

## **Role of Treasury Single Account in Enhancing Transparency, Good Governance and Curbing Corrupt Practices in the Nigerian Public Service**

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### **Abstract**

The Treasury Single Account (TSA) was introduced by the global international financial institutions specifically the World and IMF to help countries block leakages and other wastages that are associated with corrupt practices in the management of the public funds by the public servants. The TSA was embraced by the Nigerian Government with the same objective of blocking leakages and fostering transparency in public services. This has been behind the background of the allegations of corrupt practices, mismanagement, leakages, waste and squandering of public resources by the public servants who dubiously maintained several accounts for one ministry or agency. This study investigated the role played by TSA in the promotion of transparency, good governance, and preventing corrupt practices. The study used documented sources for assembling data involving the existing body of literature after thoroughly identifying the clear gap for contribution to knowledge. The sources obtained were discussed using empiricism where statistical data were analysed on the impact of TSA on preventing leakages and corrupt practices. The study discovered that the introduction of TSA in the Nigerian public service was a good reform and a success in minimising dubious transactions, corrupt practices, and the operation of suspicious redundant accounts by Ministries, Departments, and Agencies (MDAs) of Government. The study therefore, recommends that there is a need for full automation and digitalisation of governmental processes in Nigeria to reflect in other sectors of governance which can help in preventing leakages, malpractices, corrupt practices, and misgovernance.

Keywords: Corrupt Practices, Good Governance, Nigerian Public Service, Transparency, TSA

### **Abstrak**

Treasury Single Account (TSA) diperkenalkan oleh lembaga keuangan internasional global khususnya Dunia dan IMF untuk membantu negara memblokir kebocoran dan pemborosan lain yang terkait dengan praktik korupsi dalam pengelolaan dana publik oleh pegawai negeri. TSA dianut oleh Pemerintah Nigeria dengan tujuan yang sama untuk memblokir kebocoran dan mendorong transparansi dalam layanan publik. Hal ini dilatarbelakangi adanya dugaan praktik korupsi, mismanajemen, kebocoran, pemborosan dan pemborosan sumber daya publik oleh pegawai negeri yang dengan ragu-ragu memelihara beberapa rekening untuk satu kementerian atau lembaga. Studi ini menyelidiki peran yang dimainkan oleh TSA dalam mendorong transparansi, tata kelola yang baik, dan mencegah praktik korupsi. Studi ini menggunakan sumber terdokumentasi untuk mengumpulkan data yang melibatkan literatur yang ada setelah mengidentifikasi secara menyeluruh celah yang jelas untuk kontribusi terhadap pengetahuan. Sumber-sumber yang diperoleh didiskusikan dengan menggunakan empirisme dimana data statistik dianalisis dampak TSA terhadap pencegahan kebocoran dan praktik korupsi. Studi ini menemukan bahwa pengenalan TSA dalam layanan publik Nigeria merupakan reformasi yang baik dan keberhasilan dalam meminimalkan transaksi yang meragukan, praktik korupsi, dan pengoperasian rekening berlebihan yang mencurigakan oleh

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Received: February 12, 2023; Revised: April 20, 2023; Accepted: May 10, 2023

Kementerian, Departemen, dan Lembaga (MDA) Pemerintah. Oleh karena itu, penelitian ini merekomendasikan bahwa ada kebutuhan untuk otomatisasi penuh dan digitalisasi proses pemerintahan di Nigeria untuk mencerminkan sektor tata kelola lainnya yang dapat membantu mencegah kebocoran, malpraktik, praktik korupsi, dan kesalahan tata kelola.

Kata kunci: Praktik Korupsi, Good Governance, Pelayanan Publik Nigeria, Transparansi, TSA

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## **INTRODUCTION**

Nigeria is one of the countries with a low-performing index in accountability and transparency in the public services and the management of the public treasury. The African Union (2017) reported that approximately, about \$600 billion was stolen from Nigeria's public purse since 1960 while the Corruption Perception Index (2021) reported Nigeria's ranking as 148, a further decline in comparison with the 143<sup>rd</sup> rank in 2020. The alarming rate of corruption allegations in the public service by both politicians and civil servants compelled the Nigerian Government in 2010 to consider the adoption of some measures including the Treasury Single Account and Integrated Personnel Payroll Information System (IPPIIS) to drastically curb corruption practices in blocking leakages and waste of public resources and to weed out ghost workers from the government's payroll. This process is targeted towards enhancing transparency, and good governance and mitigating corruption in public offices.

The TSA is an austerity and accountability and transparency package prepared and introduced by the duo of the World Bank and the International Monetary Fund (IMF) for developing countries to help them curb dubious financial practices, unnecessary leakages, wastages, squandering, and other deals that are suspicious (Pattanayak & Fainboim, 2010). In Nigeria, before the introduction of TSA, many Government agencies are found to have operated multiple accounts that are redundant and usually unaccounted for where funds are diverted from the main accounts to these periphery accounts unknowingly to the government and the National Assembly. After the introduction of TSA, shocking revelations disclosed that many Ministries, Departments, and Agencies (MDAs) had operated more than 8 to 10 separate accounts that are difficult to measure in accountability and transparency. Also, the Government in 2018 revealed that it saved more than N200 billion from the operation of TSA, and hundreds of redundant accounts were closed or blocked leading to the blockage of leakages.

Thus, while it is believed that the TSA played an influential role in minimising corrupt practices, other issues of good governance and transparency are still considered questionable and there is a need to investigate whether TSA is a full success or whether there are other more measures that should be adopted and integrated to foster good governance. The saved monies are questioned by observers on whether they are themselves accounted for or are being channeled into something else beyond transparency. This study, therefore, carefully scrutinised the existing works of literature on TSA operation in Nigeria but discovered that there is no work that dwell much on its role in enhancing transparency, good governance, and curbing corrupt practices. This is an important dimension that requires attention and this is the main discernible contribution of this work.

## **RESEARCH METHOD**

The study relied on the documented sources to collect data from the previous studies and reports while the analysis was made using an empirical statistical interpretation from the data obtained.

## **RESULTS AND DISCUSSION**

### **The Treasury Single Account (TSA): A Background**

A TSA is a unified structure of government bank accounts that gives a consolidated view of government cash resources. Based on the principle of unity of cash and the unity of treasury, a TSA is a bank account or a set of linked accounts through which the government transacts all its receipts and payments. The principle of unity follows from the fungibility of all cash irrespective of its end use. While it is necessary to distinguish individual cash transactions for control and reporting purposes, this purpose is achieved through the accounting system and not by holding/depositing cash in transaction-specific bank accounts. This enables the treasury to delink management of cash from control at a transaction level.

A full-fledged TSA shares three essential features: First, the government banking arrangement should be unified, to enable Ministry of Finance (MoF) (or treasury) oversight of government cash flows in and out of these bank accounts. A unified structure of government bank accounts allows complete fungibility of all cash resources, including on a real-time basis if electronic banking is in place. The TSA structure can contain ledger sub-accounts in a single banking institution (not necessarily a central bank) and can accommodate external zero balance accounts (ZBAs) in several commercial banks. Second, no other government agency operates bank accounts outside the oversight of the treasury. Options for accessing and operating the TSA are mainly dependent upon institutional structures and payment settlement systems (see the section on Transaction Processing under a TSA System). Third, the consolidation of government cash resources should be comprehensive and encompass all government cash resources, both budgetary and extra-budgetary. This means that all public monies<sup>2</sup> irrespective of whether the corresponding cash flows are subject to budgetary control or not (e.g, in the case of reserve funds, earmarked funds, and other off-budget/extrabudgetary funds) should be brought under the control of the TSA.<sup>3</sup> The cash balance in the TSA main account is maintained at a level (Pattanayak & Fainboim, 2010).

A government lacking effective control over its cash resources can pay for its institutional deficiencies in multiple ways. First, idle cash balances in bank accounts often fail to earn market-related remuneration. Second, the government, being unaware of these resources, incurs unnecessary borrowing costs on raising funds to cover a perceived cash shortage. Third, idle government cash balances in the commercial banking sector are not idle for the banks themselves and can be used to extend credit. Draining this extra liquidity through open market operations also imposes costs on the central bank. Establishing a unified structure of government bank accounts via a treasury single account (TSA) will solve these problems, improving cash management and control. It should, therefore, receive priority in any public financial management (PFM) reform agenda. A TSA also facilitates better fiscal and monetary policy coordination as well as better reconciliation of fiscal and banking data, which in turn improves the quality of fiscal information. Finally, the establishment of an effective TSA significantly reduces debt servicing costs (Pattanayak & Fainboim, 2010).

Many countries readily embraced TSA after its suggestion including Nigeria. It is believed that the operation of the system has yielded a positive outcome in terms of enhancing transparency and minimising wasteful expenditures and unnecessary leakages. However, since the system is new to many states and it is not fully experimented with, there may be lapses and other challenges associated with it that may require an upgrade. But the TSA is found to have saved billions of dollars worldwide for states that adopted it and it has improved cash flow, investment, and effective utilisation of resources instead of redundant cash in bank accounts.

### **Treasury Single Account in Nigeria: Nature and Emergence**

TSA refers to Treasury Single Account, a public accounting system using a single account, or a set of linked accounts by the government to ensure all revenue receipts and payments are done through a Consolidated Revenue Account (CRA) at the Central Bank of Nigeria (CBN). The pilot TSA scheme commenced in 2012 using a unified structure of accounting for 217 government Ministries, Departments and Agencies, and MDAs, for accountability and transparency in public fund management. All government MDAs remit their revenue collections to the CRA through their commercial banks on a fee-for-service remuneration basis. Although all monies earned by the federal government through value-added tax (VAT), customs duties, immigration, and other charges, are supposed to be paid into the CRA, a few exceptions border on accounts operated by joint venture partners with the government, like oil mining leases (OMLs) in the oil and gas industry. Deposit Money Banks (DMBs) are allowed to maintain revenue collection accounts for MDAs, but all collections must be remitted to the CRA at the end of every banking day; that is MDAs' accounts with DMBs must be at zero balance at the end of every banking day (Udo, 2016).

The TSA allows government banking to be unified, to enable the relevant stakeholders, such as the Ministry of Finance and Accountant General of the Federation to have full oversight of all cash flows across different bank accounts. The different TSA account types include main account; subsidiary or sub-account; transaction account; zero balance account; imprest account; transit and correspondence accounts for different transaction purposes. TSA helps check the incidence of multiple accounts operated by government MDAs for the collection and spending of government revenues. TSA will ensure adequate monitoring of government revenue receipts and expenditures and block leakages, as no MDA is allowed to keep any operational bank account. TSA will help check the incidence of idle cash lying over extended periods in bank accounts held by spending MDAs, while the government continues to borrow to execute its budgets (Udo, 2016).

Under TSA, DMBs using public sector funds deposited by MDAs to make free profits will not be possible. To pay money under TSA, depositors make payment to a transit account in a commercial bank and the funds are automatically remitted to the CRA in the CBN at regular intervals, say at the end of the business day or more frequent intervals. Payments through the TSA follow an electronic system, with direct payments or deposits to the bank account of the beneficiary MDA. MDAs registered on the electronic payment platform, or CBN Payment Gateway, through the Settlement Centre, Funds Department, and Office of the Accountant General of the Federation are granted access to funds collected on their behalf at the CBN. The TSA scheme covers all MDAs as well as other institutions and parastatals that collect revenues and monies payable to FGN, including all forms of receipts, refunds, operating surpluses, transfers, donations, over-payment, taxes and customs duties, etc (Udo, 2016).

The state governments too are involved in the process of the adoption and implementation of TSA because they too faced financial misappropriation and leakages just like the Federal Government. To facilitate the process of the implementation, the Central Bank of Nigeria assisted in coming up with guidelines for the implementation. The regulations state that "State Governments continue to face intense pressure on their cash flows in the face of dwindling revenues and the need to meet increasing statutory and social responsibilities. To address this issue, State Governments are undertaking financial and treasury management reforms of which the Treasury Single Account (TSA) scheme is a major component. This is consistent with the strategic public sector transformation initiatives and also in line with the provision of Section 120 of the 1999 Constitution. The Central Bank of Nigeria (CBN), in exercise of its powers, as provided in the CBN Act, 2007, Section 47, subsection 2(2d), hereby issues the following

guidelines on the management and operation of the Treasury Single Account (TSA), hosted with the CBN, by State Governments” (CBN, 2016).

The CBN presented some essential requirements that states must be fulfilled to implement TSA which include: i. Government agencies are not to operate ANY bank account under any guise, outside the purview and oversight of the Treasury; ii. The consolidation of government cash resources should be comprehensive and encompass all government cash resources, both budgetary and extra-budgetary. This means that all public monies, irrespective of whether the corresponding cash flows are subject to budgetary control or not, should be brought under the direct control of the Government; iii. Government banking arrangements should be unified, to enable the relevant Government stakeholders such as the Ministry of Finance (MOF) and the Accountant General (AG) to have full oversight of Government cash flows across bank accounts and iv. There are two TSA models: (i) The main TSA and associated ledger sub-accounts (where they exist) are to be maintained in a single banking institution OR (ii) The main TSA is maintained in a single banking institution and associated zero balance ledger sub-accounts (ZBAs) (where they exist) are maintained in other institutions from where balances are swept daily to the main TSA in CBN or the appointed main TSA hosting financial institution (CBN, 2016).

The CBN further in its guidelines came up with general requirements for states’ operation of TSA which consist of: Each State Government shall select any TSA model of its choice. The choice of a TSA model shall be informed and guided by the availability of clear operational processes and basic technology infrastructure that supports the implementation of the model of choice; ii. Each State Government shall inform the Governor of the Central Bank of Nigeria of its decision to introduce the TSA scheme, detailing; the State’s preferred TSA model (banking structure) and level of preparedness to commence, operate & support the scheme, which shall include, but not limited to project organization and resourcing, operational process workflow, available technology infrastructure, etc.; iii. Each State Government shall ensure that all legal framework, extant laws, cash management processes and policies, financial regulations, Treasury Circulars, etc. are put in place to guide the TSA operation, as well as ensure that, clear information is regularly issued to relevant internal and external stakeholders before, during and after the commencement of the TSA scheme; vi. Each State Government shall maintain contractual Agreement(s) with parties involved in the design, delivery, and ongoing support of its TSA scheme. Such Agreement shall clearly define the terms and the roles and responsibilities of the State Government and the relevant parties. Such stakeholders may include, but are not limited to the CBN, Deposit Money Banks, Payment Technology Solution Providers, etc; v. Each State Government shall have an unambiguous position of ALL outstanding debts owed Deposit Money Banks (inclusive of debts incurred by its MDAs) before the commencement of the TSA scheme. Where a State is unable to fully liquidate its debts with DMBs before the commencement of the TSA, it shall put in place a firm repayment schedule, before commencing the TSA scheme, with the CBN (CBN, 2016).

Other general guidelines are vi. Each State Government shall establish a TSA Project Team to be led by an official not below the position of a Director in the public service, to coordinate the implementation of the State’s TSA initiative. The Team shall have primary responsibility for coordinating all pre-implementation, implementation and, post-implementation programmes required for the successful implementation of the State Government’s TSA scheme. This shall include but is not limited to organising sensitization workshops, system specifications gathering, project documentation, user training, change management, risk management, project reporting, etc; vii. Each State Government shall undertake a comprehensive review, harmonization, and update of its financial and treasury management processes, procedures, and system, as may be necessary, to support the successful implementation and operation of

the TSA initiative. This shall include but is not limited to the establishment of a State Cash Management Unit (CMU), which shall be guided by the State's cash management provisions, processes, procedures, etc. viii. Each State Government shall be responsible for the provision of adequate sustainable capacity and resources at different levels across all MDAs. This is required to ensure the long-term success of the State's TSA initiative (CBN, 2016).

### **Factors Necessitated for the Adoption and Implementation of TSA in Nigeria**

There are several factors why the Nigerian Government adopted and implemented TSA. One of them is the redundancy of government funds in commercial banks' accounts. After 16 months of the implementation of TSA, it was discovered that there were about 17,000 government accounts in commercial banks owned by MDAs which are virtually operating on 0% interest. The alarming issue is that why some of the accounts are operated in the name of the government, and many are fictitious and controlled by private individuals and entities. This necessitated the Buhari Administration to immediately order for the implementation even though, the policy was initiated by the Goodluck Jonathan Administration (Gawat, 2016).

Another factor is the discovery that the implementation of TSA could save the government trillions that used to be stranded in rampant fictitious accounts. The government will not only save a huge sum of money but will also have more reliable accounted finances and a transparent process of withdrawal and expenditure as well as revenue accrued within a specific period. Additionally, TSA was introduced to curb corrupt practices of civil servants who deliberately operate these multiple accounts and arranged for a 10% kickback which enriched them at the expense of the government. Also, TSA saves the government from borrowing its money in commercial banks. Sometimes these multiple accounts with fixed deposit accounts for kickbacks used the money to lend to the government with an exorbitant interest rate. These dubious transactions cheat the government because it has turned into a case of an owner being circumvented to borrow his money with interest unknowingly (Gawat, 2016).

The TSA was also introduced to save the government of energy in collating its resources and balances under one roof. The government now has full access to all its finances throughout the year and in this situation, payments and other payments are easily done than under many accounts before. All government finances can now be monitored and financed closely which helps in accountability and transparency. Furthermore, TSA was implemented to ensure that the government's funds are safe and secured. The finances of the government are now under the custody of CBN which is the bankers' bank that is expectantly immune from bankruptcy. It is understood that payment to the government is easier with TSA because it can be done using many points including POS debit/credit cards, bank online transfers, and digital wallets. Other factors that necessitated the implementation of TSA in Nigeria include the understanding that government can make more income through the easy process of payment, auditing and accounting are now centralised and simplified, contractors are obliged to deliver timely with assured quality assurance, monitoring of compliance with budgetary allocation and development of local ICT capacity contents in the operation of the TSA modules (Gawat, 2016).

### **Corruption and Corrupt Practices in the Nigerian Public Service**

Corruption has been given various meanings, interpretations, and classifications by academics, international organisations and agencies, policymakers, and public analysts. The English word corruption is derived from the Latin *corrumpere*, something that fails to meet a particular standard (Rose et al. 2019). Transparency International defines corruption as "the abuse of entrusted power for private gain." (The

World Bank, 2020). The TI went ahead to classify corruption into grand and petty corruption. Grand corruption is the worst because it is the one that is perpetrated in public office by politicians and bureaucrats by abuse of office and awarding rewards and kickbacks for political loyalists using public resources. Petty corruption is the demand for a bribe by public officials or the offer of a bribe by individuals to public officials for a service offered (The World Bank, 2020). Corruption takes different categories including varieties of crimes, bribery, extortion, graft, embezzlement, various forms of fraud, patronage, influence, favouritism, and abuse of offices by public office holders. Another form of corruption is the 'White Collar Corruption' which is the corruption by the corporate world in the process of contracts procurement and execution. State corporate crime and corruption are responsible for globalisation of corruption (Kratcoski, 2018).

Corruption is one of the biggest challenges to development in Nigeria. The phenomenon is a cankerworm that is eaten deep into the fabric and garments of Nigerian society for many decades. The existence of various policies and anti-graft agencies can attest to the highest level in which corruption manifests in Nigeria today. Many scholars like Jain (2001), Hope (1999), Ogundiya (2010) and Mohammed (2013) are of the view that official corruption is the major obstacle against good governance and national development in Nigeria. Corruption in Nigeria is complex, multifaceted, and polyvalent (Pierce, 2016). Corruption is so pervasive in Nigeria that it has turned public service for many decades into a kind of criminal enterprise. Graft has fuelled political violence, denied millions of Nigerians access to even the most basic health and education services, and reinforced police abuses and other widespread patterns of human rights violations (Human Rights Watch, 2019). It is seen by some scholars (Bailey, 2006; Balboa & Medalla, 2006) as the bane of transparency, good governance, accountability, political stability, socio-economic development, and overall national development. The corruption within the broader political system includes the demand for electoral politics, the extensive use of patronage in political appointments, and the use of dubious transactions. It extends towards corruption within the public sector which is mainly considered on payment for employment and public procurement and the grand corruption within specific governmental agencies (Smith, 2014). The systemic corruption in the Nigerian political system leads to a particularistic political culture. This, in essence, is a system in which the government's treatment of citizens depends on their status or position in society (Asobie, 2012). There is a direct correlation between political leadership and corruption in Nigeria. A careful analysis of the various regimes in Nigeria reveals that leadership and corruption in Nigeria are positively correlated (Ogbeidi, 2012). Ogundiya (2009) describes Nigerian political corruption and corrupt practices in Nigeria as; " Clientelism, Prebendalism, and Patrimonialism".

Corruption manifested in Nigeria from various perspectives. For instance, Achebe (2012) estimated the amount of money stolen by Nigerian leaders since independence at \$400 billion, a figure, which is also reported by the former Chairman of the Economic and Financial Crimes Commission (EFCC), Malam Nuhu Ribadu (2013), an anti-graft agency that is saddled with the task of combating corruption and other related crimes. The African Union (2018) Report an estimated \$600 billion as stolen funds from the Nigerian State since 1960. In the post-2015 General Election, the revelation of corruption scandals uncovered a shocking thievery of the highest magnitude, the Dasuki Scandal where \$2.1 billion (N1,100,000,000,000 one trillion and one hundred billion Naira) earmarked for the procurement of weapons to fight Boko Haram was diverted by the former ruling PDP for the campaign. A panel was set up under the leadership of the National Commissioner Baba Shettima to investigate the allegations. Again, about N23.29 billion (\$46, 580, 000 million) was allegedly disbursed to INEC officials by the then administration of Goodluck Jonathan. The money was according to investigators released by the former

Minister of Petroleum Mrs. Diezani Allison Maduekwe to influence the outcome of the Election in favour of the ruling party (Sule et al., 2018). Another report is that by the Civil Society Legislative Advocacy Centre (CISLAC) and Transparency International UK in 2017 revealed that the former Nigerian army chiefs stole as much as \$15 billion (N7,500,000,000,000 seven trillion and five hundred billion) through fraudulent arms procurement deals. In a Conference in State House Abuja, the Chairman of the Presidential Advisory Committee Against Corruption Itse Sagay disclosed that fifty top government officials and private businessmen allegedly diverted about \$7.5 billion (N6.7 trillion at that time) to themselves between 2006 and 2013 at the expense of ordinary Nigerians (Sule et al. 2017).

Another measurement of corruption indices in Nigeria is the one carried out by the National Bureau of Statistics (NBS) in collaboration with United Nations Office on Drugs and Crimes (UNODC) in 2019 which is a local study of corruption in Nigeria undertaken indigenously (National Bureau of Statistics, 2019). The study used the methodology of a survey where 33,000 Nigerians were interviewed from across the 36 states and the FCT. The indices designed for the questionnaire are to identify how corruption is perceived and related among Nigerians, especially in their dealings with public officials. The study revealed a shocker that nearly 30.2% of Nigerians are involved in the proceeds of corruption either by giving bribes or collecting and around N400 billion was paid as bribes in just 2019 alone. About 9% of Nigerians based on the survey saw corruption as the most challenging problem that is slowing Nigeria's development. Direct bribery requests by public officials accounted for 60 per cent of all bribery transactions in Nigeria in 2019. Around two-thirds of bribes (67 per cent) are paid before a service is provided by a public official, according to the 2019 survey. More than 93 per cent of all bribes paid in 2019 were paid in cash and the prevalence of institutions involved in collecting bribery is Police at 44%, prosecutors at 33%, judiciary at 31% and Customs and Immigration at 31%. Men likely pay more bribes than women and the citizens' respond is that bribes are paid not necessarily to speed up or facilitate a process of services. Vote buying in the electoral process and nepotism in the recruitment process and promotion in the public sector took a large share of bribery according to the survey. In a related report released earlier in 2018 by Page (2018), he observes that "electoral corruption and kleptocratic capture of political party structures unlock corruption opportunities across a range of other sectors and that corruption is ripe across the country's economic sector". Corruption by sector according to Page (2018) taxonomy shows that political corruption and political parties are big key players in polluting the Nigerian environment with bribery.

### **TSA, Curbing Corrupt Practices, Good Governance and Transparency in Nigeria**

The study discovered that TSA has succeeded in curbing corrupt practices, good governance, and transparency in Nigeria to a significant extent. This aspect is observed to have been neglected by the previous studies which left a huge vacuum for contribution. For example, previous studies focused on various issues that are of concern in the operation of TSA from different ramifications. The TSA was examined from the theoretical point of view by Okerekeoti & Okoye (2017) building on the hypothetical benefits and challenges of the policy when implemented. Ajetunmobi et al. 2017; Ogbonna & Amuji 2018; Ilori et al. 2019; and Onodi et al. 2020 studied TSA from the perspective of the effects on the performance of commercial banks in Nigeria after mopping up of funds and closure of thousands of redundant accounts. Other studies (Isa 2016; Adekemi et al. 2017; Ofor et al. 2017 and Ajugwe & Alphonsus 2020) perceived the TSA as a yardstick for the measurement of the management of public finances and prudence in the public sector. On the other hand, Amadi (2018) considered TSA as an effective tool for the management of Nigeria's oil revenue and gas sector but Nwankwo (2017) paid more attention to the challenges and

prospects of administering TSA. Sani et al. (2021) considered TSA as a tool of fraud prevention which is closer to curbing corrupt practices while Obara et al. (2022) viewed TSA from the angle of accounting and ethical issues which is closer to transparency; an item out of the three major variables that this study seeks to address. This study differs in its approach towards examining the role of TSA in curbing corrupt practices, good governance, and transparency particularly 'good governance' which has not been addressed by any of the studies.

The TSA helped immensely in curbing corruption through the blockage of leakages, percentage kickbacks, and lack of accountability and transparency in the management of public funds. For instance, over 17,000 banks account belonging to various MDAs were closed while the money realised and saved from these accounts between 2015 and 2016 amounted to N3 trillion. This saved the lots and prevented fraud in the public service (Gawat, 2016). It is realised that MDAs purposely inflated their budgets and then later diverted them into side accounts which are multiple based on a dubious arrangement of 10% kickback which easily enriched the civil servants at the expense of the government. This practice harmed the government's financial activities and strengths because now hundreds of billions or even trillions are lying idle without being put into productive ventures or even accounted for. Accidentally, on many occasions, the government borrowed from the government unknowingly because if one agency ran out of funds it went to a bank and secured a loan which possibly was offered from the fixed deposit money of other agencies. In a saner clime, virements can suffice. All these corrupt practices are drastically minimised which signifies the success of TSA. Additionally, the Islamic strategies of combating corruption is recommended for the Nigerian state as an alternative for minimising corrupt practices in the civil service (Sule & Sambo, 2021). Some of these strategies include puritanism, deterrence, sanction and discouraging materialism.

The implementation of TSA promotes good governance. Good governance simply requires accountability, transparency, and prudence in the management of public funds in addition to effective responses to the needs of the governed (Obara et al. 2022). While it cannot be said that TSA supported an effective response to the needs of the governed because it is a different dimension of governance, it can be inferred that there was sound accountability and transparency. Accountability and transparency were achieved through enabling information to the governed on the financial status of the government. This is one of the fundamental principles of democratic rule; for the leaders to be accountable and always transparent in financial management. Nigerians were introduced to the free flow of information on what the government has and what it is gaining, unlike the period before the introduction of TSA where people were left blindly in the darkness. Letting the governed to know this vital information is a good sign of good governance.

The adoption of TSA helped tremendously in fostering transparency in the affairs of government ranging from contracts awards and execution, monitoring, auditing, accounting ethical and legal issues, and appropriation. A central body that is managing and controlling the accounts is monitoring how they are being appropriated and in this regard, it is easy to detect fraud, misappropriation, and other suspicious transactions and report them for blockage. From 2015 to date, hundreds of cases related to that were reported to the Economic and Financial Crimes Commission (EFCC), and many culprits were sanctioned accordingly (Sani et al. 2021). In many instances, the valuation and evaluation of contracts, procurements and, other services of the government are checked against inflated figures leading to blockage of leakages and other unnecessary waste in the process (Ogbonna & Amuji, 2018).

## **CONCLUSION**

The study concludes that the introduction and implementation of TSA in the Nigerian public sector helped immensely in enhancing good governance, curbing corrupt practices, and promoting transparency. Funds from various MDAs were lying idle in multiple accounts unaccounted for and without transparency. But the TSA mitigates all these corrupt practices and promote transparency which is a process of good governance. However, it is far from being fully successful because accounting for the government's finances does not include responding to the needs and aspirations of the governed. They are two different issues that are related but independent. In this aspect, there are several issues associated with the operation of TSA that require improvement as suggested below.

It was observed that mopping, closure, and blockage of redundant accounts affected the Nigerian financial institutions particularly commercial banks. This in return affected investment, loans, capital, and other support that are usually obtained from commercial banks. The banks must devise modern means of banking to meet up. The government should ensure that not only finances are accounted transparently but also the money realised and saved from the proceeds of the TSA operation should be used to provide succour and essential services as part of fundamental good governance requirements. Issues encountered in the operation of TSA should be reviewed, evaluated and improved upon for more accountability, and transparency.

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