

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

THE PRESIDENT OF THE REPUBLIC,

- Mindful of** the Constitution;
- Mindful of** Law No. 2017/10 of 12 July 2017 to lay down the general rules and regulations governing public establishments;
- 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 fiscal regime of the State and other public entities;
- Mindful of** Decree No. 2018/355 of 12 June 2018 to lay down common rules applicable to the contracts of public corporations;
- Mindful of** Decree No. 2018/356 of 20 June 2018 to institute the Public Contracts Code,

HEREBY DECREES AS FOLLOWS:

CHAPTER I
GENERAL PROVISIONS

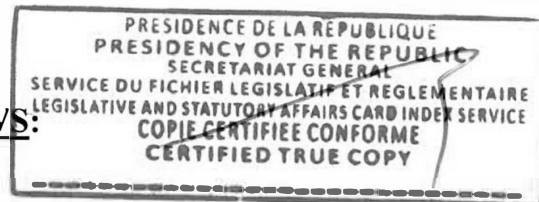
ARTICLE 1: This decree lays down conditions for implementing some provisions of Law No. 2017/10 of 12 July 2017 and Law No. 2017/11 of 12 July 2017 to lay down the general rules and regulations governing public establishments and public corporations.

ARTICLE 2: The provisions of this decree aim to ensure a better understanding of the abovementioned Law No. 2017/10 and Law No. 2017/11 of 12 July 2017 in order to guarantee the performance of public establishments as well as the competitiveness and profitability of public corporations.

CHAPTER II
PROVISIONS COMMON TO PUBLIC ESTABLISHMENTS AND PUBLIC CORPORATIONS

SECTION I
CONDITIONS FOR EXERCISING SUPERVISORY AUTHORITY

ARTICLE 3: (1) The objective of supervision shall be to ensure that the activities carried out by the public establishment or public corporation complies with government policy guidelines in the sector concerned.



(2) The supervisory authority shall not interfere in the daily management of public establishments and public corporations.

It shall notably:

- actively monitor the performance of public establishments and public corporations;
- maintain an atmosphere of trust between heads of corporate bodies;
- ensure the systematic participation of Directors-General of public establishments and General Managers of public corporations in the State budget preparation process, where necessary;
- ensure the operationalization of a management and internal audit control system;
- monitor the terms of office of heads and members of the corporate bodies of entities falling under its competence;
- establish a framework for coordinating and monitoring the performance of public corporations and public establishments, at the behest of the technical supervisory authority;
- institute a permanent coordination framework between technical and financial supervisory authorities, at the behest of the technical supervisory authority;
- produce and submit to the President of the Republic the annual report on the situation of the public corporation or public establishment concerned, within 1 (one) month following the approval of accounts by the decision-making bodies;
- produce and publish a consolidated annual report on public corporations and establishments, including their operational and financial performance, corporate governance and their financial relations with the State.

ARTICLE 4: (1) The technical supervisory authority must ensure that the resolutions of decision-making bodies are consistent with public sector strategies, plans and policies and comply with the laws and regulations in force.

(2) The supervisory authority shall participate in the Board of Directors primarily through its representative in the Board.

(3) Before each session, the representative of the supervisory authority in the decision-making body must seek the official position of the entity to which he belongs and, when necessary, obtain the necessary powers.

ARTICLE 5: (1) The financial supervisory authority shall keep an up-to-date consolidated portfolio database of public establishments, public corporations and corporations in which the State is a minority shareholder.

(2) Public establishments, public corporations and corporations in which the State is a minority shareholder shall be monitored by setting up a constantly updated computerized system.



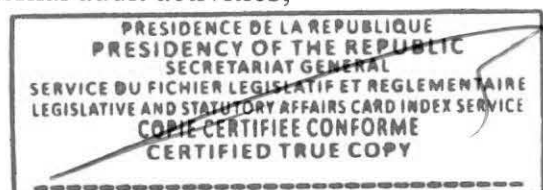
SECTION II

OPERATING PROCEDURES OF DECISION-MAKING BODIES

ARTICLE 6: The Board of Directors shall have the widest powers to define and guide the general policy, and evaluate the management of the public corporation or public establishment within the limits set by its corporate purpose.

In this regard and without prejudice to the provisions of the abovementioned laws, the Board of Directors or any other body acting in its stead shall:

- forward to the Minister in charge of finance information relating to the use of earnings and the allowances paid to Board Members, officials and staff, as appropriate;
- ensure the accuracy of the financial information submitted;
- communicate to the Minister in charge of finance information on the possible allocation of shares in the event of an increase in share capital through the incorporation of reserves, where necessary;
- evaluate the performance of the Director-General or Deputy Director-General;
- ensure the institution of an internal audit or management control function within the public corporation or public establishment;
- set up and evaluate the specialized committees and commissions set up within these entities;
- inform supervisory ministers of the allowances and benefits allocated to members, and of the comprehensive policy for remunerating top management;
- submit to the technical and financial supervisory authorities annual progress and management reports of the public corporation or public establishment, including an analysis of business and financial results. Such reports must provide information, on the following, as the case maybe:
 - the development vision, strategy and goals of the public corporation or public establishment;
 - the remuneration and other benefits of management and staff;
 - the risk analysis and management methods;
 - the investment plan and assets situation;
 - operational and financial data;
 - financial relations with the State (subsidies received, arrears and guarantees);
- have annual reports on the business results of the public corporation or public establishment posted on its website and in a journal of legal notices, at least once a year;
- ensure the adoption of its Internal Regulations and the Directors' Charter;
- communicate on management control and internal audit activities;



- provide the Minister in charge of finance with certified annual financial statements and the auditor's reports, where necessary, as well as the minutes of the sessions of the management body concerned, within 15 (fifteen) days following the holding of the accounts session.
- convene sessions of the decision-making body concerned within the time limits provided for by the regulations in force.

ARTICLE 7: (1) The Board of Directors shall be a collegial body.

(2) The Board Chairperson shall convene and chair Board sessions.

(3) The Board Chairperson and members shall not have inherent powers.

ARTICLE 8: (1) Board decisions shall be taken in the form of resolutions.

(2) The Board Chairperson and one of the Board members shall co-sign Board resolutions.

(3) Board resolutions shall be signed during the Board session.

(4) Refusal to sign the resolutions referred to in (2) above must be justified in writing. In the event of persistent refusal by the Board Chairperson to sign any resolution, the latter shall be automatically signed by two Board members designated by a two-thirds majority of Board members during the session.

ARTICLE 9: Where the Board Chairperson is absent, the session chairperson designated for that purpose, in accordance with the regulations in force, shall not be entitled to the benefits granted to the Board Chairperson. He shall enjoy the same benefits as the other Board members.

ARTICLE 10: (1) Six (6) months prior to the expiry of the term of office of a Board member, the Board Chairperson shall contact the entity to which he belongs for his replacement, and notify the technical and financial supervisory authorities.

(2) No Board member may sit on the Board after the expiry of his term of office.

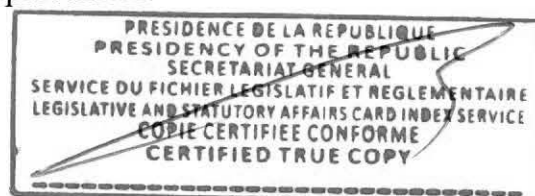
ARTICLE 11: (1) The Board Chairperson or any other Board member may not interfere in the daily management of the public establishment or public corporation.

(2) Any act that may violate the provisions hereinabove shall expose the persons concerned to the penalties provided for by the regulations in force.

ARTICLE 12: (1) The term of office of Board members and quorum shall be checked during board sessions.

(2) No board session shall validly hold when the quorum has not been attained or when it is established that one of the Board members has lost his status.

ARTICLE 13: (1) Any member of a Board who has lost his status as a result of moving from one government service and/or entity to another or retirement must inform the authority that designated him with a view to his replacement.



(2) Any government service or body represented in a Board of Directors must, forthwith, replace its representative whose term of office has expired, who has lost his status or who has retired.

(3) In any case, a Board member whose term of office has expired, who has lost his status or has retired shall no longer take part in the decision-making body's meetings, failing which he shall be liable to the penalties provided for by the regulations in force.

ARTICLE 14: Not more than 4 (four) committees or commissions shall be established within boards of directors in accordance with the legislation in force.

ARTICLE 15: (1) The committees or commissions shall only give opinions or make recommendations.

(2) The committees and/or commissions referred to in (1) above shall not perform the duties of the internal entities of the public corporation or public establishment.

ARTICLE 16: Any violation of the provisions of Articles 14 and 15 above shall constitute misconduct attributable to the Board Chairperson who convenes sessions of the said committees and/or commissions, and to the Director-General who shall be jointly and severally liable for organizing and bearing the operating costs of the said committees and commissions.

ARTICLE 17: Board Chairpersons, Board members, Directors-General and Deputy Directors-General must systematically inform the government services or bodies they represent, as well as the technical supervisory Ministers of the situation of their respective terms of office.

ARTICLE 18: In case of vacancy of the position of Board Chairperson, the Board of Directors shall, at the request of the supervisory authority or any other body acting in its stead, take all necessary provisional measures to ensure service continuity.

ARTICLE 19: (1) Each Board member shall be bound to inform the government service to which he belongs of his acts and/or conduct in the discharge of his duty.

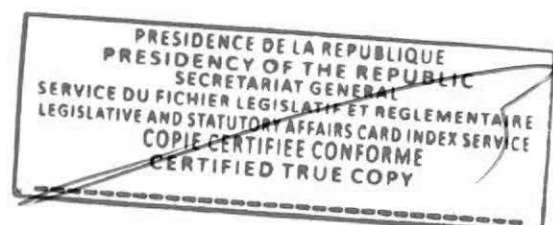
(2) Consequently, he must elicit, as and when necessary, the positions of the government service or body that he represents prior to the holding of Board sessions and report the conclusions thereof.

SECTION III

OPERATING PROCEDURES OF THE GENERAL MANAGEMENT

ARTICLE 20: (1) The General Management of a public establishment or public corporation shall be under the authority of a Director-General or any other body acting in his stead.

(2) The Director-General shall be solely responsible for the day-to-day management of the public establishment or public corporation.



ARTICLE 21: (1) The Director-General shall provide decision-making bodies or bodies acting in their stead with the resources required for the discharge of their duties.

(2) The Director-General shall inform Board members of the life of the public corporation or public establishment.

ARTICLE 22: The Director-General shall ensure the availability and accuracy of the financial information made available to decision-making bodies.

As such, he shall:

- produce the financial and accounting position in strict compliance with the OHADA accounting standards, where necessary;
- ensure the systematic operationalization of management controls and internal audits;
- produce and submit to the decision-making body the progress and management reports of the public corporation or public establishment.

ARTICLE 23: In case of vacancy of the position of Director-General, the Board of Directors or any other body acting in its stead shall take all necessary provisional measures to ensure service continuity.

SECTION IV **STAFF MANAGEMENT PROCEDURES**

ARTICLE 24: (1) Staff recruitment shall meet the specific staffing needs of the public corporation or public establishment expressed by the Director-General.

(2) Prior to the start of each financial year, the Director-General shall submit a staff recruitment plan to the Board of Directors for approval. The recruitment plan shall be an indication of staffing needs with respect to available positions.

(3) The Board of Directors shall ensure the budget sustainability of the wage bill. It shall also ensure that the profile of the staff recruited matches the requirements of the position to be filled.

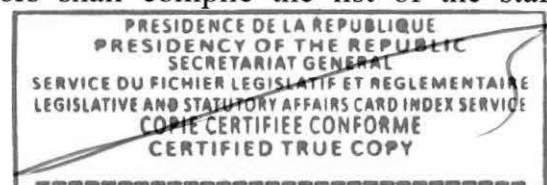
(4) Once the recruitment plan is validated, the Director-General shall be solely responsible for its implementation.

ARTICLE 25: (1) The Director-General must, as much as possible, apply the principles of regional balance in recruitments.

(2) During recruitments, special emphasis should be laid on the consideration of “gender, vulnerability and disability” approaches.

ARTICLE 26: (1) The Director-General shall, at the beginning of the financial year, be bound to inform the Board of Directors of staff members due retirement in the course of the year.

(2) A resolution of the Board of Directors shall compile the list of the staff members referred to in (1) above.



(3) The Director-General shall notify each staff member concerned of the date of his/her retirement, in accordance with the list established by the Board of Directors.

ARTICLE 27: Service extensions in public establishments or public corporations shall be forbidden.

CHAPTER III **PROVISIONS SPECIFIC TO PUBLIC CORPORATIONS AND PUBLIC ESTABLISHMENTS**

SECTION I **PROVISIONS SPECIFIC TO PUBLIC CORPORATIONS**

ARTICLE 28: (1) The General Meeting shall be the management body of the public corporation.

(2) The General Meeting shall function in accordance with the provisions of the OHADA Uniform Act on Commercial Companies and Economic Interest Groups, as well as Law No. 2017/11 referred to above.

ARTICLE 29: (1) State representatives participating in the General Meeting shall not receive a duty allowance.

(2) However, they shall be allocated a session allowance and working facilities the terms and conditions of which shall be laid down by special instruments.

ARTICLE 30: The Chairperson and members of the Board of Directors of a public corporation shall receive an annual duty allowance and a session allowance, as well as working facilities the terms and conditions of which shall be laid down by special instruments.

ARTICLE 31: (1) The Ordinary General Meeting shall appoint a Statutory Auditor and an Alternate Auditor, both certified by the National Order of Chartered Accountants of Cameroon, for a three-year term renewable once.

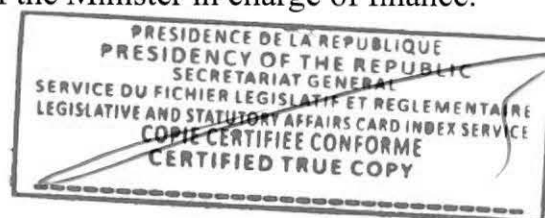
(2) The Auditors referred to in (1) above shall be appointed at the end a selection process after a call for applications supervised by the Director-General of the public corporation.

ARTICLE 32: The duties of the Statutory Auditor shall be discharged in accordance with the OHADA Uniform Act on Commercial Companies and Economic Interest Groups.

ARTICLE 33: The Statutory Auditor shall, at least once a year, submit a general report on accounts and a special report on management compliance to the management bodies of the public corporation and the Ministry in charge of finance.

SECTION II **PROVISIONS SPECIFIC TO PUBLIC ESTABLISHMENTS**

ARTICLE 34: (1) An Accounting Officer and a Specialized Financial Controller shall be appointed to the public establishment by order of the Minister in charge of finance.



(2) The Accounting Officer and the Specialized Financial Controller shall discharge their duties in accordance with the laws and regulations in force, except otherwise provided for by international conventions duly ratified by Cameroon and published. In this case, the instruments organizing the public establishment shall lay down the financial management conditions.

ARTICLE 35: (1) The Specialized Financial Controller shall control revenue- and expenditure-generating actions taken either by the Director-General or by his subordinates. Generally, he shall control budget execution.

(2) The Specialized Financial Controller shall not decide on the opportuneness of revenue and expenditure as this falls within the competence of the authorizing officer of the establishment.

ARTICLE 36: (1) The Specialized Financial Controller shall present the report on the execution of the budget of the public establishment to the Board of Directors.

(2) The report referred to in (1) above shall be forwarded to the Minister in charge of finance, the technical supervisory Minister and the Director-General of the public establishment.

ARTICLE 37: (1) The Accounting Officer shall collect and record all revenue and carry out all the expenditure of the public establishment. He shall ensure the regularity of revenue collection, payment orders and payment authorized by the Director-General.

(2) Authorized expenditure shall be paid only by the Accounting Officer of the public establishment.

ARTICLE 38: (1) The Accounting Officer shall present the management account of the public establishment to the Board of Directors.

(2) The management account referred to in (1) above shall be forwarded to the Minister in charge of finance, the technical supervisory authority and the Director-General of the public establishment, as well as the Audit Bench.

CHAPTER IV **MISCELLANEOUS AND FINAL PROVISIONS**

ARTICLE 39: (1) To carry out and monitor Board activities, the Board Chairperson shall, at the behest of the Director-General, be provided with an office and support staff from the staff of the public corporation or public establishment.

(2) The support staff referred to in (1) above shall comprise 1 (one) senior staff, 1 (one) executive assistant and 1 (one) driver.

(3) The senior staff referred to in (2) above placed at the disposal of the Board Chairperson shall have the rank and prerogatives of sub-director or equivalent position within the body concerned.

ARTICLE 40: (1) The remuneration and benefits of managers and board members of public corporations and public establishments shall be determined by special instruments.



(2) The remuneration referred to in (1) above shall also concern the exceptional remuneration and other allowances referred to in Law No. 2017/10 and Law No. 2017/11 of 12 July 20017 above.

ARTICLE 41: State representatives in decision-making bodies of corporations in which the State is a minority shareholder must forthwith provide the Minister in charge of finance with any information and document relating to the life of the corporation, especially certified financial statements, reports of statutory auditors, session minutes of management bodies and management reports.

ARTICLE 42: The decision-making bodies of corporations in which the State is a minority shareholder must provide the State, in real time, with information relating to the life of the corporation in which the State is a shareholder.

ARTICLE 43: The State must have all information relating to managers and members of decision-making bodies in order to assess their professionalism and appraise possible sources of conflict of interest.

ARTICLE 44: The supervisory Ministers, in conjunction with decision-making bodies, shall ensure the monitoring and strict implementation of the provisions of this decree.

ARTICLE 45: This decree shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.



Yaounde, 19 June 2019

