

**MONETARY AND FISCAL POLICY CO-ORDINATING COMMITTEE (MFPC)**  
**REVISED TERMS OF REFERENCE**

**Preamble:**

The Monetary and Fiscal Policy Coordinating Committee (MFPC) is constituted with a view to providing a forum for the effective coordination and harmonization of Monetary, Fiscal and Debt Management policies and strategies that would result in more stability in the financial system. This would in turn lead to stable interest and inflation rates which are essential for planning and investment.

**Chairman of the Committee:**

The Director-General of the Debt Management Office is to chair the meetings of the Committee, in the event the DG is unavoidably absent, an alternate Chairman not below the rank of a Director who is also from the Debt Management Office shall preside over meetings.

**Composition/Membership:**

2. The membership of the Committee is open to Directors or their representatives. The Committee shall comprise sixteen (16) members drawn from the following agencies:
  - i. Debt Management Office (DMO): four (4) members including the Chairman.
  - ii. Central Bank of Nigeria (CBN): five (5) members including the Directors of the following Departments; (i) Banking Supervision, (ii) Financial Markets, (iii) Banking and Payment Systems (iv) Research and (iv) Monetary Policy or their representatives.
  - iii. Federal Ministry of Finance (FMF): five (5) members including the Director of Home Finance, Director of Funds and Director, Revenue and Investment in the Office of the Accountant-General of the Federation, Director (Revenue), and Director (Expenditure) in the Budget Office of the Federation or their representatives.
  - iv. National Bureau of Statistics (NBS): one (1) member not lower than the rank of a Director or a representative.
  - v. National Planning Commission (NPC): one (1) member not lower than the rank of a Director or a representative.

**Meetings:**

3. The Committee shall meet quarterly and as may be dictated by any emergency needs.

**Terms of Reference of the Committee:**

4. The following are the Terms of Reference that guides the scope of its work:
- i. To elucidate and harmonize the objectives of Monetary Policy, Fiscal Policy, and Debt Policy towards achieving macro-economic stability as well as, to identify the activities and responsibilities required for meeting those objectives.
  - ii. To ensure that the strategies for achieving Fiscal, Monetary and Debt Policies are properly synchronized so that they are complementary rather than conflicting.
  - iii. To eliminate distortions such as mismatches in the funding of budget deficits and other Government borrowings.
  - iv. To ensure that Government Debt securities are priced at the lowest cost and at a tolerable risk level.
  - v. To ensure that macro-economic indices such as Interest rate, Inflation and Exchange rate are within targets as defined by the Central Bank of Nigeria.
  - vi. Communicate Monetary and Fiscal Policy decisions and Debt strategies effectively to members.
  - vii. Review International and Domestic Market Developments and their likely impact on the macro indices such as Inflation, Interest and Exchange rates.
  - viii. To review the issue of Electronic Forecasts of weekly, monthly and quarterly Government Cash Flows (Receipts, Payments and Commitments).
  - ix. To review a National Cash Management Strategy as it affects Government's Cash Flow and ensure that it is aligned with the Debt Strategy of the Federal Government.
  - x. Facilitate the development of new products in the Government Securities Market.

- xi. Harmonize and review (on a need basis), the appointment and role of Primary Dealer Market Markers in the Government Securities Market.
- xii. Undertake any assignment which any of the member institutions may assign to the Committee from time to time.
- xiii. Articulate and present position papers on any strategies (including Debt) to member institutions on a need basis.