



FEDERAL MINISTRY OF FINANCE

Office of the Honourable Minister of Finance and Coordinating Minister of the Economy

Ahmadu Bello Way,
Central Business District,
P.M.B. 14 Garki, Abuja
Nigeria.

Finance Circular

FMF/CME/FC/2024/25

25th March, 2024

Chief of Staff to the President,
Deputy Chief of Staff to the President, Office of the Vice President,
Honourable Ministers/Ministers of State,
Secretary to the Government of the Federation,
Head of the Civil Service of the Federation,
Chairmen of Commissions,
Federal Permanent Secretaries,
Service Chiefs/Inspector-General of Police,
Auditor-General for the Federation,
Accountant-General of the Federation,
Heads of Extra-Ministerial Offices, Agencies and Departments/Directors-
General/Chief Executives Officers of Parastatals,

REVISED POLICY ON CASH MANAGEMENT AND BOTTOM-UP CASH PLAN

It has been observed that funds released to Ministries, Departments and Agencies through Warrants and Authority to Incur Expenditure (A.I.E) are being held rather than effecting immediate payment to the beneficiaries and its resultant effect on the budget execution and the delay in realizing the expected tax revenue accruable to the Federation Account.

2. It was also observed that some MDAs create financial commitments in the system even before contracts are executed and sometimes reallocate the funds to other purposes thereby creating liabilities for the government contrary to the provisions of Public Procurement and Appropriation Acts and other applicable laws.

3. Predicated on the above, Mr. President has approved the modification of the policy on cash management and bottom-up cash plan to optimise Federal Government revenue and improve budget execution. Mr President further directed that the modified guidelines take effect immediately and be the basis for the implementation of the 2024 budget. Therefore, in accordance with the Presidential directive, the Cash Management Policy Guidelines for the Federal Government of Nigeria is hereby revised.

i. Warrant and A.I.E. Utilization

All MDAs shall continue to upload the monthly cash needs into Bottom-Up Cash Plan on the applicable platforms together with all the procurement and payment documents for the approval of the Minister of Finance and Coordinating Minister of the Economy and the issuance of Warrants /AIEs. All MDAs shall initiate and authorize all contract payment processes in line with extant laws and regulations. Upon approval of the Minister of Finance and Coordinating Minister of the Economy, the Office of Accountant General of the Federation would make payments directly to contractors without the need to release funds directly to the MDAs.

ii. Operational Guidelines

The Accountant General of the Federation is hereby directed to issue Operational Guidelines to guide all MDAs on the implementation of the revised guidelines and ensure that funds approved by the Federal Cash Management Policy Committee are released to the beneficiaries and relevant taxes are deducted and remitted accordingly.

4. Accounting Officers in all MDAs are to familiarize themselves with the contents of this circular and access the revised Cash Management Guidelines on the Ministry of Finance and OAGF websites for details and strict compliance. They are also enjoined to bring the contents of this Circular to the notice of all Directors/Heads of Finance and Accounts and Internal Audit for their guidance and strict compliance.



Wale Edun, OFR

Minister of Finance and Coordinating Minister of the Economy