

Treasury Single Account (TSA) Policy in Nigeria: Reviving Jonathan's 'Dead' Policy Directives

*Vahyala Adamu Tari¹, Pwafeyeno Myatafadi² and Minnessi Glenn Kibikiwa²

¹Department of Economics and Management Science, Nigeria Police Academy, Wudil-Kano, Nigeria.

²Department of Public Administration, Adamawa State University, Mubi, Adamawa, Nigeria.

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The survival and growth of domestic and international economic system relies fundamentally on effective financial management for it to stand a test of time. Failure to have such financial management, ministries, departments, agencies and other related institutions will lead to bankruptcy, financial corruption may prevail and the entire system may subsequently paralyze as a result of inadequate or poor financial discipline, monitoring, transparency and accountability. This paper, attempts to look at the contributions of reviving the Treasury Single Account. The paper relied on secondary methodology to effectively examine the fiscal impact of reviving the TSA policy and anchored on incremental model as a framework of analysis. The paper suggests better ways of making the policy effective amidst the dwindling oil price and the superiority of Dollar against the Naira. Hence, the paper concludes that except proper monitoring of government account is carried out, in all government institutions and strong punitive measure applied against defaulters and corrupt officers, that TSA will be a failure in Nigeria. The paper recommends that, the financial institutions and their supervisors, that is, Central Bank of Nigeria, should be proactive and instate measures to ensure full compliance to TSA and correct any lapses or negative impact of the policy on the affected financial institutions among others.

Keywords: Financial management, accountability, Central Bank of Nigeria, government policies, government account, government institutions.

INTRODUCTION

In recent years, developing and new economy emerging countries have massively engaged in the transition from manual to more computerized modus operandi in government activities, predominantly in the area of public fund management. Most renowned among them is the effort at reviving of the Treasury Single Account (TSA) policy. The effectiveness of the policy commenced through the Federal Government's directive to all revenue – generating agencies to shutdown their accounts with commercial banks. This directive came through a circular from the office of the Head of Service of the Federation, with file No. HCSF/428/S.1/120 dated 7th August, 2015 as

titled: Re: Introduction of Treasury Single Account:

“His Excellency Muhammadu Buhari, President, Federal Republic of Nigeria has approved the establishment and operation of Treasury Single Account for e-collection of Government Receipts for all Federal Ministries, Agencies and Departments (MDAs) with effect from the date of this circular. To aid transparency and facilitate compliance with section 80 and 162 of the constitution of the Federal Republic of Nigeria 1999 (as amended), all receipts due to the Federal Government or any of her agencies shall be paid into the TSA as follows: Account Name: Accountant General (Federal Sub-Treasury), Account No. 3000002095 maintained in the Central Bank of Nigeria except otherwise expressly approved...” (Kifasi, 2015).

*Corresponding Author's Email: vahyalatariadamu@gmail.com;
Tel.: 08054903343 & 07068944490.

In an attempt to shed light on the needed policy and a

way of enforcing or ensuring swift compliance, the Accountant General of the Federation (AGF) Mr. Jonah Otunla, posits that “The New Electronic Revenue Collection (ERC) platform is aimed at improving internally generated revenue in the face of declining oil prices. This, he said, was in line with a series of treasury reforms, which began in 2012, aimed at ensuring transparency and accountability in the management of the nation’s finances. In the light of the above, Director, fund office of the Accountant General of the Federation, Mr. Mohammed Dikwa, who spoke on his behalf, posited that henceforth, government revenues would now be paid into the CRF/TSA, as it is now difficult for MDAs to maintain revenues with commercial banks. According to him, with the coming of e-collection, MDAs can no longer maintain Revenue Bank Account (RBA) with commercial banks. They are therefore advised to transfer any outstanding balance with their RBA to the CRF and immediately commence processes for closing them. The circular that dispensed the directive also advised all Accounting Officers, Directors of Finance and Accountants, Directors of Internal Audit, Heads of Accounts and Heads of Internal Audit Units of MDAs and other arms of government are enjoined to give this circular the widest circulation and ensure strict compliance to avoid sanctions. This singular directive was an attempt to instill strict Monitoring and Fiscal discipline as enshrined in Section 80 and 162 of the 1999 Constitution of the Federal Republic of Nigeria (as amended). It is in conjunction with this that, The Sun Newspaper Editorial of 4th December, 2015 affirmed that “We hope that the policy will greatly improve the management of government revenue. If it is implemented, it will pave way for the timely payment and capturing of all revenues going into the government treasury without the intermediation of multiple banking arrangements. Besides, the system will likely reduce the mismanagement of public funds by revenue generating agencies. It is also expected to help check excess liquidity, inflation, high interest rate, round – tripping of government deposits, and the sliding value of the naira. In view of these benefits, we call for strict compliance with the directive on TSA by the relevant government organizations. The implementation of the order will require the cooperation of the National Assembly with the Executive arm to ensure strict compliance by the MDAs.

It is in the light of the above that this paper seeks to affirm the effectiveness of implementing the TSA policy with the view of suggesting mechanisms for effective compliance. In an attempt to achieve this objective, the paper is divided into six (6) sections following the introductory aspect, is the conceptualization of terms. Next is the theoretical exposition of the paper which is anchored on instrumentalist model. The brief history of the policy was also explored. The final aspect of the paper offers conclusion and policy recommendations.

Conceptualizing Treasury Single Account (TSA)

TSA is arguably a new concept of cash management in the entire civil system in Nigeria. Even though, it is boldly contained in sections 80 and 162 of the 1999 constitution of the Federal Republic of Nigeria, it remained a mere policy on paper apparently due to lack of political will on the part of the previous administrations to enforce it. But with the immediate assumption of President Muhammadu Buhari, he directed on-board the enforcement of a constitutional provisions for a central treasury techniques. This was immediately followed by a circular dated August 7th, 2015 to ensure a swift compliance with the directive.

According to Eme *et al.* (2015) the order on TSA, which came into effect on August 11 marks the beginning of MDAs retirement of revenues due to the Federal Government into a unified account maintained by the Central Bank of Nigeria (CBN). The payment of government revenue into multiple bank accounts operated by MDAs in commercial banks, as obtained under the old order, was clearly against the Nigerian Constitution which sections 80 and 162 directed that all federally – collected revenues should be paid into the Federation Account. It was a flagrant breach of the constitution that underscores the negligence in the management of the country’s finances. They further opined that, it is heartening that this will now be history, going by the efforts of the new administration to implement the TSA policy that was first recommended by the Federal Government’s Economic Reform and Governance programme in 2004, but dumped in 2005 following intense pressure from the banking industry. TSA is also part of the public financial management reforms which falls under Pillar 3 of the National Strategy for public service reforms towards vision 20:2020.

In an interview granted to the lead Director of Centre for Social Justice, a unit society group based in Abuja by The Guardian 16 August, 2015; Onyekpere defined TSA as a process and tool for effective management of government’s finances, banking and cash position. In accordance with the name, it pools and unifies all government accounts through a single treasury account. He further posited that, the consolidation into a TSA paves way for the timely capture and payment of all due revenues into government coffers without the intermediation of multiple banking arrangements. This to a very large extent prevented revenue leakages in terms of revenue loss and mismanagement by operators of all revenue generating agencies. Similarly, Johnson in The Guardian of 16 August, 2015 stated that TSA is a network of subsidiary accounts all linked to a main account such that, transactions are effected in the subsidiary accounts but closing balances on these subsidiary accounts are transferred to the main account, at the end of each business day. He further, highlighted that, with the implementation of the TSA, MDAs will maintain their individual account with the commercial

banks, but daily funding of their disbursement are made from the central or main account, which is resident with the CBN just as their closing balance at the end the day are transferred to the main account. This clearly suggested that, TSA is principally a cash management tool for efficient management of the government's cash position. Prior to the re-introduction of the TSA, government was incurring finance cost on debit balance in some MDA's accounts while it was earning close to nothing on the credit balance of other MDA's. Now with the presidential directive to unify all accounts, government will avoid incurring interest costs when it has positive net position.

TSA is a unified structure of government bank account enabling consolidation and optimal utilization of government cash resources. It is a bank account or a set of linked bank accounts through which the government transacts all its receipts and payments and gets a consolidated view of its cash management and is an effective tool for the ministry of finance/treasury to establish over sight and centralized control over government's cash resources (Eme *et al.*, 2015). TSA, according to International Monetary Fund (IMF), is a unified structure of government leant accounts through which the government transacts all its receipts and payments. It further explains that, in many cases, the Central Bank, while maintaining the TSA, may not necessarily maintain bank account for agency – specific transactions. In such instances, it is regarded as inappropriate for the Central Bank to undertake the government's retail banking. In a nutshell, TSA is a public accounting system under which all government revenue, receipts and income are collected into one single account, usually maintained by the country's Central Bank and all payments are done through this account as well. The purpose is primarily to ensure accountability of government revenue, enhance transparency and avoid misappropriation of public funds. This process of TSA will help to ensure proper cash management by eliminating idle funds usually left with different commercial banks and in a way enhance reconciliation of revenue collection and payment (SystemSpace, August 17th, 2015).

Theoretical framework

In public policy making and analysis, incremental model is a collective effort of various scholars like Charlse E. Lindblom (1968), David Braybrook (1963), Robert Dahl (1967), Martin Landau (1960) and Herbert Simon (1957). These groups of intellectuals are generally referred to as the incremental thinkers. Dlakwa (2014) wrote that due to lack of time, scarce resources, intellectual ability and cost implication, policy makers are likely to face in generating every person's opinion on every given issue, nor are they policy maker not opportune to identify all available alternative ways of solving problems before they could choose the best way out. In respect of the above subject

matter, if the present administration of President Muhammadu Buhari insists on subscribing to the rational comprehensive model, they are likely to end up in wasting time and resources, without addressing developmental issues. In this case, Ikelegbe (1995) suggested that, policy makers using incremental model do not review in all societal values and problems and all policy alternatives and their resultant consequences. They also do not seek to create optimal policy because of lack of time, data, human and material resources. This informed the idea by Howlett and Ramesh (2003) that, incrementalism relies upon a relatively stable policy background, rather than situations, where significant new data and problem identification are required. A good example of the subject matter, is the TSA policy where President Muhammadu Buhari as a matter of urgency, built on the existing experimental policy by his predecessor and translates it into a full fledged policy without any in-depth study or background checks. Dlakwa (2014) indicates that due to constraint in time, limited intellectual ability and cost implication decision – makers are unable to sample everybody's opinion on every given issue, nor are they in a position to identify all alternative ways of resolving problems before they could choose the best alternative. In line with this philosophy, five distinct characteristics of incremental model were proposed:

“First, it is incremental in the sense that only small steps are taken at a time in other to achieve specific objectives. Second, it is non-comprehensive because of the limitation imposed on policymakers by lack of resources to go into sufficient detail of problems before taking remedial actions. Third, policy decision involves “successive comparisons because policy is never made once. Fourth, in practice, decision making “suffices rather than maximizes from among the available options. This means that the policy maker can only solve a tiny bit of the problem and there could be a lot of errors committed by him in making such policy choice. The Fift is plurality in choice. This is base on the fact that government decision making rest on a pluralist conception of the public sector in which many contending interest groups compete for influence on our policy issues, continually forcing the administrator, as a person in the middle, to secure agreement from among the competing parties (Stillman 1980 p 201, in Dlakwa 2014).

In the theory above, four (4) assumptions can be deduced from the above submission in relation to newly introduced TSA policy in Nigeria, thus:

- Human beings and their values are fragile, volatile and unpredictable in nature. Therefore, the policy maker who wastes too much time in trying to understand all values surrounding a problem before taking a remedial measure would only end up in becoming more confused by the time he completes his in-depth analysis.

- Policymakers lack the sufficient knowledge required to study and understand all the fact surrounding every issues they come across. Moreover, the available resources of the policymaker are always insufficient which have effort on the analysis.
- The dynamism of the environment in which the policy maker operates is in continuous flux.
- It promotes short – sighted decision making that may have adverse long term consequences. Scott (2010) in Eme *et al.* (2015) uses incremental policy making to explain the unfortunate decision made in Vietnam, Afghanistan and Iraq.

TSA and MDAs

In line with the vigor of Muhammadu Buhari administration to commenced TSA policy compliance, as introduced last in 2015 to block revenue generation leakages by revenue generating agencies, on their own without another enabling government circular, promptly complied and moved their several revenue accounts maintained in commercial banks to the CBN including offshore accounts maintained by them. It is also imperative to understand that, the TSA policy directive is not only Jonathan's 'dead' policy that President Buhari has given directives for implementation. Some of these policies according to The Guardian newspaper of 16 August, 2015 include; the Integrated Personnel Information System (IPPIS) which was introduced to block ghost workers syndrome but was resisted by some MDAs and the harmonization of the country's various data banks hosted by different government agencies such as, the CBN, National Population Commission (NPC), Independent National Electoral Commission (INEC), Immigration Service and others.

In view of the presidential directives which was conveyed through a circular dated 7th August, 2015 by the office of the Head of Service of the Federation, Mr. Danladi, I. Kifasi, the CBN issued another circular dated 12th November, 2015, with a file No Ref: OFI/DIR/GEN/CIR/05/573, Titled: To All Chairmen, Non-Executive Directors, Managing Directors, Top Management Staff, All Operators and External Auditors of Primary Mortgage Banks and Development Finance Institutions: Implementation of The Treasury Single Account For FGN/MDAs' Deposit Balance:

"Following the directive given by the Federal Government that all banks (including PMBs and DFTs) should transfer to Central Bank of Nigeria all FGN/MDAs' deposit balance by 15th September, 2015, PMBs and DFLs were expected to have complied with the set deadline. In the event that your Institutions are still holding on to such deposits, you are required to immediately (from the date of this circular) transfer the balances to the Central Bank of Nigeria failing which severe penalties would be imposed for non-compliance. Ahmad Abdullahi (Director,

other Financial Institutions Supervision Department, Central Bank of Nigeria, Abuja).

With effect to the two separate circular shown above, MDAs of government pay their earnings into a unified bank account known as TSA. The directive applies to the MDAs that are funded from the Federation Account such as Nigerian National Petroleum Corporation (NNPC), the Central Bank of Nigeria (CBN), the Security and Exchange Commission (SEC), the Nigerian Ports Authority (NPA), the Nigeria Customs Service (NCS), Nigeria Immigration Service (NIS), Federal Inland Revenue Service (FIRS) and a host of others. The MDAs are to pay all their revenues to a sub-account linked to the TSA at CBN. To facilitate swift response with this order, the Head of Service of the Federation, Danladi Kifasi has given the account name and number of the TSA as Accountant General (Federal Sub-Treasury) and 3000002095. The Sun Editorial, August 25, 2015 revealed that, what has been practiced until now was for government agencies to operate several accounts, many of which were unknown to anyone other than their operators, and they were largely used to defraud government of due revenues. This act of indiscriminately maintaining numerous bank accounts created lot of loopholes in the revenue generating capacity of the country as it was a clear negation of the 1999 constitution of the Federal Republic of Nigeria. A clear look at section 80 sub section (1) (as amended) clearly enshrined that:

by the Federation (not being revenues or other money payable under this constitution or any Act of the National Assembly into any other public fund of the Federation established for a specific purpose) shall be paid into and form one consolidated Revenue Fund of the Federation."

Similarly, section 162 sub section (1) of 1999 constitution of the Federal Republic of Nigeria (as amended) stated that "All revenues or other money raised or received:

"The Federation shall maintain a special account to be called "The Federation Account" into which shall be paid all revenues collected by the government of the Federation, except the proceeds from the personal income tax of the personnel of the armed forces of the Federation, the Nigeria Police Force, Ministry or Department of Government charged with responsibility for Foreign Affairs and resident of Federal Capital Territory, Abuja.

This clearly suggest that, what was obtained under the previous regimes, was clearly against the Nigerian constitution which, in section 80 and 162, directed that all federally – collected revenues should be paid into the Federation Account. Eme *et al.* (2015) stated that "it was a obvious breach of the constitution that underscores the rot in the management of the country's finances. They

further argued that, it is heartening that this will now be history, going by the effort of the new administration to implement the TSA policy that was reportedly first recommended by the Federal Government's Economic Reform and Governance Programme in 2004, but dumped in 2005, following intense pressure from the banking industry. Even though in an interview with Chijioke Nelson by The Guardian Newspaper of August 16, 2015, revealed that "The immediate past government of President Goodluck Jonathan actually commenced the implementation of the TSA, but in phases, with about 42 MDAs in the first phase. He said, I think that subsequently, additional MDAs joined the TSA before the expiration of that administration's tenure. It is, therefore, not correct to say that the previous administrations ignored the TSA". Since then, all fully funded organs of government like the MDAs and foreign missions, as well as the partially funded ones like Teaching Hospitals, Medical Centres', Federal Tertiary Institutions, etc, Agencies like the Central Bank of Nigeria (CBN), Securities and Exchange Commission (SEC), Corporate Affairs Commission (CAC), Nigeria Ports Authority (NPA), Nigeria Communication Commission (NCC), Federal Airports Authority of Nigeria (FAAN), Nigeria Civil Aviation Authority (NCAA), Nigerian Maritime Administration and Safety Agency (NIMASA), Nigeria Deposit Insurance Corporation (NDIC), Nigeria Shippers Council (NSC), Nigeria National Petroleum Cooperation (NNPC), Federal Inland Revenue Service (FIRS), Nigeria Customs Service (NCS), Mining, Minerals and Sustainable Development (MMSD), Department of Petroleum Resources (DPR) are also affected. For any agency that is fully or particularly self-funding, sub-accounts linked to TSA are to be maintained at CBN and the accounting system will be configured to allow them access to funds based on their approved budgetary provisions. In this case, the CBN has opened a consolidated Revenue Account to receive all government revenue and effect payments through this account. All MDAs are expected to remit their revenue collections to this account through the individual commercial banks who act as collection agents. This signifies that the money deposit to the banks will have to be remitted to the Consolidated Revenue Accounts (CRA) with the CBN at the end of each banking day. In other words, all MDA's accounts commercial banks must be zeroed at the end of every banking day through a complete remittance of all revenues collected to the TSA. The implication is that commercial banks will no longer have access to the float provided by the accounts they maintained for MDA's. Different types of account could be maintained under a TSA arrangement and these may include the TSA main account, subsidiary or sub-accounts, transaction account, and zero balance account. Other types of accounts that could be operated include impress accounts, transit accounts and correspondence accounts. These accounts are maintained for transaction purposes for funds flowing

in and out of the TSA (SystemSpaces, August 17, 2015).

In a comparative perspective, earnings from natural resources are supposed to be for capital expenditure. Taxation should be used to run government; it is what is obtained in South Africa, Kenya, The United Kingdom (UK) and Germany. Tax earnings, including excise tax and import duties, are used to pay salaries and run government, pay members of the National Assembly. The adoption of TSA will involve retail banking which can still be performed by commercial banks such as collection of taxes/levies and disbursements of funds such as payment of salaries to civil servants. Different models of TSA have various levels of commercial bank involvement ranging from France where there is no involvement whatsoever to the UK where there is significant involvement of commercial banks to Peru where the TSA is actually managed by a commercial bank rather than the central bank. Earnings from natural resources are supposed to be used for building roads; hospitals, parks, expanding schools, and other infrastructural development. These are called reproducible resources that should enhance the capacity of the people such that the ordinary farmer has access to good road, water and electricity (Sydney, 2015).

According to Sailendra and Isreal (2011) there are different options as to how a TSA interrelates with government transaction processing systems for revenue collection and payment disbursement. A transaction processing system, inter alia, is based on the distribution of responsibilities for budget execution, accounting control, and administration of the revenue collection and payment systems. In some countries, all expenditure transactions are approved centrally in the ministry of finance/treasury and paid from the TSA. Alternatively, individual spending units/agencies may be responsible for payments and they may have transaction accounts in the banking system for this purpose. They further assert that, several countries operate a hybrid system under which major receipts and payments flow directly through the TSA, but smaller transactions rely entirely on the commercial banking system. In this arrangement, however, the use of cash is minimized if any balances left with banking system are swept overnight back into the TSA. This is the global best practices of managing cash in an attempt to reduce or minimize financial corruption, instill financial discipline and block leakage in revenue generating agencies. Eme *et al.* (2015) affirm that "It is globally recommended that no other government agency should operate bank account outside the oversight of the treasury. The institutional structures and transaction processing arrangements determine how a TSA is accessed and operated ..."

Contrary to the fears that the policy might distrust operations of some of the agencies and institutions, including the universities and other related institutions with huge daily operations, this paper is of the view that, it would rather promote accountability and responsible

operations. Hence, there is nothing wrong with what the government is trying to enforce. This paper discovered that, MDAs and other institutions have been running financial resources of this country in a wrong way. It is in view of this that, the President of Ship-Owners Association of Nigeria, Captain Niyi Labinjo in *The Guardian* of August 16, 2015 said, "Before now, MDAs like NPA, NNPC, NIMASA, etc determine what they remit to the government from the lots they realized. He further argued that, the government should know how much they are making, how much they spends, and what they are spending money on. "But contrary to what was obtainable in the previous administrations, the CBN, the National Bureau of Statistics (NBS), Federal Ministry of Finance and other related government agencies do not know what these agencies are making. No wonder, President Muhammadu Buhari expressed shock during his Median Media Chat on 31st December, 2015 that the NNPC operate forty five (45) different banks accounts while the Military operate seventy (70) bank accounts.

From the forgoing discussions, to what extent TSA policy guarantee job security especially in the banking sector, knowing that the banking sector is the highest employer of labor in Nigeria private sector? National Infinity, September 13, 2015 reports that "commercial banks in Nigeria have commenced laying-off some of their staff, following the federal government directive to ministries and agencies for a TSA". This was base on the ground that, the commercial banks can no longer keep their staff, as MDAs have commenced withdrawal of their deposits in compliance with the federal government directive. "The truth is that some of these deposits, especially fixed help the banks to large extent, now, there is directive that government funds should be withdrawn, on one hand it will ensure accountability, but on the other hand the banks will also have to reduce their staff strength or be ready to recapitalize (National Infinity of September 13, 2015). Could it be that, it was the MDAs' that was sustaining the Nigerian commercial banks? Could there not be another means of survival without deposits from the MDAs? Are the commercial banks not conscious of government policy of this Nation? Could it be that the banks cannot restrategise with laying off desk officers? Onyekpere, the lead Director of Centre for Social Justice, a civil society group based in Abuja, in an interview with *The Guardian* August 16, 2015 said "I do not see the full implementation of the TSA hurting banks. It will only hurt establishments that purport and pretend to be banks but have failed, refused and neglected to understand banking and do what bankers do elsewhere". He posits that, it is an opportunity for banks to refocus on the original purpose for which they were set-up to collect depositors' funds (not necessary government funds), keep them safe, engage in intermediation to create wealth and jobs for the economy and in the process earn profit for themselves". Similarly, Johnson Chukwu, the Chief Executive Officer of Cowng Asset Management, in

an interview with *The Guardian* of August 16, 2015 argued that "the full implementation of the TSA will certainly reduce the banks' net liquidity position and hence constrain their ability to create credits and this will invariably affect their profitability. I however, do not think that the impact would be so severe as to lead to job losses. This is in view of the fact that many banks had made provisions for the exit of public funds from their balance sheet at the time when the Monetary Policy Committee imposed a 75 percent cash reserve ratio on public sector funds. Consequently, I expect any bank that is efficiently managed to have made adequate provisions for the exit of public sector fund". Therefore, in as much as TSA policy is likely to create sterilization and weaken the ability and the capacity of the banks to create more money, or hampered lending capacity, it should serve as an opportunity for the banks to refocus and look in-word towards overcoming the challenges, towards creating wealth, boost the economy and sustain development.

Brief History of TSA in Nigeria

Not until August 11, 2015 when President Muhammadu Buhari ordered immediate stoppage of multiple accounts, the Federal Government had, for at-least 48 years, breached its own rule on e-collection and management of national revenues. Beginning with the Lyttleton Constitution, the 1954 document that conferred the status of a Federation on Nigeria, the central government has always been mandated to operate a single revenue account for the country. Forty-five (45) years after, section 80 sub-section 1 and section 162, sub-section 1 of the 1999 constitution of the Federal Republic of Nigeria (as amended) spelt out clearly on how national revenue shall be collected and managed. As opposed to the constitutional provisions, Buhari recently issued a directive of implementation of TSA, into which MDAs' of government, which are funded from the federation account, will henceforth remit their revenue to Federal Government, the MDAs should with immediate effect pay all their revenues to a sub-account that is linked to the TSA at the CBN. To facilitate swift response with the directive, the Head of Service of the Federation, Danladi Kifasi along side the Governor of the CBN, Godwin Emeziele, gave the federal sub-treasury account name and number as Accountant General and 3000002095.

"The constitutional provision for single account beginning from 1954 notwithstanding, investigation revealed that since 1967, successive administrations have "been breaking the law" by operating multiple accounts. Historically, therefore, this paper argued that some accounts established between 1967 to 2004 negated principles of revenue generation and allocation in a federal state and that their continued operation "called to question the integrity of the Federal Government in keeping to the dictates of the rule of law and the due process of financial management as

enshrined in extant legislative rules in Nigeria.

Ogunyemi to The Guardian of August 16, 2015 claimed that, though the legitimacy of the TSA was enshrined in the 1954 Oliver Lyttleton constitution, the opening of other accounts started 48 years ago, during the civil war under the General Yakubu Gowon regime, to prosecute the war. He then argued that, the origin for several accounts for the Nigerian Federation can be traced to the regime of Gen. Gowon, who was Head of State for about nine years, from 1966 to 1975. That regime was awash with petroleum money, so it had to create several accounts in England and United States, to receive the huge unexpected income, after the civil war, which ended in January 1970. These accounts were dedicated to certain things such as reconstruction of facilities destroyed during the war; amortizing debts incurred during the war; and joint venture cash calls account for financing joint ventures between the Nigerian government and oil partners among others. He further, opined that, the bastardization of the accounts, from dedicated to corruption-induced, and arbitrary operations began with the Gen. Ibrahim Babangida regime, and later Gen. Sani Abacha" (Oyunyemi in Mbamalu, 2015). Therefore, it is the position of this paper, looking critically at the historical background of multiple accounts by MDAs, that the fiscal negligence and financial corruption by politicians from the Third Republic to May 29, 2015 continued with the illegality from the Military background.

Conclusion

From the foregoing, it is obvious that the primary benefit of a TSA cannot be overemphasized. With the current Nigerian dwindling oil price, TSA will help to block most if not all the leakages that have been stumbling blocks to the growth of the economy. Nigeria has witnessed where MDAs manage their revenue like independent empire and remit what they deem fit to government treasuries. With the new directives, this is not possible as agencies of government are meant to spend in line with duly approved provisions. The maintenance of a single account for government will enable the CBN and the Ministry of Finance monitor funds inflows and outflows as no agency of government is allowed to maintain any operational bank account outside the over sight of the ministry of finance and the CBN. Finally, the implementation of this policy therefore is a critical step towards boosting the economy, plug leakages and curb corruption in public finance. This is proactively in line with the commitment of Muhammadu Buhari's administration to fight corruption, curtail indiscipline in public finance and ensure sufficient fund flow that will boost the economy and propel sustainable development.

Recommendations

In order to ensure proper and smooth collection of

government receipts, plug leakages, boost the economy, the following recommendations are useful for the success of TSA in Nigeria:

- * The census of government bank accounts (MDAs and others) should be reviewed to identify bank accounts for closure, especially, those bank accounts that have outlived their utility (and are not needed) should be shut down, and balances should be transferred to the TSA.
- * Some existing cash-holding bank accounts at commercial banks should be converted to zero-balance accounts (ZBA) for transaction balance purpose.
- * An orderly and swift transfer of cash balances from the existing commercial bank accounts (that are either to be closed or converted to ZBAs) to the TSA should be implemented, with a view to ensuring, minimal disruption to banking system liquidity and monetary policy. This recommendation is in consonance with Sailendra and Isreal, 2011.
- * The cooperation of the National Assembly is highly required, to ensure timely appropriations and release of budgeted funds to government agencies.
- * The financial supervisors i.e. the CBN should also be proactive to legislate measures to correct any loophole of the new policy. Thoughts that are traced to commercial banks laying-off staff, should urgently be addressed.

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