
DECREE No. 2020/749 OF 14 DEC 2020
to set up the National Mining Corporation

THE PRESIDENT OF THE REPUBLIC,

Mindful of the Constitution;

Mindful of OHADA Uniform Act on Commercial Companies and Economic Interest Groups, adopted on 30 January 2014 at Ouagadougou;

Mindful of Law No. 2016/17 of 14 December 2016 to institute the Mining Code;

Mindful of Law No. 2017/11 of 12 July 2017 to lay down the general rules and regulations governing public corporations;

Mindful of Law No. 2018/11 of 11 July 2018 to lay down the Cameroon Code of Transparency and Good Governance in Public Finance Management;

Mindful of Law No. 2018/12 of 11 July 2018 relating to the financial regime of the State and other public entities;

Mindful of Decree No. 2011/408 of 9 December 2011 to organize the government, as amended and supplemented by Decree No. 2018/190 of 2 March 2018,

Mindful of Decree No. 2019/320 of 19 June 2019 to lay down conditions for implementing some provisions of Laws No. 2017/10 and No. 2017/11 of 12 July 2017 lay down the general rules and regulations governing public establishments and public corporations;

Mindful of Decree No. 2019/321 of 19 June 2019 to lay down categories of public corporations and the remuneration, allowances and the benefits of their managers,

HEREBY DECREES AS FOLLOWS:

CHAPTER I
GENERAL PROVISIONS

ARTICLE 1: This decree sets up the National Mining Corporation, abbreviated and hereinafter referred to as "SONAMINES".

ARTICLE 2: (1) SONAMINES shall be a public corporation, with the State as sole shareholder.

(2) Notwithstanding the provisions of Article 2 (1) above, the shareholding of SONAMINES may be open to other public or private entities.

(3) The Articles of Association of SONAMINES shall determine the share capital as well as the conditions for equity participation.

ARTICLE 3: (1) SONAMINES shall have legal personality and financial autonomy.

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(2) The head office of SONAMINES shall be in Yaounde. It may be transferred to any other locality within the national territory by resolution of the Board of Directors, subject to ratification by the Extraordinary General Meeting.

(3) Branches, offices or representations may be set up within the national territory by resolution of the Board of directors.

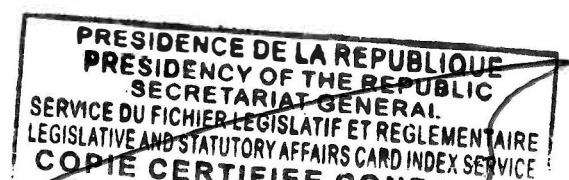
CHAPTER II DUTIES

ARTICLE 4: (1) SONAMINES shall develop and promote the mining sector in Cameroon, with the exception of hydrocarbons and quarry materials, and manage the interests of the State in the domain.

To that end, it shall be responsible in particular for:

- carrying out the inventory of mining showings, in conjunction with other relevant government services and bodies;
- conducting studies on the exploration and exploitation of mineral substances, in conjunction with other relevant government services and bodies;
- carrying out mineral substance purchase and marketing transactions on behalf of the State
- carrying out mineral substance exploration and exploitation activities;
- promoting the processing and packaging of mineral substances ;
- ensuring the implementation of measures relating to the restoration, rehabilitation and closure of mining sites, in conjunction with other relevant government services;
- acquiring shares in companies involved in the exploration, exploitation, marketing, treatment and processing of mineral substances through contributions, sponsorship, subscriptions, purchase of corporate securities and/or rights, alliance and/or joint venture;
- participating in negotiations and monitoring the execution of contracts signed between the State and mining companies, in conjunction with the other relevant government services;
- collecting and preserving documentation on mineral substances and mining activities, in conjunction with the ministry in charge of mines ;
- contributing to the promotion of transparency in the mining sector ;
- contributing to the promotion of geological and mining information, in conjunction with the other relevant government services ;
- carrying out all commercial, industrial, capital, real estate and financial transactions directly or indirectly linked to its corporate purpose or that can foster its development;

(2) SONAMINES shall exclusively carry out gold and diamond



purchasing and marketing operations throughout the national territory, in accordance with the conditions laid down by regulation.

CHAPTER III
SUPERVISORY AUTHORITY AND MANAGEMENT
AND PERFORMANCE MONITORING

ARTICLE 5: (1) SONAMINES shall be under the technical supervisory authority of the ministry in charge of mines.

As such, the technical supervisory authority shall ensure compliance of the resolutions of the Board of Directors with the laws and regulations in force, as well as with sector policy guidelines;

(2) SONAMINES shall be under the financial supervisory authority of the ministry in charge of finance.

As such, the financial supervisory authority shall ensure the regularity of the resolutions of the Board of Directors with a financial impact, the sustainability of financial commitments and the overall consistency of SONAMINES' performance plans with sector programmes.

ARTICLE 6: The General Manager of SONAMINES shall submit to the technical and financial supervisory authorities all documents and information relating to the life of the corporation, including financial statements, the auditor's report and activity reports.

ARTICLE 7: (1) The technical and financial supervisory authorities, in conjunction with the Board of Directors, shall contribute towards monitoring the performance of SONAMINES.

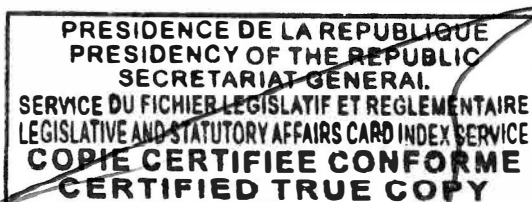
(2) The Minister in charge of mines and the Minister in charge of finance shall, each in his sphere of competence, submit an annual report on the situation of SONAMES to the President of the Republic.

CHAPTER IV
MANAGEMENT ORGANS

ARTICLE 8: (1) SONAMINES shall be managed by the following three organs:

- The General Meeting ;
- The Board of Directors ;
- Management.

(2)The duties, organization and functioning of the organs referred to in (1) above shall be laid down in the Articles of Association.



I. GENERAL MEETING

ARTICLE 9: The General Meeting shall comprise 5 (five) members. It shall be composed as follows:

Chairperson: The Minister in charge of finance or his representative;

Members:

- One (1) representative of the Presidency of the Republic ;
- One (1) representative of the Prime Minister's Office;;
- One (1) representative of the Ministry in charge of mines ;
- One (1) representative of the Ministry in charge of economy.

II. BOARD OF DIRECTORS

ARTICLE 10: (1) SONAMINES shall be administered by a Board of Directors comprising 12 (twelve) members.

(2) Besides the chairperson, the Board of Directors of SONAMINES shall comprise the following:

- One representative of the Presidency of the Republic ;
- One representative of the Prime Minister's office ;
- One representative of the ministry in charge of Finance ;
- One representative of the ministry in charge of mines ;
- One representative of the ministry in charge of economy ;
- One representative of the ministry in charge of environment ;
- One representative of the ministry in charge of scientific research ;
- One representative of the ministry in charge of land tenure;
- One representative of the ministry in charge of transport;
- One representative of the ministry in charge of trade ;
- One peer-elected staff representative.

(3) The Board of Directors shall designate a Chairperson from among its members.



III. MANAGEMENT

ARTICLE 11: (1) The Management of SONAMINES shall be under the authority of a General Manager, assisted, if need be, by a Deputy General Manager.

(2) The General Manager and Deputy General Manager shall be appointed by the Board of Directors by a 2/3 (two-thirds) majority of its members, on the recommendation of the State as sole shareholder.

CHAPTER V **RESOURCES**

I. FINANCIAL RESOURCES **BUDGET AND ACCOUNTS**

ARTICLE 12: (1) The resources of SONAMINES shall include:

- proceeds from service delivery;
- proceeds from the disposal of some of its property;
- loans, credit facilities and discounts;
- income from shareholding and investments;
- revenue from the investment of managed resources;
- miscellaneous contributions;
- resources derived from cooperation and partnerships;
- gifts and legacies;
- any other resources allocated to it by the laws and regulations in force.

ARTICLE 13: (1) The financial resources of SONAMINES shall be public funds and shall be managed in accordance with the rules applicable to commercial companies.

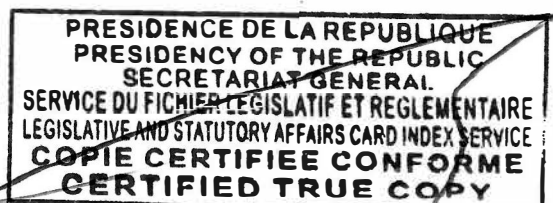
(2) However, resources from cooperation and partnerships shall be managed pursuant to the conditions set forth in the relevant conventions and agreements.

ARTICLE 14: The draft budget of SONAMINES shall be prepared by the General Manager and approved by the Board of Directors before the commencement of each financial year.

ARTICLE 15: Each year, alongside the budget, the General Manager shall prepare, for approval by the Board of Directors, a programme of activities stating the objectives and expected outcomes during the financial year.

ARTICLE 16: The income and expenditure of SONAMINES shall be included in a budget comprising two separate parts, namely:

- the recurrent budget (regular income and expenditure) or provisional profit and loss accounts; and



- the investment budget, together with a cash flow plan and a financing plan.

ARTICLE 17: (1) The draft budget prepared by the General Manager of SONAMINES must be balanced in income and expenditure. It shall be approved and rendered enforceable by the Board of Directors.

(2) The budget thus approved shall be forwarded for information to the minister in charge of finance and, as appropriate, to the minister in charge of MINES.

II. CORPORATE PROPERTY

ARTICLE 18: The State shall transfer to SONAMINES for ownership or use, depending on the legal status of the property, assets as well as the property of the defunct Mining Handicrafts Support and Promotion Framework (CAPAM), comprising built-on or non-built-on estates, according to type or use.

ARTICLE 19: (1) The General Manager shall manage the property of SONAMINES, under the control of the Board of Directors.

(2) The property management referred to in (1) above shall concern asset acquisition and disposal.

ARTICLE 20: (1) In case of disposal of an asset belonging to SONAMINES property, the General Manager shall seek the prior authorization of the Board of Directors. He shall present an update on the situation of the asset to the Board of Directors which shall review the same during one of its sessions.

(2) The authorization of the Board of Directors referred to in (1) above shall be granted through a resolution adopted by at least 2/3 (two thirds) of its members.

CHAPTER VI STAFF

ARTICLE 21: The following may form part of the staff of SONAMINES:

- staff recruited directly by SONAMINES;
- civil servants on secondment;
- State employees governed by the Labour Code placed at the disposal of SONAMINES ;
- seasonal, casual and temporary staff whose recruitment, remuneration and contract termination procedures shall be set forth in staff rules and regulations.

ARTICLE 22: Civil servants on secondment and State employees falling under the Labour Code placed at the disposal of SONAMINES shall, throughout their employment, be governed by labour laws, subject to the provisions of the General Rules and Regulations Governing the Public Service and the special regulations relating to

retirement, promotion, end of secondment, end of placement on reserve and payment of retirement benefits.

ARTICLE 23: (1) Irrespective of original status, civil servants on secondment and State employees governed by the Labour Code placed at the disposal of SONAMINES shall be paid in full by SONAMINES.

(2) The payment referred to in (1) above shall concern salaries and salary incidentals, allowances, bonuses and other benefits provided by SONAMINES.

ARTICLE 24: (1) The civil and/or criminal liability of SONAMINES staff shall be governed by the rules of ordinary law.

(2) Disputes between the staff and SONAMINES shall fall under the jurisdiction of ordinary law courts.

CHAPTER VII **CONTRACTS AND AUDIT REGIME**

I. CONTRACTS REGIME

ARTICLE 25: (1) SONAMINES shall not be subject to the provisions of the Public Contracts Code.

(2) SONAMINES shall be subject to the common provisions applicable to the contracts of public corporations.

(3) A resolution of the Board of Directors shall lay down conditions for the organization and functioning of the internal tenders board.

II. AUDITS

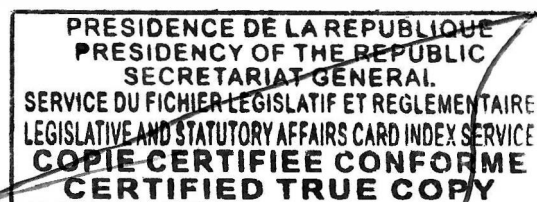
ARTICLE 26: (1) SONAMINES accounts shall be audited each financial year by one or several auditors appointed by the General Meeting.

(2) SONAMINES shall be subject to audits conducted by the relevant State bodies, in accordance with the laws and regulations in force.

CHAPTER VIII **MISCELLANEOUS AND FINAL PROVISIONS**

ARTICLE 27: (1) The Articles of Association of SONAMINES shall be approved by decree of the President of the Republic.

(2) Any amendment to the Articles of Association of SONAMINES shall be subject to the same rules as those provided for their approval



ARTICLE 28: All previous provisions repugnant hereto, in particular those of Decree No. 064/PM of 25 July 2003 to lay down the organization and functioning of the Mining Crafts Support and Promotion Framework (CAPAM), are hereby repealed.

ARTICLE 29: The Mining Crafts Support and Promotion Framework (CAPAM) shall cease its activities six (6) months after the effective start of those of SONAMINES.

ARTICLE 30: The selection of staff required to start the activities of SONAMINES shall prioritize CAPAM staff, subject to their technical and moral fitness.

ARTICLE 31: This decree shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

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Yaounde, 14 DEC 2020

