nonyelum  | - | Director, BOF, FMB&NP               |
| 6. | Mrs. Osung-Etisong Ginika | - | Dep. Director, BOF, FMB&NP          |

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7.	Mr. Akiode Adeyemi	-	PAO, BOF, FMB&NP
8.	Mrs. Patience Onalumi	-	SAO, BOF, FMB&NP
9.	Mr. Okon Ekpenong	-	SPO, NP, FMB&NP
10.	Mrs. Chinasa M. Okpala	-	Director, (FAAC) RMA&FC
11.	Mr. A. R. Gidado	-	Dep. Director, RMA&FC
12.	Mrs. Mary J. Dasibel	-	Dep. Director, RMA&FC
13.	Mr. Ahmed Ali	-	Asst. Director, RMA&FC
14.	Mr. Emmanuel Abasifreke	-	Asst. Director, RMA&FC
15.	Mr. Emmanuel Ekpo	-	ACRO, RMA&FC
16.	Mr. Guy Nwokeoch	-	PAO, RMA&FC
17.	Dr. Ibrahim M. Natagwandu	-	TA-Office of the Vice President
18.	Mr. Munir Muhammed	-	Director, FIRS
19.	Mr. Iyen O. Eugene	-	Snr. Manager, FIRS
20.	Mr. Okechukwu Nwankwo	-	Dep. Manager, FIRS
21.	Mss. Ummy R. Mustapha	-	Asst. Manager, FIRS
22.	Mr. D. L. Akpabio	-	Chief Supt., NCS
23.	Mr. E. I. Ekpe	-	ASC. II., NCS
24.	Mr. T. B. Ogo-Ominyi	-	ASC II, NCS
25.	Mr. Joshua J. Danjuma	-	General Manager, (FAAC) NNPC Ltd.
26.	Mr. A. Mustapha	-	Manager, NNPC Ltd.
27.	Mr. M. Animashaun	-	Asst. Director, NUPRC
28.	Mrs. U. M. Tijjani	-	Snr. Mgr., NUPRC
29.	Mrs. O. Ofoegbu	-	Dep. Manager, NUPRC
30.	Mr. A. Mas'ud	-	PRO, NUPRC
31.	Mrs. Zeenat M. Aliyu	-	RO, NUPRC
32.	Mr. Nwatarali George	-	SM, NMDPRA
33.	Mr. Adegbola Babatunde	-	Manager, NMDPRA

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| 34. | Mr. Paul Y. Naron        | - | Manager, MDGIF, NMDPRA        |
| 35. | Mr. Frank N. Anyanwu     | - | Dep. Director, DMO            |
| 36. | Mr. Sa'ad Balarabe       | - | Director, NEITI               |
| 37. | Mr. F. O. Onyemekara     | - | Officer II, NEITI             |
| 38. | Mr. Poloma Kabiru Nuhu   | - | Asst. Director, (Acct.), MSMD |
| 39. | Mr. Oti Bobraibiwei      | - | Chief Acct., MSMD             |
| 40. | Mr. H. S. Kagara         | - | Asst. Director, BKSD, CBN     |
| 41. | Mr. Halidu S. Yahaya     | - | Manager, BKSD, CBN            |
| 42. | Mr. Rabi Bello           | - | Manager, BKSD, CBN            |
| 43. | Mr. Sani Abubakar        | - | Asst. Manager, Research, CBN  |
| 44. | Mr. I. D. Mohammed       | - | Dep. Manager, MPD, CBN        |
| 45. | Mrs. Akanbi O. Olubunmi. | - | PAE. NGF                      |
| 46. | Mr. Majaheed S. Labaran  | - | IA, NFIU                      |

**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 Adegbeni         | - | -do-                        |
| 11. | Mrs. Goni Yabana               | - | -do-                        |
| 12. | Mr. J. O. Moshood              | - | -do-                        |
| 13. | Mr. Hassan Samaila             | - | -do-                        |
| 14. | Mr. Usman Muhammad             | - | -do-                        |
| 15. | Mrs. Oge Chudi-Nwosu           | - | -do-                        |
| 16. | Haj. Jamila Abdulkarim         | - | -do-                        |
| 17. | Mr. Femi Ajayi                 | - | -do-                        |

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18.	Mr. Yusuf Yahaya	-	-do-
19.	Mrs. Joy I. Ukoh.	-	-do-
20.	Mrs. Rose Abah	-	-do-
21.	Mr. Yusuf Ibrahim Naibi	-	-do-
22.	Mrs. Ihuoma Onwuka	-	-do-
23.	Mrs. Patricia Oguabike	-	-do-
24.	Mrs. Blessing A. Adewale	-	-do-
25.	Mrs. Medinat O. Isah	-	-do-
26.	Mr. Ado Musa	-	-do-
27.	Mrs. Josephine Amuwa	-	-do-
28.	Mr. Adamu Abubakar	-	-do-
29.	Mr. Mahmud Nasiru	-	Office of the Accountant-General of the Federation
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	5:40pm with the Honourable Minister of Finance & Coordinating	
5	Minister of the Economy (HMF&CME) presiding. The Third	
6	Stanza of the National Anthem was collectively recited as the	
7	opening prayer.	
8	<b>ADOPTION OF THE AGENDA FOR THE MEETING:</b>	
9	The Provisional Agenda for the meeting was amended at	
10	the instance of the Honourable Commissioner of Finance	
11	(HCF), Delta State to include <i>“Update on NNPC Limited’s Project</i>	
12	<i>Gazelle Funding Escrow Account”</i> as item B (VII). Thereafter, the	
13	HCF, Delta State moved for the adoption of the Agenda as	
14	amended and seconded by the HCF, Bayelsa State.	
15	<b>CHAIRMAN’S OPENING REMARKS:</b>	
16	The Chairman welcomed members to the August, 2024	
17	FAACmeeting and commended them for making the efforts to	
18	attend the meeting physically. He thanked Nigerians for the	
19	show of support to the government during the recent nationwide	
20	protests and reiterated that, the Administration of President	
21	Bola Ahmed Tinubu would continue to implement people-	
22	oriented policies to stabilize the economy.	
23	Continuing, he informed that the National Minimum Wage	
24	Bill had been signed into law by Mr. President after its passage	
25	by the National Assembly. He added that government was	

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26	working hard to ensure the stability in the supply and pricing of	
27	Petroleum Motor Sprit (PMS) in the country. He disclosed that	
28	the Federal Executive Council (FEC) had recently adopted the	
29	proposal by the President to sell Crude Oil to Local Refineries	
30	in Naira.	
31	Finally, he called for improved collaboration among the tiers of	
32	government and solicited members' cooperation for the effective	
33	conduct of the meeting. <b>CONSIDERATION AND ADOPTION</b>	
34	<b>OF THE MINUTES OF THE PREVIOUS MEETING HELD</b>	
35	<b>ON THURSDAY, 16<sup>TH</sup> JULY, 2024:</b>	
36	In moving for the adoption of the minutes of the meeting held	
37	on Friday, 16 <sup>th</sup> July 2024, the HCF, Enugu State suggested that	
38	the format of the minutes should be adjusted to be reflecting	
39	only the discussions and decisions reached at the meeting	
40	without mentioning those making the comments. The Chairman	
41	noted the suggestion and aligned with the fact that, the	
42	Committee could decide on the style for writing the minutes,	
43	such as reporting only the decisions reached at the meeting.	
44	Thereafter, the motion moved to adopt the minutes by the HCF,	
45	Enugu State was seconded by the HCF, Edo State.	
46	<b>MATTERS ARISING FROM THE MINUTES OF THE</b>	
47	<b>PREVIOUS MEETING HELD ON FRIDAY 16<sup>TH</sup> JULY, 2024:</b>	
48	• <b>Update on the Forensic Audit Covering the Period</b>	
49	<b>2015 to 2022 to Authenticate NNPC/Federation Claims</b>	
50	<b>in Respect of ₦2.7 trillion withheld by NNPC Limited:</b>	



51	The Director, Home Finance (DHF) reported that the Office	
52	of the Auditor-General for the Federation (OAuGF) was	
53	provided the documents requested for conducting the	
54	assignment. He also reported that the Procurement Department	
55	of the Ministry had been given the Terms of Reference and the	
56	Scope of work to guide the process of hiring the External Firm	
57	that would support OAuGF in conducting the assignment.	
58	Contributing, the Chairman disclosed that, he had engagement	
59	with the Auditor-General for the Federation on the matter and	
60	there was a commitment by the OAuGF to diligently conduct	
61	the assignment with the support of the External Audit Firm as	
62	proposed. He assured that the Ministry will continue to follow-	
63	up with OAuGF to ensure a successful conduct of the	
64	assignment. On the basis of that, he suggested and the	
65	meeting agreed that the matter be temporarily removed from	
66	the Matters Arising pending any future update.	
67	<b>Update on the Shortfall of ₦67,103,539,195.29 to Forex</b>	
68	<b>Equalization Account due to Suspension of the Application</b>	
69	<b>of the Mandated Exchange Rate by CBN for the Period</b>	
70	<b>July, 2017 to December, 2022:</b>	
71	The Director, Home Finance (DHF) reported that in line with the	
72	directive of FAAC, CBN had been formally requested to send	
73	an officer not below the rank of a director to be representing the	
74	Bank at the FAAC monthly meetings. He added that CBN was	
75	yet to respond to the request. However, following further	

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76	deliberations on the matter, the Chairman agreed to engage	
77	directly with the Top Management of CBN with a view to	
78	resolving the issue.	
79	<b>Review of the FAAC Revenue Reporting Template:</b>	
80	The Chairman, Commissioners' Forum/HCF, Ekiti State	
81	assured that the Forum will soon report back to FAAC with a	
82	finalised Template. The Chairman urged the Forum to expedite	
83	action towards making the Template ready for use.	
84	<b>Update on Review of Indices for Sharing Revenues in</b>	
85	<b>the Federation Account:</b>	
86	The Chairman, RMAFC reported that the matter was still as	
87	reported at the last meeting.	
88	<b>REPORT OF FAAC POST-MORTEM SUB-COMMITTEE</b>	
89	<b>(PMSC):</b>	
90	The report of the Post-Mortem Sub-committee (PMSC) for the	
91	month of August, 2024 was presented by the Vice Chairman,	
92	PMSC/Fed. Commissioner, RMAFC as follows:	
93	<b>• Update on \$599,813,170.02 NPDC Indebtedness to</b>	
94	<b>NUPRC/ Federation Account in Respect of Forcados</b>	
95	<b>Assets OML 119, 60-63 Series:</b>	
96	The Federal Commissioner, RMAFC reported that out of the	
97	total amount of \$599,813,170.02 Legacy debt owed Nigeria	
98	Upstream Petroleum Regulatory Commission (NUPRC) by	
99	Nigeria Petroleum Development Company (NPDC), the sum of	
100	\$581,579,845.00 had been received as payment on GVC. He	

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101	disclosed that part of the amount, in the sum of \$21,563,800.00	
102	was shared to the three tiers of Government in April, 2022 while	
103	the sum of \$499,388,524.92 was also shared in April, 2024. He	
104	added that the total amount disbursed so far was	
105	\$520,952,324.92, while unshared balance in the GVC Account	
106	balance in the GVC Account as at June, 2024 was	
107	\$80,900,498.41. He concluded that the total outstanding	
108	balance against NPDC was \$18,233,325.02.	
109	<b>NNPC Limited Exchange Rate Differentials on PMS</b>	
110	<b>Importation and Other JV Taxes for the Period August,</b>	
111	<b>2023 to April, 2024:</b>	
112	The Federal Commissioner, RMAFC informed the meeting hat	
113	NNPC Limited reported to the Sub-committee that it had	
114	outstanding claim of <del>N</del> 4,344,519,176,167.32 against the	
115	Federation as a result of exchange rate differentials as at	
116	June2024. He stated that the Sub-committee observed that the	
117	details of the PMS volume, price and sales value were not	
118	provided in the June, 2024 Report of NNPC Limited to justify the	
119	exchange rate differentials recorded. He concluded that the	
120	Sub-committee had resolved to request NNPC Ltd to provide	
121	the relevant information for further consideration.	
122	<b>Deduction for Road Infrastructure Tax Credit Scheme:</b>	
123		
124	The Federal Commissioner, RMAFC reported that the Sub-	
125	committee observed a monthly deduction in the sum of	



126	\$52,509,484.28 from the amounts due to FIRS JV Gas and	
127	CIT taxes for the purpose of funding the Road Infrastructure	
128	Tax Credit Scheme (RITCS). He added that the deductions	
129	were from the period of February to June, 2024.	
130	Furthermore, he reported that the Sub-nationals were	
131	demanding refund of their portion of the total amount of	
132	\$262,547,421.40 already deducted. He concluded that the	
133	resolution adopted by the Sub-committee was that FIRS should	
134	provide the details of Tax Credit granted NNPC Ltd and other	
135	organizations.	
136	<ul style="list-style-type: none"> <li>• <b>Update on Review of the Transaction, in the sum of</b></li> </ul>	
137	<b>₦3.2 trillion in the FGN Treasury Crude Account No:</b>	
138	<b>200054141287 with the CBN:</b>	
139	He informed members that CBN reported to the Sub-	
140	committee that it had concluded the reconciliation exercise on	
141	the matter. He stated that the outcome showed that no amount	
142	was withheld from the FGN Treasury Crude Account. He	
143	disclosed that the Sub-committee had requested CBN to	
144	provide the reconciliation report and bank statements to	
145	corroborate the claim.	
146	<ul style="list-style-type: none"> <li>• <b>Unshared Electronic Money Transfer Levy (EMT L) as</b></li> </ul>	
147	<b>at May, 2024:</b>	
148	The Federal Commissioner, RMAFC recalled that in May, 2024,	
149	PMSC reported that there was an unshared revenue balance of	
150	₦13,953,481,584.17 in the EMTL Account, which was	

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151	subsequently disputed by FIRS. He stated that OAGF was	
152	mandated to further look into the issue.	
153	<ul style="list-style-type: none"> <li>• <b>FIRS Outstanding NNPC PSC PPT and JV PPT and</b></li> </ul>	
154	<b>Gas Income:</b>	
155	The Federal Commissioner, RMAFC reported that the FIRS is	
156	expecting a total sum of ₦1,503.313billion from NNPC being	
157	cumulative PSC PPT and JV PPT and Gas income payment for	
158	the period June, 2023 to April, 2024 which was used as FIRS	
159	share of Federally Funded Project. The NNPC representative	
160	however, explained that with the implementation of PIA, the	
161	Company had taken over all the JV assets, hence there are no	
162	more Federally Funded Projects from the taxes due to FIRS.	
163	He stated that the sub-committee had requested FIRS and	
164	NNPC to meet and report back.	
165	<ul style="list-style-type: none"> <li>• <b>Performance of the Revenue Generating Agencies</b></li> </ul>	
166	<b>Collections/Transfers to the CBN Component</b>	
167	<b>Statement in May, 2024 Federation Account:</b>	
168	He reported that the sum of ₦2,518,052,134.59 was	
169	collected by the Ministry of Mines and Steel Development	
170	(FMMSD) in the month of June, 2024. He stated that the	
171	balance in the Solid Mineral Account as at June, 2024 was	
172	₦23, 620, 194,507.83.	
173	<ul style="list-style-type: none"> <li>• <b>Assessing the Impact of the FAAC PMSC on</b></li> </ul>	
174	<b>Outstanding Arrears of Revenue Inflows due to the</b>	
175	<b>Federation Account in June, 2024:</b>	

176	The Federal Commissioner, RMAFC reported that for the	
177	Month of June, 2024, the total sum of \$194,736,652.20	
178	equivalent to <del>N</del> 364,318,868,706.80 was reconciled and	
179	confirmed paid into the CBN designated accounts following the	
180	reconciliation with Agencies.	
181	• <b>Outstanding Federation Account Revenue Arising</b>	
182	<b>from Inter-Agencies Reconciliation Meeting Held in</b>	
183	<b>August, 2024:</b>	
184	The Federal Commissioner, RMAFC reported that the total	
185	unresolved amount due to the Federation Account from the	
186	reconciliation meeting held with the Revenue Generating	
187	Agencies (RGAs) in August, 2024 was \$235,578,098.24 and	
188	<del>N</del> 6,310,816,432,259.38. He stated that the outstanding	
189	amounts were still being reconciled with the relevant agencies	
190	at the monthly reconciliation meeting. He disclosed that all	
191	other outstanding amounts from the RGAs before June, 2023	
192	were referred to the Stakeholders Alignment Committee and	
193	PMSC was awaiting the outcome of the reconciliation.	
194	• <b>Update on Balances in Special Reserve Accounts:</b>	
195	He reported the balances in the Special Reserve Accounts as	
196	at June, 2024 as follows:	
197	a) Stabilization Fund - <del>N</del> 50,648,872,064.38	
198	b) Dev. of Nat Resources Fund - <del>N</del> 60,702,621,360.39	
199	c) Domestic Excess Crude - <del>N</del> 6,523,326,609.07	
200	d) Solid Mineral Account - <del>N</del> 23,620,194,507.83	



201	e) Oil Excess Revenue Account -	N67,990,026.62
202	f) Police Trust Fund Account -	<del>N27,389,773.732.83</del>
203	g) Non-oil Excess Revenue Acct. -	<del>N595,867,395,576.30</del>
204	h) Forex Equalization Account -	N18,500,744,903,.02
205	i) EMTL -	N13,953,481,584.12
206	j) Exchange Gain Account -	<del>N80,230,572,340.52</del>
207	k) Good and valuable	
208	Consideration Account -	\$80,900,498.41
209	l) Excess Crude PPT Account -	\$473,754.57
210	<b>Comments:</b>	
211	The Chairman commended the PMSC for the presentation and	
212	requested comments from members.	
213	The HCF, Niger State observed that many items in the	
214	PMSC's report were still unresolved despite several	
215	recommendations to Plenary for consideration. He therefore,	
216	urged FAAC to consider taking final decisions that would	
217	address the issues. In his comment, the HCF, Ebonyi State	
218	sought to know if the portion of the States from the Gazelle	
219	Project Account would be shared in the current month. Also in	
220	her comment, the HCF, Kaduna State sought clarifications on	
221	the N13.9 billion unshared balances in the EMTL Account.	
222	Reacting, the Fed. Commissioner, RMAFC/Vice Chairman,	
223	PMSC disclosed that the resolution of the issue of the N13.9	
224	billion in the EMTL Account, was delayed due to lack of full	
225	membership on PMSC, following the expiration of the tenure of	



226	some Federal Commissioners of RMAFC. He assured that	
227	update would be provided as soon as full membership was	
228	achieved.	
229	Commenting on the Gazelle Project Account, the HCF, Delta	
230	State disclosed that based on the PMSC report, States were	
231	expected to receive payment from the value of their shares in	
232	the project. He therefore, requested that the transaction should	
233	be monitored to ensure that amount due to each tier of	
234	government from the project was accurately determined. He	
235	also requested that the interest accruable on the escrowed	
236	amount should be determined and added to the shares of the	
237	beneficiaries.	
238	Commenting on the issue, the Chairman, Commissioners	
239	Forum/HCF, Ekiti State requested that, NNPC Ltd which was	
240	managing the Gazelle Project, should provide detailed report	
241	on the operations of the Account for the knowledge of	
242	members. He also agreed with his counterparts on the need to	
243	have a mechanism in place that would allow FAAC to monitor	
244	the project and to be able to verify the figures being reported	
245	from the transaction. He expressed concern over the continued	
246	accumulation of withheld funds by NNPC Ltd on FIRS PPT	
247	PSC and JV PPT, and insisted that the Company must be	
248	made to account for all the withheld funds.	
249	Contributing to the discussion, the HCF, Gombe State	
250	observed that NNPC Ltd was not only indebted to the	

251	Federation Account in respect of the FIRS's taxes but that, the	
252	company was also having outstanding on NUPRC Royalties,	
253	which was not being reported. He stated that the NNPC Ltd and	
254	the two (2) other Agencies were requested during the previous	
255	meetings, to reconcile and provide monthly report on the	
256	outstanding figures but had so far refused to comply. The HCF,	
257	Benue State advised that FAAC should be setting timelines for	
258	the Agencies to implement the decisions of the Committee as it	
259	concerned them, and a follow-up be made to ensure	
260	compliance.	
261	Responding to the issues raised by members, the	
262	Chairman concurred with the suggestion that Agencies should	
263	be given timelines to implement the directives given to them by	
264	FAAC, to ensure speedy resolution of issues. On the issue of	
265	Project Gazelle Funding Escrow Account, the Chairman agreed	
266	with the need to have a holistic report on the Project to include	
267	funding and other details for members to be adequately	
268	enlightened. He added that reports should also be made	
269	available on other Reserved Accounts of the Federation, to	
270	enable the resolution of all the issues. He therefore, suggested	
271	the need for CBN and NNPC Ltd to send competent officers to	
272	FAAC meetings to provide the required explanation to address	
273	the issues.	
274	In the absence of any further comments, the Chairman called	
	for the adoption of the PMSC report. Accordingly, the HCF,	



275	Kano State moved for the adoption of the report and was	
276	seconded by the HCF, Sokoto State.	
277	<b>CONSIDERATION/ADOPTION OF THE STATUTORY</b>	
278	<b>REVENUE ALLOCATION FOR THE MONTH OF JULY, 2024</b>	
279	<b>DISTRIBUTED IN AUGUST, 2024:</b>	
280	Presenting the Account for the month of July, 2024, distributed	
281	in August, 2024, the Accountant-General of the Federation,	
282	(AGF) reported that a Gross Statutory Revenue of	
283	<del>₦</del> 1373.503trillion was collected and the sum of <del>₦</del> 161.593 billion	
284	was available for distribution, after the following deductions	
285	were made:	
286	a. 13% Derivation Refunds on	
287	Withdrawals from ECA/	
288	Signature Bonus	- <del>₦</del> 100.000 billion
289	b. 13% Refunds on Subsidy,	
290	Priority Projects and Police	
291	Trust Fund (1999-Dec. 2021)	- <del>₦</del> 18.163 billion
292	c. Special Intervention for Nig. Military	- <del>₦</del> 100.000 billion
294	d. 13% Derivation Refund on JVC and	
295	Domestic Excess Crude	- <del>₦</del> 100.000 billion
296	e. Intervention to States for	
297	Infras& Security	- <del>₦</del> 100.000 billion
298	f. Third tranche of funding for	
299	Presidential Metering Initiative	- <del>₦</del> 100.000 billion
300	g. Part of Refund due to States from	

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301	Signature Bonus Account	- <del>N</del> 400.000 billion
302	h. 4% Cost of Collection (FIRS)	- <del>N</del> 30.279billion
303	i. 7% Cost of Collection (NCS)	- <del>N</del> 22.104 billion
304	j. 4% Cost of Collection (NUPRC)	- <del>N</del> 21.576 billion
305	k. Transfer to NMDPRA	- <del>N</del> 28.275 billion
306	l. Transfer to Non Oil Excess as Savings	- <del>N</del> 000.000 billion
307	m. FCT 1% Signature Bonus/ECA	- <del>N</del> 100.000billion
308	n. FIRS 2024 Tax Refund	- <del>N</del> 50.000 billion
309	o. 13% Derivation iro NNPC Ltd	
310	Management fee and Frontier	
311	Exploration Fund, April, 2024	- <del>N</del> 1.513 billion
312	p.Oil Theft Prevention	- <del>N</del> 40.000 billion
313	The AGF informed members that the net Statutory Revenue of	
314	<del>N</del> 161.593 for the month was shared as follows:	
315	(a) Federal Government (52.68%)	- <del>N</del> 58.545 billion
316	(b) State Governments (26.72%)	- <del>N</del> 29.695 billion
317	(c) Local Governments (20.60%)	- <del>N</del> 22,895billion
318	(d) Derivation (13 % MR)	- <del>N</del> 50.459 billion
319	She reported that the sum of <del>N</del> 625.329 was realized from	
320	Value Added Tax (VAT) for the month and after the deduction	
321	of <del>N</del> 18.009 billion and <del>N</del> 25.013 billion, being 3% allocation to	
322	the North-East Development Commission (NEDC) and cost of	
323	collection to the FIRS and NCS, the balance of <del>N</del> 582.307 billion	
324	was shared as follows:	
325	(a) Federal Government (15%)	- <del>N</del> 87.346 billion

326	b) State Governments (50%) - <del>N</del> 291.154 billion	
327	(c) Local Governments (35%) - <del>N</del> 203.807 billion	
328	The AGF stated that the Gross Statutory Revenue of	
329	<del>N</del> 1,387.150 billion received for the month was lower than the	
330	sum of <del>N</del> 1,432.667 billion received in the previous month by	
331	<del>N</del> 45.517billion. She disclosed that the Oil and Gas Royalty,	
332	Petroleum Profit Tax, Value Added Tax, Import Duty, EMTL and	
333	CET Levies increased significantly while, Excise Duties	
334	increased only marginally. The Company Income Tax recorded	
335	a decreased.	
336	Concluding, she informed members that the distributable	
337	Statutory Revenue for the month was <del>N</del> 175.240 billion, VAT	
338	was <del>N</del> 582.307 billion, EMTL was <del>N</del> 18.818 billion, Exchange	
339	Gain was <del>N</del> 581.710billion, Revenue from Solid Minerals	
340	<del>N</del> 13.647 billion, bringing the total to N1,358.075 billion.	
341	<b>Comments on the Account</b>	
342	The Chairman thanked the AGF for the presentation and	
343	requested comments from members.	
344	The HCF, Adamawa State referred to the Communique and	
345	sought clarifications as to why the figure for "Gas Flared	
346	Penalty" had remained the same every month. The HCF,	
347	Ebonyi State on the other hand, requested clarifications on the	
348	payment of 1% Signature Bonus to FCT. He stated that, the	
349	item was not known to members before it was included in the	
350	distribution. Furthermore, he appealed to the Secretariat to	

18/9/16



351	ensure that the proposed dates for FAAC meetings were duly	
352	confirmed before announcement. He complained that the	
353	sudden change in the dates usually caused members to	
354	change their flight tickets, making them to incur additional	
355	costs.	
356	The HCF, Niger State agreed with his counterpart from Ebonyi	
357	State on the issue of the 1% deduction in favour of FCT. He	
358	sought clarification on the computation of the N100 billion	
359	refund to FCT from the Signature Bonus Account. In addition,	
360	he observed that the deduction in respect of the support for the	
361	Military had been consistent while no refund was made to the	
362	States on ECA withdrawals since the release of first instalment	
363	in May, 2024. He therefore, requested clarification on the	
364	matter. Commenting, the HCF, Bayelsa State expressed	
365	concern that no report was provided to FAAC on the issue of	
366	1% payment to FCT. He clarified that FCT's share from the	
367	Federation Account was paid as part of the FG's allocation of	
368	52.68% and as such, FCT was to get its share of the refund	
369	through the Federal Government.	
370	The HCF, Enugu State in his contribution, expressed concern	
371	over the number of new items which appeared as deductions	
372	from the Federation Account Revenue. He stated that most of	
373	the deductions were decided without the consent of FAAC and	
374	stressed the need for members to be given advance	
375	information on the planned deductions before inclusion in the	

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376	distribution. He stated that only FAAC had the Statutory	
377	mandate to approve payment from the Federation Account.	
378	Contributing, the HCF, Akwa Ibom State pointed out that some	
379	items in the Communique were not clear to members and	
380	suggested the need to simplify the document for easy	
381	understanding.	
382	On his part, the HCF, Delta State raised the issue of payment	
383	of Gas Flared Penalty to NMDPRA. He recalled that a decision	
384	was taken by FAAC at previous meetings that the payment of	
385	Gas Flared Penalty be suspended until the Agency provide	
386	explanation to justify the payment. He sought to know why the	
387	payment to NMDPRA was still ongoing despite the decision.	
388	Furthermore, he raised the issue of the proposed funding to Oil	
389	Theft Prevention Project from the Federation Account. He	
390	argued that the project could be funded from the 30% each of	
391	the Management Fee and Frontier Exploration Fund being	
392	taken by NNPC Ltd.	
393	Responding to some of the issues raise, the AGF informed the	
394	meeting that the amount being deducted for Gas Flaring was	
395	not the same every month as observed. She informed that the	
396	June, 2024 figure and that of July, 2024 were different.	
397	Furthermore, she clarified that the payment of Gas Flared	
398	Penalty to NMDPRA was as provided for in the Petroleum	
399	Industry Act (PIA). On the payment of 1% Signature Bonus to	
400	FCT, she informed that the amount was part of the	

401	accumulated refund due to FCT from the Signature Bonus as	
402	well as ECA Withdrawals, which became outstanding after the	
403	payment to the States. Regarding the suspension of ECA	
404	refund to States, she informed that some of the proposed	
405	deductions from the account for the month, were stepped-down	
406	in order not to over-stretch the available revenue for sharing.	
407	In his reaction to some of the issues raised by members, the	
408	Chairman disclosed that, there was a committee set up by the	
409	National Economic Council (NEC) on Oil Theft Prevention. He	
410	added that all the Governors were aware of the Committee, and	
411	advised members to be guided by the decision of their	
412	principals on the matter. He however concurred with the need	
413	for members to be aware in advance whenever there were such	
414	developments, particularly since it required funding from the	
415	Federation Account.	
416	Commenting, the HCF, Imo State explained that it was	
417	important that members were given the opportunity to look at	
418	any item proposed for inclusion in the distribution so as to	
419	enable discussion on it before the Plenary Session. He	
420	suggested the need for the Communique to also be sent to the	
421	Forum of Commissioners of Finance in advance for perusal.	
422	The Chairman, Commissioners' Forum/HCF, Ekiti State agreed	
423	with his colleagues on the positions above. He reiterated that	
424	the reports on the proposed deductions were needed for	
425	information of members to facilitate discussions at the Plenary.	

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426	Regarding the FCT 1% payment on Signature Bonus, he	
427	requested that the item should be stepped-down from the	
428	distribution pending the provision of relevant report and other	
429	details on the matter. The HCF, Akwa Ibom State concurred	
430	with the position. He added that the suspension of the	
431	deductions would enable the Forum to look at the proposals	
432	and discuss same with the HMF/CME.	
433	Responding, the Chairman explained that the idea behind some	
434	of the deductions was to ensure speedy execution of vital	
435	national projects that were key to the nation's security. In	
336	conclusion, he directed the Secretariat (FMF & OAGF) to	
437	ensure that reports and other relevant documentations	
438	including the Communique on FAAC distributions were made	
439	available to members through the Forum before the Plenary as	
440	requested.	
441	On that note, the Chairman called for the adoption of the	
442	revenue distribution for the month. Accordingly, the HCF,	
443	Nasarawa State moved for the adoption of the distribution for	
444	the month and seconded by her counterpart from Kaduna	
445	State.	
446	<b>ANY OTHER BUSINESS (AOB)</b>	
447	• <b>Presentation of the Report on Reconciliation of the</b>	
448	<b>Amount due to States from Federal Government</b>	
449	<b>Withdrawals from Excess Crude Account (ECA),</b>	
450	<b>Petroleum Profit Tax (PPT)/Royalties Account from</b>	

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451	<b>2009 to 2015 with States Debts:</b>	
452	The DHF reported that due to some considerations, the	
453	releases to States from the Refund could not be effected in the	
454	current month. He hoped that the repayment would resume	
455	next month.	
456	<b>• Report of the Joint Committee on the Review,</b>	
457	<b>Reconciliation and establishment of unremitted 13%</b>	
458	<b>Derivation due to the Oil Producing States from the</b>	
459	<b>Federation Account on Cash Calls and Domestic</b>	
460	<b>Crude Oil</b>	
461	The DHF presented the report of the Joint Committee on the	
462	above subject. He informed that at the end of the reconciliation	
463	exercise conducted jointly between the relevant stakeholders	
464	and the Consultant appointed by the Oil Producing States, a	
465	total sum of N20.904trillion was established as receivables from	
466	the Cash Calls and Domestic Oil and Gas sales between the	
467	period of April, 1999 to December, 2023. He stated that, the	
468	13% derivation revenue on the amount was computed at	
469	N2.717 trillion, to be refunded to the Oil Producing States.	
470	The representative of NNPC in his comment, observed the	
471	need to validate the appropriateness of the proposed payment	
472	of 13% derivation on JV Cash Calls. He explained that NNPC	
473	Ltd was not aware that 13% derivation was to be paid on Cash	
474	calls and as such, not in support of the proposal.	
	Reacting, the HCFs, Akwa Ibom, Bayelsa and Delta State	

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475	respectively argued that the money paid on JV Cash Calls were	
476	drawn from the Federation Account revenue and as such, it	
477	was justifiable to compute and pay 13% derivation on the	
478	amount.	
479	Commenting on the issue of ECA refund to States, the	
480	HCF,	
481	Katsina State recalled that a promise was made during the	
482	July, 2024 FAAC meeting that payment would be made in the	
483	current month. He expressed concern as to why the payment	
484	was further postponed to another month. On the payment of	
485	13% Derivation on JV, the HCF, Borno State observed that the	
486	Oil Producing States were already benefitting from several	
487	refunds on the 13% Derivation. He therefore, suggested that	
488	the current proposal should be stepped down for scrutiny	
489	before any further action.	
490	The HCF, Yobe State raised the issue of the proposal to pay	
491	N3 billion to each of the 36 States and FCT for flood mitigation.	
492	He sought to know when the amount would be released.	
493	Responding, the Chairman explained that the matter was	
494	undergoing administrative processes. He assured the meeting	
495	that government was working to address the issues to enable	
496	the release of the funds.	
497	Reacting, the Chairman, Commissioners' Forum/HCF, Ekiti	
498	State thanked the FG for the support. He called for a speedy	
499	resolution of the administrative processes to enable the amount	

500	to be released to the States on good time.	
501	<ul style="list-style-type: none"> <li>• <b>Introduction of New Members:</b></li> </ul>	
502	The Chairman, Commissioners' Forum/HCF, Ekiti State	
503	announced that Hon. Micheal Akpara, HCF, Abia State was	
504	reassigned another role by the Government of Abia State, and	
505	was attending FAAC meeting for the last time as HCF Abia	
506	State. The Chairman wished the outgoing HCF, well in his new	
507	assignment.	
508	<b>DATE OF NEXT MEETING:</b>	
509	The next meeting of the Committee was scheduled for Monday,	
510	16 <sup>th</sup> and Tuesday, 17 <sup>th</sup> August, 2024 at the Federal Ministry of	
511	Finance, Headquarters, Abuja. <b>ADJOURNMENT/CLOSING</b>	
512	<b>PRAYER:</b>	
513	The meeting adjourned at about 7:15pm on a motion moved	
514	by the HCF, Ebonyi State and seconded by the HCF, Kwara	
515	State.	
516		
	<p>.....</p> <p><b>Chairman</b></p> <p>.....</p> <p><b>Chairman,</b></p> <p>Forum of Commissioners</p>	<p>.....</p> <p><b>Secretary</b></p>

HOME FINANCE DEPARTMENT,  
FEDERAL MINISTRY OF FINANCE  
ABUJA.

AUGUST, 2024

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