

MINISTRY OF FINANCE

REPUBLIC OF CAMEROON
Peace – Work – Fatherland



00000242

CIRCULAR No. _____ /C/MINFI OF 30 DEC 2020

On the Instructions relating to the Execution of the Finance Laws, the Monitoring and Control of the Execution of the Budgets of the State and Other Public Entities for the 2021 fiscal year

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THE MINISTER OF FINANCE

To All:

- **Principal, Secondary and Delegated vote holders;**
- **Managers of programmes, projects and those ranking as such;**
- **Project Owners and delegated Project Owners;**
- **Finance controllers;**
- **Public Accountants and those ranking as such;**
- **Public and private partners.**

The promulgation of the finance law for the 2021 fiscal year comes in a context marked, at the national level, by the continued implementation of the Covid19 pandemic response plan with its economic and social repercussions, the operationalization of the 2020-2030 National Development Strategy (SND30), the maintenance of a security watch over the entire national territory, the continued implementation of the reconstruction plan for regions affected by security crises, the strengthening of social cohesion and the speeding up of the decentralization process through the operationalisation of the Regions and the organisation of the CHAN 2021 and AFCON 2022 competitions. All these issues and challenges require a large volume of resources whose mobilization has been slowed down by the Covid-19 pandemic.

At the sub-regional level, during the third extraordinary session of the CEMAC Economic and Financial Reform Programme Committee that held in Brazzaville on 28 March 2020, the Ministers in charge of Economy, Finance and Integration of the CEMAC zone recommended an increase in the budget appropriations allocated for health expenditures, with a view to strengthening measures aimed at fighting against the Covid-19 pandemic, while guaranteeing the regular functioning of the State.

To this effect, the budget of the State on the account of the 2021 fiscal year, is balanced in income and expenditure at a total sum of 4 865.2 billion FCFA. This budget will be implemented in a context marked by uncertainties that require more caution and vigilance on the part of the Government, in the formulation of strategic and budgetary choices for the 2021 fiscal year, as well as for the years to come.

Also, and in view of the sharp deterioration of the situation of public finances in 2020 subsequent to Coronavirus related shocks, the orientation of the overall fiscal policy for the 2021 financial year is to stay the course of fiscal consolidation, with the aim of gradually reducing medium-term budget deficits and a view to ensuring public finance and debt sustainability as well as macroeconomic stability.

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Indeed, the 2021 finance law aims at reducing the budget deficit by 1.7 percentage points, dropping it from 4.5% of GDP in 2020 to 2.8% in 2021. On this pathway, our level of debt would be controlled at 45% of GDP in the medium term between 2021-2023, below the threshold of 70% of GDP set by the CEMAC.

The consolidation of our budgetary situation in 2021 is based on the continued optimization of the mobilization of non-oil internal revenues on one hand, and on the rationalization of public spending in relation to their socio-economic efficiency, on the other hand.

In this regard, planning and anticipation of expenditure should be essential to ensure consistency between the pace of expenditure commitment and revenue collection. Respect for allocated budgets, restriction of unforeseen expenditure and the limitation of recourse to exceptional budget execution procedures remain requirements that contribute to budgetary discipline.

These requirements are set out in this circular, the content of which is essentially centred on measures contributing to the effective implementation of the budgetary policy defined by the executive and approved by Parliament.

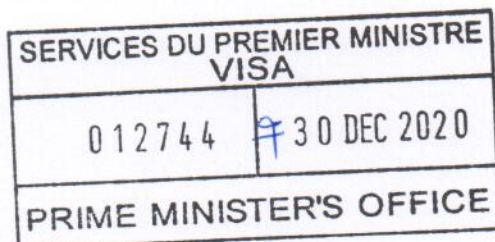
A reference manual for the implementation of the budget is annexed to this circular and forms an integral part of it. It sets out the various procedures for implementing public budgets in revenue and expenditure as well as identifies the main stakeholders in the budget execution chain.

It is therefore the responsibility of all public administration officials, managers of Public Establishments and Enterprises (EEP), Chief Executives of Regional and Local Authorities (RLAs), project and programmes managers, all persons ranking as such and control bodies, to mobilize the staff under their authority around the stakes, challenges and objectives that are inherent in the efficient and harmonious execution of public budgets for the 2021 fiscal year.



GENERAL PROVISIONS

1. The budget of the State and other public entities shall be enforceable as of 1 January 2021.
2. The Minister in charge of Finance is required to produce and publish quarterly reports on the implementation of the 2021 budget no later than forty-five (45) days after the end of each quarter.
3. Finance Controllers shall refrain from affixing their visas to draft contracts on the budget after 15 October 2021, except for multi-year contracts and supply contracts whose delivery periods do not exceed one (01) month. To this end, any automatic or one-off expenditure authorisation that would arrive after 15 October 2021 would not be admissible, unless expressly waived by the Minister in charge of Finance.
4. The dates for the closure of budget commitment and payment authorisation operations on the budgets of the State and other public entities for the 2021 fiscal year shall be fixed by the Minister in charge of Finance. However, these deadlines may not go beyond 30 November 2021 for the closure of commitment operations and 31 December 2021 for payment authorisation (order) operations.
5. The execution of the budgets of the State and other public entities covers the calendar year. However, expenditure committed, verified and authorised during the 2021 fiscal year may be paid by the Public Accountant during the complementary period up to 31 January 2022.
6. In a bid to determine the 2020 fiscal year expenditures that are supposed to be carried forward into the 2021 fiscal year, conferences on the carry forward of budget appropriations shall hold no later than the 28 January 2021,
7. These conferences shall be sanctioned by a report of the MINFI and shall give rise to a decree signed by the Prime Minister, Head of Government no later than 31 March 2021. This decree shall increase the payment appropriations of the administrations in the concerned programmes or endowments.
8. The Minister in charge of Finance shall prepare and publish the report on the implementation of the 2020 budget by the end of April 2021 at the latest.
9. Within the framework of the process of decongesting the public expenditure payment circuit, the operationalisation of Specialised Treasury Stations attached to ministerial departments, which began in 2016, will continue in 2021. The same applies to the new General Treasuries.



I. THE MAJOR AXES OF THE 2021 BUDGETARY POLICY

A. MEASURES BEARING ON THE OPTIMISATION OF THE COLLECTION OF TAX AND NON-TAX REVENUES AND CUSTOMS DUTIES,

1) Tax measures

10. The fiscal measures contained in the 2021 finance law are essentially aimed at reviving the economy and supporting economic actors whose activities have been impacted by the Covid-9 health crisis.

11. In this respect, this law contains an unprecedented number of fiscal stimulus measures taken subsequent to those enacted by order No. 2020/0001 of 03/06/2020 to amend the finance law for the 2020 fiscal year (a). Moreover, in line with the will of the authorities, measures to improve the business climate (b) and to promote import substitution (c), also occupy a prominent place in this finance law.

12. Traditional measures to broaden the tax base (d) and secure revenue (e) will also go a long way to complete this mechanism.

a. Measures aimed at boosting economic recovery

13. The consecration of the free-of-charge registration of public domestic debt repurchasing and securitisation agreements in a bid to enable the State to support the treasury of enterprises, through the clearance of accrued payments. Therefore, instead of the proportional duty rate of 2% previously applicable to these acts, they will now be registered free of charge.

14. The reconduction, to the 2021 fiscal year, of the special transaction instituted by the 2020 Finance law, with a view to helping companies heavily affected by the health crisis to free themselves of their tax debts; this would enable them to present a healthier financial situation. In order to benefit from this measure, taxpayers will simply have to submit a request to the DGT under the same formal conditions as those set out in points 300 and 301 of circular N° 006/MINFI/DGI/LRI/L of 21 February 2020, to specify the terms and conditions of the application of the provisions of the 2020 Finance law.

15. The reduction of the tax burden on enterprises affected by the health crisis shall be done through:

- the reduction by two points (from 30% to 28%), of the tax rate on profits in favour of small and medium enterprises, namely those with an annual tax exclusive turnover of less than or equal to FCFA 3 billion. Henceforth, the rate of tax on profits shall be 28% to which will be added the council additional tax (CAC) (Section 17 a);
- the abolition of the axle tax for the benefit of transporters (articles 608-612) accompanied as a compensatory measure through the increase in the rate of Automobile Stamp Duty for vehicles over 20 HP from FCFA 100,000 to FCFA 150,000;

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- the exemption from company tax in the hotel business sector for the fiscal year 2021. This exemption entails the non-payment of the monthly instalments and the minimum collection (other fiscal and financial provisions);
- the reconduction to the 2021 fiscal year, of the suspension of the tourist tax in a bid to improve the rate at which customers and visitors frequent hotel accommodations and other assimilated establishments, that have been heavily impacted by the COVID-19 crisis (other tax and financial provisions);
- the reduction from 4 to 3% of the rate of the felling tax for forestry companies that have been certified for sustainable forest management;
- the institution of monthly payment option of the annual forestry tax (AFT) to alleviate the cash flow of forestry companies;
- the extension for an additional year of the carry-over period for tax deficits and depreciation deemed to be deferred in favour of enterprises in sectors directly affected by COVID-19 (other tax and financial provisions);
- the consecration, for the 2021 fiscal year, of the deductibility of losses emanating from the cession of the debts of companies that are under restructuring in sectors affected by the COVID-19 crises (other tax provisions);
- the registration, at fixed rate, of the transfer (cession) of debts of enterprises affected by the COVID-19 and are undergoing restructuring (other tax provisions) at fixed rates;
- the abolition of the condition of approval in the investment code for the benefit of the application of the fixed duty on the cover or taking into charge of the of the liabilities during partial asset contribution operations (other tax and financial provisions);
- the full deductibility of donations made by companies to the State as part of the fight against the COVID-19 health crisis (other tax and financial provisions);

b. Measures to aimed at improving the business climate

16. The introduction of a proactive tax regime to promote innovative ICT start-ups. The facilities apply both during the incubation phase (5 years) and at the end of this phase or even in the event of transfer. To be eligible for these measures, start-ups must be grouped together in approved management centres.

17. The reduction from 2% to 1.5% of the rate of the income tax instalment (AIR) and the minimum collection rate of the AIR for the benefit of enterprises that open their capital on the CEMAC stock exchange and the perpetuation of the promotion scheme for



the stock exchange sector, in order to encourage taxpayers who have opted for more transparency in the keeping of their accounts by resorting to the financial market.

18. Rationalisation of the conditions for deducting losses relating to damages, by the introduction of a flat-rate deduction threshold for brewing companies, set at 0.5% of the overall volume of production. Moreover, for enterprises in other sectors of activity, the validation of damage is no longer carried out exclusively by a tax inspector, but also by tax controllers.
19. The clarification of the territoriality regime of VAT on the supply of services in order to preserve the competitiveness of Cameroonian enterprises (Section 130 a). A special text of the Minister in charge of Finance shall specify the modalities for the implementation of this provision.
20. The extension for two more years of the carry-over period of tax deficits in favour of credit institutions and enterprises in the State portfolio undergoing restructuring. In this respect, these enterprises may carry forward their losses for a period of 6 years and not 4 years as for other enterprises.
21. The raising of the threshold for the exemption of interest on savings accounts from the tax on income from movable capital from FCFA 10 million to FCFA 50 million, in order to strengthen the capacity of the banking sector to mobilize savings.
22. The consecration of the eligibility for the reimbursement of VAT credits, of bodies that have signed agreements with the State of Cameroon. In the current state of legislation, only non-profit organizations recognized as being of public utility are eligible.
23. The extension of the tax regime for the promotion of youth employment to enterprises benefiting from exceptional tax regimes and to SMEs which are members of Approved Management Centres (AMCs).
24. There has been the institution of the procedure of automatic tax relief for incorrectly levied taxes. In bid to ensure a framework for the implementation of this procedure, exemptions must be examined beforehand by the admission committee for write-offs.
25. The consecration of the exemption from tax inspection is instituted for enterprise that show a significant rate of increase in their spontaneously paid taxes, with a view to promoting fiscal civic responsibility and the rationalisation of tax inspection missions (Section M 41). A special text of the Minister in charge of Finance will specify the modalities for the implementation of this provision.
26. The taxpayer's card has been replaced by the registration certificate which is issued online and whose validity is unlimited. In this regard, the actors in the expenditure chain will no longer require the taxpayer card in the expenditure file.



c. Measures aimed at promoting import substitution

27. The government's import substitution policy shall be implemented in the agricultural sector, through the inclusion in the list of VAT exemptions, of non-targeted agricultural inputs and equipment.

28. In order to enable the local industry to stand competition from imported products which remain a factor of degradation of our trade balance, excise duties on cosmetic products produced locally are abolished.

d. Measures aimed at broadening the tax base

29. The mechanism for the taxation of capital gains made from sale of the stocks (shares) of Cameroonian companies abroad, shall be strengthening through the obligation to spontaneously declare direct and indirect sales of shares made abroad. Failure to comply with this obligation shall attract a fine of 100% worth of the amount of taxes evaded.

30. In order to put an end to the tax optimisation practices carried out by tax payers, clarification must be made of the registration regime for agreements assimilated to business transfers.

31. In order to strengthen the conditions for the deductibility of interest remunerating associated current account advances, it is required that, for all subscribed capital must be fully paid up and that a written and duly registered loan agreement must exist to that effect.

32. For non-professional taxpayers with salaries and passive revenues (such as investment income and rents), they remain obliged by the affirmation of the principle of declaring their simplified recapitulative annual revenues.

e. Revenue securement measures

33. The payment of taxes and other levies in cash is prohibited. To this effect, tax centres and the payment modalities in place at the level of specialised tax management units have been computerised, notably payment by bank transfer, electronic means or through cash at the counters of banks.

34. The consecration of telepayment as a compulsory method of payment of taxes and duties by large companies that fall under the jurisdiction of the Large Tax Unit (DGE) has been instituted.

35. The issue and notification of tax payment receipts have been computerised in replacement of the old manual system that used to constitute a source of fraud (Article L 8). Thus, the old manual receipts have been simply replaced by computerised receipts. The modalities of implementation of this reform will be defined by a specific text of the MINFI.

36. The consecration of the notification of the AMR (*Avis de mise en recouvrement*) by electronic means.



37. The reduction from 30 to 15 days of the time limit for the payment of taxes and duties issued in the AMR subsequent to any failure to declare or pay taxes. The 30-day period applies exclusively to AMRs issued subsequent to a tax audit, except in cases of ex officio taxation.

38. The securing of revenues from taxes on petroleum products (TSPP) shall be done through the consecration of the possibility of initiating forceful recovery measures against marketers, who are actually liable for this levy, in solidarity with the oil depot management or refining companies which are the legal debtors of the said taxes.

39. Solidarity in the payment of the felling tax has been instituted between the companies that acquire logs on the local market and the loggers, including associations and common interest groups that exploit community forests.

2) Customs measures

40. The new customs measures enshrined in the Finance law of the 2021 fiscal year aims to promote the import-substitution policy, broaden the tax base, improve the social and business environment, fight against commercial and customs fraud.

a. Promotion of the import-substitution policy

41. With regard to the increase in local production, the finance law for the year 2021 provides for the exemption of customs duties and taxes to the benefit of farmers for import of inputs, materials and equipment (Article 5 of the finance law for the financial year 2021). This exemption from customs duties and taxes is aimed at supporting second-generation agriculture, particularly with a view to guaranteeing food autonomy in Cameroon in products with mass consumption (rice, maize, soya, etc.). It concerns the following goods:

- ploughs under the code 8432.10 00 000;
- tillers under the code 8701.10 00 000;
- agricultural, horticultural or forestry machinery and equipment under the code 8432.80 00 000;
- agricultural tractors with internal combustion or combustion engine under the code 8701.94 00 000 to 8701.94 00 001;
- machinery and apparatus for harvesting agricultural products, including straw or fodder balers under the code 8433.59 00 000;
- milking machines for agriculture under the code 8434.10 00 000.

42. The exemption from customs duties and taxes is also intended to boost local livestock production and promote aquaculture and fishing. This exemption also applies to the following production equipment:

- machinery and apparatus for the preparation of animal feed or food under the code 8436.10 00 000;
- milking machines for animal husbandry under the code 8434.10 00 000.



- Dairy machinery and apparatus of under the code 8434.20 00 000;
- incubators and brooding machinery for poultry farming under the code 8436.21 00 000;
- fishing vessels, factory ships and other vessels for processing or preserving fishery products under the code 8902.00 00 000;
- engines for the propulsion of vessels of outboard under the code 8407.21 00 000 and 8407. 8408.10 000.

43. In addition, the exemption from customs duties and taxes is intended to encourage the development of a local drug manufacturing industry. Thus, it applies to equipment and inputs intended for the pharmaceutical industry, the list of which is drawn up by the tax authorities in collaboration with the competent sectoral Ministries.

b. Broadening the tax base

44. As part of measures to broaden the tax base, the finance law envisages that goods that can be produced locally but which are being imported, shall be subjected to the *ad valorem* excise duty, according to the following modalities:

- at the rate of 25%:

- wooden articles and furniture, under the code 4418. 10 00 000, 4418.20 00 000, 4418.73 00 000 to 4418.74 00 000, 9403. 30 00 000, 9403.50 00 000 and 9403.60 00 000;
- soaps and other organic agents used in the production of soap tablets, under the code 3401.19 10 000 to 3402.90 00 000;
- toilet paper, under the code 4818.10 00 000;
- food products, under the code and sub-codes 1602.41 00 000, 1602.42 00 000, 1704.10 00 000, 1704.90 90 000, 1806.90 00 000 and 1905;
- plastic articles and packaging, under the code and sub-codes 3923.10. 00 000, 3923.21 00 000 and code 6305;
- woven fabrics of man-made staple fibres, under the code 5514. to 5516;
- natural and artificial flowers, under the code 0603. and 6702;
- toothpicks of all materials, under the code 3926.90 90 000 and 4421.99 00 000.

- at the reduced rate of 5%:

- maize groats under the code 1103.13 00 000;
- and mayonnaise under the code 2103.90 00 000.

45. Where a certificate of shortage issued by the Ministry in charge of trade establishes the absence or insufficiency of local production of one of the goods referred to above, exemptions may, where necessary, be granted temporarily by the Customs Administration.



46. The above-mentioned *ad valorem* excise duty shall not apply to inputs falling under the subheadings (codes) listed above, in application of the provisions of Section 6(3) of the 2020 Finance Law.

47. The Preferential Tariff of the African Continental Free Trade Area (AFTAFTA) shall enter into force as from 1 January 2021. This agreement should enable Cameroon to benefit from privileged taxation of its products in the other signatory countries.

c. Improving the business environment and the social climate

48. The 2021 Finance Law strengthens the protection of taxpayers' rights during deferred customs controls and customs investigations, as well as in the exercise of their rights to appeal.

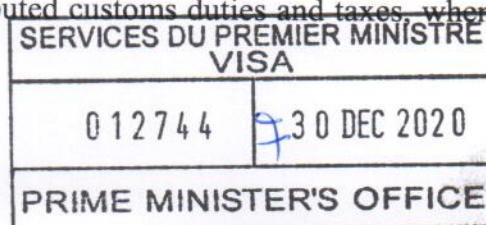
49. With regard to customs investigations and deferred customs controls, the 2021 Finance Law consecrates a number of principles listed below:

- the principle of the compulsory holding of a final contradictory working session at the end of the audit;
- the principle of the null and void nature of customs investigations that are not closed within the statutory time limits;
- the right of the audited entity to be assisted by a customs expert of its choice during customs investigations;
- the principles of non-superimposition of customs controls on the same taxpayer, except in the cases specified by law;
- the principle of the closure of any *ex ante* control by a notification act of the authority that initiated the control, whether or not it has given rise to an adjustment;
- the principle of resuming an audit on the same subject and the same period exclusively in the event of the discovery, within a period of three (03) years, of new elements concealed from the auditors by the audited entity.

50. With regard to appeals, the 2021 Finance Law consecrates jurisdictional and non-jurisdictional guarantees for the protection of taxpayers' rights.

In this respect, and under the risk of inadmissibility, with regard to non-judicial guarantees, it is envisaged that:

- any appeal against a customs report must be filed within 30 days of its notification;
- any contested report is signed by the applicant or his representative with explicit reservations;
- any appeal opposes, point by point, the arguments contrary to the findings of the customs service which it contests;
- any appeal is accompanied by a contentious submission, the amount of which corresponds either to the totality of the disputed customs duties and taxes, when it



concerns an ascertainment of "*front-line units*" or "*deferred controls*", or, in the case of *a posteriori* controls, to 20% of the amount of the disputed evaded customs duties and taxes or 20% of the fixed fine when there are no evaded duties and taxes.

51. The 2021 Finance Law consecrates the principle of a three-step examination of appeals in matters of customs duties:

- The first appeal is addressed to the Director General of Customs who has a period of thirty (30) days to make a decision;
- In case of silence from the Director General of Customs or in case of dissatisfaction of the claimant, an additional period of thirty (30) days is granted to refer the matter to the Customs Disputes Arbitration Commission chaired by an official designated by the Minister of Finance. The Arbitration Commission shall rule within ninety (90) days;
- In case of dissatisfaction, the claimant has the right to refer the matter to the Council of Ministers of the Economic Union of Central African States (UEAC) within thirty (30) clear days from the date of notification of the decision. Such referral shall not have suspensive effect.

d. Fight against commercial and customs fraud

52. Lastly, the following actions are earmarked to fight against commercial and customs fraud:

- The putting into place of a system for receiving confidential alerts, in discharge of liability, by authorised intermediaries who have doubts about the regularity of a financial transaction with a foreign country relating to foreign trade, so as to protect these sources of information;
- The putting into place of an automated system for receiving and storing all information relating to financial transactions carried out with foreign countries on their own account and on behalf of their clients during the previous month, communicated monthly and then annually, by electronic means, by authorised intermediaries.

3) Measures relating to non-tax revenues

a. The realization of an audit of the service revenue collection and monitoring system

53. The Improvement in the collection of non-tax revenue and the systematic exploration of new sources of revenue in administrations shall be a permanent concern. As such, an audit of service revenues will be carried out in 2021 by the Ministry of Finance in collaboration with the other administrations.



54. Within the framework of this audit, the various administrations will make available to the Ministry of Finance (Finance Controllers), all the texts governing the collection of service revenue in their respective structures.

b. Optimising service revenue collection

55. Service revenues are State revenues, and their collection must therefore comply with the relevant procedures, in particular those described in the General Rules of Public Accounting.

56. Service revenue is collected exclusively through the operational revenue collection services (*regies des recettes*) that figure on the list published by the Minister in charge of Finance and notified by the latter to the concerned delegated vote holder at the start of the financial year.

57. The collection of these revenues must comply with the principles of issuance, verification and prior authorisation.

58. Exceptionally, in the case of revenue collected by spontaneous payment, their issue duly endorsed by the competent Finance Controller must be regularised monthly at the discretion of the authorising officers by delegation.

59. The collection and handling of service revenue fall under the exclusive competence of the public accountant or of a revenue collector regularly appointed by the competent authority. The latter acts under the authority and control of the assigned public accountant.

60. The detailed statistics of the revenue emissions which have received the visa of the Finance Controller must imperatively be transmitted by the latter to the General Directorate of the Budget.

61. As regards to revenues that are due for repartition, only the treasury is authorized to credit the accounts of the beneficiaries with the amount of their quota, on the basis of the revenue collection statements drawn up by revenue collectors.

62. A system will be put in place in 2021 to allow the securitization of non-tax revenue through the gradual elimination of the handling of cash by revenue collectors and other intermediary agents as well as the introduction of modern means of payment in the recovery process of the said resources (e-payment, payment via mobile money, etc.).

63. The detailed statistics for the collection of service revenues, centralized monthly by each Treasury Paymasters General, must be sent to the Directorate General of the Treasury, Financial and Monetary Cooperation, no later than the 10th of the following month. A copy of these statistics is also sent to the Regional Finance Controller by the Treasury Paymaster General, who in turn, forwards the statistics to the Director General of the Budget.



B. MEASURES AIMED AT AMELEORATING THE QUALITY OF PUBLIC EXPENDITURE

1) Rationalization of the expenditures of the State and other Public Entities

a. Expenditures on salaries and pensions

i. Continuous consolidation of the State salary card index

• Revitalization of the inter-ministerial arrears committee

64. The inter-ministerial committee in charge of verifying the arrears resulting from the processing of salary files will have to strengthen its verification mechanism with a view to continuing to improve the quality of salary expenditures. It will focus on consolidating the process of decentralisation of personnel and payroll management and a better mastery of the said public service payroll by the processing sites.

65. This committee will regularly control and validate arrears before they are paid as well as make a general assessment of the quality of the processing carried out by the services in charge of pensions and salaries.

• Sustainability of the gains resulting from the COPPE 2018 operation

66. The streamlining of the State salary card index remains one of the priority levers in the Government's pursuit of the budgetary consolidation process.

67. Within the framework of the consolidation of the budgetary economies expected after the operation of the Physical Headcount of State Personnel (COPPE) conducted in 2018, the Ministry of Finance, in collaboration with the other administrations, will continue with the management of the post-census phase to allow, among other things, the recovery from banks and micro-finance institutions, the sums of money unduly received by suspended government workers. In addition, in collaboration with the Ministry of Finance and all other stakeholder administrations, the Ministry of Public Service and Administrative Reforms will have to ensure the effective suppression from the state personnel card index, civil servant that have been permanently suspended.

68. In order to avoid undue salary payments to civil servants on secondment governed by the general status of the public service and those placed at the disposal of administration other than their administration of origin and governed by the labour code, receiving organizations/structures must imperatively require from the persons concerned, a certificate of cessation of salary payment issued by the Minister of Finances.

69. In collaboration with concerned administrations, the Ministry of Finance will have to ensure the automatic transition to retirement, of State employees who have reached the retirement age limit, as well as those who have reached the end of the extension of their careers in the public service.



- **Control and securement of the card index of pensioners and/or their beneficiaries**

70. As part of the operation to control and secure the card index of beneficiaries and recipients of invalidity pensions, the Ministry of Finance will continue to manage the post-census phase. This will consist in particular of recovering sums unduly received on one hand, and automating a secure link between the deceased and his beneficiaries on the other hand, to prevent any possible fraud.

71. In order to ensure the constitution of retirement pension rights for any civil servant on secondment or placed at the disposal of another public structure, receiving organizations/institutions must regularly pay back to the Public Treasury, the compulsory retirement contribution deductions made from the salary remunerations of such civil servants, as well as the employer's contribution.

- **Follow-up of the card index of state personnel that is housed by the State**

72. A statement showing the situation of State personnel housed by the administration shall be drawn up every six months by the Ministry in charge of housing and sent to the territorially competent services of the Ministry of Finance (Budget and Treasury departments) for follow-up.

73. All state personnel that is lodged by the state is prohibited from receiving housing allowances. The finance controllers of public administrations are in charge of the suppression of the code relating thereto.

ii. Management of the salary debt

- **Evaluation of the salary debt in 2021**

74. Within the framework of the monitoring of the implementation of the commitment plan for the monthly forecast of salary and pension expenditures, the monthly quotas for arrears resulting from the processing of files in the salary chain will be notified in advance to the various administrations in line with the available budgetary appropriations.

- **The rationalization of expenditures on salaries and pensions in structures under tutelage**

75. The recruitment of personnel into public structures under tutelage and for which subventions constitute a greater part of their resources, is forbidden.

b. Current expenditures excluding salaries

i. Streamlining the allocation of financial benefits

- **The payment of allowances, bonuses and other benefits**

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76. The cumulation of advantages, the payment of surplus amounts, the provision of advantages to staff not entitled to benefit from such and the payment of advantages not previewed by any text is prohibited

77. Budget appropriations for the payment of rebates, bonuses and other allowances to the staff of decentralized services are systematically subject to delegation.

78. As a transitional measure and pending the adoption of relevant texts, the financial benefits budgeted by the finance law but not structured by a regulatory text may be executed after the written accord of the Minister in charge of Finance. For this purpose, the request for agreement will be accompanied by the decision attributing these benefits. This must show in addition to the surnames, first names, salary code numbers, grades and activities carried out by the beneficiaries, the gross amount allocated, the amounts of deductions and the net amounts to be paid out.

79. Specific allowances, specific bonuses and special duty allowances shall be committed quarterly or half-yearly, as the case may be, within the limits of the available budget appropriations, on presentation of a nominative statements of the beneficiaries and the proof of the so-called specific services.

80. For the allowances, bonuses and gratuities paid at the level of RLAs and PEs duly authorised by competent deliberating organs, the chief executive officers, in attributing such benefits, shall ensure that they are granted in strict respect for the quality, rank and grades of potential beneficiaries.

- **The rationalisation of the payment of allowances related to the work of ministerial and inter-ministerial committees and working groups**

81. Allowances for the work of ministerial and inter-ministerial committees and working groups shall be provided in accordance with Decree No. 2018/9387/CAB/PM of 30th November 2018 and Order No. 025/CAB/PM of 05th February 2019.

82. Expenditures relating to session allowances for ministerial and inter-ministerial committees and working groups are included in the category "Other personnel expenditures" and classified under the 6268-expenditure nature (special duty allowances). These expenditures shall be paid by bank transfer or in cash.

- **Rationalization of expenses related to scholarships and internships**

83. Expenditures on scholarships and internships constitute a significant part of personnel expenditure. The mastery of this category of expenditure should contribute to the savings efforts required of various public administrations. This requires that the selection process of the different beneficiaries of scholarships and internships should be rigorous, well documented as well as ensure the respect of the regulatory provisions on this subject to which the Finance Controllers are called upon to be the judges of regularity.



- **Overtime work allowances**

84. The payment of overtime allowances for work other than that which has been carried out in the current fiscal year is prohibited.

85. These overtime allowances must strictly comply with the provisions of Decrees No. 74/694 of 29 July 1974 for civil servants and No. 95/677/PM of 18 December 1995 for State Agents governed by the Labour Code.

- **Evacuation for health reasons**

86. Evacuations for health reasons to central and general public hospitals are preferred. However, in case of necessity, medical evacuation may be considered abroad, in accordance with the provisions of Decree N° 2000/692/PM of 13 September 2000.

87. In this respect, the budgetary visa for any evacuation decision is concomitant with an effective reservation of corresponding budget appropriations.

88. The appropriations thus reserved are, in due time as the case may be, directly delegated to the diplomatic representation of Cameroon in the host countries. It is prohibited for the Treasury Officer of the concerned diplomatic representation to pay the funds in question, directly into the hands of the person benefitting from the evacuation operation.

89. In the case of evacuations for health reasons in Central and General Hospitals in Cameroon, the appropriations disbursed for this purpose shall be transferred to the bank accounts belonging to these structures for the payment of all related expenses.

90. Since the budgetary appropriations intended to cover medical evacuation expenses are included in the common expenditure head under the management of the Minister in charge of Finance, the financial cover documents issued by any other administration have no financial effect.

91. In addition, the services in charge of the budget visa shall strictly observe the regulations on the reimbursement of medical expenses, hospitalization and other healthcare expenditures of State employees.

92. The Minister in charge of Finance, in liaison with the Diplomatic Missions, the host hospitals and the Ministry of Public Health, shall periodically update the records of evacuations for health reasons.

93. The Paymaster General of the Treasury shall ensure the effective monitoring of payments, on the basis of periodic reconciliations with the treasurers of the host countries.

- **Funeral expenses**

94. The death of a civil servant, considered as a final displacement or travel, the funeral expenses are paid in accordance with Decree No. 2000/693/PM of 13 September 2000 to

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establish the travel regime for civil servants and the terms and conditions of payment of the expenses related thereto. Thus, the next of kin of the deceased person is entitled to:

- the cost of transporting the remains including a casket and a means of transportation from the place of death to the place of burial;
- the cost of transporting the family (spouse(s) and legitimate minor children) and luggage from the place of last assignment to the place of burial;
- the reimbursement of transfer expenses incurred by the final removal, with supporting evidence, and including the cost of arranging luggage, packing costs, trucking costs and possibly parking and storage costs for a maximum duration of four days.

95. These costs are calculated in accordance with the appendices to the above-mentioned decree.

96. The competent authorities shall put at the disposal of the families of the deceased State personnel who are entitled to funeral allowances, coffins and means of transport required by the regulations in force, upon presentation of justification documents.

97. In so far as the families concerned have had to provide by their own means for the expenses referred to above, reimbursement of the sums spent by them shall be made by the administration upon presentation of the supporting/justification documents, within the limits provided for by the regulations in force.

ii. Expenditure assessment

98. This assessment is done on the basis of the quantities of products and services, and on the basis of reference prices as provided for in the official price list (*mercuriale*) for public administrations that is fixed by an order of the Minister in charge of prices. This price list is a tool for the control and mastery of public expenditure that is used exclusively in commercial transactions with the State. It should be understood as a list of prices adopted and accepted by the administration.

99. During the maturation phase of projects, the prices allowing to obtain the forecast amounts must respect the *mercuriale* prices. In the absence of references, the prices concerned must be fixed in accordance with the homologation procedure.

100. For the application and control of prices of public orders, a distinction must be made between prices and tariffs resulting from an invitation to tender, those of mutual agreement contracts and administrative purchase orders:

- the prices to be considered for contracts and jobbing orders resulting from calls to tender or mutual agreement contracts provided for in article 109 (b) and (c) of the Public Procurement Code, are those contained in the financial offer of the co-contractor of the public institution;
- regarding to administrative purchase orders, the prices to be considered are those defined in the official price list of the State (*mercuriale*).



101. In the event wherein, the price of an item, equipment, good or service contained in a public acquisition, supply or service contract is not listed in the official price list (*mercuriale*), vote holders shall systematically refer such cases to the competent central or deconcentrated services of the Ministry of Commerce which will, within seven (07) working days if it's an administrative purchase order, or fourteen (14) working days if it is a jobbing order or a mutual agreement contract (article 109a and 109d of the public procurement code), determine the price to be retained for such a public procurement agreement. When such new prices shall have been fixed by the competent services of the Ministry of Commerce, they will henceforth be integrated into the official price list. However, in the event wherein the Ministry of Commerce fails to fix prices within stipulated deadlines as provided above, the price proposal of the contractor will be considered valid for that particular procurement agreement.

102. The documents to be furnished else the file be rejected, include:

- a copy of the vote holder's request for the fixation of a product price to the Minister in charge of prices;
- the service provider's proforma invoice or price quotation;
- the original invoice;
- any other document that can justify the service provider's price proposal.

103. Central and regional official price lists shall be made available to vote holders by the Ministry in charge of prices or by its Regional Services, as the case may be. Vote holders will be required to refer themselves to the official price list when concluding purchase and/or acquisition agreements; else their personal responsibility shall be on the line, should goods and/or services be over-priced

104. The services in charge of the finance control of public expenditures shall verify the application of the aforementioned price regulations through the apposition of their visas. Nevertheless, the verification of quantities and metrics are a reserved domain of control engineers.

iii. Budgetary regulation measures

• Commitment Plan

105. In order to ensure coherence between commitments and quarterly quotas on one hand, and between commitments and the treasury plan on the other hand, principal vote holders shall prepare, by January 20, 2021 at the latest, a plan for the commitment of budgetary expenditures at the central level putting into perspective the evolution of the monthly forecasts of commitments per ministry.

106. The commitment plan should reflect the level of award and execution of public contracts.



• **Precautionary reserves and commitment quotas**

107. Administrations must comply to measures of both budgetary discipline and rigour as well as to the appropriate budget regulation measures (quarterly quotas and precautionary reserves) necessary for the proper execution of the budget.

108. The following measures shall, also among others, be implemented:

- Recourse to the official price list in response to the requirements of a fair pricing of expenditure;
- The blockage of precautionary reserves on all budget line items;
- The notification of quarterly commitment quotas to central administrations.

109. Hence, all appropriations earmarked for the purchase of goods and services shall be subject to a precautionary reserve of 20%.

110. In order to ensure a better repartition of budget appropriations across the fiscal year and a balance between budget appropriations to be consumed and cash flows, commitment quotas are notified quarterly to the heads of ministerial departments and heads of organisations for which they are responsible to organize according to the objectives assigned to their respective structures. To this end, each administration will prioritize its needs within the limits of budget appropriations notified thereto.

111. As regards to salaries specifically, the quotas for the arrears resulting from the processing of the files of civil servants will be notified to the different administrations on a monthly basis, in line with the available budget appropriations.

112. Neither are public investment budget appropriations subject to precautionary reserves, nor to commitment quotas. The same is true for budget support appropriations.

• **State Treasury Cash-Flow Plan**

113. The Cash Flow Plan is drawn up to assess the rate of collection of expected resources in order to meet the volumes of expenditure to be executed during the year. It is produced by the DGTCFM and updated monthly. Its adjustment must be made in conjunction with the services of the DGB within the framework of the Treasury and Budgetary Regulation Committee (CTRB).

114. The annual cash flow forecast plan, annexed to the draft finance bill, is an instrument for adjusting budget execution. It makes it possible to anticipate periods of cash flow tensions by implementing actions that will help to reduce the observed risks.

115. Public accountants of Public Establishments and Regional and Local Authorities are also required to systematically produce a cash flow plan. The latter is integrated into the State treasury plan.

116. The global cash flow plan must give rise to a domestic financing plan in line with the public debt strategy.



• **The projected timetable for the emission of public securities**

117. This timetable is drawn on the basis of the treasury cashflow plan and permits for the coverage of inter-temporal cash needs and other needs relating to the financing of the budget deficit. This timetable must also be in consonance with the annual financing plan contained in the borrowing and debt management strategy that is annexed to the 2021 finance law.

iv. Mastery of recurrent State consumptions, notably water, electricity and telephone expenses

118. The acceleration of the implementation of the new procedure for the treatment of water, electricity and telephone bills helps to make administrations more accountable in managing their consumption, controlling expenditure and making gains from the rational consumption of these goods/services.

119. Each administration must have at the end of 2021, a precise knowledge of the level of its consumption and expenditures relating thereto. To this end, the following actions will need to be carried out:

- An inventory of meters and State delivery points for these goods/services;
- A contradictory assessment of consumptions through the determination and the follow-up of meter readings on bills/invoices by each administration;
- The signature of the minutes bearing on monthly consumptions and their onward transmission to the MINFI;
- The monthly transmission to the DGB/MINFI, by each administration, of a summary table of the level of consumption registered per each delivery point for which such an administration is responsible.

120. The gains made from these recurrent State consumptions (reduction in the amount of bills) may be subject to a quarterly retrocession to the administrations that realized them, through reintegration into their budgets, in the form of budget appropriations for goods and services.

121. For administrations that exceed their quota, such excesses will be charged on their budget appropriations for goods and services for the following year.

122. For this purpose, administrations can benefit from a budgetary performance bonus for their optimal management, when an evaluation shows substantial budgetary gains on appropriations for the costs of water, electricity, stamping of mails and telecommunications services, in relation to the initial provisions.

123. Likewise, administrations whose operations are deemed to comply with quality expenditure standards may benefit from budget appropriations that bear on the consumption of goods and services, the automatic lifting of the precautionary reserve and



the authorization to use the budgetary economies made from competition in contract award procedures.

v. Acquisition of products and equipment of specific nature

124. The acquisition of materials such as micro-laptops, cell phones, CD recorders and other gadgets for personal use is prohibited, except special authorization from the vote holder.

125. The acquisition of used or unpackaged equipment by public administrations and subsidized bodies is and shall remain strictly prohibited, except in the case of a special waiver of the Prime Minister, Head of Government.

126. Services relating to pharmaceutical products and biomedical equipment are subject to the issue of an approval obtained from the competent services of the Ministry of Public Health.

vi. Organisation of conferences, colloquia and international seminars

127. The organisation of international conferences, symposia and seminars is subject to the express authorization of the Presidency of the Republic.

vii. Sovereign expenditures

128. Sovereign grants are paid to members of Government and other officials ranking as such for missions carried out abroad. Their amount is fixed by the competent authority, namely the President of the Republic or the Prime Minister as the case may be.

129. They take the form of a written agreement, notified to the beneficiary, and are charged to the budgetary head of the authority benefiting from the expenditure.

viii. Ordering and purchase of durable materials whose guarantee is required

130. For the purchase of durable goods and materials for which guarantee are required (photocopiers, computers, faxes, etc.), suppliers shall produce a certificate of guarantee for the delivered material covering a minimum period of six (06) months.

131. Finance control services are required to abstain from affixing their visas on expenditure files that do not fulfil the conditions indicated above.

ix. Limitation of the use of exceptional public expenditure procedures

• The case of imprest accounts

132. Imprest accounts shall be opened only for procurement transactions that cannot accommodate the normal commitment procedure. The following expenditures are eligible for this method of procurement:



- minor material expenses;
- the remuneration of staff regularly linked to the State, within the limits of the authorized ceilings;
- expenses related to the running of the mansions of members of government and officials with similar ranks;
- bonuses for teaching staff in public primary and nursery schools;
- expenditures on food in hospitals, military barracks, penitentiaries and schools, as well as other social establishments;
- the costs related to inspection, assessment, control, litigation and recovery of State revenue;
- the expenses relating to the allowances earned within the framework of committee and commission sessions.

133. Imprest accounts shall exclusively be created and/or reopened by the Minister in charge of Finance for central services of the State and by administrative authorities (Governor, Senior Divisional Officers and Divisional Officers) for decentralised services, at the initiative of the delegated vote holder.

134. In Public Establishments and Regional and Local Authorities, the authorization for the creation and reopening of imprest accounts is the responsibility of the deliberative organ.

135. The number of imprest accounts is limited to 25 per administration for an amount not exceeding 250 million each for all budgetary heads and per budgetary year. This amount is fixed at CFA 500 million francs for operations financed through the “*maintenance window*” of the Road Fund.

136. The above limitation does not apply to budgetary Heads N° 01, 04, 12 and 13.

137. With regard to PEs and RLAs, the number of imprest accounts is capped at 15, for an amount not exceeding CFAF 100 million each.

138. Expenditures made out of imprest accounts are subject to the regulations in force as regards to public purchases.

• Case of the disbursement of funds

139. Recourse to the procedure of disbursement of funds is proscribed for expenditures that can be executed via the normal procedure.

x. Management of budget appropriations of the common heads

140. Budgetary discipline implies that the budgetary envelops allocated to the various administrations be scrupulously respected. Any demands for additional budget appropriations under these budgetary heads must be well documented and justified by the demanding authority.

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141. The State budget allocations under the common expenditure heads are intended to finance operations whose natures are well determined. They are managed under the authority of the Prime Minister, Head of Government, by the Ministry in charge of Finance for recurrent expenditures and by the Ministry in charge of Public Investments for investment expenditures. Requests for financial cover in these expenditure heads that do not correspond to these operations require prior approval of the Prime Minister, at the risk of systematic rejection.

142. However, the requests addressed to MINFI and MINEPAT (Ministry of Economy Regional Development) in this direction in the course of the fiscal year, and for which the consent of the Prime Minister was not sought shall be considered inadmissible.

xi. Expenditures relating to the administration of justice

143. Legal costs are capped expenses charged into the State budget. Therefore, they are subject to a capped spending authorization, which cannot be exceeded during the budget execution period.

144. Legal costs, emoluments and other expenses related to the Chancery, the Special Criminal Court, the Administrative Courts and the Specialized Chambers, included in the budget of the Ministry of Justice, are apportioned by the Head of the said ministerial department.

145. These appropriations are committed by the Principal vote holder for payment to the beneficiary structures.

146. With regard to other common law courts, court fees, emoluments and other costs related to justice, are managed in accordance with the regulations in force, within the limits of the quotas set by the Minister of Justice and Keeper of the Seals.

xii. Grants (subventions) for recurrent expenditures

147. Relations between the State and public establishments are subject to the requirements of budgetary discipline and control of expenditure.

148. In this respect, the granting of additional subventions is prohibited. However, depending on the sensitivity of needs, and the sustainability of the State budget, some requests for additional subventions could be considered.

149. Consequently, any request for additional subventions must be well motivated and presented by the Minister assuring the technical tutelage of the concerned Public establishment.

150. The execution of expenditures financed through recurrent State subventions by Public Establishments and other subsidized bodies is subject to prior commitment of the instalment relating thereto, by the Ministry in charge of finance.

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xiii. The rationalization of contributions made to international organizations

151. Contributions to International Organizations are paid at the request of the beneficiary Organization, the attached Administration or the Minister in charge of External Relations through a payment order or a delegation of credits to the treasurer of the competent diplomatic mission.

152. Any request for the commitment of contributions shall be subject to the transmission of the adherence act of Cameroon, the financial resolution of the last session of the deliberative organs, the Bank Identity Statement, the statement of arrears of contributions, the address of the Organization and the annual activity report of the international organisation for the year N-1, under the courtesy of the Cameroon's representative to the organization, if any.

153. The Administrations so-attached the any international organisation, shall transmit to MINFI, during the Budgetary Conferences, the list of International Organisations to be taken in charge together with the supporting documents.

c. Capital expenditures

i. Commitment of the PIB (public investment budget) contracts

154. The 2021 PIB expenditure commitments must comply with the logbook of physical units and the procurement methods provided for in the project logbook. Finance Controllers must refrain from affixing the budgetary visa to transactions that do not comply with this requirement.

155. In order to guarantee efficiency in the follow-up and control of the execution of the PIB, copies of all jobbing orders or contracts must be sent by the contracting authority or the delegated contracting authority to the Minister in charge of Investments and to the Minister in charge of Public Procurement for projects managed at the central level, and to the decentralized services of these two administrations for those managed at the regional or divisional levels or projects transferred to RLAs, within (15) fifteen days maximum after Signature.

156. Similarly, and in accordance with the provisions of Article 47(2) of the Public Procurement Code, all documentation generated in the context of the award and execution of contracts is transmitted to MINMAP and the Public Contracts Regulatory Agency (PCRA), for the purpose of exploitation.

157. The contracting authorities and the delegated contracting authorities must ensure that the copies of contracts, purchase orders, corresponding terms of reference, study reports, etc. are well conserved at the completion point of works, in the view of facilitating subsequent controls. The same applies to studies carried out directly by the administration (inhouse works).

158. Any material errors detected on expenditure authorizations are corrected at regional and divisional levels within a special consultation framework around the

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Governor of the region or the territorially competent SDO, bringing together local officials of MINFI, MINEPAT and MINMAP (Ministry of Public Contracts), the competent State Engineer and the service provider's Representative. A report signed by all stakeholders is drawn up and forwarded to MINEPAT and MINFI for the purpose of information.

159. Any modification of the project logbook requiring the creation of a new task is subject to the prior approval of MINEPAT.

160. The competent services of MINMAP, MINEPAT and PCRA (Public Contracts Regulatory Agency) must ensure the strict respect by administrations, of the schedule for the award and execution of public contracts, in order to avoid the under-consumption of budget appropriations/allocations earmarked for the different and various projects. To this end, the Project Owners and the Delegated Project Owners award and execute their contracts in strict compliance with the timetable set in the programming journal.

ii. Subventions for investment (capital) expenditures

161. May benefit from subvention for investment expenditures to carry out development operations (equipment, operating or balancing subventions), Public Establishments and Enterprises as well as private organizations such as NGOs, Associations, common initiative groups (CIGs), economic interest groups (EIGs), Cooperatives, etc.

162. All decisions relating to investment subventions must indicate:

- the expected results in relation to the objectives of the programs and actions that that bear on the various budget appropriations;
- the activities to be carried out;
- the physical units that will result from the different activities;
- the deadline(s) for implementation of activities;
- the contract specification clauses.

163. The mobilization of investment subventions begins with the organization, during the month of January, by MINEPAT, in collaboration with MINFI and MINMAP, of conferences to mobilize subventions for current expenditures. During these conferences, the activities and the list of types of expenditures validated by the joint teams, will determine the category of operations to be committed on the basis of the presentation of the bills and those can only be executed through exceptional procedures.

164. Expenditures on subsidy appropriations that are earmarked for commitment on the basis of the presentation of the bills (decomptes) as well as those which cannot be executed through the normal procedure are notified through official means by MINEPAT to the Body or the Public institution receiving the subsidy, subsequent to the investment subsidy mobilization conferences.

165. For the purposes of monitoring and controlling the physical realisation of projects, copies of all disbursement decisions to release investment grants, the detailed projects

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journal of these grants, as well as the expenditure memos, must be sent to Minister in charge of Public Investments, failure of which shall nullify the subvention.

166. Every beneficiary of an investment grant is required to submit to MINEPAT, MINFI and MINMAP no later than fifteen (15) days after the end of each quarter, a physical and financial implementation report of its subventions. This report indicates, in particular, the state of progress of the contract award procedures, the level of commitments, the level of payment authorizations (orders), the level of effective payments, as well as the physical execution rates.

iii. Optimization of the management of counterpart funds

167. For the purpose of monitoring and in order to ensure the timely mobilization of counterpart funds, disbursement programming conferences shall be organized by the relevant MINEPAT and MINMAP services at the beginning of the budgetary year. These conferences set, for each project:

- the table of commitments taken by the two parties in the loan convention (agreement);
- the amount of disbursements expected from the Technical Financial Partners (TFPs);
- the amount and the *expenditure memo* of the counterpart funds in actual expenses;
- the implementation schedule of project activities and the expenditure commitment plan;
- the maturation state of the operations to be carried out;
- the chain of expected results (deliverables, effects and impacts);
- the programming of the equipment to be imported and the work to be carried out, which will require the issue of customs clearance certificates;
- the operations of the counterpart funds in real expenses which will be executed through the disbursement of funds to the benefit of the Basket Fund of counterpart funds lodged at the Autonomous Sinking Fund.

168. Counterpart funds in actual expenditures, evaluated during the disbursement programming conferences, are mandated (payment authorisation) either by the competent departments of MINEPAT, or by the competent ministries to the commercial account of the project lodged at the Autonomous Sinking Fund (ASF).

169. The mobilization of counterpart funds is contingent, in addition to the existence of the relevant financing agreement (convention), on the effective implementation of the project, which must correspond to the satisfaction of needs actually expressed. Such mobilization is subsequent to MINEPAT's validation of an expenditure memo describing the nature of the operations to be financed.



170. MINEPAT has a maximum period of thirty (30) days from the date of referral, to rule on the validation of the expenditure memos of counterpart funds submitted to it for the modification of budgetary allocations related thereto.
171. For contracts that bear on public works, supplies, studies and audits, the commitment, liquidation and the ordering (authorization) for payment of actual expenditures on counterpart funds, shall be done by the Ministries responsible for the projects, upon presentation of the statements by the Project Management Unit, no later than December 31, 2021
172. Current expenditures (salary, housing, water, electricity, telephone, internet, etc.) bearing on counterpart funds may be subject to commitment on a provisional basis.
173. Effectively committed, liquidated and mandated expenditures on counterpart funds shall be transmitted to the Autonomous Sinking Fund for payment through the Basket Fund.
174. With regards to expenditures bearing on compensation exercises, their commitment shall depend on the availability of budget appropriations opened to that effect. Such appropriations will be contained in the budgets of concerned project owners or that of MINEPAT as the case may be.
175. Expenditures on counterpart funds whose commitment shall be done upon the presentation of bills justifying their effectiveness will be precised in an expenditure memo validated by MINEPAT, subsequent to the counterpart fund disbursement conference.
176. The commitments of expenditures on counterpart funds shall be done all-taxes inclusive. During the placement of counterpart funds at the disposal of the CCA, the treasury services shall withhold all taxes at source.
177. In order to avoid the double withholding of taxes at source, the treasury accountant shall systematically issue revenue declaration statements to the Autonomous Sinking Fund that attest to such withholdings at source.
178. Counterpart funds, exclusive of all taxes and customs duties, shall be lodged in the Basket Fund at the level of the Bank of Central African States (BEAC).
179. The lodging in, or transfer of counterpart funds to accounts opened in commercial banks is therefore prohibited.
180. Budget appropriation virements (transfers) from counterpart funds to other expenditure line items remain prohibited.

iv. Optimization of the use of rehabilitation credits.

181. Failure to take into account the performance requirement in the drawing up of blueprint contracts (contrats-plans) and the under-consumption of the related budget

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appropriations entails rectification contract (avenants) that tend to unnecessarily extend the duration of the execution of the said blueprint contracts.

182. Public Enterprises and Establishments in the context of rehabilitation, must therefore submit, prior to the signing of contracts, a business plan for a minimum period of five (5) years and the elements of maturity relating to the activities for which funding is required from the State.

v. Contract-Plans

183. Commitments under Contract-Plans are done on the basis of the presentation and transmission of contracts and bills duly signed and registered, to the Directorate General of the Budget, with the exception of contracts signed with service providers based abroad and for which documentary credit is required.

vi. The revival of the portfolio of public enterprises

184. The revival of the portfolio of public enterprises shall involve:

- the implementation of the provisions of decree n ° 2019/321 of June 19, 2019 fixing the categories of public enterprises, the remuneration, allowances and benefits of their managers
- the systematic auditing of public enterprises within the framework of the assessment of the contingent liabilities of such enterprises in a bid to better anticipate the risks that such liabilities pose to the State budget.
- the adaptation of public enterprises to the standards enacted by Law N° 2017/011 of 12 July 2017 on the general status of public enterprises and its various implementing texts
- the start of general review activities of public policies in the various sectors in order to adapt the portfolio of public enterprises to real needs taking into account the current economic and social context.

185. Commitments for the reimbursement of public service missions executed by public enterprises are made every six months, after consolidation and validation by the Directorate General of the Budget and the ministerial departments concerned

d. The taking into charge of floating public debt

186. Floating public debt consists of all of the State's financial commitments which are not under control because they are not consolidated.

187. Each public entity (Central Administration, Public Establishment, Regional and Local Authority) is required to devote part of its annual budgetary allocation to cover any of its outstanding arrears. This will not only significantly reduce internal indebtedness and thus improve the State's financial credibility, but also provide a satisfactory response to the problems posed by floating debt, that penalise economic operators who, after



realizing a service in public entities, face enormous difficulties in receiving their dues for several years.

188. In addition, this debt will be audited to assess its outstanding amount, facilitate its structuring as well as its adequate programming for payment over time.

e. Special purpose accounts

i. Conditions for the opening a special purpose accounts (CAS)

189. A special purpose account (*Compte d'affectation speciale*) can only be opened by a finance law

190. The allocation of revenue to a special purpose account can only result from a provision in a finance law.

191. Any special purpose account contributes to the achievement of the objectives of one or more ministerial programs.

ii. The taking into charge of personnel expenditures in a special purpose account

192. With the exception of regular funding provided in the form of donations by international donors, it is prohibited to charge directly to a special purpose account, expenditure on salaries, wages, allowances and financial advantages of any kind to staff.

iii. The forecast, authorization and the execution of special purpose account operations

193. Subject to the special rules provided for in Articles 47 and 48 of Law N° 2018/012 of 11 July 2018 on the Fiscal Regime of the State and Other Public Entities, operations of special purpose account are provided for, authorized and executed under the same conditions as those of the general budget. Unless otherwise provided for by a finance law, the balance of each special purpose account is carried over to the following year.

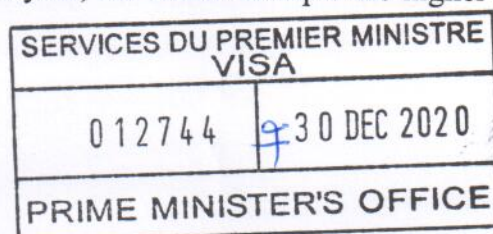
iv. Incomes and expenditures of special purpose accounts

194. Special purpose accounts retrace, under conditions provided for by a finance law, the budgetary operations financed by means of special revenues which are, by nature, directly related to the operations concerned.

195. Income of a special purpose account may be supplemented by payments from the general budget, up to a limit of 10% of the initial appropriations of each account.

196. Unless expressly provided for by a finance law, no payment for the benefit of the general budget, a subsidiary budget or a special account may be made from a special purpose account.

197. During the year, the total expenditure paid under a special purpose account may not exceed the total ascertained income. If, during the year, the actual receipts are higher



than the estimates of the finance laws, additional credits may be opened, by order of the Minister in charge of finance, within the limits of this surplus.

198. Payment credit allocations available at the end of the year in a special purpose account can be carried over to the following year within the limit of the ascertained cash surplus, if any, at the end of the year in the concerned special purpose account.

199. Expenditures of the National Solidarity Special Fund for the Fight Against Coronavirus and its socio-economic repercussions (SPA-COVID 19) shall be executed in conformity to the provisions of Circular No 00000220/C/MINFI of 22 July 2020 that fixes the modalities of the organisation, functioning and follow-up/evaluation of the said funds.

2) The amelioration of public procurement systems

200. From a general stand point, all planned projects must be carried out in strict compliance with the legislative and regulatory provisions and procedures laid down by the laws in force, namely:

- Decree N° 2018/366 of June 2018 on the Public Contracts Code and its subsequent texts ;
- Decree N° 2018/355 of 12 June 2018 to lay down the common rules applicable to public enterprises;
- Law N° 2006/012 of 9 December 2006 to lay down the general regime for partnership contracts and its implementing texts;
- the various sector specific laws and regulations in force regarding the concession of public activities, leasing, affermage, self-management and management.

201. To this end, the Administration must observe the obligations of transparency, sound competition and promptness in procedures enacted and organized by the aforementioned texts. The use of exceptional procedures must only be made in compliance with the limited cases provided for by the public contracts code concerning mutual agreements, special contracts or exemptions provided for within the framework of partnership contracts.

202. For the purposes of monitoring and controlling public procurement and execution activities, and for better optimization of budget execution, the Programming Conferences which give rise to the validation of draft contract award plans and Programming Journals are organized by the Ministry in charge of Public Procurement.

203. In the event of adjustments or new projects, the contracts award Plans and the Programming Journal are updated monthly by the MO/MOD (project owner and delegated project owners) in relation with MINMAP.

204. The validated Procurement Plans and the Programming Journal, as well as their possible updates, are transmitted to MINMAP and PCRA (Public Contracts Regulatory Agency).



205. The operating expenses of the Internal Procurement and Special Commissions are borne by the budget of the Contracting Authority or the Delegated Contracting Authority. While those of the Central Control Commissions are borne by the MINMAP budget.

206. The expenses of the Regional and Divisional Tenders Boards are borne by the specific lines of the budgets of the Regions or Departments concerned.

207. The execution of the above expenditure is carried out as follows:

- for the Internal Tenders Boards, the President is the Authorising Officer by delegation. He is accredited by the Chief Authorising Officer on the budget lines concerned, at the beginning of the financial year;
- for the Regional and Divisional Tenders Boards, the Governors and Prefects are respectively the Delegated Authorising Officers on the specific lines of the Regional and Divisional budgets;
- for the Central Control Commissions, the Chairmen are the delegated Authorising Officers and are accredited by the Minister in charge of Public Procurement on the budget lines concerned, at the beginning of the financial year.

208. Administrations must ensure that natural or legal persons tendering for public contracts are not subject to prohibition or forfeiture under the laws and regulations in force, both at national and international level.

209. The list of physical and moral persons prohibited from tendering for public contracts is available in *www.PCRA.cm*. website. This list is communicated every 15 days by the Public Contracts Regulatory Agency (PCRA) to contracting authorities and delegated contracting authorities, vote holders, chairpersons of Tenders Boards, Finance Controllers and Public Accountants of the State Treasury.

210. Physical or moral persons thus banned shall neither be eligible for administrative purchase order nor the public contracts procedure.

a. Administrative purchase order

211. The administrative purchase order is used for the purchase/acquisition of goods and services, and the execution of works when the amount of the operation is less than five (05) million francs CFA.

b. Contract and Jobbing order

212. In order to ensure that all planned contracts and jobbing orders are executed in due time, they must be awarded before the end of April 2021.

213. Commitment of contracts and jobbing orders for the same services on the same line, at the same time and to the benefit of the same service provider shall constitute a case of splitting of appropriations and an infringement to the Public Contracts Code, except in the case of allotment.



214. In any event, the following measures must be observed:

- the existence of the maturation elements of the projects taking into account, inter alia, the environmental standards, prior to the launch of the call for tenders, mutual agreement and the recourse to special contracts if necessary;
- planning of the award and execution of contracts for the financial year during relevant conferences;
- compliance with the time limits for awarding contracts;
- Prequalification within the framework of a restricted invitation to tender of a minimum number of three candidates, formality of which non-compliance gives rise to the use of the open invitation to tender by the Project Owner or the Delegated Project Owner;
- the existence of a certificate attesting that the bidder is not subject to any prohibition or forfeiture provided for by the legislation in force;
- the capping of the threshold of contract modification at 30% of the amount of the basic contract;

215. Use of private compulsory supervision, when the amounts of services are more than or equal to the following thresholds

- o Works: CFAF 250,000,000;
- o Supplies: CFAF 500,000,000.

216. For administrations that possess the appropriate technical capacities or whose constituting texts authorize them to carry out studies or technical controls, the public contracts authority may, on the basis of a justified request of the contracting authority, authorize the said contracting authority to make recourse to a private supervision, within the above-prescribed thresholds.

217. Once such exemption has been granted, the Contracting Authority or the Delegated Contracting Authority institutes the public supervision authority by way of a decision.

218. In the case of contracts for intellectual services relating to studies and audits, the monitoring and technical acceptance committee set up within the framework of public project management must include members from outside the project owner's or delegated project owner's departments.

219. Vote holders must abstain from:

- signing and to committing jobbing orders and contracts not bearing the prior approval of the competent Finance Controller;
- signing a contract or jobbing order of which they have been notified by the Public Procurement Authority, of the suspension of the related contract award procedure;



- splitting the appropriations in a bid to circumvent regulations in force or the thresholds of contract;
- accepting services or supplies without prior commitments;
- dealing with third parties or companies in cessation of payment or in situation of judicial liquidation or excluded from tendering for public procurement;
- modifying the consistency of the services without an endorsement or a service order when the financial impact is less than 10% of the basic contract;
- ordering (authorising) the payment of additional services in the absence of the corresponding modification contract;
- covering the mission or travel expenses of public officials committed to the control of works through the company's contract;
- committing the balance of investment appropriations resulting from competition between service providers; such balances constitute budgetary gains.

220. Within the framework of the maintenance roads and other works of arts that bear on the budget of the Ministry in charge of roads, the following measures are prescribed:

- scrupulous compliance with public contracts regulations, especially the systematic rejection of any *contract-splitting* commitments;
- signature of contracts (jobbing orders, contracts) by the competent authorities and control of works by the technical structures authorized to do so;
- signature of the minutes of reception of works by competent officials and authorities constituted in the reception commission.

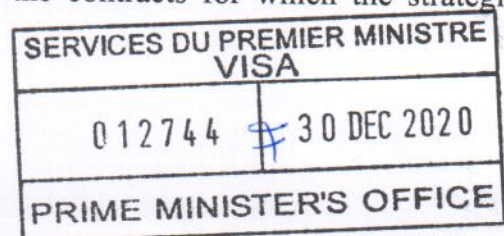
221. The technical reception of works and services financed from the resources of the Road Fund must be done by consulting and control firms, without prejudice to any other control by the controllers of the Ministry of Public Contracts, competent engineers of the Ministry of Public Works, the Ministry of Housing and Urban Development, and the Road Fund, in accordance with the operating rules of these structures.

222. Under penalty of rejection by the Finance Controller, the supplies or services reception report must be signed by at least two-thirds (2/3) of the members of the tenders' board including the President in accordance with the provisions of article 157 (2) of the Public Procurement (contracts) Code.

c. Special Contracts

223. Special contracts are government contracts that do not comply either fully or partially with the provisions of the public contracts code on contracts that are open to tenders or on mutual agreement contracts. They mainly comprise of contracts relating to national defence, security and the strategic interests of the State.

224. Special contracts concern the acquisition of equipment, supplies or services directly related to national defence, security and the contracts for which the strategic interests of the State are at stake.



225. Special contracts include secret clauses for reasons of security and strategic interests of the State, and therefore are exempted from the scrutiny of any Public Tenders Board provided for by the Public contracts' Code.

226. Special contracts shall be awarded exclusively after a prior authorization of the President of the Republic.

227. Special contracts are subject to the tax regime that governs public procurement. As such, they must be stamped page-by-page and subject to the proportional registration fee, i.e. 5% for jobbing orders and 3% for contracts.

d. Contracts for the maintenance, guarding and up-keep of premises

228. Maintenance contracts for durable and other equipment are not tacitly renewed except for those signed for a period exceeding one year. They become obsolete on the 31st December of each year. The same shall apply for security guard contracts and those on the maintenance of buildings and their environs.

229. These contracts are signed by the competent contracting authorities and the relevant files must include, among other documents, the regulatory license as concerns security guard contract.

230. The procedure applicable for the award of these contracts shall be that provided for in the Public Contracts Code.

231. For the specific case of security guard contracts, they are tacitly renewed for a period not exceeding three (03) years.

e. Rental of apparatus or rolling stock

232. The rental of rolling stock and equipment in public administrations and other public services is an exceptional activity and must respect, where appropriate, the provisions provided for by the Public Contracts Code.

f. Administrative rents

233. The displaced payment of rents, which refers to any payment of rents made in a place other than the area where the rented building is domiciled, remains prohibited.

234. Therefore, the Ministry of Housing shall make an assessment of the rents payable by region at the time of preparation of the budget for subsequent allocations to regional vote holders.

235. In the event of a shortage of budget appropriations for automatic delegations for the budgetary year concerned, one-time credit delegations may be granted, where appropriate, to avoid the creation of arrears which, due to the absence of a complete mastery of the information on rental contracts, entail risks of multiple payments over the same period and for the same contract.



236. Draft contracts for military rentals, on the other hand, are pre-approved by the Finance Controller at the Ministry of Defence before their joint signature by the Minister in charge of Defence and the Minister in charge of housing.

g. In-house Works or works through direct labour

237. In-house works comprises of works that the Administration decides to carry out itself, using its own material means and personnel. The project Owner (the State of any other public entity) is at the same time Project Manager. For this reason, the state deals directly with suppliers and supports in its own budget all the economic and financial risks.

238. Shall be eligible to this procedure, construction, reconstruction, demolition, repair and renovation works of any building or structure, including site preparation, earthworks, installation of equipment or materials, decoration and finishing, as well as the associated studies and control if the amount of these services does not exceed that of the works themselves.

239. There exist two categories in-house works:

- total in-house works at the initiative of the Project Owner, not governed by the Public Contracts Code;
- corporate in-house works, which includes:
 - total in-house works, which follows a duly ascertained failure of a contracting party of the Administration, to fully execute all the works bearing on a public contract. In this case, the execution of the remaining portion of the works is carried out by the State or a public entity at the expense and risk of the contractor;
 - partial in-house works. In a public contract, it is envisaged that part of the works shall be done by the State or another public entity. The portion of works to be done by the State cannot exceed 2% of the tax inclusive amount of the contract. In this case, co-contracting party executes its own portion of works at its expense but under the supervision and responsibility of the public entity.

240. The possible execution of the work through the direct labour procedure, resulting in the subsequent provision of funds to the executing structure, requires the authorization of the Minister in charge of Public Procurement (Contracts). Such works are carried out through the imprest account procedure, or by any other method provided for by the regulations in force in this domain.

241. The prices of work carried out through direct labour must be in accordance with those of the official price list (mercuriale). When the prices of works of products do not appear in the mercurial, any price that will be taken will be subject to prior approval by the Ministry in charge of trade.

242. With regard to the execution of imprest account operations through the coffers of the maintenance Road Fund, the funds are made available to the benefit of the vote



holders in accordance with the provisions laid down in letter N° 19/07000/L/MINFI/SG/DGB/DPB/CSI/CEA4 of 28/10/2019 of the Minister in charge of Finance and included in the convention governing the special accounts of this body at the BEAC.

h. Public-Private partnership contracts

243. The draft partnership contracts are subject to a sustainability opinion from MINFI.
244. Partnership contracts are subject to a preliminary assessment, carried out by CARPA (*Conseil d'Appui à la Réalisation des Contrats de Partenariat*), showing the administrative, economic, financial and legal reasons which made the Administration to resort to this procedure.
245. In order to ensure the regularity of the expenditures inherent in a partnership contract, the rents to be paid to the co-contracting party or the tax burden to be borne by the budget of the State and public entities must be subject to the approval of the competent Finance Controller.

i. Regulation rights

246. Regulation rights constitute a subject of a commitment voucher issued by the Directorate General of the Budget on the basis of a decision of an amount equal to the budgetary allocation of the line created for this purpose in each ministry and is equal to the total rights due for the 2020 fiscal year. This commitment must be made before the end of the first quarter of the fiscal year 2021.
247. The Public Establishments, Enterprises, Projects, Programs and City councils of the towns of Yaoundé and Douala are required to envisage a budget line for the current budgetary year on which regulation rights will be committed and paid.

j. Acquisition charges of tender documents (DAO)

248. Charges for the acquisition of tender documents (DAOs) of contracts awarded by the different Ministries and their decentralized services are payable to the Public Treasury.
249. Regarding Public Establishments and Enterprises, City councils of the towns of Yaoundé and Douala, procurement tender document (DAO) acquisition charges shall be systematically paid to the accounts of the Public Contracts Regulatory Agency (PCRA)

C. OTHER MEASURES

1) Optimization of the processing deadlines of public expenditure files

250. In a bid to reduce public expenditure processing periods, actors in the budget execution chain should strive to meet the following deadlines:

- from legal commitment to accounting commitment: ten (10) days;



- from accounting commitment to liquidation: fourteen (14) days;
- from liquidation to payment order: three (03) days;
- from payment authorization to the taking into charge of the expenditure by the public accountant: fourteen (14) days.

251. With regards to the award of public contracts, the deadlines are those contained in decree N° 2018/355 setting the common rules applicable to public enterprises and N° 2018/366 of June 20, 2018 relating to the Public Procurement (contracts) Code.

252. Any motivated rejections of files under processing, automatically suspend the above regulatory deadlines.

2) Measures to protect State property

a. Replacement of public property

253. All outdated, obsolete, out-of-use properties or those whose repair costs are exorbitant, shall be systematically admitted for disposal, at the initiative of the vote holder, who shall refer the issue to the Minister in charge of State Property.

254. In the case of Public Establishments and RLAs, in the case of any property disposal operation by the Vote Holder shall be subject to the authorization of the deliberating body.

255. The sale of any public property on the basis of the "*highest and last bidder*" shall be carried out in accordance with the regulations in force.

b. Optimization of the management of the automobile fleet of the public administration

256. The acquisition of vehicles by the State remains a source of expenditure whose relevance and rigour must be guaranteed. To this end, the following provisions will be rigorously observed during the 2021 financial year, in order to control the management of the State fleet of cars (acquisitions, renewal rate, maintenance costs, vehicle allocation and, replacements):

- the establishment of an inventory and update of the stock of cars in order to have a complete situation of the fleet of vehicles for each administration;
- the requirement of the authorization of acquisition from the Prime Minister, Head of Government remains an imperative;

257. State vehicles shall be registered by the administrative garage under the symbol "C.A." subject to the exceptions granted to certain specific institutions.

258. Rolling stock acquired under national projects for logistical support shall be imperatively registered under the State fleet.



- 259.** The repairs of administrative vehicles shall be carried out in administrative garages. However, if necessary, Administrations are authorized to have their vehicles repaired in private garages, but this must be done on the basis of an *attestation of deficiency* duly issued by the head of the competent administrative garage.
- 260.** In the event of an accident, the administration reserves the right make recourse to a counter-expertise evaluation of the damage suffered by the victim through a firm licensed for this purpose.
- 261.** Financial services shall ensure that equipment maintenance and repair costs do not exceed the cost of replacing such equipment.
- 262.** The expenditure file for the payment of costs pertaining to the repair of cars in private garages shall be accompanied by an attestation of registration of the said vehicle into the State's fleet of cars issued by the competent services of the Ministry of State Property, Surveys and Land Tenure and a certified photocopy of the vehicle registration document (*Carte grise*). A certificate of expertise drawn up by a competent firm shall be required for estimates exceeding five million (5,000,000) CFAF.
- 263.** Vehicle maintenance budget appropriations may only be granted to officials entitled to an administrative vehicle, in accordance with the regulations in force.
- 264.** A public official, entitled to an administrative vehicle but who is not endowed with one, and who uses his personal vehicle for service purposes, shall receive a monthly vehicle maintenance allowance at the rate fixed by the regulations in force.
- 265.** On the other hand, the public official, who is entitled to an administrative vehicle, but is deprived thereof, may have his personal vehicle repaired in an administrative or private garage at the expense of the State, on presentation of an attestation of use of the said vehicle for service purposes, and a pay slip justifying the non-collection of the vehicle maintenance allowance.
- 266.** The acquisition of new vehicles in State administrations is subject to the prior authorization of the Prime Minister, Head of Government. Requests for the acquisition of second-hand public works machinery must be accompanied by the technical files as well as the expert report of MATGENIE and subject to the prior authorization of the Prime Minister, Head of Government.
- 267.** The use of rolling stock is subject to obtaining the following documents:
- an authorization to circulate, issued by the competent services of the Ministry in charge of State Property and Land Tenure;
 - a mission order signed by the driver's superior for traffic outside the normal service area.
- 268.** These documents shall be presented at the request of the specialized brigades of the Central Administrative Garage and any requisition of the police brigades operating in the administrative garages.

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c. Constitution of the opening balance sheet of the State

269. Buildings and rolling stock acquired during the 2021 fiscal acquired against payment (acquisition or internal production) are recorded on the fixed asset sheet drawn up for this purpose.

270. This asset sheet is configured in the PROBMIS (Program Budget Management System) and CADRE applications.

3) Measures aimed at supporting the activities of public enterprises

a. Postage of correspondences addressed to administrations

271. Applications, memoirs and petitions addressed to the administration shall be posted, else they shall be considered inadmissible.

272. In addition, Cameroon Postal Services (CAMPOST) shall collect, sort, transport and distribute domestic and international correspondences.

b. Acquisition of administrative documents

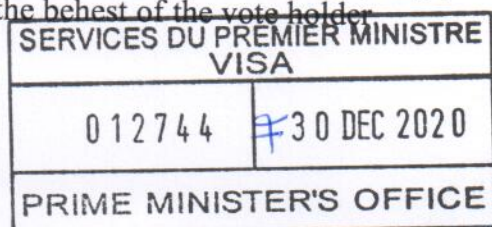
273. In accordance with Circular No 007/CAB/PM of 13 August 2007, the acquisition of all administrative documents, as a matter of priority, must be from the National Printing Press.

274. However, if the National Printing Press cannot supply documents to a public administration in desired deadlines, it shall, within 15 days, issue a certificate of default, where applicable.

275. In case of manifest refusal to issue a certificate of default by the National Printing Press or in case of silence observed by it at the end of the period of 15 days following the effective receipt of the request, the administration concerned shall refer to the Ministry of Public Contracts for authorization to acquire administrative documents by way of mutual agreement (*contrats de gré a gré*) for amounts that are more than or equal to CFAF 5 000 000, or use SOPECAM or any other private provider qualified in the field for orders below CFAF 5 000 000.

4) Regularization of expenditures paid without prior payment authorization (order)

276. Any disbursement of funds is subject to the reservation of the corresponding budget appropriations and the presentation of justification documents for the expenses to be paid, in the forms and under the conditions provided for by the texts in force. However, when exceptional circumstances necessitate cash advances, funds can be disbursed on the basis of a decision duly signed by the Minister in charge of Finance accompanied by a certificate of availability of appropriations issued by the Director General of the Budget, clearly indicating the budgetary allocation that will sustain such expenses when the time comes. These advances are covered within ten (10) days, for the benefit of the competent treasury accountant, at the behest of the vote holder



277. Cash advances shall be authorized limitedly in the following cases:

- debt service;
- court fees;
- salaries and pensions;
- discounts on stamp;
- exchange losses;
- financial expenses;
- refunds of VAT credits;
- direct interventions;
- expenditure on external financing.

278. Expenditure operations executed without prior commitment are paid in cash. Any other form of cash advance is prohibited.

279. Consequently, any Public Accountant who pays uncommitted expenditures, except for those listed above, shall be exposed to sanctions provided for by the regulations in force.

280. Expenditures paid through cash advances will be a subject of eventual budgetary regularization.

281. Documented requests for regularization shall be sent to the Director General of the Budget no later than ten (10) days after the end of the month following the payment of the concerned expenditures. This shall be done following due diligence by the Director General of the Treasury, Financial and Monetary Cooperation. Cash advances shall be requested for by the various administrations in the following manner:

- the Autonomous Sinking Fund (ASF) when it concerns funds for externally financed projects and debt servicing;
- MINEPAT if it concerns VAT, customs duties and taxes from jointly financed projects;
- the National Hydrocarbons Company (NHC) for direct interventions of the State;
- the Directorate General of Taxation refund if it concerns VAT credits;
- the Directorate General of the Treasury, Monetary and Financial Cooperation if it concerns other operations, in particular debt service, court fees, salaries and pensions, postage stamps, foreign exchange losses and financial charges.

282. On the basis of a decision signed by the Minister in charge of Finance, the Director General of the Budget shall proceed with the budgetary coverage of expenditures made in cash advances within a period not exceeding fifteen (15) days.

283. Budgetary coverages shall be carried out within the limits of the ceilings of budget appropriations contained in the finance law.

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284. The budgetary and accounting regularization of cash advances must take place before the end of the month following that of payment of the advance.

5) Management of delegated appropriations for decentralization

285. Budget appropriations delegated within the context of the consolidation of the decentralization process in Cameroon include the general functioning (operating) grant and the investment grant.

286. The general functioning grant is intended for expenditures listed in the prime ministerial decree bearing on the repartition of the General Decentralization Grant (GDG), particularly:

- The salaries and allowances of personnel and elected officials;
- the operating (or recurrent) costs of deconcentrated services that assist in the management of RLAs;
- the functioning of the National Council of Decentralization;
- the functioning of the Inter-Ministerial Committee for Local Services;
- the special recurrent expenses of certain municipalities in difficulty.

The provision of these resources shall be made by a joint order of MINFI/MINDDEVEL (Ministry of Decentralization and Local Development).

287. Expenditures corresponding to transferred competences are executed in accordance with the following provisions:

- The inclusion (inscription) of these resources in the budgets of the Ministries;
- The information of the beneficiary Mayors about the said resources to be transferred by ministries;
- The automatic delegation of credits to RLAs;
- The assignment of the transferred resources to the corresponding municipal Treasuries;
- compliance with the budget nomenclature in force.

288. Expenditures related to the implementation of decentralization are made in accordance with the provisions of Law N° 2019/024 of December 24, 2019 on the General Code of RLAs and Decree N° 2009/248 of August 5, 2009 setting the modalities for the evaluation and distribution of the General Decentralization Grant (GDG).

289. The provision of these funds is done subsequent to the signature of the Prime Ministerial Decree for the current fiscal year, through FEICOM by decision of MINFI for the salaries of elected officials and to MINDDEVEL and the National Decentralization Council for Designated Cashiers (*billeteurs*).

290. In order to better accompany and strengthen the performance of the RLAs, their budgetary, financial and accounting activities will be regularly monitored by the



specialised services of MINFI, MINDDEVEL and MINEPAT, each as far as it is concerned.

291. The change of the beneficiary locality of a project within the framework of the competences transferred to RLAs must be done at the local level, within a consultation framework that brings together the territorially competent Administrative Authority, the Chief Executive of the concerned Regional or Local Authority, the local representatives of MINEPAT, MINFI and MINMAP, the competent State Engineer and the administration having transferred the competences. A copy of the minutes sanctioning the works must be transmitted to MINEPAT by its local representative. A modification contract regularizing this change of locality is signed, if necessary.

292. Any change, during the financial year, in the nature of a project financed through the General Decentralisation Grant is subject to the authorisation of the Minister in charge of RLAs, after a favourable opinion of the territorially competent representative of the Ministry in charge of RLAs. This opinion relates to the proof of the shortcomings of the initial project, the existence of maturation elements of the new project, the authorisation of modification of the deliberating body and the existence of an implementation time frame.

293. Any change in the nature or purpose of a project financed through the General Decentralisation Grant must be made within the first three months of the fiscal year.

294. Pending the putting into place of finance controls in all municipalities, the function of Finance Controller is assumed by the Municipal Treasurer who controls the regularity of the expenditure. However, for the specific case of transferred credits, the competent Finance Controller is the Divisional Finance Controller of the relevant department.

295. Regarding District Municipalities which do not have Specialised Finance Controllers, the control of regularity is exercised by the Specialised Finance Controller at the Urban Community of attachment, as regards both own resources and transferred credits.

6) Promotion of local materials and SMEs.

296. Project owners and the delegated project owners shall, each in its sphere of competence, ensure that they comply strictly with circular No. 002/CAB/PM of 12 March 2007 on the use of local materials in the construction of public buildings. Specifically, they ensure that bidding documents for all public buildings (up to R+1) incorporate the technical specifications for the use of standardized local materials in Cameroon (compressed earth blocks, fired bricks, cut stones) as masonry elements.

297. The project owners and delegated project owners in charge of the priority areas of high labour-intensive approaches (HLI) shall ensure that HLI are taken into account in the bidding documents and other standard public contracts documents as provided for in Decree No 2014/0611/PM of 24 March 2014 to lay down the conditions for the use and application of labour-intensive approaches.



298. Project owners and delegated project owners under whose responsibility the domains of activity referred to in Order No. 402/A/ MINMAP/CAB of 21 October 2019 to set out the nature and thresholds of the reserved contracts, shall take into account, in the bidding documents and other standard public contracts documents, lots or tenders distinctly dedicated to artisans, SMEs, CBOs and CSOs.

7) The management of co-financed projects

299. For each co-financed project, a Coordinator with well specified attributions shall be designated.

300. The Heads of Ministerial Departments transmit to MINEPAT and MINMAP, from the month of January 2021, the lists of all duly designated project coordinators.

301. Charged with the responsibility of centralising data relating the project, the project coordinator initiates expenditures on the execution of the project and renders an account on the progress of work. The coordinator transmits to MINEPAT and MINMAP, a quarterly report on the physical and financial execution of the project. This report that makes a clear distinction between activities bearing on external financing and those bearing on counterpart funds, gives an account of the progress made in the award of contracts, the levels of budget commitments, payment authorisations and effective payments as well as the execution of the physical units of the project.

302. Each co-financed project shall, if necessary, be monitored by a piloting committee that brings together all the administrations implicated in the execution of the project.

8) Management of the disbursement of funds coming from external financing

303. A disbursement plan shall be established for each project and submitted for validation by the main actors (Project Owners, MINEPAT, MINFI, Autonomous Sinking Fund), in accordance with the ceiling amount fixed by the Finance Law.

304. In a bid to master the upper threshold of disbursements on external financing defined in the finance law, a platform for regulating the call for funds and reconciling data on disbursements from external financing is set up at MINEPAT.

305. Calls for funds shall be done by the Autonomous Sinking Fund within the limits capped by the finance law.

306. As regards the payment of expenditures from both the external resources and internal resources (counterpart funds), the Autonomous Sinking Fund plays the role of Public Accountant. As such, it carries out all the necessary documentary controls prior to the payment of expenditures. The control of the physical realization of works, services and supplies are the responsibility of the competent technical services of MINMAP, MINEPAT and MINFI.

307. Bills and invoices issued within the framework of the execution of projects with external funding are, under the diligence of the project owner, sent to the Autonomous

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Sinking Fund to be taken into charge (call for funds). For the purpose of examination and regulation of disbursements, a summary sheet attached to the expenditure file is sent to MINEPAT, to the attention of the DGEPIP, coordinator of the External Financing Committee. On the basis of this summary sheet, the platform validates or not the call for funds.

308. The coordinators, donors and co-contractors of the administration are each, as far as they are concerned, required to inform the ministers in charge of the economy and finance, of any disbursement made within the framework of any project that they run and which is financed through external resources.

9) Designation of correspondents

309. Each vote holder shall communicate the names of two (02) of his/her collaborators who will be responsible at the level of Finance Controls and the Departments of the Ministry in charge of Finance, for the deposit (under a mails enclosure slip) and collection of the files transmitted by his services or addressed to his services, respectively.

310. It is understood that only workers of finance controls are authorized to serve as the link between the other ministries and institutions, and the competent services of the Ministry in charge of Finance.

311. It is therefore strictly forbidden to give files relating to expenditure commitments to service providers.

10) Purchase of medical and non-medical services in the health sector

312. Performance purchase credits within the framework of the PBF are executed through the disbursement of funds on the basis of invoices/bills (validated by the CTN-PBF) issued monthly by the beneficiary structures and centralized by the PBF Project Management Unit. Payment of these invoices/bills is made every six months by bank transfer to the accounts of health facilities, regional health delegations and health districts. The CTN-PBF is charged with the authorization of the payment of these bills.

313. For health facilities that do not have access to banking services, their subventions will be paid into the accounts of the main health facilities with which they have sub-contracts. These funds will be paid to them under the terms of the said sub-contracts, in accordance with the provisions of the PBF operational manual. These credits are subject to the payment of the IRNC levy that is fixed at 11%.

314. Expenses related to the "Health Check" are executed through the procedure of the disbursement of funds on a half-yearly basis, upon the presentation of an *expenditure memo* by the Regional Health Promotion Fund and the *expenditure accounts* for the two previous quarters.

315. Expenses related to the elimination of direct costs (charges) paid by people living with HIV (User Fees) are executed through the disbursement procedure on a quarterly

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basis, upon the presentation of an *expenditure memo* by the Regional Funds for the Promotion of Health and an expenditure account for the previous quarter.

11) Payments programming obligation

316. The payment of expenditures shall be subject to a prior and systematic programming by competent public accountants, on the basis of a chronological processing of files.

12) Management of Accounts 420 and 450

317. Accounts falling within the 420 sub-category are financial services accounts opened to the benefit of bodies/institutions that benefit from financial autonomy and legal personality, and to which the Public Treasury provides financial services.

318. This account is nourished by the internal (own) resources of the concerned institutions/bodies or by subventions for recurrent expenditures granted by the State (MINFI). The balance of the subventions lodged in account 420 shall be taken into account in the determination of the subventions to be included in the budget of the following year.

319. Account 450, known as “resource deposit account”, is opened for the benefit of revenue-generating administrations of which all or part are assigned to them for their functioning in accordance with the regulations in force.

320. Accounts 450 of non-revenue generating entities shall be closed as at 31 January 2021.

321. Any consignment and cantonment of budgetary appropriations in the deposit accounts opened in the Public Treasury are strictly prohibited.

13) Correction of errors related to recurrent expenditure authorizations

322. Errors observed in expenditure authorizations of recurrent budget appropriations at the Regional level are corrected by the competent Regional Finance Controller, if these errors concern the management services and/or the assignment of accounting posts located in the same Region.

323. When the errors observed concern the managing services and/or the assignment of accounting posts of different Regions, the expenditure authorizations recurrent budget appropriations are returned to the Directorate General of the Budget for cancellation. These authorizations are reissued in the form of a one-off delegation of credits by the Administration concerned.

324. Expenditure authorizations issued for the benefit of non-existent services are systematically returned to the Directorate General of the Budget for correction, at the behest of the competent Regional Finance Controller.



14) Payment of expenditures

- **The assignment of expenditures to public accounting posts**

325. Public Accountants are reminded that the payment of unassigned expenses remains prohibited.

- **Mode of payment**

326. Personnel charges and expenditures on goods and services can be paid by the Public Accountants, either in cash or through a transfer operation. Any expense greater than one hundred thousand FCFA must systematically be paid through a transfer operation.

327. Within the framework of the funds disbursement procedure, the public accountant simultaneously issues a certificate of deduction of taxes and other levies as well as pays the net (tax exclusive) amount of the disbursement operation to the ad hoc cashier (Billetteur).

328. In order to permit for the follow-up of the operations of correspondents and depositors of the Treasury, revenue declaration statements must be concomitantly issued to paying parties.

329. Centralizing public accountants must imperatively impact the accounts of the Tax Administration no later than the 10th of the month following the deposit operation.

II. THE REPORTING AND MONITORING OF THE EXECUTION OF THE BUDGET

A. ACCOUNTABILITY

1) Administrative Accounting

330. The administrative account is a document that quantitatively give a summary of the execution of the budget in income and/or expenditure in a given budgetary year.

331. Elaborated by the vote holder, the administrative account, which must correspond to the assigned public accountant's management account, renders an account on the use of the State's budgetary resources. It serves as a basis for evaluating the performance of administrations in the context of the ex-post control of budgetary operations.

332. For monitoring purposes, each Finance Controller shall keep accounts on budget commitments, verifications and payment orders carried out in the unit under his competence. They shall assure the centralization of the budgetary operations of the vote holders of the structure to which they are appointed/designated by the Minister of Finance.



333. In view to drawing up administrative accounts, the vote holders shall take particular care to classify and preserve administrative and financial documents, which shall constitute the back-up for their Administrative Account.

2) Stores-accounting

334. Stores accounting is a permanent inventory accounting whose purpose is to take stock of both movable and immovable property as well as describe such assets that belong to the State or other public entities. Stores accounting entries bear on the operations of the acquisition, handling and disposal of both movable and unmovable assets of public administrations.

335. At the beginning of each fiscal year, principal and secondary vote holders shall designate, by an administrative act, one or more trained Stores-Accountants, to carry out Stores-Accounting operations and produce related accounts.

336. The appointment acts of Stores-Accountants shall be transmitted within a fortnight, at the diligence of the vote holder, to MINFI (Department of Standardization and Stores-Accounting), with a copy to the competent Finance Controller and the Treasury accountant. These officials are bound, under the authority of the vote holder, to produce a stores-account.

337. The fixed assets and the stocks constituting the goods acquired are systematically registered into stores accounting books and documents in value and quantity.

338. Before being stocked or used, all materials acquired by the State, Public Establishments, Regional and Local Authorities or any other Public entity, shall be stamped or marked by the Stores-Accountant with the following information: beneficiary structure, date of acquisition, origin (provider).

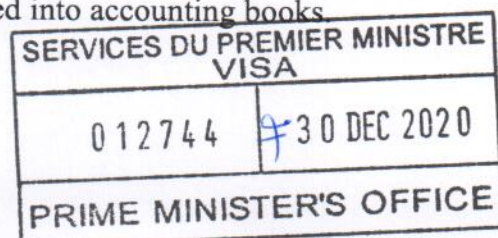
339. For any material to be taken out of stock, a stock outward bon (BSP) signed by the vote holder, containing the quantities to be served and the signature of the party to whom the material is being allocated to, must be presented to the Stores-Accountant.

340. In the same way as goods acquired by way of purchase, those acquired by way of donations or legacies are entered into the records by the administrations concerned to be inscribed in their patrimony.

341. Property acquired through other public expenditure procedures (imprest accounts, disbursement of funds, etc.) must be systematically registered into stores-accounting books.

342. Donations and legacies must also be taken into charge by the stores-accountant:

- when the administration is the donor, the list of beneficiaries must be attached to the various statements of the property to being ceded (minutes, statements, etc.);
- when the administration is receiving, the ceding exercise must be followed by the stores-accountant and the operation registered into accounting books



343. The reception commission constituted for this purpose shall, where appropriate, attribute a price to the property thus ceded.
344. Prolonged storage in storerooms or in waiting positions in the corridors and surroundings of public buildings, of durable materials such as computers, photocopiers, typewriters, refrigerators, furniture and air conditioners is strictly prohibited. The competent services of MINDCAF and the Ministry of Finance are systematically contacted by the principal or secondary vote holders with regard to the goods admitted for reform, and this within 90 days.
345. Likewise, consumable goods of edible and/or computer nature must be put into service before their expiry date.
346. Each vote holder has the obligation to render an account on the management of the materials placed or acquired under his responsibility. To this end, the vote holder will make the books and regulatory documents available to the Stores Accountant. He will ensure that these accounts are effectively being kept.
347. The books and documents of Stores Accounting are subject to closure at the end of the fiscal year or a management period of a Vote Holder or Stores Accountant in conformity to well established forms.
348. A mission from the Ministry of Finance shall control the closing of stores accounts and documents at the end of the fiscal year and/or at the end of a management period. For this purpose, special teams shall be assigned by the Stores Accounting Department to proceed with the collection and auditing of monthly accounts and the pre-auditing of stores management accounts.
349. Monthly accounts and stores management accounts are drawn up in accordance with articles 38 and 40 of the June 2012 Instruction laying down the norms and procedures of stores-accounting.
350. Stores accounts must reflect the administrative account of the vote holders. For this purpose, it is elaborated according to the account format and according to the nomenclature issued by the Department of Standardization and Sores-Accounting.
351. The Stores-Accountant is a member of the reception commissions (administrative purchase order, jobbing-order or contract).

3) Management account

352. The management account is a summary document that is produced at the end of the fiscal year by each public accountant and forwarded to the audit bench of the Supreme Court. It is accompanied by supporting documentation in accordance with the regulations in force and is subject to a good number of modalities:

- it is examined according to an off-site quarterly regularity verification schedule of operations, supporting/justification documentation and the of

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compliance of the classification system of the said documents to the different texts in force, by the Director of Public Accounting;

- it must be presented to the Audit Bench of the Supreme Court within three months after the end of the fiscal year.

4) Production and transmission of periodic summary statistical statements to the DGTFMC

353. All Centralizing Treasury Posts are subject to the regular production and transmission of the following periodic situations:

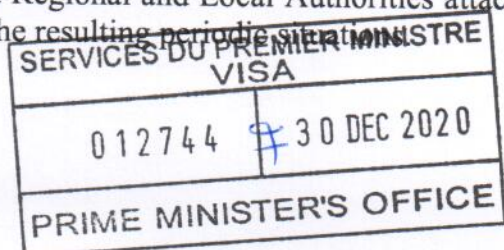
- the daily cash situation;
- the status of the weekly and monthly outstanding payments, distinguishing between outstanding payments of less than 03 (three) months and outstanding payments of more than 03 (three) months in accordance with the data of the general balance of the Treasury accounts;
- the treasury "day" (produced each month from cash-based operations);
- the summary situation of Treasury operations (SROT) produced from budgetary operations and order operations;
- the situation of available cash (produced from the daily Cash flow situation);
- the situation of budget execution;
- the monthly cash projection.

354. Public accountants appointed or designated to Public Establishments and Regional and local authorities (RLAs) are required to produce and transmit on the 5th of each month, to the central accountant of attachment (PGT, PS, TPG), the following periodic situations:

- the balance of accounts of the accounting post;
- the cash control report of the accounting post;
- the monthly extract from opened bank accounts;
- the monthly bank reconciliation statements;
- the monthly certificate of income and expenditure;
- the nominative statements of outstanding payments and recoverable cash;
- the monthly situation of inactive securities.

355. The periodic situations produced by the Public Accountants placed with Public Establishments are analysed each month by the Paymaster General of the Treasury and Specialized Paymasters, while those of Regional and Local Authorities are analysed by the General Treasuries.

356. The centralizing accountants (PGT, PS and TPG) notify the Public Accountants placed at the level of Public Establishments and Regional and Local Authorities attached to them, the technical sheets for the analysis of the resulting periodic situations.



357. Failure to comply with the obligation to produce and transmit the above-mentioned periodic situations results in the suspension by the relevant senior accountant from the execution of payment orders from the defaulting accountant.

358. On December 31, Public Accountants to Public Establishments and Regional and Local Authorities must deposit all withdrawal and/or transfer orders to the services of the senior accountant, with regards to subventions and transferred credits.

359. Subventions received from the State and transferred credits not consumed at the end of the budget year, which have been cancelled by deliberation or by a resolution to adopt the administrative account, constitute a subject mandate charged under the budgetary line "*other miscellaneous charges*" and recorded as a debit against account 560. The public accountants placed with Public Establishments and Regional and Local Authorities communicate the information to the attached Treasury-Paymaster General with a view to reducing account 420 or 421 by the same amount.

360. In view of the production of consolidated financial statements, vote holders and public accountants shall install and use a network of the SIM-ba software at the level of RLAs and GIDOCEP in public establishments.

361. Public Accountants assigned to Public Establishments and Regional and Local Authorities are required, in the event of appointment or transfer in the course of the financial year, to produce a management account for the period covering their activity before leaving the post.

362. The costs relating to the preparation and production of the management account are borne by the budget of the institution to which the public accountant is assigned.

363. Tax files are transmitted from the DGI to the DGTCFM by electronic means through the integration of the file of active taxpayers in the information system of accounting posts. This file is updated monthly.

B. PRODUCTION OF SUMMARY STATEMENTS

1) Budget information feedback

364. Regional Finance Controllers, Treasurers Paymaster Generals, *Payeurs* to Diplomatic or Consular Missions, Treasurers of RLAs shall ensure the feedback of budget information, through the mechanism put in place for this purpose.

365. In order to permit for the better monitoring of the execution of the State budget and to facilitate the keeping of exhaustive accounts of payment orders, the Finance Controllers collect and transmit to the Directorate General of the Budget on a quarterly basis, all the information relating to budget execution at the level of both external and decentralized administrations as well as the local level.

366. At the end of each month, the territorially competent Finance Controller verifies and authenticates the information contained in the budget information feedback forms and then transmits them according to the following circuit:

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- the transmission of the forms kept by the Finance Controllers of Districts and Regional and Local Authorities (or of the Municipal Treasurers in their role of Finance Controllers of the RLAs) to the Divisional Finance Controllers of attachment five (05) days at most after the end of each month;
- the transmission of electronic and physical data from centralizing accountants no later than the tenth (10th) of the month to the ACCT;
- the verification, authentication, validation and summary of the information by the Divisional Finance Controllers, then transmission to the regional Finance Controllers of attachment ten (10) days at most after the end of each month;
- the centralization and consolidation, by means of the computer system, of the information by the Regional Finance Controllers and transmission to the General Directorate of the Budget no later than fifteen (15) days following the end of each month.

367. All the actors in this system, under the supervision of the Directors General of the Budget and the Treasury, Financial and Monetary Cooperation, are required to strictly respect the deadlines set, so as to ensure that budget information is centralized no later than ten (10) days after the end of each month at the regional level and fifteen (15) days after the end of the month at the central level.

2) Production of the budget execution situation

368. The monthly budget execution situation is produced by the DGB, in conjunction with the DGTCFM and DGEPIP, no later than fifteen (15) days after the end of each month.

369. The examination and validation of the budget execution situation takes place within the framework of the data exchange and harmonization platform that sits at the DGB and includes, in addition to the DGB, the DGTCFM, the DGD, DGI, DGEPIP, ASF (Autonomous Sinking Fund) and the Forecasting Division. This validation takes place no later than twenty (20) days after the end of each month.

370. The data exchange and harmonization platform validates the to-be-reclassified monthly statement of expenditure to be reclassified produced by the DGTCFM and the DGB, in particular, transfers and subventions from expenditures on goods and services. They are reclassified in the trial balance in order to ensure consistency with the state budget execution situation.

371. The validation of the state budget execution situation is subject to the production of an updated version that takes into account all the observations made, before its transmission to the Forecasting Division for the preparation of the public finance key performance indicators table (KPIT).

3) The production of the Treasury Accounts Balance and the Summary Situation of Treasury Operations

372. The Centralizing Accountants (TPG, PGT and Specialized Payers) are required to send to ACCT for consolidation, no later than the tenth (10) of the following month, the



monthly balances and the cumulative balances of their financial circumscription validated by the Accounting Quality Unit open to local representatives of the assessment services (*service d'assiette*) and Regional Finance control.

373. The monthly and cumulative balances sent to the ACCT are accompanied by the report of the Accounting Quality Unit and other appended statements, the exhaustive list of which is drawn up by an act of the Director General of the Treasury, Financial and Monetary Cooperation. The report of the Accounting Quality Unit assesses the consistency obtained between the data of the trial balance and that of the other administrations represented at the sessions of the Accounting Quality Unit as well as highlights the corrections made and the difficulties encountered in the production process of the balance of the Financial Circumscription.

374. The consolidated national balance as well as the Summary of Treasury Operations (SROT) are produced by the ACCT no later than fifteen (15) days after the end of the month. The validation of the balance and the SROT is done each month within the National Committee for the Validation of the Consolidated Balance, open to all the concerned administrations (DGEPIP, DGI, DGB, DGD, ASF (Autonomous Sinking Fund), DP and BEAC / DN).

375. During the validation of the consolidated national balance and the SROT, a statement on the expenditure to be reclassified, in particular, transfers and subventions from expenditures on goods and services, is produced by the DGB and the DGTCFM. They are reclassified in the balance in order to ensure consistency with the budget execution situation.

376. All the observations made by the administrations concerned during the balance validation session are taken into account and give rise to the production of an updated version of the consolidated national balance within a maximum period of five (05) days after the validation session is held.

377. The consolidated balance, accompanied by the additional statements produced by the ACCT, in particular the daily cash flow situation, is sent to the Forecasting Division no later than twenty-one (21) days after the end of each month.

378. The balances and annexed statements received from the various financial circumscriptions are analysed at the level of the ACCT. The technical notes resulting from these analyses are sent to the Centralizing Accountants (General Treasuries, Specialized Pay Centres, etc) no later than the twenty-five (25) of the month following that to which the situations relate.

4) Data on disbursements of external financing

379. Data on the calls for funds and disbursements of external financing are produced by the Autonomous Sinking Fund per convention, donor, concessionality and by project.

380. The Disbursement Data Reconciliation Committee meets monthly, convened by its chairman.



381. At the end of the reconciliation session, MINEPAT transmits the consolidated statements of calls for funds and disbursements on external financing to MINFI (DGB) for commitment in regularization for which a copy is forwarded to the Autonomous Sinking Fund.

382. The Minister in charge of Finance takes, if necessary, a decision ascertaining any additional disbursements. On the basis of this decision, the Autonomous Sinking Fund proceeds to record the said disbursements.

383. The Autonomous Sinking Fund transmits the data on disbursements for the month, after validation by the External Financing Committee to the DGTCFM for accounting and to the Forecasting Division of MINFI for inclusion in the State's Financial Operations Table (SFOT).

5) Public finance "key performance indicators table" (KPIT)

384. Being a document that summarises quantified data on the main accounting posts of the Treasury, the banking system and the Autonomous Sinking Fund, the Public Finance key performance indicators table reports on the level of realisation of State revenue and expenditure as well as on Treasury operations. It must be consecutively available in the balance of treasury accounts.

385. The Public Finance Key performance indicators table (KPIT) is produced monthly by the Forecasting Division at the latest twenty-three (23) days after the end of the month and contains the State Financial Operations Table (SFOT) base authorization.

386. A tentative version of KPIT, accompanied by an analysis statement, is produced and sent to the members of the MINFI's monthly results evaluation and validation committee no later than two (02) days before the meeting of said committee is held.

387. The MINFI monthly results evaluation and validation committee meets no later than twenty-five (25) days after the end of each month, to examine and validate the tentative KPIT.

388. The situation of cash advances granted, those regularized and those to be regularized is produced and annexed to the State's Financial Operations Table (SFOT).

389. At the end of this validation session, all the observations retained are a subject of recommendations addressed to the administrations concerned, which have a maximum period of three (03) days to resolve the problems identified and correct the discrepancies observed.

390. Following these corrections, the Forecasting Division produces the final KPIT within a maximum period of two (02) days.

391. The State Financial Operations Table (SFOT) base authorization is the source of the budget execution report that is validated by the MINFI's monthly results evaluation and validation committee.



392. The deadlines referred to in this circular are counted in calendar days.

6) Consolidation of data related to the preparation of the draft settlement law

393. The settlement law is the document that ascertains the execution of the budget of the finance law for the year N-1.

394. The preliminary draft settlement law as well as its annexes are drawn up by the General Directorate of the Treasury, Financial and Monetary Cooperation with a view to be transmitted to Parliament no later than September 30 of the year following that of the exercise to which it relates.

395. The development and validation of the data produced for the preliminary draft settlement law takes place within the framework of the interministerial committee which sits at the DGTCFM and which includes, in addition to the DGTCFM, the DGB, the DGI, the DGD, DGI, MINEPAT, Autonomous Sinking Fund and the Budget Preparation Division.

396. The preliminary draft settlement law as well as the General State Account and its annexes, are transmitted to the Audit Chamber of the Supreme Court, no later than July 31 of the year following that of the 'fiscal year to which the draft settlement bill relates.

397. The preliminary draft settlement law is forwarded to the Prime Minister's Office for examination, together with the observations report of the Audit Bench of the Supreme Court.

398. The centralization and consolidation of the data produced for the preparation of the settlement law is carried at the level of the Public Accounting Department. It takes place according to the following schedule:

- amending acts (credit appropriation transfers and virements, decrees of advances, ordering) must be validated and transmitted no later than April 15 of the year following that of the year to which they relate;
- data on public debt servicing must be determined by the Autonomous Sinking Fund and transmitted no later than April 15 of the year following that of the fiscal year to which the draft bill relates;
- sectoral ministries, in conjunction with the sectorial officers of the Directorate General of the Budget must obligatorily transmit the data relating to the performance of programs accompanied by the annual activity reports no later than May 31 of the year following that of the fiscal year in which the settlement law is attached.



C. CONTROL AND MONITORING/EVALUATION

1) Budget implementation Control

399. The Minister in charge of Finance oversees the proper execution of the finance laws. This keep-watch mission is carried out in particular through controls (a priori, concomitant, a posteriori) and audits.

400. Verification missions are carried out by the competent structures of the Executive, as part of the administrative control of public finances.

401. These verification missions are reinforced as necessary by quarterly physical performance controls and audits.

402. The reports of the said missions are transmitted to the Presidency of the Republic (Superior State Audit Institution).

a. Control missions

403. *A posteriori (ex poste)* control bodies are in charge, in the name and on behalf of the Government, of the control of the good management of public funds in all public administrations, as well as in any private body benefiting from public resources, in accordance with regulations the regulations in force.

404. In order to promote quality control and dispel the feeling of pestering held by to-be-controlled administrations which are always obliged to receive several control teams from several departments of the same administration and for the same purpose, the Heads of the structures (Departments) in charge of control should always pool their actions as well as prioritize joint missions.

405. Control missions bear on the budgetary and stores management public services, Public Establishments and Enterprises or Subsidized Bodies and Regional and Local Authorities.

406. These missions can be unannounced or scheduled, depending on the exclusive prescriptions of the competent Ministers.

407. These missions have, first of all, an informative and pedagogic dimension, in especially in terms of popularization of the state of budgetary regulations during working sessions marking the end of the control missions, as well as the delivery of appropriate documentation to the controlled structures. They also have a repressive role, if necessary.

408. With a view to optimizing the issuance and collection of non-tax revenue, joint controls will be deployed, in order to ensure compliance with relevant texts, the issuance of revenue collection titles, the exhaustiveness and effectiveness of revenue collection as well as the proper accounting for revenues so-collected.

409. In order to ensure compliance with the principle of contradiction, the different structures and services in charge of *a posteriori* control of the management of public

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finances are required to present their preliminary reports to the audited entities in order to collect their observations and opinions in writing.

410. Once finalized, the aforementioned reports are sent to Parliament and to the Supreme State Audit Office by the Minister in charge of finance who can also make them public.

411. The sectoral ministries are required to put in place an internal budgetary and accounting control system that enables them to guarantee the legality and security of the use of their budget appropriations, as well as the effectiveness, efficiency and economy in the implementation of their expenditures.

b. Audit missions

412. The different structures in charge of auditing and the expenditure quality carry out verification missions in all public and semi-public administrations in order to assess and prevent risks on one hand, and to assess the effectiveness of internal budgetary/accounting control mechanisms on the other hand.

c. Alignment of administrative control to performance requirements

413. The gradual alignment of the reorganized administrative control according to the requirements related to performance management, will continue in 2021, as part of the implementation of programs and the increased '*responsibilisation*' of Vote Holders.

414. The strengthening of management through programs, the consolidation of the role of public officers in a perspective of an overall performance that centres on the attainment of the strategic objectives set in the PPAs (Performance Plans of Administrations) on one hand, and quality expenditure implementation on the other hand, will be continued.

415. The Minister in charge of Finance ensures the proper execution of the finance laws. This monitoring mission is carried out in particular through targeted controls on budget execution sectors and domains that present high risks of management misconduct and poor performance.

416. Administrative control is reorganized. New control methods have been introduced, in particular internal control, management control and auditing, the objective of which is to ensure a better mastery of risk and the efficient management of programs.

2) Follow-up (monitoring) and evaluation of the implementation of the budget

a. Follow-up (monitoring) and evaluation of the implementation of the public investment budget



- **The elaboration of the monthly watch notes for monitoring the execution of the public investment budget**

417. Monitoring and evaluation constitute an instrument for managing public investments. It allows, on the one hand, to ensure the proper execution of projects and, on the other hand, to ensure that the operations carried out correspond to targeted objectives. On a practical level, budget execution control and monitoring must be carried out in close collaboration between MINFI, MINEPAT, MINDDEVEL and MINMAP both at the central and decentralized levels.

418. In order to facilitate systematic monitoring of the consumption of credits allocated to the various ministerial departments for the performance of their missions, monthly consultations are organized within sectoral administrations for better monitoring of the execution of their investment budgets (PIB) and the preparation of related monthly watch notes. This consultation brings together the actors of the public investment budget execution chain and BIP monitoring sectoral officers of MINEPAT, MINDDEVEL, MINFI and MINMAP, in charge of providing any information useful for the proper execution of the BIP and removes all the constraints that could hinder proper execution.

- **Production of quarterly reports on the implementation of the investment budget**

419. In order to facilitate the systematic monitoring of the consumption of credits allocated to the various ministerial departments, to Public Establishments and Regional and Local Authorities, for the accomplishment of their missions, administrations are required to produce quarterly investment budget execution reports addressed to the Minister in charge of Investments for inclusion in the preparation of the quarterly report on the execution of the State budget by the Minister in charge of Finance.

420. As regards Public Establishments and Regional and Local Authorities, copies of their reports are sent to the ministries which provide them with technical supervision.

421. These reports indicate in particular:

- the contracts award situation;
- the physical and financial execution situation;
- the situation of the auditing of the public debt, with regard to PEEs;
- the difficulties encountered and solutions envisaged.

- **Quarterly review of the execution of the public investment budget**

422. A review of the execution of the Public Investment Budget (BIP) is organized by MINEPAT in collaboration with MINFI and MINMAP once in a quarter to observe the progress of operations, examine the problems encountered and propose corrective actions.

423. The quarterly review reports highlight, in addition to the main activities and operations carried out during the quarter, the levels:



- commitments, distinguishing those made on:
 - o centrally managed budget appropriations;
 - o delegated budget appropriations;
 - o transferred resources;
 - o investment grants;
 - o counterpart funds;
 - o external funding.
- the situation of total verifications during the period;
- the physical execution of Public Investment Budget operations.

424. The exploitation of the reports on the quarterly review of the implementation of the BIP induces an update of the Projects logbook, if necessary, and can open the possibility of cancellation or transfer of credits, if it appears that certain projects have a high probability of not being able to be carried out before the end of the budgetary year, hence increasing the probability of credits going into foreclosure.

• **Information of the civil society and participatory monitoring**

425. Information for civil society and participatory monitoring are governed by Decree No. 20/2013/7987 / PM of September 13, 2013 on the creation, organization and operation of monitoring committees of the physical and financial execution of the public investment projects. In this context and for the involvement of civil society in the budget process, measures are taken at the level of MINEPAT to facilitate its access to all available information on the budget as well as on its execution.

426. The budget is widely disseminated through its posting and publication in newspapers eligible for legal announcements. The public can thus consult the list of projects, their nature and their geographical location.

427. Likewise, the reports of the public investment monitoring committees are sent to the competent bodies as follows:

- the municipal technical committee forwards its report to the Divisional technical sub-committee for monitoring the physical and financial execution of public investments;
- the Divisional Committee forwards its report to the regional committee for monitoring the physical and financial execution of public investments;
- the regional committee sends its report to the national committee for monitoring the physical and financial execution of the investments;
- the national committee transmits its report on the physical and financial execution of public investments to the Prime Minister, Head of Government, MINEPAT, MINMAP, MINFI, CONSUPE services and CONAC.

b. Monitoring and evaluation of the execution of the general budget

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- **Key budgetary documents**

428. As part of public financial management, key budget and accounting documents are produced throughout the budget process, from budget preparation, approval, execution, to control and monitoring operations as well as the drawing up of accounts.

429. The above-mentioned documents, essential for budget transparency, provide useful information and relevant data on government priorities and proposals, actual expenditures and revenues, as well as on the accounting for the management of public resources each budget year. This concerns among others:

- the medium-term economic and budgetary programming document;
- the Finance Bill;
- the promulgated finance law and its annexes;
- Quarterly or semi-annual implementation reports;
- the end-of-year report.

430. These budget documents should be published in advance for the attention of government, civil society and the general public.

431. To ensure that the public, including members of the civil society, have non-discriminatory access to all budget documentation, this budget information is published on the official website of the administration responsible for it. This documentation must be available and accessible free of charge.

- **During-the-year reports: the Quarterly review of budget execution**

432. The quarterly review of budget execution is one of the fundamental elements of transparency made available to the public, in the sense that it contributes to a better infra-annual visibility of budget execution as prescribed by Law No. 2018 / 011 relating to the Code of transparency and good governance in the management of public finances.

433. Budget execution Review allows the various actors in the budget chain to judge the objectives achieved, the progress made as well as the use of the resources allocated during each quarter. In addition, it also helps to set recommendations that will contribute significantly and optimally to the correction of observed shortcomings.

434. Reports of the quarterly budget execution review are sent to the Parliament for information and control purposes in accordance with Article 85, paragraph 8 of Law N° 2018 / 012 of 11 July on the Fiscal Regime of the State and other Public Entities. These reports are made available to the public.

435. The reports of the quarterly budget execution review show:

- summaries of quarterly budget execution
- detailed budget execution, in particular:



- budgetary revenues;
- budgetary expenditure;
- cash management.
- specific topics related to budget execution, in particular:
 - exceptional procedures;
 - transferred resources;
 - social spending;
 - the situation of public contracts (programming, procurement and execution);
 - issues related to the execution of the BIP;
 - difficulties related to the budget execution environment.

436. The Ministry in charge of finance in collaboration with the Ministry in charge of Investments, shall produce and publish quarterly reports on the execution of the 2021 budget no later than forty-five (45) days after the end of each quarter. To this end, required information must be transmitted no later than 20 days after the end of each month, to the Directorate General of the Budget by the administrations providing the said information, for consolidation.

- **The annual report on budget execution.**

437. The annual budget execution report covers all the headings contained in the budget, explaining the differences between the initial estimates (as modified by the legislature during the year) and the actual results on expenditures, incomes, debt, and macroeconomic assumptions.

438. The annual report on budget execution verifies the effectiveness of compliance with the performance criteria for the previous financial year. In other words, it assesses the progress made towards achieving the objectives of the government's economic policy. It contains information on non-financial performance and other important economic policy issues.

439. The annual report on budget execution highlights:

- summaries of budget execution for the past year
- the detailed execution of the budget for the previous year, namely:
 - budgetary revenues;
 - budgetary expenditure;
 - budgetary equilibrium in particular, budgetary balances and the financing of the budget deficit;
 - cash management.
- specific topics related to the execution of the budget, namely:
 - exceptional procedures;
 - transferred resources;



- social spending;
- the situation of public contracts (programming, procurement and execution);
- issues related to the execution of the BIP;
- the average processing times of public expenditures;
- difficulties related to the budget execution environment.

440. In order to facilitate the systematic monitoring of the physical and financial execution of public investment projects, ministerial departments, public establishments and Regional and Local Authorities are required to produce quarterly public investment budget execution reports addressed to the Minister in charge of Investments, for inclusion in the preparation of the quarterly report on the execution of the State budget by the Minister in charge of Finance.

441. These reports indicate in particular:

- the contracts award situation;
- the physical and financial execution situation;
- the debt audit status, with regard to Public Enterprises and Establishments (PEE);
- the difficulties encountered and the solutions envisaged.

- **Quarterly review of the execution of the public investment budget**

442. A review of the execution of the Public Investment Budget (BIP) is organized by MINEPAT, in collaboration with MINFI and MINMAP, once a in quarter, to observe the progress of public investment operations, examine problems encountered and propose corrective actions.

443. The quarterly review report highlights, in addition to the main activities and operations carried out during the quarter, the levels of:

- the physical execution of Public Investment Budget operations;
- commitments, liquidations and payment orders during the period, distinguishing those made on:
 - centrally managed budget appropriations;
 - delegated budget appropriations;
 - transferred resources;
 - investment subventions;
 - counterpart funds;
 - external funding.

444. The PIB execution review report is intended to nourish the production, by the competent services of MINFI in collaboration with those of MINEPAT, of quarterly and mid-way reports on the state of budget execution.



D. MONITORING PERFORMANCE IN PROGRAM IMPLEMENTATION

445. The gradual implementation over the 2021 fiscal year of program management tools/instruments will continue; these instrument must be adapted to Public Establishments and Regional and Local Authorities, to take into account their specificities.

1) The ministerial program management charter

446. Each Minister must draw up, by January 31 at the latest, the ministerial management charter for his department, with the support of the Management Control Coordinator reporting to the Secretary General.

447. The ministerial program management charter is a document for monitoring the performance of all of a ministry's programs. It is established under the responsibility of the Secretary General and relates in particular, to the methods and the timetable for the preparation of the Performance Plans of the Administrations, the methods and the timetable for the preparation and management of programs, performance steering, quarterly and Annual Performance Reports, organization of the management dialogue, the circulation of information, the methods of deployment of management control, management and financial reporting rules etc.

2) Management protocol

448. In order to ensure real performance management, program managers will establish a program management protocol during the month of January 2021. It is a document that organizes, within a given program, the operational planning process, actions, activities, means, communication channels, monitoring and reporting. It makes it possible to clarify, within the program, the rules of the "game" and the responsibilities between the different actors, specifies the autonomy of each and determines the rules for the dissemination and circulation of information.

449. It should make it possible to prepare the quarterly monitoring of program performance and ensure better compliance with the budget framework. It serves as a support for the management dialogue.

3) Management dialogue and the quarterly monitoring report

450. The implementation of the programs is subject to monitoring, notably, through a quarterly report. It gives room for management dialogue at the level of each ministerial program. This dialogue aims to ensure that there is a correlation between the trajectory of the strategic objectives of the program and the target set in the Performance Plan of Administrations (PPA).

451. Chaired by the program manager/officer and assisted by the Management Controller, the management dialogue session at his level will bring together all the actors concerned by the implementation of a program: Action Managers, Directors of Financial Affairs of Ministries, Assigned Accountants and, if necessary, representatives of Public Establishments that contribute to the achievement of the strategic objectives of the



program. The program management dialogue meeting leads to the preparation of a program implementation report.

452. The quarterly summary report resulting from the implementation of each program is sent to the Ministers no later than five (5) days after the end of the quarter concerned, so that they can realistically organize, at their respective levels, the management dialogue.

453. Under the chairmanship of the Minister, assisted by the Management Control Coordinator, the ministerial management dialogue session brings together all the actors concerned by the achievement of the objectives of the Ministry: the program managers, the heads of public establishments that contribute to the achievement of the strategic objectives of the Ministry, Directors of Financial Affairs of Ministries and, where applicable, the Finance Controller and the assigned Accountant.

454. Under the authority of the Minister, the Management Control Coordinator consolidates the quarterly summary reports of the programs and transmits them to the Minister in charge of Finance no later than 10 days after the end of the quarter, with a copy to MINEPAT.

455. For ministries targeted within the framework of budgetary support from Technical and Financial Partners, this report should clearly provide information on the level of achievement of the results set in the corresponding agreements.

456. Quarterly program monitoring reports will serve as the basis for the drafting of annual performance reports (APRs). The reports for the first two quarters will also feed into the mid-way finance law implementation report, and therefore the Budget Orientation Debate (BOD) support document.

4) The legislative consecration of management control

457. The institutionalization of management control is enshrined in Law No. 2018/012 of July 11, 2018 on the Fiscal Regime of State and other Public Entities. It constitutes one of the tools of the steering systems put in place in ministerial departments or other public administrations, with a view to improving the relationship between the resources (human, material and financial) committed and the results obtained at the end of the implementation of a given program, on the basis of previously defined objectives and at the end of a strategic planning process.

458. On the basis of the general objectives set by the Minister, the program manager sets specific objectives, allocates resources to uses and controls the results of the services in charge under his responsibility, for the implementation of the program. He/she ensures compliance with internal control and management control systems.

5) Promotion of the performance of public companies and establishments

459. The alignment of Public Establishments to program budgeting shall be a requirement that is subject to special monitoring.



460. To this end, particular emphasis should be placed on the harmonization of the presentation formats of the budgets of Public Establishments, their annual performance reports as well as their administrative and resource use accounts.

461. The transmission by Public Institutions of their administrative accounts for fiscal year 2020 to the Minister in charge of Finance by July 30, 2021 at the latest is a requirement.

462. The requirement for the transmission of the annual budgets and investment plans of Public Establishments, accompanied by a staff report, the debt situation as well as an internal audit plan to the Minister in charge of Finance no later than January 15, is maintained.

463. Any request for financial support, tax relief, loans or State endorsement by Public Enterprises, Private Enterprises with minority public participation and Public Establishments, is subject to the transmission of certified financial statements, the reports of the Statutory Auditor, the resolutions and deliberations of their decision making bodies and the administrative accounts as the case may be, for the due financial year to the DGB.

FINAL PROVISIONS

464. The procedural elements for the implementation of public budgets are contained in the reference manual attached herewith. This manual is an integral part of the body of this circular.

I attach utmost importance to the scrupulous respect of the instructions contained in this circular by all central, deconcentrated, decentralized and subsidized administrations, as a guarantee for the discipline that is necessary for the proper execution of public budgets for the 2021 fiscal year./-

Yaounde, the 13 0 DEC 2020

THE MINISTER OF FINANCE,

