

Part I

ECONOMY AND PUBLIC INVESTMENTS

Law No. 2002/004 of 19 April 2002
To Institute the Investment Charter of the Republic of Cameroon

**The National Assembly deliberated and adopted,
The President of the Republic hereby enacts the law set out below:**

Section 1.- This law institutes the Investment Charter of the Republic of Cameroon, hereinafter referred to as the “Charter”.

PRELIMINARIES
GUIDING PRINCIPLES

Section 2.- In its determination to build a competitive and prosperous economy by boosting investments and savings, and attain its economic and social objectives, the Republic of Cameroon has opted for:

- the reassertion of the market economy as the ideal economic system;
- the reassertion of the State’s essential role in promoting economic and social development;
- the recognition of the key role played by entrepreneurs, investors and private enterprises as crucial factors in generating wealth and employment, to which the State and society at large should pay special attention;
- the commitment to safeguard free enterprise and freedom to invest;
- the commitment to maintain a sound macro-economic context;
- the commitment to ensure the flexibility and reversibility of decision-making processes in a bid to consolidate the competitiveness of the economy;
- the clarification of the economic and social role of the State and institutions as collective actors striving for the full employment of national resources through appropriate actions and taking into account the strengths and weaknesses of the market, the private sector and civil society in order to usher in the rule of law and good governance;
- the redefinition and consolidation of the role of the university and the national scientific and technical research system as a crucial factor in the transformation and mastery of the economic and social structures;
- the promotion of entrepreneurship as the prime mover of Cameroon’s creative potential, which is a pre-condition for setting up viable and competitive enterprises, and a decisive factor in providing lasting solutions to unemployment and poverty;
- the safeguard of the ecological environment and the rational exploitation of natural resources of the soil and sub-soil, for sound and sustainable development;
the promotion and active boosting of investments and exports so as to develop entrepreneurial potential;
- the consideration of particular or special sectors requiring specific measures, taking into account the constraints relating to the development and tapping of local natural resources;
- the quest for an appropriate institutional and regulatory framework to guarantee the security of investments, provide support to investors, and ensure fair and prompt settlement of investment-related as well as commercial and industrial disputes;
- an appropriate financial system that ensures efficient financial intermediation and in particular, proper mobilisation of savings and the channelling thereof to the most productive activities and to high-yield investments;
- a reliable and efficient information system based on new information and communication technologies;

the commitment to implement all necessary measures proposed by coordinating and supervisory bodies set up under this law to institute the Investment Charter of the Republic of Cameroon;

- the commitment to promote real partnership between the State and the private sector and civil society as a condition for greater overall economic efficiency;
- the institution of an attractive tax system with incentives for investors, that includes specific taxes on production equipment, and addresses the need for export competitiveness requirements.

PART I **GENERAL PROVISIONS**

CHAPTER I **DEFINITIONS**

Section 3: In this law, “investor” shall mean any individual or corporate body of Cameroonian or foreign nationality, resident or non-resident, whose activity involves acquiring assets with a view to earning interest.

Section 4: In this law, an investment shall mean any asset held by an investor, notably:
An enterprise;

- shares, equity financing or any other form of equity investment;
- bonds and other debt securities; monetary claims;
- intellectual property rights;
- medium and long term contract rights, in particular, management, production, and sales contracts;
- rights conferred by law, such as concessions, licences, authorizations or permits;
- any other tangible or intangible property, movable or immovable, and any related property rights.

Section 5: Under this law, the State shall cover all State institutions provided for in the Constitution.

CHAPTER II **SCOPE**

Section 6: This law defines the investment promotion framework in accordance with the overall development strategy aimed at increased and sustainable growth, job-creation in all branches of economic activity and social well-being of the people.

Section 7: This law shall apply to investments relating to the commencement, extension, renewal, readjustment and/or change of activity.

CHAPTER III **ROLE OF THE STATE AND OF THE PRIVATE SECTOR IN THE ECONOMY**

I. ROLE OF THE STATE IN THE ECONOMY

Section 8: (1) The fundamental mission of the State shall be notably to administer the nation, ensure the exercise of justice and guarantee the safety of persons and of property. To that end, the State shall undertake to:

- train and sensitize its employees so that the accomplishment of its missions does not

- hinder the smooth-running of the economic system;
- put an end to all forms of bureaucracy or police harassment and notably remove all obstacles to the movement of persons and property;
- internally fight corrupt behaviour and/or misappropriation of public property;
- accelerate the processing of administrative papers;
- expedite the hearing of court cases and ban all forms of discrimination in the application of the law.

(2) The State shall enact laws and regulations, supervise, facilitate and regulate economic and social activity, develop basic and information infrastructure, provide training, security and offset market deficiencies.

To that end, the State shall:

- organize, control and secure all markets through appropriate regulations and effective supervision to ensure better resource allocation;
- guarantee the proper functioning of the economic system; and for this purpose it shall:
 - ensure the proper application of established rules by all stakeholders in the system;
 - provide, facilitate the establishment, maintenance and development of economic infrastructure, social services such as health, education and vocational training facilities and ensure access to them by the population;
 - develop viable partnerships with the private sector and civil society with a view to improving resource allocation in areas where the market is deficient;
 - correct any global market imbalances using sound and transparent economic policies;
 - ensure the economic security of the nation, especially by setting up an efficient economic intelligence system;
 - set up an efficient system of incentives to boost the development of the private sector;
 - contribute to the acquisition and mastery of appropriate technologies and facilitate their dissemination;
 - formulate sectoral strategies and seek funds for their implementation.

II. ROLE OF THE PRIVATE SECTOR IN THE ECONOMY

Section 9: (1) The role of the private sector shall be to generate and produce wealth.

(2) The private sector shall be bound to:

- observe the rules of competition by avoiding fraud and discouraging corrupt behaviour within the sector;
- conduct business with due concern for the interests and health of consumers and users;
- organize its various sub-sectors with a view to promoting, amongst its members, good morality in business and the judicious application of the rules of ethics inherent in every trade;
- maintain loyal-co-operation with the State and its bodies in order to guarantee the success of the national economic policy.

PART II **MARKET MANAGEMENT**

CHAPTER I **GENERAL PRINCIPLES AND BASIC RIGHTS**

Section 10: The State shall guarantee each natural person or corporate body duly established or desirous of establishing in Cameroon and observing the specific rules applicable to their economic activity, the following:

- freedom to undertake any production, service provision or commercial activity, irrespective of their nationality;
- equal treatment in the conduct of any activity in conformity with the principles and provisions of the law on competition;
- property rights relating to land, buildings and operating equipment, as well as those relating to personal property, transferable securities, patents and other intellectual property;
- dispatch in concession and land acquisition procedures;
- freedom to repatriate foreign capital invested, operating profits, as well as the repatriation of expatriate staff savings from salaries;
- access to foreign currency markets and freedom to transfer capital under the rules of the Monetary Union of Central Africa (UMAC);
- equitable and transparent application of the business law provisions of the treaty of the Organization for the Harmonization of Business Law in Africa (OHADA treaty);
- equitable and transparent application of labour law and social security law drawn up in accordance with the treaty of the Inter-African Conference on Social Security (CIPRES);
- equity and transparency in the application of the intellectual property law formulated within the framework of the World Intellectual Property and the African Intellectual Property Organization (AIPO);
- equity and transparency in the application of insurance law drawn up within the framework of the Inter-African Conference on Insurance Markets (CIMA);
- the independence and professional competence of courts both in judicial and administrative matters;
- the application of any international agreement or treaty ratified in accordance with Articles 43, 44, and 45 of the Constitution.

Section 11: (1) The State shall be party to bilateral and multilateral agreements which guarantee investments. It is thus signatory to:

- the New York Convention on the Recognition and Enforcement of International Arbitral Awards, concluded under the auspices of the United Nations;
- the Washington Convention to set up the International Centre for Settlement of Investment Disputes (ICSID).

(2) The State is signatory to:

- the Seoul Convention of 11 October 1985 to set up the Multilateral Investment Guarantee Agency (MIGA) aimed at safeguarding non-commercial risks;
- the OHADA Treaty in pursuance of which modern and simple legal provisions based on international practice, have been drafted to constitute business law.

(3) As member of the OHADA zone, the State has both an ad hoc and an institutional arbitration mechanism based on the most effective international instruments, such as the standard law of the United Nations Commission for International Business Law (UNCITRAL) on international arbitration of 1985 and the Arbitration Settlement of the International Chamber of Commerce of 1998.

(4) The State is signatory to the Partnership Agreement ACP-EC of 23 June 2000, which sets up an arbitration mechanism for settling disputes between African-Caribbean and Pacific States (ACP) and contractors, suppliers and service

providers, relating to financing by the European Development Fund (EDF).

Section 12: The State asserts its commitment to set up a national arbitration court with a view to settling industrial and commercial disputes within the framework of the Chamber of Commerce, Industry and Mines.

CHAPTER II **LIBERALIZATION, ACCESSIBILITY AND COMPETITION**

I. LIBERALIZATION OF NATIONAL CONTRACTS

Section 13: Supply and demand mechanisms shall apply to the services and goods offered to the community.

(1) Key and strategic sectors defined and organized by regulation shall be supervised by special bodies set up for their management.

(2) To ensure the establishment of appropriate regulations as well as the supervision of contracts other than those awarded by specialized bodies, the National Commission for Competition shall be set up and its duties and jurisdiction laid down by regulation.

Section 14: International transparency standards concerning the production, publication and dissemination of quality information applicable both to the public and private sectors shall be adopted in Cameroon.

II. EXTERNAL RELATIONS AND REGIONAL INTEGRATION

Section 15: The State shall adhere to the multilateral trade system, in particular the agreements of the World Trade Organization (WTO) and the other mechanisms for the development of international trade, as well as the agreements of the International Customs Organization (ICO).

Section 16: The State reasserts the option of regional integration in particular within the framework of the Central African Economic and Monetary Community (CEMAC) and the Economic Community for Central African States (ECCAS).

Part III **MANAGEMENT OF INCENTIVES**

CHAPTER I **INCENTIVE SYSTEM**

I. GENERAL INCENTIVES

Section 17: (1) Three types of general incentives shall be instituted, namely:

- promotion
- facilitation
- support

(2) Promotion shall, in particular, consist of the organization of events and missions nationally or internationally, active partnership, and management of a range of opportunities, as well as in the marketing of the country's potential.

(3) Facilitation shall, in particular, consist of assistance and dispatch in the fulfilment of formalities, and transparency in file-processing conditions.

(4) Support shall, in particular, consist of technical or financial assistance for the setting up and revival of enterprises as well as the development of exports.

II. SPECIFIC INCENTIVES

Section 18: Specific incentives shall concern regimes, sectoral codes, economic zones and the duration of benefits.

Section 19: (1) Three regimes shall be instituted, namely:

- the automatic regime
- the returns regime
- the approval regime

(2) The automatic regime shall be tacit once the investment is carried out in accordance with the conditions defined by instruments. However, a summary return shall be forwarded each year to the competent State authority for control and validation.

(3) The returns regime shall be granted within 2 (two) consecutive working days in accordance with the conditions fixed by regulation and with effect from the date when the complete file was forwarded to the One-stop Service. The One-stop Service shall acknowledge receipt of the file in writing.

(4) The approval regime shall be granted to the investor within a maximum period of 15 (fifteen) consecutive working days in accordance with the conditions fixed by regulation and with effect from the date when the complete file was forwarded to the One-stop Service. The One-stop Service shall acknowledge receipt of the file in writing.

(5) Where the One-stop Service does not respect the time-limits stated in subsections (3) and (4) above, the regime applied for shall be automatically granted the investor who shall accordingly initiate a regularization procedure without delay.

(6) The functioning conditions of the regimes instituted in subsection (1) of this Section shall be defined by separate instruments.

Section 20: Sectoral codes shall be incentive instruments adapted to one or more sectors of economic activity and/or covering one or more technical domains of the economy.

Section 21: (1) Economic zones shall be incentive mechanisms classified into privileged zones.

(2) Economic zones shall be instituted as and when necessary under the conditions of establishment and eligibility to the rights and principles to be defined by regulation according to the objectives of the Government.

(3) Economic zones may be transformed into autonomous boards under conditions defined by separate instruments.

Section 22: The duration of incentives shall be fixed within sectoral codes or economic zones according to their activities.

CHAPTER II **IMPLEMENTATION OF THE CHARTER**

I. CONDITIONS OF IMPLEMENTATION OF THE CHARTER

Section 23: (1) The implementation instruments of this law shall be drafted on an equal and tripartite basis (public sector, private sector, civil society).

The drafted implementation instruments shall have the prior technical approval of the Regulation and Competitiveness Board referred to in Section

25 below.

II. CONTROL FOR COMPLIANCE AND REDRESS

Section 24: Any petition for redress from an investor for non-compliance with the provisions of this law and its implementing instruments shall first be forwarded to the Regulation and Competitiveness Board.

CHAPTER III **INVESTMENT AND EXPORTS PROMOTION AND FACILITATIONS BODIES**

Section 25: The following bodies are hereby established for the promotion and facilitation of investments and exports:

- the Regulation and Competitiveness Board
- The Investment Promotion Agency
- The Export Promotion Agency

PART IV **PROMOTION OF PRIVATE INITIATIVE**

Section 26: In order to promote private initiative, the following are instituted:

- an Industrial Partnership Council
- an Entrepreneurship Institute
- a Trade and Industry Observatory
- a Standardization and Quality Board; and
- an Intellectual Property Centre

Section 27: The setting-up, organization and functioning of the bodies and institutions provided for in this law shall be laid down by decree of the President of the Republic.

PART V **PRINCIPLES GOVERNING THE MANAGEMENT OF THE INSTITUTIONS**

Section 28: The composition of the management organs of the institutions set up pursuant to this law shall be joint, equal and tripartite (public sector, private sector and civil society).

PART VI **TAX AND CUSTOMS INCENTIVES**

Section 29: The Taxation and customs mechanism shall be based on equity between the various taxpayers and moderation, which permit the State to play its economic and social role conveniently.

Section 30: The State shall undertake to simplify and harmonize the procedures and methods for the assessment and collection of taxes to ensure that they are transparent, smooth and clear to all investors.

Section 31: The rates of taxes and customs duties shall be applied in the respect of the rules, practices and proportions close or equivalent to international custom, while ensuring that they are adapted to the evolution and specificity of industrial sectors.

Section 32: The taxpayer's rights shall be recognized and respected by State authorities.

Section 33: (1) The State shall guarantee the application of moderate customs duties and adhere to the principle of their reduction within the framework of the policy defined by CEMAC and in conformity with the provisions of the World Trade Organization.

(2) The State reaffirms its willingness to implement the economic and deferred payment regimes provided for in the CEMAC Customs Code.

Section 34: The provisions herein below shall apply with respect to direct and indirect taxes:

- the general application of the Value Added Tax (VAT) as a neutral tax levied on investment and the generation of wealth;
the non-application of VAT on exports and the reimbursement of VAT collected for investments and operating expenses of exporting firms to make them competitive on international markets; the taking into account of tax incentives related to the various specific investments codes;
- the application, using tax credits, of a consistent mechanism tailored to foster research and development, vocational training and the protection of the environment, in keeping with the various codes.

Section 35: With respect to stamp duty and registration, moderate rates shall be applied to the incorporation of companies, the amendment of Articles of Association, increase of capital, merger and take-over operations and the issue and circulation of securities.

PART VII **ORGANISATION OF THE FINANCIAL SYSTEM**

Section 36: The State shall seek to develop the financial system in consonance with its policy to boost investments and promote competitiveness.

Section 37: (1) Cameroon is a member of the Monetary Union of Central Africa (UMAC). It shall seek further economic independence and flexibility, in consonance with requirements of an increasingly liberal and integrated economy, capable of adjusting almost instantly.

(2) In order to meet international standards, the State shall support all actions that seek to enhance the efficiency of the Bank of Central African States (BEAC) and the Central African Banking Commission (COBAC) for the development of all types and sizes of investment and enterprise, as well as to address the challenges of financial crises.

(3) The State shall foster the development of a healthy credit and monetary culture through the establishment of a credit and money code.

Section 38: The State shall supervise and promote SMEs/SMIs, notably by:

- setting up a financial services system for medium-scale business operators, with appropriate supervision and regulations;
- setting up an SME/SMI financing mechanism tailored to specific and sector needs with appropriate supervision and regulations.

Section 39: (1) The State shall set up export incentive mechanisms comprising insurance and financing methods, aimed at covering market prospecting, production, funding facilitation and other risks.

(2) The State shall be a member of the African Export/Import Bank (AFREXIM BANK), a Pan-African institution set up to finance import and export credit operations.

Section 40: (1) Without prejudice to other national financial structures, the State shall support the establishment of a credible sub-regional financial market in accordance with

international standards, to permit the mobilization of long-term savings and the pumping of such savings into productive and profitable investment projects.

(2) The State shall ensure the active promotion of savings and investments by drafting a code that encourages savings and investments.

Section 41: (1) The State shall set up a voluntary subscription public securities market.

(2) The national public securities market shall be part of the sub-regional initiatives in the said field.

Section 42: The State shall be committed to a solid and efficient system of covering for industrial, commercial and social risks, which is indispensable for the development of investments and the quest for competitiveness.

PART VIII **TRANSITIONAL, MISCELLANEOUS AND FINAL PROVISIONS**

Section 43: (1) This law repeals:

- Ordinance No. 90-1 of 29 January 1990 to establish a free zone regime in Cameroon, as ratified by Law No. 90-23 of 10 August 1990;
- Ordinance No.90-7 of 8 November 1990 relating to the Investment Code of Cameroon.

(2) Sectoral codes and statutory instruments relating to the organization, composition and functioning of the organs provided for in this Charter shall be issued within a time limit of not more than two years with effect from the date of enactment of this law.

(3) However, enterprises granted special or preferential regimes under the two instruments referred to above shall maintain their benefits.

(4) During the two (2) years transitional period referred to in subsection 2 above and the provisions of subsection 1 above notwithstanding, the institutions and regimes provided for by the ordinances referred to in subsection 1 of this Section shall remain valid until the new institutions and the sectoral codes are set up.

(5) All sectoral laws and regulations repugnant to this law shall be harmonized.

Section 44: The bodies and institutions provided for in this law, which exist at the time it comes into force shall have a maximum period of 1 (one) year with effect from its date of enactment to conform to the provisions thereof.

Section 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 April 2002

(signed) Paul Biya,
President of the Republic

**Ordinance No. 2008/001 of 13 May 2008
to amend some provisions of Law No. 2002/004 of 19 April 2002 to
Institute the Investment Charter of the Republic of Cameroon**

The President of the Republic hereby orders as follows:

Section 1: the provisions of Section 43 of Law No.2002/4 of 19 April 2002 to institute the Investment Charter of the Republic of Cameroon shall be amended as follows :

Section 43 new (1): This law repeals:

- Ordinance No.90/1 of 29 January 1990 to establish a free zone in Cameroon, as ratified by Law No.90/23 of 10 August 1990.
- Ordinance No.90/7 of 8 November 1990 to lay down the Investment Code in Cameroon.

(2) Sectoral codes and regulations relating to the organization, composition and functioning of the organs provided for in this Charter shall be issued within a time limit of not more than five years with effect from the date of enactment of this law.

(3) Enterprises enjoying special or preferential regimes resulting from the two instruments referred to in (1) above shall maintain their benefits.

(4) During the five-year transitional period referred to above, and notwithstanding the provisions of sub 1 of this Section, the institutions and regimes provided for in the instruments under sub 1 shall remain in force until the new institutions and new sectoral codes are established.

(5) All sectoral laws and regulations repugnant hereto shall be harmonised.

Section 2: All previous provisions repugnant to this Ordinance, in particular those stipulated by Law No.2004/20 of 22 July 2004 to amend certain provisions of Law No.2002/2 of 19 April 2002 to institute the Investment Charter of the Republic of Cameroon are hereby repealed.

Section 3: This Ordinance shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaounde, 13 May 2009.

**(signed) Paul Biya,
President of the Republic**

Law No.2013/2011 of 10 December 2013
Governing Economic Zones in Cameroon

The Parliament deliberated and adopted,
The President of the Republic hereby enacts the law set out below:

CHAPTER I
GENERAL PROVISIONS

Section 1: (1) This law governs economic zones in the Republic of Cameroon.

(2) It lays down the general framework for establishing and managing economic zones, as well as conditions for admitting enterprises to such zones.

(3) It shall be an investment, export, competitiveness, employment, economic growth and regional development incentive and/or promotion tool.

Section 2: (1) An economic zone shall be a space comprising one or several serviced and developed geographical areas equipped with the required infrastructure to enable entities established therein to produce goods and services under the best conditions.

(2) It shall seek to concentrate on one or several given areas, activities or players engaged in economic and social development activities.

(3) An economic zone may notably comprise industrial enterprises, agricultural enterprises, service enterprises, business nurseries and incubators, science and technology centres, technocities and/or agricultural poles.

Section 3: For the purpose of this law and its implementing instruments, the following definitions shall apply:

- **Approval:** establishment authorization issued to an enterprise by the economic zones supervisory body;
- **Agricultural pole:** group of enterprises established in a geographical area and having functional relations in the production, processing and marketing of a given animal, plant, fish or forestry product.
- **Specifications:** set of guidelines drafted by the management body, in conjunction with the services concerned, for the smooth functioning of the zone and/or achievement of the stated production objectives;
- **Joint committee:** body comprising representatives of the promoter and elected representatives of enterprises which assists the economic zone manager in the discharge of its duties;
- **Tourist complex:** group of hotel facilities and leisure equipment provided in a place by the same promoter.
- **Economic zone enterprise:** legal entity to which the competent body has granted authorization to invest in an economic zone.
- **Exportation:** operation consisting in selling or dispatching products, goods and services out of the national economic space;
- **Economic zone manager:** legal person whom the promoter has mandated to administer an economic zone;

- **One-stop-shop:** entity exclusively responsible for all the formalities and procedures relating to the establishment of enterprises in the economic zone;
- **Business incubator:** a profit or non-profit entity which detects, receives, supports and assists project initiators prior to start-up of their enterprise or during the early months of start-up by providing them with common services in terms of secretarial services, administrative assistance, establishment and business management finance and accounting support;
- **Investment:** asset held and/or acquired by an investor (enterprise, shares, capital shares, bonds, monetary claims, intellectual property rights, rights under contracts, rights conferred by the laws and regulations, any other tangible or intangible, movable or immovable property, all related ownership rights);
- **Investor:** any Cameroonian or foreign natural person or corporate body resident or non-resident, that acquires assets as part of its activities in anticipation of returns;
- **Business nursery:** profit or non-profit entity which supports an enterprise or a group of enterprises in their early years by providing accommodation, counselling and shared-cost common services;
- **Competitiveness pole:** cluster, within the same territory, of enterprises, higher education establishments and public or private research bodies working in synergy for the implementation of innovative economic development projects;
- **Science and technology pole:** entity established to produce goods and services needed to advance research, technology, culture and education and which facilitates the establishment of technology-intensive enterprises;
- **Technocity:** cluster of activities involving, within the same geographical area, industrial units, applied research centres and specialized training universities and/or institutions;
- **Industrial zone:** serviced and developed geographical area, equipped with infrastructure, where enterprises are allowed to produce goods and services intended either for the domestic market or for export;
- **Free zone:** serviced and developed geographical area, equipped with infrastructure, where enterprises are allowed to produce goods and services intended exclusively for export, subject to specific conditions;
- **Industrial free zone:** serviced and developed geographical area, equipped with infrastructure, where enterprises are allowed to produce manufactured goods and services intended exclusively for export, subject to specific conditions;
- **University free zone:** serviced and developed geographical area, equipped with infrastructure, intended to host higher education establishments and/or public or private research bodies specialized in state-of-the art science and technology;
- **Logistical zone:** serviced and developed geographical area, equipped with infrastructure, where enterprises are allowed to store and distribute products;
- **Specialized zone:** serviced and developed geographical area, equipped with infrastructure, where enterprises are allowed to carry out specific industrial activities.

CHAPTER II

ESTABLISHMENT OF ECONOMIC ZONES

Section 4: (1) An economic zone shall be established by decree of the President of the Republic.

(2) The decree referred to in sub-section (1) above shall notably specify:

- the promoter;
- the nature of the economic zone;
- the place and perimeter of the economic zone;
- the characteristics of the investments to be carried out in the economic zone;
- the eligibility conditions for admitting enterprises to the economic zone.

Section 5: (1) The following entities may be economic promoters:

- the State and its agencies;
- regional and local authorities;
- trade chambers;
- employers' associations;
- State universities and private higher education establishments.

(2) Within the framework of bilateral cooperation, a request for the establishment of an economic zone may be directly made by foreign investors organized into a Common Initiative Group (CIG);

(3) Trade chambers and employers' associations may request the establishment of economic zones on behalf of their members organized into Economic Interest Grouping.

Section 6: (1) Any request for the establishment of an economic zone must be subject to:

- identification by the promoter, in conjunction with the service concerned, of unoccupied lands capable of accommodating the enterprises;
- evidence of a portfolio comprising at least 5 (five) enterprises having expressed the desire to establish in the economic zone;
- evidence of financial capacity to fund site development works.

(2) Commitment to pay, where applicable, the fee intended to cover the promoter's contribution to the development works of the site concerned.

Any request for the establishment of an economic zone must also show proof of the capacity of enterprises wishing to establish therein to:

- promote and attract multi-sectoral industrial, commercial and service investments;
- develop innovative processes and technical and technological solutions;
- increase the national economy's competitiveness;
- foster export development and direct domestic and foreign investment;
- foster the development of national production and natural resources;
- foster job creation;
- promote socio-economic integration of the host region in the rest of the territory.

(3) The conditions for the establishment of an economic zone shall be laid down by regulation.

CHAPTER III
SUPERVISION AND DEVELOPMENT OF ECONOMIC ZONES

Section 7: (1) The Economic Zones Promotion Agency, hereinafter referred to as “the Agency”, shall carry out the supervision and development of economic zones.

(2) The Agency shall be responsible, inter alia, for:

- receiving and examining application files for the establishment of economic zones in conjunction with the authorities concerned;
- issuing approvals to enterprises;
- submitting draft economic zone establishment decrees to the Government;
- defining and ensuring respect for infrastructure project contracting standards in economic zones;
- monitoring the performance and growth of economic zones;
- defining specifications, in conjunction with the services concerned;
- ensuring that approved promoters and enterprises comply with specifications;
- hearing disputes between promoters, enterprises, government services and local communities and conducting procedures for amicable settlement thereof.

(3) A decree of the President of the Republic shall lay down the organization and functioning of the Agency.

(4) Save as provided for under Section 38 herein below, the Agency may not be promoter or manager of an economic zone.

CHAPTER IV
MANAGEMENT AND DEVELOPMENT OF ECONOMIC ZONES

I. MANAGEMENT OF ECONOMIC ZONES

Section 8: (1) An economic zone shall be managed by the promoter or a manager appointed by the promoter, in accordance with terms laid down by regulation.

(2) Where the promoter itself manages the economic zone, it shall be required to comply with the rights and obligations of the manager.

Section 9: The manager referred to under Section 8 above, must of necessity be a legal entity under Cameroonian law with experience in the economic and financial management of economic zones. Its head office shall be located within the economic zone.

Section 10: The manager of an economic zone may use a technical partner with proven experience in the management of economic zones.

In such case, an agreement shall be signed between the Agency, the promoter, the manager of the economic zone and the technical partner.

Section 11: (1) The manager of the economic zone shall be responsible for:

- establishing approved enterprises in the economic zone;
- basic infrastructure (water, electricity, telephone, roads, etc.) project management;
- leasing, sub-leasing and maintaining real estate within the economic zone;
- building any other infrastructure necessary for the efficient functioning of the economic zone;
- providing various services to enterprises operating in the zone;
- security within the economic zone;

- promoting and advertising the zone to investors.

(2) In connection with the activities provided for under sub-section (1) above, the manager of the economic zone shall receive a fee paid by approved enterprises, under conditions laid down by regulation.

Section 12: In the discharge of its duties, the manager of the economic zone shall be assisted by an 8-member Joint Committee comprising 4 (four) representatives of the promoter and 4 (four) elected representatives of enterprises operating in the economic zone.

Section 13: The manager of the economic zone shall set up a one-stop-shop responsible, exclusively, for all formalities and procedures for establishing enterprises in the zone.

II. DEVELOPMENT OF ECONOMIC ZONES

Section 14: (1) The development of economic zones shall fall within the overall framework of the National Sustainable Regional Development and Planning Master Plan.

(2) The development plan of any economic zone shall include social facilities.

Section 15: The economic zone shall be developed at the behest of its promoter.

Article 16: (1) Where the State or entity thereof is promoter of an economic zone, the development of the said zone shall be devolved to the management and development authorities provided for under the laws and regulations in force.

(2) The devolution of the management function shall be specified by the decree establishing the economic zone.

Article 17: (1) A private promoter may request the services of a management and development authority referred to in Section 16 (1) above.

(2) In such case, the private promoter must take a financial contribution for the development of the site to host the economic zone.

(3) The amount of the contribution referred to in sub-section (2) above shall not exceed 50% of the total cost of developing the site.

(4) The amount and terms of payment of the financial contribution shall be laid down by regulation.

Section 18: (1) The site of the economic zone shall fall under the private property of the State or national land.

(2) As the case may be, the State shall, either through an ordinary lease or a long-term lease, and in accordance with the relevant laws and regulations in force, cede the site of the economic zone to the promoter to carry out the necessary development and infrastructure works.

CHAPTER V **ADMISSION TO, EXCLUSION FROM AND** **OBLIGATIONS WITHIN AN ECONOMIC ZONE**

Section 19: (1) The admission of an activity or enterprise to an economic zone shall be subject to obtaining an approval issued by the Agency.

(2) The conditions for obtaining an approval within an economic zone shall be laid down by regulation.

(3) The Agency shall decide within 60 (sixty) days of submission of the application for

approval. Beyond such period, the approval shall be deemed to have been granted.

(4) Refusal to grant the approval shall be reasoned.

Section 20: (1) The Agency may withdraw the approval referred to in Section 19 above in case of breach of the clauses of the terms and specifications of the economic zone duly established by the Agency.

(2) The approval may also be withdrawn or limited where the enterprise:

- ceases operations within the economic zone for 2 (two) years; or
- Loses, by virtue of the provisions of applicable laws and regulations, a licence, an authorization or any other permit required for operating within the economic zone.

Section 21: (1) The enterprise whose approval is withdrawn or limited may file a complaint with the Joint Committee.

(2) The Joint Committee shall rule within 5 (five) days, and then forward its reasoned opinion to the Agency.

Section 22: (1) To establish within the zone, the enterprise shall pay an annual fee to the manager of the economic zone concerned.

(2) The conditions for payment and the amount of the annual fee referred to in subsection (1) above shall be laid down, for each economic zone, by regulation, upon the proposal of the Agency following the opinion of the Joint Management Committee of the economic zone concerned.

Section 23: Notwithstanding compliance with the laws and regulations applicable to their operations and the conditions and obligations provided for in the approval, any enterprise admitted to the economic zone shall be bound to:

- declare the starting date of its operations to the Agency;
- allow the Agency to control compliance of its operations, in conjunction with relevant government services;
- strictly comply with its investment programme;
- submit any amendment of its investment programme to the Agency for approval;
- comply with intellectual property (patents, copyrights and trade or service marks...);
- comply with product rules and standards;
- protect the environment.

Section 24: Any enterprise holder of an approval as provided for under the law relating to private investment incentives in the Republic of Cameroon may be authorized to establish in an economic zone, subject to the conditions laid down by regulation.

Section 25: Any enterprise established within an economic zone shall be subject to the same goals regarding job creation and natural resources development as those provided for under the law relating to private investment incentives in the Republic of Cameroon.

CHAPTER VI **REGULATIONS APPLICABLE WITHIN ECONOMIC ZONES**

Section 26: The manager and enterprise established within an economic zone shall enjoy all the incentives provided for under the law relating to private investment incentives in the Republic of Cameroon.

Section 27: The services in charge of public transport, port services, telecommunications services, power and water services shall apply the most favourable preferential rates to

promoters and managers of economic zones and approved enterprises.

Section 28: Where necessary, preferential rates may be granted to promoters for access to land intended for the location of economic zones.

Section 29: Upon the approval of the Minister in charge of energy and water resources, promoters and managers of economic zones as well as approved enterprises may install their own facilities to meet their energy and water needs.

Section 30: Promoters and managers of economic zones, as well as approved enterprises may acquire and/or set up their own telecommunications networks upon authorization by the Minister in charge of telecommunications.

Section 31: The accounting procedures of promoters and managers of economic zones as well as approved enterprises shall conform to the regulatory provisions in force in Cameroon.

CHAPTER VII **SPECIFICITIES OF ECONOMIC ZONES**

Section 32: Economic zones shall be:

- agricultural zones;
- handicrafts zones;
- trade zones;
- free-trade zones;
- industrial zones;
- logistical zones;
- services activities zones;
- technological activities zones;
- specialized zones;
- agricultural poles;
- technological poles;
- scientific and technological centres;
- competitiveness centres;
- tourist complexes.

Section 33: Mixed zones hosting on the same space several activities referred to in Section 32 may also be created.

Section 34: Provisions specific to industrial free zones, university free zones and tourist complexes may be the subject of separate instruments.

CHAPTER VIII **OVERSIGHT AND SANCTIONS**

Section 35: In conjunction with the competent services and in accordance with the conditions laid down by regulation, the Agency shall carry out regular controls to ensure that promoters, managers and approved enterprises honour their commitments and obligations.

Section 36: Without prejudice to the penalties and judicial proceedings provided for by the regulations in force, failure by promoters and managers of economic zones as well as approved enterprises to honour their commitments and obligations, shall under the

conditions laid down by regulation and depending on the gravity of the offence, entail the following sanctions:

- warning;
- fine;
- automatic withdrawal of agreement.

Section 37: Any dispute between stakeholders in the economic zone which cannot be settled amicably shall be resolved through arbitration or before the competent courts of the Republic of Cameroon.

CHAPTER IX **MISCELLANEOUS, TRANSITORY AND FINAL PROVISIONS**

Section 38: (1) In case of default of the promoter, the Agency may, pending the resumption of the activities of the defaulter, manage the economic zone for a period not exceeding 2 (two) years.

(2) Beyond the period provided for in sub-section (1) above, the economic zone concerned shall be closed down under the conditions laid down by regulation.

Section 39: The Joint Monitory Committee instituted under the law to determine private investment incentives in the Republic of Cameroon shall ensure the stability of the tax and customs system of economic zones, as well as the benefits granted to enterprises established in the said zones.

Section 40: (1) Enterprises formerly approved under the industrial free zone regime and that hold a valid certificate compliance shall, at their request, be transferred to economic zones regime upon enactment of this law.

(2) However, they shall have a time-limit of 24 (twenty-four) months with effect from the date of enactment of this law to comply with its provisions.

(3) Beyond such period, they shall automatically fall under the ordinary law regime.

Section 41: All previous provisions repugnant to this law are hereby repealed.

Section 42. This law shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaounde, 16 December 2013

(signed) Paul Biya,
President of the Republic

Law No. 2013/45 of 18 April 2013
To Lay Down Private Investment Incentives in the Republic of Cameroon

PART I
GENERAL PROVISIONS

Section 1: This Law lays down private investment incentives in the Republic of Cameroon, applicable to Cameroonian or foreign natural or legal persons, whether or not established in Cameroon, conducting business therein or holding shares in Cameroonian companies, with a view to encouraging private investment and boosting national production.

This law seeks to facilitate, promote and attract productive investment in order to develop activities geared towards strong, sustainable and shared economic growth as well as job creation.

Section 2: (1) This Law shall apply to investment operations relating to the creation, extension, renewal, asset re-structuring and/or conversion of businesses.

② Any investor seeking to obtain the incentives provided for under this Law shall be bound to comply with all applicable laws and regulations.

③ This Law shall not be applicable to investments in sectors governed by special instruments, in particular the upstream oil, mining and gas sectors, as well as those under the general partnership contracts regime.

Section 3: For the purposes of this law and the regulatory instruments arising there from, the following definitions shall apply:

- **Force majeure:** any external and unpredictable event that is beyond the control of the parties, whose occurrence makes it impossible for the party under an obligation to fulfil such obligation;
- **Economic difficulties:** unpredictable circumstances which, while not rendering the implementation of the project impossible, significantly affects it;
- **Export:** transaction consisting in selling or dispatching products, goods and services outside the national economic area;
- **Incentives:** special benefits granted resident or non-resident natural or legal person, to promote and/or develop a given activity;
- **Input:** item used in producing a semi-finished or finished product (raw material, labour etc.);
- **Investment:** asset held and/or acquired by an investor (company, shares, equity, bonds, monetary claims, intellectual property rights, contractual rights, rights conferred by laws and regulations, any other tangible or intangible movable or immovable property, all related ownership rights);
- **Investor** resident or non-resident Cameroonian or foreign natural or legal person that acquires assets in the conduct of business for profit;
- **Establishment phase:** period not exceeding 5 (five) years during which the infrastructure and facilities essential for setting up a production unit are built;
- **Operation phase:** period during which production activities are effectively carried out, which starts to run:

a) For new investors, automatically, upon or before the end of the establishment phase, once marketing or sale of products begins, as ascertained by a joint Order of the ministers in charge of private investment, finance and trade;

b) For enterprises already established in Cameroon and carrying out new investments, once the said investments become operational as ascertained by a joint Order

of the ministers in charge of private investment, finance and trade;

- **Value added:** creation or increase in value of goods and services from other sources by an enterprise in carrying out day-to-day professional activities. It is calculated as the difference between the production of the period plus the gross profit on goods, and the consumption of goods and services supplied by others for such production.

Section 4: Any investor whose activities are in compliance with the laws and regulations in force and who meets one of the criteria below may enjoy the benefits provided for by this law:

- employ, during the operational phase and according to the size of the enterprise and sector, at least a Cameroonian by tranche ranging between 5 000 000 (five million) CFA francs and 25 000 000 (twenty-five million) CFA francs of planned investments, as applicable;
- annual operating activities of 10% to 25% of turnover, net of taxes;
- use local natural resources of 10% to 25% of the value of inputs;
- contribution to value added of 10% to 30% of turnover, net of taxes.

CHAPTER 1 **TAX AND CUSTOMS INCENTIVES**

Section 5: Incentives shall be granted to investors during the establishment and operation phases.

Section 6: The investor shall enjoy the following benefits during establishment phase, which may not exceed 5 (five) years, with effect from the date of issuance of the approval:

- Exemption from stamp duty on establishment or capital increase;
- Exemption from stamp duty on the lease of immovable property used exclusively for professional purposes that form an integral part of the investment programme;
- Exemption from transfer taxes on the acquisition of immovable property, land and buildings essential for the implementation of the investment programme;
- Exemption from stamp duty on contracts for the supply of equipment and construction of buildings and installations essential for the implementation of their investment programme;
- Full deduction of technical assistance fees in proportion to the amount of the investment made, calculated on the basis of the total amount of the investment;
- Exemption from VAT on the provision of services related to the execution of the project and obtained from abroad;
- Exemption from stamp duty on concession contracts;
- Exemption from business license tax;
- Exemption from taxes and duties on all equipment and materials related to the investment programme;
- Exemption from VAT on the importation of equipment and materials
- Immediate removal of equipment and material related to the investment programme during clearance operations.

Section 7: (1) The investor may, during the operation phase, which may not exceed 10 (ten) years, according to the scale of investment and expected economic returns, as applicable, enjoy exemptions from or reductions of payment of the following taxes, duties and other fees:

- minimum fee;
- corporate tax;

- tax on profits;
 - stamp duty on loans, borrowings, overdrafts, guarantees, increase, reduction, corporate capital repayment and liquidation, or any transfer of activities, real profit ownership or usufruct, leases or shares;
 - tax on income from movable assets during the distribution of income in the form of dividends or other form to be specified in the agreement;
 - special income tax (SIT) on sums paid to foreign companies for services rendered or used in Cameroon during the project design and execution phases, provided that they are billed at cost price;
 - Taxes, registration and stamp duties on the transportation of processed products;
 - Customs duties as well as all other fees and service taxes on the importation of all types of equipment, building materials, tools, spare parts, intermediate products, supplies and consumables which do not have locally manufactured equivalents, save for duties, taxes and other non-tax fees deemed to be a service fee;
 - duties on the exportation of construction and processing plant equipment;
 - any tax, duty or charge of any kind that is calculated on the basis of the turnover realized by the processing company;
 - any tax on the transfer, purchase or sale of foreign currency and any indirect consumer tax, including the special tax on petroleum products;
- (2)** The investor may also enjoy the following benefits:
- deferral of deficits after five years, with effect from that of their occurrence;
 - exemption from duties, taxes, fees and fees on the importation of capital goods intended and used for the investment programme.

(3) After the expiry of the period referred to in Section 7 (1) above, the investor shall automatically be subject to ordinary law.

Section 8: (1) Any investor may benefit from a tax credit provided he or she meets one of the following criteria:

- employs at least 5 (five) young graduates each year;
- combats pollution;
- develops sporting, cultural or social activities;
- develops public interest activities in rural areas.

Section 9: Notwithstanding the benefits provided for in Section 7 above, the investor shall be subject to the payment of fees, taxes, duties and any other fees for service rendered. Such service charges shall be generally applicable and proportional to the cost of the service rendered.

Section 10. The rules for the assessment and collection of company tax shall be those provided for, with regard to company tax, by the accounting and tax legislation in force in the Republic of Cameroon, subject to contractual provisions that may contain special depreciation rules and provisions.

Section 11: On account of the duly assessed scale of the project, the State may, as a special measure, extend the benefit of some tax and customs exonerations to shareholders, promoters and the investor's local co-contractors through contractual agreements.

CHAPTER II **FINANCIAL AND ADMINISTRATIVE INCENTIVES**

Section 12. (1) The investor shall be subject to the exchange rate regime of the Republic of Cameroon.

(2) Subject to the fulfilment of the obligations incumbent on him, notably with respect to the exchange rate regime and the tax legislation, the investor may enjoy the following benefits:

- the right to open in Cameroon and abroad local and foreign currency accounts and to carry out transactions on such accounts;
- the right to freely cash and keep abroad income associated with their transactions, dividends and proceeds of any kind from capital invested, as well as proceeds from the liquidation or sale of their assets;
- the right to directly pay abroad non-resident suppliers of goods and services essential for conduct of business;
- free transfer of dividends and proceeds from the sale of shares in case of disinvestment.

(3) With respect to foreign staff employed by the investor and resident in the Republic of Cameroon, they shall enjoy free conversion and free transfer to their country of origin of all or part of amounts due them, subject to prior payment of various taxes and social security contributions to which they are liable in compliance with the regulations in force.

Section 13. The Government shall institute facilities necessary for:

- the establishment of a special visa and a reception counter at all airports throughout the national territory for investors, subject to their presentation of a formal invitation from the body in charge of investment promotion of Small and Medium sized Enterprises (SMEs);
- the issuance of the above-mentioned special visa in all of Cameroon's diplomatic or consular representations;
- the issuance of residence and work permits to expatriate staff involved in any investment project and holding a contract of employment for a period exceeding two years;
- the issuance of environmental compliance certificates with respect to the investment projects concerned;
- the issuance of land titles and long-term leases.

Part III
SPECIFIC INCENTIVES

CHAPTER I
PRIORITY SECTORS

Section 14: In addition to the above-mentioned incentives, specific incentives may be provided to enterprises which carry out investments that contribute to the attainment of the following priority objectives;

- development of agriculture, fisheries, livestock, and plant, animal or fishery product packaging and storage activities;
- development of tourism and leisure facilities, social economy and handicraft;
- development of housing, including social housing;
- promotion of agro-industry, manufacturing industries, heavy industry, construction materials, iron and steel industry, construction, maritime and navigation activities;
- development of energy and water supply;
- encouragement of regional development and decentralization;
- the fight against pollution and environmental protection;
- promotion and transfer of innovative technologies and research and development;
- promotion of exports;
- promotion of employment and vocational training.

Section 15: Any enterprise intending to carry out investments that contribute to the achievement of the above-mentioned priority objectives may, as appropriate, benefit from the following common incentives:

- exemption from VAT on investment programme loans;
- exemption from land tax on built-on and non-built-on estates on the site dedicated to the processing plant and on all immovable property extensions by use thereof;
- direct goods clearance at the request of the investor;
- fixed registration fee;
- special temporary admission of industrial equipment and materials likely to be re-exported.

Section 16: Enterprises engaging in export operations shall, in the conduct of their business, benefit from:

- exemption from export duties on locally manufactured products;
- the inward-processing regime provided for by the Customs Code.

CHAPTER II
DEVELOPMENT OF EXISTING ENTERPRISES

Section 17: Any existing and operating enterprise carrying out an investment programme aimed at production capacity extension, assets renewal or performance enhancement may, for a period not exceeding 5 (five) years, benefits from the common incentives referred to in Section 7 of this law, where such investment programme ensures increase in production of goods and services or in Cameroonian staff strength by at least 20%.

PART IV
GRANTING OF APPROVAL, MONITORING, CONTROL, PENALTIES AND
SETTLEMENT OF DISPUTES

CHAPTER I
APPROVAL

Section 18: (1) Any investor seeking the incentives herein shall be subject to an approval regime, as defined by the Investment Charter.

To this end, the investor shall submit an application file to the one-stop-shop established within the body in charge of:

- promoting SMEs, for local SMEs;
- promoting investments, for other local and foreign investors.

(2) The composition of the file referred to in Section 18 (1) above shall be fixed by regulation.

(3) The one-stop-shop shall issue a receipt to the investor concerned. It shall have two days to review and forward the file to the Minister in charge of finance.

Article 19: (1) Investors shall be granted the approval by the Minister in charge of private investment, with the assent of the Minister of Finance duly attached to such approval.

(2) The Minister in charge of finance shall have 15 (fifteen) working days to give his assent.

(3) The Minister in charge of private investment shall have 3 (three) working days to issue the approval.

(4) Beyond such period, where there is no reasoned rejection, the authorization shall be deemed granted.

Section 20: (1) The approval shall take the form of an agreement signed between the investor and the Minister in charge of private investment.

(2) The approval instrument shall specify:

- the business name;
- the business purpose, scope, location and the time limit for the implementation of the investment programme and spin-offs;
- the date of entry into force and the duration of the regime granted, separating those relating to the establishment phase and the operation phase;
- benefits to the State and, where applicable, other special obligations; the list of equipment, machinery and raw materials approved;
- the purpose of the investment project;
- the specific control terms and conditions to which the company shall be subject, including the investment programme, amount, staffing, wages, production, exports, project time line;
- penalties for failure to honour commitments.

(3) In case of refusal of approval or non-compliance with this law, the investor may lodge an appeal with the Monitoring Committee referred to in Section 22 below, which shall decide within fifteen (15) days of reception of the appeal.

CHAPTER II MONITORING AND CONTROL

Section 21: (1) Any investor granted the incentives under this law must meet the criteria which determined its eligibility, within the following time frames:

- for investors governed by the approvals regime in the establishment phase, no later than the establishment phase;
- for investors already established in the Republic of Cameroon, within 5 (five) years of commissioning of new investments.

(2) However, the body having issued the approval may grant additional time in the event of duly established force majeure or economic difficulties or where the company has valid justifications. Such additional time may not exceed 2 (two) years.

Section 22: (1) A Monitoring Committee set up by decree of the President of the Republic shall, in conjunction with the services of the respective ministries in charge of finance, private investment and labour, monitor actual investment and consider investors' appeals.

(2) The Committee shall have a period of no more than 30 days to report the monitoring results, at each project phase.

(3) Monitoring referred to in Section 22 (1) above shall focus on:

- compliance of equipment with stated programme;
- checking supporting documents for imports and local purchases made under conditions provided for in the approval instrument, depending on the investment programme presented by the company and stated in the approval;
- income returns filed by the company to obtain tax incentives included in the approval;
- checking the jobs created.

Section 23: (1) Depending on the monitoring results which must be notified to the company, the latter shall be granted incentives corresponding to the operation phase, if this has already been attained or may reasonably be attained within the prescribed time-frame

(2) The approval instrument shall be denounced and may entail withdrawal of the incentives provided therein where they are used for purposes other than those of the investment programme specified in the instrument. In such case, the competent authorities shall recover the unpaid tax and attendant penalties.

Section 24: (1) Any enterprise granted the incentives provided herein must, within 6 (six) months of the start of the financial year, submit an annual report of the year ended to the body in charge of investments promotion or Small and Medium sized Enterprises (SMEs), on the implementation of the investment programme specifying the objectives implementation data used as eligibility criteria.

The annual report gives rise to control of eligibility criteria and use of the incentives granted in the approval instrument.

Section 25: During the operation phase, all import and local purchase requests must first obtain the visa of the body in charge of incentives promotion.

CHAPTER III **DISPUTE SETTLEMENT AND PENALTIES**

Section 26: (1) Investors granted the incentives hereunder must first seize the Control Committee in case of dispute to seek amicable settlement.

(2) They may, where amicable settlement has not been obtained, refer the dispute to an arbitration body recognized by the State of Cameroon.

Section 27: (1) The investors granted the incentives hereunder shall be liable, where they fail to comply with the objectives relating to eligibility criteria, to administrative, tax and financial sanctions that may range from a fine to withdrawal of the approval.

(2) Any failure by the investors to honour their commitments under this law and its implementing instruments shall, under the terms and conditions laid down by regulation, and depending on the gravity, lead to:

- formal notice;
- warning letter;
- fine;
- suspension from the incentives for a period not exceeding 6 (six) months;
- automatic withdrawal of the incentive without prejudice to penalties and legal proceedings provided for by the regulations in force.

Section 28: (1) The sanctions provided for in Section 23 above may be applied only where the formal notice remains unheeded for 30 (thirty) consecutive days.

The formal notice provided for in Section 28 (1) above shall be issued following administrative channels or by a sheriff-bailiff.

Section 29: (1) The investors granted the incentives hereunder shall be liable to penalties where they fail to comply with the inspection and control conditions of their facilities by duly approved administrative officials or fail to forward the annual report mentioned in Section 24 above within 6 (six) months of the financial year.

(2) Penalties ranging from a fine to withdrawal of benefits in accordance with the laws and regulations in force, shall be applied in case of failure to fulfil the relevant conditionalities for the grant of benefits, misrepresentation of technical, economic or financial information or refusal to submit to monitoring and control terms and conditions.

PART V **MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS**

Section 30: Any investor applying for the incentives provided by this law, shall be entitled to a simplified procedure for administrative approval concerning its activities throughout the validity period of the approval instrument. To that end, it shall be entitled to the services of the One-stop-Shop of the body in charge of incentives management, notably for:

- authorizations to do business;
- access to administrative documents on importation and use of private warehouses;
- visas required for the implementation of investment programmes, including the list of equipment and raw materials to import or buy locally;
- obtaining visas for its domestic and foreign staff (entry or exit visa, residence permit, work permit);
- obtaining the waivers provided for by the laws and regulations in force;
- access to the facilities and public utilities necessary for the smooth implementation of the investment programme set forth in the approval instrument.

Section 31: (1) The State shall ensure that the incentives granted to investors are stable in accordance with this law, throughout the period provided for by the instrument or agreement granting such incentives.

(2) To that end, a Joint Monitoring Committee placed under the authority of the Prime Minister shall be responsible for the stability of the said incentives, in conjunction with the Regulation and Competitiveness Council.

Section 32: Any enterprise benefiting from an approval in accordance with this law, shall have the right to obtain the same incentives as those granted subsequently to any other investor operating in the same sector and engaged in the same type of business.

Section 33: No investor may be denied approval in the context of competition with one or several other investors granted the incentives hereunder, so long as such investor fulfils the requisite terms and conditions.

Section 34: (1) The investors benefiting from a previous regime shall maintain their benefits until expiry of the validity of the said regime. However, they may apply for the incentives hereunder for the remainder of the initial regime, provided that they fulfil the requisite conditions without concurrent benefits.

(2) An approved investor shall be free to engage in a lease, management, merging or transfer, or partial assets contribution operation prior to and/or following is financial and technical restructuring.

(3) An approved investor may not change the nature of its business or place of establishment without prior authorization by the authority in charge of private investment.

(4) An approved investor shall be bound to pay an annual fee to the body in charge of incentives management. The amount, terms and conditions of collection shall be laid down by the said body and fixed by order of the Prime Minister.

Section 35: The conditions of implementation of this law shall be laid down by regulation.

Section 36: This law, which repeals all previous provisions repugnant hereto, save sector codes in force and general rules and regulations governing partnership contracts, shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaounde, 18 April 2013

**(signed) Paul Biya,
President of the Republic**

Law No. 2017/015 of 12 July 2017
to amend and supplement certain provisions of Law No. 2013/004 of 18 April 2013 to Lay Down Private Investment Incentives in the Republic of Cameroon

The Parliament deliberated and adopted,
 The President of the Republic hereby enacts the law set out below:

Section 1: The provisions of Sections 3, 8,11,18,19, 21, 25, 35 and 36 of Law No. 2013/4 of 18 April 2013 to lay down private investment incentives in the Republic of Cameroon are amended and supplemented as follows:

Section 3: (new) For the purposes of this law and the regulatory instruments arising thereof, the following definitions shall apply:

1- Force majeure: any external and unpredictable event that is beyond the control of the parties, whose occurrence makes it impossible for the party under an obligation to fulfil such obligation;

2- Economic difficulties: unpredictable circumstances which, while not rendering the implementation of the project impossible, significantly affects it;

3- Export: transaction consisting in selling or dispatching products, goods and services outside the national economic area;

4- "Incentives": special benefits granted by government authorities to a resident or non-resident natural or legal person, to promote and/or develop a specific activity;

5- "Input": item used in producing a semi-finished or finished product (raw material, labour etc.);

6- "Investment": asset held and/or acquired by an investor (company, shares, equity, bonds, monetary claims, Intellectual property rights, contractual rights, rights conferred by laws and regulations, any other tangible or intangible movable or immovable property, all related ownership rights);

7- "Investor": resident or non-resident Cameroonian or foreign natural or legal person that acquires assets in the conduct of business for profit;

8- "Establishment phase": period not exceeding 5 (five) years during which the infrastructure and facilities essential for setting up a production unit are built;

9- Operation phase: period during which production activities are effectively carried out, which starts to run:

a) for new investors, automatically, upon or before the end of the establishment phase, once marketing or, sale of products begins, as ascertained by the body in charge of promoting investments or small-and medium-sized enterprises;

b) For enterprises already established in Cameroon and carrying out new investments, once the said investments become operational as ascertained by the body in charge of investment promotion or small and medium-sized enterprises;

10-Value added: creation or increase in value of goods and services from other sources by an enterprise in carrying out day-to-day professional activities. It is calculated as the difference between the production of the period plus the gross profit on goods, and the consumption of goods and services supplied by others for such production.

Section 8: (new) Any investor may benefit from a tax credit provided he or she meets one of the following criteria:

- employs at least 5 (five) young higher education graduates each year;

- combats pollution;
- develops sporting, cultural or social activities;
- develops public interest activities in rural areas.

The conditions for implementing the provisions of **Section 8 (1)** above shall be laid down by regulation.

Section 11: (new) (1) On account of the duly assessed scale of the project, the State may, as a special measure, extend the benefit of some tax and customs exonerations to shareholders, promoters and the investor's local co-contractors through contractual agreements.

(2) The conditions for implementing the provisions of **Section 11 (1)** above shall be laid down by regulation.

Section 18: (new) (1) Any investor seeking the incentives herein shall be subject to an approval regime, as defined by the Investment Charter.

To this end, the investor shall submit an application file to the one-stop-shop established within the body in charge of:

- promoting SMEs, for local SMEs;
- promoting investments, for other local and foreign investors.

(2) The composition of the file referred to in Section 18 (1) above shall be fixed by regulation.

(3) The one-stop-shop shall issue a receipt to the investor concerned. It shall have 5 (five) days to review and forward the file to the Minister in charge of finance.

Section 19: (new) (1) The body in charge of investment promotion or small- and medium-sized enterprises shall grant an approval to investors, after consultation with the Minister in charge of finance duly attached to such approval.

(2) The Minister in charge of finance shall have 15 (fifteen) working days to give his opinion.

(3) Beyond such period, the assent of the Minister in charge of finance shall be deemed granted.

(4) In the event of assent by the Minister in charge of finance, the body in charge of investment promotion or small- and medium-size enterprises, as the case may be, shall have 3 (three) working days to grant the approval.

Section 21: (new) (1) Any investor granted the incentives under this law must meet the criteria which determined its eligibility, within the following time frames:

- for investors governed by the approvals regime in the establishment phase, no later than the establishment phase;
- for investors already established in the Republic of Cameroon, within 5 (five) years of commissioning of new investments.

(2) However, the body having issued the approval may grant additional time in the event of duly established force majeure or economic difficulties or where the company has valid justifications. Such additional time may not exceed 2 (two) years.

(3) In the case provided for in Section 21 (2) above, the body having issued the approval shall have 15 (fifteen) working days to decide, with effect from the date of receipt of the investor's request.

Section 25: (new) During the establishment and operation phases, all importation and local purchase requests must first obtain the visa of the body that granted the approval.

Section 35: (new) (1) The body in charge of investment promotion shall receive funds intended for investment promotion in Cameroon. The funds shall be derived mainly from the following sources:

- 15% of resources collected as contributions to the Housing Loans Fund under Law No. 77/10 of 13 July 1977 to institute a housing loans fund tax in Cameroon;
- 15% of resources collected as contributions to the Special Telecommunications Fund under Law No. 98/014 of 14 July 1998 to regulate telecommunications in Cameroon Law No. 2010/013 of 21 December 2010 to regulate electronic communication in Cameroon.

(2) The conditions for the collection and transfer of the funds referred to in Section 35 (1) above to the body in charge of investment promotion shall be laid down respectively by order of the Minister in charge of finance, for deductions on contributions to the Housing Loans Fund, and by order of the Minister in charge of telecommunications, for deductions from the Special Telecommunications Fund.

Section 36: (new) Apart from the sector codes in force and the general partnership contracts regime, this law repeals all previous provisions repugnant hereto, in particular those of Law No. 2013/4 of 18 April 2013 to lay down private investment incentives in the Republic of Cameroon, Law No. 77/10 of 13 July 1977 to institute a housing loans fund tax in Cameroon, Law No. 98/14 of 14 July 1998 to regulate telecommunications in Cameroon and Law No. 2010/13 of 21 December 2010 to regulate electronic communications in Cameroon, including the repugnant provisions of the implementing instruments of the laws concerned.

Section 2 : This law shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaounde, 12 July 2017

**(signed) Paul Biya,
President of the Republic**

**Law No.2006/12 of 29 December 2006 to Lay Down
the General Regime for Partnership Contracts**

The National Assembly deliberated and adopted,
The President of the Republic hereby enacts the law set out below:

CHAPTER I
GENERAL PROVISIONS

Section 1: This law lays down the General Regime for Partnership Contracts.

Section 2: (1) Partnership contracts shall govern, within the context of extremely large-scale technical and financial projects, partnership relations between:

- public corporations and one or more other public corporations;
- public corporations and one or more other private corporations.

(2) The partnership contract shall be one whereby the State or one of its structures entrusts a third party, for a specified period depending on the duration of depreciation of investments or the chosen financing arrangements, with the responsibility of all or part of the following phases of an investment project:

- designing of structures or equipment for public service purposes;
- Financing; construction;
- transformation of structures or equipment;
- servicing or maintenance; operation or management.

(3) Where applicable, other services which contribute to the discharge, by the public corporation, of the public service mission for which it is responsible, may also be entrusted to third parties under a partnership contract.

Section 3: The contracting partner of the public corporation shall be project owner of the works to be undertaken. He may be entrusted with the design of all or part of the structures.

Section 4: Subject to the provisions of this law, as well as the clauses of the partnership contract, operating enterprises and their sub-contractors shall be subject to the rules of ordinary law.

CHAPTER II
PARTNERSHIP CONTRACTS CONTENTS AND CONDITIONS

I. CONTENTS OF PARTNERSHIP CONTRACTS

Section 5: Partnership contracts shall of necessity comprise clauses relating to:

- their duration;
- conditions for risk-sharing between the public corporation and its contracting party;
- performance objectives assigned to the contracting party, especially with regard to service quality, quality of structures and equipment, conditions under which they are handed over to the public corporation and, where necessary, their level of usage;
- remuneration of the contracting party, conditions for taking into account separately and calculating investment, operating and financing costs and where applicable, the receipts which the contracting party may be authorized to procure by using the structures or equipment to meet needs other than those of the contracting public corporation; the reasons and conditions for their variations throughout the duration of the contract and payment conditions, especially conditions under which, each year,

the sums due by the public corporation to its contracting party and those owed by the latter as penalties or sanctions are offset;

- obligations of the contracting party aimed at guaranteeing the assignment of the structures and equipment to the public service to which the contracting public corporation is answerable and respect for public service requirements;
- conditions for monitoring and supervision of the performance of the contract by the public corporation, especially respect for the performance objectives, as well as conditions under which the contracting party resorts to other enterprises for the performance of the contract, and especially conditions under which it honours its commitment to award part of the contract to small and medium sized enterprises and to craftsmen;
- the obligation of the partnership contract holder, where the construction of structures and equipment is subcontracted, to constitute a deposit guaranteeing payment for the services provided as work progresses;
- provisions applicable in the event of breach of obligations, in particular contracting party failure to meet performance objectives;
- conditions under which an amendment may be made to certain aspects of the contract or it may be terminated, failing agreement, by unilateral decision of the public corporation, in particular so as to take into account the changing needs of the public corporation, technological innovations or changes in the financing conditions obtained by the contracting party;
- the control exercised by the public corporation over the partial or total transfer of the contract;
- conditions under which, in the event of default on the part of the contracting party, public service may be maintained, especially where the contract is terminated;
- conditions for transferring structures and equipment to the public corporation at the end of the contract;
- obligation for the contract holder to take out an insurance policy to cover risks;
- conditions under which environmental impact assessments are conducted and conditions for their preservation;
- consequences of the early or regular termination of the contract, in particular with regard to ownership of the structures and equipment;
- dispute prevention and settlement conditions and conditions under which arbitration may be sought, where necessary, according to Cameroonian law;
- obligations relating to technology transfer, training and employment of Cameroonian labour;
- conditions of validity and entry into force of the contract.

II. PARTNERSHIP CONTRACTS CONDITIONS

Section 6 (1): The partnership contract may be concluded only for the execution of projects for which an assessment by the public corporation carried out prior to the launching of the procurement procedure:

- shows that, considering the complexity of the project, the public corporation is unable to define, on its own and in advance, the technical means required to meet its needs or make the project's financial or legal arrangements, or that the project is urgent;
- clearly sets out the economic, financial, legal and administrative reasons which, after comparative analysis, notably in terms of overall cost, performance and risk-sharing and various options, led to the choice of the planned project and to the decision to launch a partnership contract award procedure;

(2) The partnership contract may not be awarded without the reasoned opinion of the Minister in charge of finance.

Section 7: The assessment provided for in Section 6 above shall be carried out by an expert body whose organization and functioning shall be laid down by decree of the President of the Republic.

CHAPTER III
CONTRACTING PARTY SELECTION METHOD AND
PARTNERSHIP CONTRACT EXECUTION CONDITIONS

I. CONTRACTING PARTY SELECTION METHOD

Section 8 (1): Signing of a partnership contract shall be subject to the principles of free access, equal treatment of candidates, objectivity in procedures, competition and transparency.

(2) The public call for competition shall be initiated by the public authority. It shall be preceded by an advertisement that enables the presentation of several competitive bids under conditions laid down by decree.

(3) However, even in case of a single candidate, its examination shall remain subject to the procedure provided for in Section 9 below.

Section 9. (1) Selection of the contracting party shall involve the following stages:

- short-listing;
- pre-qualification dialogue;
- award.

(2) Short-listing shall consist in selecting, on the basis of documents presented by the candidates, the most technically and financially qualified bids that meet the needs of the public corporation.

(3) Pre-qualification dialogue shall be discussion between the public corporation and the short-listed candidates, with a view to defining the technical terms, as well as the most suitable legal and financial arrangement to meet the needs of the public corporation.

It shall also enable ascertainment of the experience and tested professional capacities of the candidates.

(4) Award shall be the outcome of the bid selection procedure through the naming of the contracting party.

(5) Conditions for the selection of contracting parties of the public corporation shall be laid down by decree.

Section 10. (1) The contract shall be awarded to the candidate who submitted the most economically advantageous bid.

(2) Contract award criteria include the overall bid amount, the performance objectives defined according to contract purpose and the share of contract performance that the candidate undertakes to entrust to local small-and medium-sized enterprises or craftsmen.

(3) Other criteria, concerning contract purpose, may be adopted, notably the technical value and the innovative nature of the bid, the structures or equipment execution period, their aesthetic or operational quality.

Section 11. (1) The following may not bid for a partnership contract:

- corporate bodies whose managers have been convicted in the past five years of a felony or misdemeanour;
- corporate bodies under liquidation by order of the court or admitted for legal redress

or having been under equivalent procedures governed by a foreign law;

- corporate bodies which, as at 31 December of the year preceding that when the call for bids was issued, have not fulfilled their fiscal and corporate obligations.

(2) The provisions of this Section shall be applicable to corporate bodies which submit bids as well as those which are members of a group of candidates.

Section 12. (1) Once the successful bidder is known, the public corporation shall inform the other bidders of the rejection of their bids.

(2) The contract shall be notified to the successful bidder prior to any commencement of execution.

(3) Where the public corporation calls off the contract award, it shall notify the candidates. Unsuccessful bidders may be compensated under conditions laid down by decree.

II. CONDITIONS OF PARTNERSHIP CONTRACT PERFORMANCE

Section 13. (1) Where a partnership contract entrusts a contracting party with all or part of the designing of structures, the contracting public corporation shall be bound to identify a project owner team responsible for designing the structures and monitoring their execution, requesting construction documents, for bids relating to buildings and civil engineering structures, in order to be acquainted with the overall quality of the structures concerned as an additional criterion for contract award.

(2) Where the public corporation entrusts only part of the designing to the contracting party, it may, on its own, call on a project owner team to handle the part of the designing under its responsibility.

CHAPTER IV

FISCAL, FINANCIAL, LAND TENURE AND STATE PROPERTY PROVISIONS

I. FISCAL AND FINANCIAL REGIME

Section 14: Partnership contracts and services rendered by the contracting party of the public corporation shall be subject to a specific and stable fiscal, financial and accounting regime laid down by law.

Section 15: Transactions carried out under the partnership contracts regime shall be subjected to the exchange regime in force in Cameroon and shall enjoy the related guarantees.

II. LAND TENURE AND STATE PROPERTY REGIME

Section 16: Land tenure and State property operations carried out as part of a partnership contract shall be subject to the laws and regulations in force in Cameroon.

Section 17: Where the contract entails occupation of public property, an authorization shall be required for the occupation of such property for its duration. The contract holder shall, except otherwise specified in the contract, be entitled to rights in rem on structures and equipment constructed by it. Such rights shall confer on the contract holder the privileges and obligations of proprietor, under the conditions and limits defined by the contract clauses aimed at guaranteeing the integrity and allocation of the public property.

CHAPTER V
PENALTIES

Section 18. (1) The public corporation shall be authorized to take sanctions against the defaulting contracting party, without prejudice to legal proceedings against the latter, where it is established, after notification of the contract or at any time during its execution, that:

- the partner willingly concealed or manipulated information that favoured his selection;
- the partner fails to honour contract clauses.

(2) The sanctions applicable and the related procedure shall be determined by decree.

CHAPTER VI
MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS

Section 19: Conditions for the appointment of the person authorized to sign partnership contracts, on behalf of the State or one of its decentralized structures shall be laid down by decree.

Section 20: Partnership contracts signed before the date of enactment of this law shall remain in force for the duration of which they were signed.

Section 21: Conditions for the implementation of this law shall be laid down by decree.

Section 22: This law shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaounde, 29 December 2006

(signed) Paul Biya,
President of the Republic

Law No. 2017/10 of 12 July 2017
To Lay Down the General Rules and Regulations Governing Public
Establishments

The Parliament deliberated and adopted,
The President of the Republic hereby enacts the law set out below:

CHAPTER I
GENERAL PROVISIONS

I. PURPOSE, SCOPE AND DEFINITIONS

Section 1. (1) This law lays down the general rules and regulations governing public establishments.

(2) It sets out the terms and conditions for the setting up, organisation and functioning of public establishments, as well as related restrictions and incompatibilities.

(3) Separate laws may, as and when necessary, set up other forms of public establishments.

Section 2. (1) This law shall apply to the following types of public establishments:

- administrative public establishment;
- social public establishment;
- hospital public establishment;
- cultural public establishment;
- scientific public establishment;
- technical public establishment;
- professional public establishment;
- economic public establishment;
- Economic and financial public establishment;
- special public establishment.

(2) A public establishment may take one or more of the forms referred to in Section 2 (1) above.

(3) Instruments setting up public establishments shall determine the type of each public establishment as specified in Section 2 (1) above.

(4) The organisation and functioning of special public establishments may derogate from the provisions of this law, in particular when governed by international or sub-regional regulations.

(5) Trades chambers shall be excluded from the provisions of this law.

Section 3. Public establishments shall be distinguished solely by their non-commercial and non-industrial purpose.

Section 4. For the purposes of this law and the regulations arising there from, the following definitions shall apply:

- **Board member:** a corporate body or natural person that is a member of a Board of Directors appointed in accordance with the rules and regulations governing public establishments and that participates in the administration of the entity.
- **Financial autonomy:** the powers of a corporate body to freely administer and manage its movable and immovable, tangible and intangible or liquid assets in the pursuit of its corporate purpose.
- **Budget:** an estimate of all the income and expenditure of a public corporation for the

fulfilment of its duties within a financial year.

- **Public establishment:** a corporate body governed by public law with legal personality and financial autonomy, responsible for managing a public utility or carrying out a special general interest mission on behalf of the State or a regional or local authority.
- **Allocated property:** all the movable or immovable, tangible or intangible or liquid assets placed by the State, public establishment and/or regional or local authority at the disposal of a public establishment.
- **Performance:** capacity to accomplish a task to achieve results, in keeping with its present objectives, minimizing costs and the processes used.
- **Programme:** set of actions to be implemented within an entity to achieve a specified public policy objective as part of a task. **In concrete terms**, it includes the appropriations intended for the implementation of a coherent set of actions falling under the same entity and having specific objectives defined on the basis of general interest goals as well as expected outcomes and subject to appraisal.
- **Supervisory authority:** the power of the State or a regional or local authority to define, guide and evaluate its policy in the sector where the public establishment operates to safeguard the general interest.

II. ESTABLISHMENT

Section 5. (1) State-owned public establishments shall be set up by decree of the President of the Republic.

(2) Public establishments belonging to corporate bodies governed by public law, other than the State, shall be set up by decision of their policy-making bodies.

Section 6. The instrument setting up a public establishment shall specify inter alia:

- its missions, allocated assets, resources, as well as technical and financial supervisory bodies;
- the organs in charge of its management, the rules of procedure of such bodies, the scope of their powers and conditions for appointing the officials thereof.

III. SUPERVISORY AUTHORITY, SUPERVISION OF MANAGEMENT AND PERFORMANCE OF PUBLIC ESTABLISHMENTS

Section 7. (1) Public establishments shall be under a technical and financial supervisory authority.

- The technical supervisory authority shall seek to ensure that the activities undertaken by the public establishment comply with the Government's public policy guidelines in the sector concerned, subject to the powers entrusted to the Board of Directors.
- The financial supervisory authority shall seek to ensure that the finance-related management operations of public establishments comply with the laws and regulations governing public finance, and conduct the posteriori review of their accounts.

Section 8. (1) Public establishments set up by the State shall be under the technical supervisory authority of the ministry in charge of the sector wherein the public establishment operates or any other body provided for in the instrument setting up the public establishment.

(2) Public establishments set up by the State shall be under the financial supervisory authority of the ministry in charge of finance.

Section 9. (1) Public establishments set up by regional and local authorities shall be under the technical and financial supervision of the executive bodies of the latter.

- (3) Public establishments set up by a Public Establishment shall be under the technical and financial supervision of the executive body of the Public Establishment concerned.

Section 10. The technical and financial supervision of public establishments jointly set up by two or more corporate bodies governed by public law shall be exercised by the body or bodies set up by the instrument setting the public establishment.

Section 11. The State and regional and local authorities shall participate in the management of public establishments under their portfolios, through their representative (s) on the Boards of Directors.

Section 12. (1) Technical and financial supervisory authorities shall, in conjunction with Boards of Directors, contribute to monitoring the performance of public establishments.

(2) Public establishments shall submit all documents and information relating to the life of the public establishment to technical and financial supervisory authorities.

(3) The documents and information referred to in Section 12 (2) above shall concern notably performance plans, action plans, annual performance reports, Financial Controller's report, administrative and management accounts, up-to-date staff situation and salary grid.

(4) The Ministers concerned shall submit to the President of the Republic an annual report on the situation of the public establishments under their technical supervisory authority.

Section 13. The technical supervisory authority shall ensure that resolutions adopted by the Boards of Directors comply with the laws and regulations in force, as well as sector policy guidelines.

Section 14. The financial supervisory authority shall ensure regularity of Board resolutions that have a financial impact, sustainability of financial commitments and overall consistency of the performance plans of public establishments with sector programmes.

CHAPTER II **MANAGEMENT OF PUBLIC ESTABLISHMENTS**

I. MANAGEMENT ORGANS

Section 15. The management organs of a public establishment shall be:

- The Board of Directors or any other body in lieu thereof;
- The General Management or any other body in lieu thereof.

Section 16 (1) The Board of Directors of a public establishment shall comprise no less than 5 (five) and no more than 12 (twelve) members.

(2) The instrument setting up the public establishment shall specify the number of board members, as well as their appointment conditions.

Section 17 (1) The Board of Directors shall comprise representatives of the authorities concerned with the implementation of the tasks assigned to the public establishment

It must include:

- a representative of the Presidency of the Republic;
- a representative of the Prime Minister's Office;
- a representative of the technical supervisory ministry;
- a representative of the financial supervisory ministry;

- an elected staff representative.
- Depending on the specificity of the public establishment, the instrument setting it up shall specify the number of representatives of each of the authorities concerned.

Section 18. (1) The board chairperson of a State-owned public establishment shall be appointed by decree of the President of the Republic for a 3 (three)-year term, renewable once.

(2) The board chairperson of a public establishment set up jointly by the State and one or more corporate bodies governed by public law shall be appointed under the conditions laid down in the instrument setting it up.

(3) The board chairperson of a public establishment set up by a body other than the State shall be appointed under the conditions laid down in the instrument setting it up.

(4) The board chairperson shall also mean any authority serving in lieu thereof.

(5) The instrument appointing the board chairperson of a public establishment in accordance with Section 18 (1), (2) and (3) above shall automatically confer on such person the status of board member.

Section 19. The board chairperson shall convene and chair board meetings. He shall ensure the implementation of board resolutions.

Section 20. (1) Board members of a public establishment set up by the State shall be appointed by decree of the President of the Republic for a 3 (three)-year term, renewable once.

(2) Board members of public establishments set up jointly by the State and other corporate bodies governed by public law shall be appointed under the conditions laid down in the instrument setting them up.

(3) Board members of public establishments set up by public law corporate bodies other than the State shall be appointed under the conditions laid down in the instrument setting them up.

Section 21. (1) A board member's term of office shall expire:

- upon death or resignation;
- upon loss of the status that prompted the appointment;
- through dismissal following gross misconduct or activities incompatible with the duty of board member;
- at normal due date.

(2) In the cases provided for in Section 21 (1) above, the board member shall be replaced under the same conditions as those of his/her appointment

Section 22 (1) In accordance with Section 21 above, 6 (six) months prior to the expiry of a board member's term of office, as the case may be, the board chairperson shall contact in writing the entity to which the relevant board member belongs for his replacement, with copies to the technical and financial supervisory authorities. No board member may sit upon expiry of his/her term of office.

(2) Upon expiry of the board chairperson's term of office, the technical supervisory authority shall contact the appointing authority.

(3) In case of a board member's death in office, or in any case where he/she is no longer able to perform his/her duty, the body which appointed him/her shall appoint another member to complete his/her term of office.

Section 23. (1) The board chairman shall receive a monthly allowance as well as benefits. The amount of the monthly allowance and the benefits shall be fixed by the Board of

Directors in accordance with the regulations in force.

(2) Board members shall receive sitting allowances fixed by resolution of the Board of Directors within the ceiling limits set by the regulations in force. They may claim reimbursement of expenses arising from board meetings upon presentation of supporting documents.

(3) The Board of Directors may grant special remunerations to its members for tasks and missions assigned them, or authorize a refund of travel costs and expenses incurred in the interest of the public establishment, subject to prior authorisation by the said board.

Section 24. (1) The Board of Directors shall have power to define and guide general policy and assess the management of the public establishment, within the limits fixed by its corporate purpose, and subject to the laws and regulations in force.

In that regard, it shall in particular:

- set the objectives and approve the performance projects of the public establishment, in accordance with the overall objective of the sector concerned,
- adopt the budget together with the performance project of the public establishment, and close the books;
- approve the annual performance reports;
- adopt the organisation chart and internal regulations;
- authorize recruitment of the entire staff, in accordance with the recruitment plan proposed by the Director General and approved by the Board of Directors;
- authorize dismissal of staff, on the recommendation of the Director General;
- appoint, on the recommendation of the Director General, persons to duty posts, from the rank of sub-director, director and persons ranking as such;
- accept gifts, legacies and subsidies;
- approve performance contracts, including and all other agreements, including loans, prepared by the Director General and having budgetary implications;
- authorize all transfer of movable or immovable, tangible or intangible property, in accordance with the Sections 64 and 65 below;
- ensure compliance with rules of governance and commission audits to ensure sound management of the public establishment;
- fix staff remunerations and benefits, in accordance with the laws and regulations in force, the internal regulations and budget estimates;
- fix the monthly remunerations and benefits of the Director General and Assistant Director General, in compliance with the laws and regulations in force.

(2) The Board of Directors may delegate some of its powers to the Director General.

Section 25. (1) The General Management shall act as secretary of board meetings.

The minutes of board sessions shall be entered in a special minutes book kept at the head office, and signed by the chairperson and secretary of the session. They shall mention the members present or represented. They shall be read and approved by the Board of Directors at its next session.

Article 26. (1) Convened by its chairperson, the Board of Directors shall meet at least twice a year in ordinary session as follows:

- one session to consider the performance project and vote the budget, to be held compulsorily before the beginning of the following financial year;
- one session to close the books, to be held compulsorily no later than 30 June.
- The board chairperson shall be considered to be defaulting where he/she fails to convene at least 2 (two) board meetings per year.
- In case of refusal to convene a board meeting in accordance with Section 26 (1) above, 2/3 (two-thirds) of the board members shall contact the financial supervisory ministry

which shall convene the board meeting.

(2) The provisions of Section 26 (3) above shall also apply in case of no response from the chairperson as a result of permanent disability duly established by the Board of Directors.

Section 27. The Board of Directors may be convened in extraordinary session at the request of the board chairperson or of at least 2/3 (two-thirds) of board members to discuss a specific agenda.

Section 28. The Board of Directors shall discuss all items included in the agenda either by the chairperson or at the request of 2/3 (two-thirds) of the board members.

Section 29: (1) In case of a vacancy for the post of board chairperson as a result of death, resignation or defaulting of the chairperson, board meetings shall be convened by the supervisory minister with financial oversight at the behest of the Director General or at the request of 2/3 (two-thirds) of board members.

(2) Board meetings convened in accordance with Section 29 (1) above shall be chaired by a board member elected by his/her peers.

Section 30: (1) Board members shall be convened by letter, telex, telegram, facsimile or any other means leaving a paper trail, at least 15(fifteen) days before the scheduled meeting date.

(2) Convening notices shall indicate the agenda, date, venue and time of the meeting.

(3) In case of emergency, the time-limit referred to in Section 30 (1) above shall be reduced to 5 (five) days.

(4) The Board of Directors shall discuss all items included in the agenda either by the chairperson or at the request of board members.

Section 31: (1) Any member who is unable to attend a board meeting may request another board member to represent him/her.

(2) No board member may represent more than one other member at the same meeting.

(3) All members present or represented at a board meeting shall be deemed to have been duly convened.

(4) Where the chairperson is absent, the board shall elect from amongst its members a pro tem chairperson by simple majority of the members present or represented.

Section 32: (1) Board decisions shall take the form of resolutions. They shall be signed in session by the board chairperson or by pro tem chairperson, where applicable, and a board member.

(2) Board decisions shall take effect from the time of their adoption, subject to provisions repugnant to the laws and regulations in force.

Section 33: (1) The Board of Directors may not deliberate validly on any agenda item unless at least 2/3 (two-thirds) of its members are present or represented. Where the quorum is not reached during the first meeting, it shall be reduced to half of the members present for the next meeting.

(2) Each member shall have one vote. Decisions shall be taken by a simple majority of members present or represented. In the event of a tie, the chairperson shall have the casting vote.

Section 34: (1) To perform its duties, the Board of Directors may set up committees and commissions as and when necessary.

(2) Members of such committees and commissions shall be entitled to working facilities and allowances within the ceiling limit laid down by the regulations in force.

II. GENERAL MANAGEMENT

Section 35: (1) The General Management of a public establishment shall be under the authority of a Director General and, where applicable, an Assistant Director General.

(2) The Director General and Assistant Director General of a public establishment set up by the State shall be appointed by decree of the President of the Republic.

(3) The Director General and Assistant Director General of a public establishment jointly set up by the State and one or more corporate bodies governed by public law shall be appointed under the conditions laid down in the instrument setting it up.

(4) The Director General and Assistant Director General of a public establishment set up by one or more corporate bodies governed by public law other than the State shall be designated under the terms and conditions laid down in the instrument setting it up.

Section 36: (1) The Director General and Assistant Director General shall be appointed for a 3 (three)-year term of office, renewable twice.

(2) The renewal referred to in Section 36 (1) above shall be tacit.

(3) In any case, the cumulative terms of office of the Director General or Assistant Director General may not exceed 9 (nine) years.

Section 37: (1) The Director General shall be responsible for managing the public establishment and implementing its general policy under the supervision of the Board of Directors.

In that capacity, and without the list being exhaustive, the Director General shall:

- prepare the draft budget and the performance project, and produce the administrative account and annual performance report;
- prepare resolutions of the Board of Directors, attend its meetings in an advisory capacity, and implement its decisions;
- carry out the technical, administrative and financial management of the public establishment;
- propose a staff recruitment plan to the Board of Directors;
- appoint staff, subject to the powers vested in the Board of Directors;
- manage the movable and immovable, tangible and intangible property of the public establishment, in compliance with the corporate purpose and the powers vested in the Board of Directors.

(2) Furthermore, the Board of Directors may delegate some of its responsibilities to the Director General.

(3) The Director General may delegate some of his/her powers.

Section 38. The Director General shall represent the public establishment in all matters of civil life and before the law.

Section 39: (1) The Director General or, where applicable, the Assistant Director General shall be answerable to the Board of Directors which may penalize him/her in case of a gross management error or conduct likely to undermine the smooth functioning or tarnish the image of the public establishment.

(2) In the cases provided for in Section 39 (1), the board chairperson shall be bound to convene an extraordinary board meeting during which the Director General or Assistant Director General shall be heard.

(3) The file comprising complaints shall be sent to the Director General or his/her Assistant, at least 10 (ten) days prior to the extraordinary session date.

(4) The deliberations before the Board of Directors shall be adversarial.

(5) The Board of Directors may validly deliberate only in the presence of at least two-thirds of its members. In such case, representation shall not be allowed.

Section 40: (1) The Board of Directors may inflict the following penalties on the Director General or Assistant Director General:

- suspension of certain powers;
- immediate suspension from duties for a limited period;
- immediate suspension with a request for dismissal submitted to the appointing authority.

(2) Decisions shall be forwarded to the technical supervisory minister and the minister in charge of finance, for information, by the chairperson of the Board of Directors.

Section 41: In the case of suspension from duty, the Board of Directors shall take necessary measures to ensure the smooth running of the public establishment.

Section 42: (1) Where the Director General is temporarily unable to perform his/her duties, the Assistant Director General shall deputize.

(2) Regarding public establishments without an Assistant Director General, any official ranking at least as director shall be designated by the Director General to deputize.

(3) In case of a vacancy for the post of Director General as a result of death, resignation or expiry of term of office, and pending the appointment of a new Director General by the appointing authority, the Board of Directors shall take the necessary measures to ensure the smooth running of the public establishment.

(4) Where the Director General or Assistant Director General is sanctioned, in accordance with Section 40 above, the Board of Directors shall take the necessary measures to ensure the smooth running of the public establishment.

III. PERSONNEL

Section 43: The following may constitute the personnel of public establishments:

- personnel recruited by the public establishment;
- civil servants on secondment and State employees governed by the Labour Code placed at the disposal of public establishments;
- casual, seasonal and temporary staff whose terms of recruitment, remuneration and termination of contract shall be laid down by the Staff Regulations.

Section 44: Civil servants on secondment and State employees governed by the Labour Code placed at the disposal of public establishments shall remain governed by the labour legislation throughout their employment, subject to the provisions of the General Rules and Regulations of the Public Service and special regulations relating to retirement, advancement and end of secondment.

Section 45: (1) The civil servants on secondment and State employees of a public establishment, irrespective of their original status, shall be fully covered by the public establishment concerned.

(2) The coverage referred to in Section 45 (1) above shall concern salaries and incidentals, allowances, bonuses and other benefits granted by the public establishment concerned.

Section 46: (1) The civil and/or criminal liability of public establishment personnel shall be subject to ordinary law regulations.

(2) Disputes between personnel and the public establishment shall fall within the competence of ordinary law courts.

Section 47: The instrument of appointment of the Director General and Assistant Director General shall not confer on them the status of employee of the said public establishment, unless they are already under contract with the said public establishment.

IV. BUDGET AND ACCOUNTS

Section 48: (1) The draft annual budget and the performance project, including the investment plans of public establishments belonging to the State or other corporate bodies governed by public law shall be prepared by the Director General and adopted by the Board of Directors.

(2) Budgets shall be presented in the form of consistent sub-programmes, with national or local public policy objectives.

Section 49: The accounts of public establishments must be regular and accurate and give a true and balanced picture of their assets and financial position.

Section 50: (1) Public establishments shall carry out 3 (three) types of accounting:

- budgetary accounting;
- general accounting;
- cost accounting.

(2) Public establishments may also carry out other types of accounting.

Section 51: (1) Where a public establishment is set up by the State, the budget adopted by the Board of Directors shall be forwarded to the minister in charge of finance for approval.

(2) Regarding a public establishment jointly set up by the State and other corporate bodies governed by public law, or between several corporate bodies governed by public law, the conditions for approving documents referred to in Section 51 (1) above shall be laid down in the instruments setting it up.

Section 52: (1) The budget shall be adopted by the Board of Directors.

(2) The budget shall be enforceable once adopted by the Board of Directors, subject to repugnant provisions of the laws and regulations in force.

Section 53: (1) The Director General shall be the chief budget authorizing officer of the public establishment.

(2) Secondary authorizing officers may be instituted by the Board of Directors on the proposal of the Director General.

Section 54: (1) The budget of public establishment shall be balanced.

(2) All revenue and expenditure of public establishments shall be entered in the budget adopted by the Board of Directors.

Section 55: (1) The Director General shall, within 6 (six) months of the close of the financial year, present to the Board of Directors and, as the case may be, the minister in charge of finance and the technical supervisory ministry, the administrative and management accounts and annual performance reports.

(2) For public establishments set up by corporate bodies governed by public law other than the State, the documents referred to in Section 55 (1) above shall be forwarded to the deliberative organ of the corporate body concerned.

Section 56: The financial controller and the accounting officer appointed in a public establishment shall perform their duties in accordance with the laws and regulations in force, unless otherwise provided in international conventions duly ratified by Cameroon and published. In such case, the instruments setting up the public establishment concerned shall lay down the terms and conditions of financial management.

CHAPTER III **RESTRICTIONS AND INCOMPATIBILITIES**

Section 57 (1) Board members of public establishments who, during their terms of office, directly or indirectly have interests in a business involving the establishment, or a personal interest in the establishment, other than a contract of employment for a board member representing the staff, shall be bound to keep the board informed of such interest (s).

(2) It shall be forbidden for any public establishment to grant a loan, on an individual basis, to any of its board members.

Section 58: Appointed on their individual merits, board members representing the State or other corporate bodies governed by public law in public establishments may not delegate their duties.

Section 59: (1) The positions of board chairperson and board member of a public establishment shall be incompatible with that of Member of Parliament, practising judicial officer or member of the Constitutional Council.

(2) The functions of members of Government or person ranking as such, Members of Parliament, practising judicial officer or members of the Constitutional Council shall be incompatible with the function of Director General or Assistant Director General of a public establishment.

Section 60: (1) A Director General or Assistant Director General appointed member of Government or person ranking as such shall automatically lose the function of Director General or Assistant Director General.

(2) In case of occurrence of the situation referred to in Section 60 (1) above, the vacancy conditions laid down in this law shall automatically apply.

CHAPTER IV **PROVISIONAL MEASURES**

Section 61: (1) Notwithstanding the provisions of this law, in case of serious crisis likely to undermine the general interest missions, the corporate purpose of the establishment or sector objectives of the Government, a provisional administrator may be appointed by decree of the President of the Republic, in lieu of the management bodies of a public establishment.

(2) The instrument appointing the provisional administrator shall specify his/her powers as well as the duration of tenure, which in any case, may not exceed 1 (one) month.

(3) Upon expiry of the tenure, the provisional administrator shall be bound to produce a progress report presenting all the management acts performed.

CHAPTER V
PUBLIC CONTRACTS

Section 62: (1) Public establishments shall be subject to the provisions of the Public Procurement Code.

(2) The Director General shall be the contracting authority for all public contracts.

Section 63: The tenders board set up in a public establishment shall ensure compliance with the rules of transparency, competition and fair price.

CHAPTER VI
MANAGEMENT OF THE ASSETS OF A PUBLIC ESTABLISHMENT

Section 64: (1) The Director General shall manage the assets of a public establishment, under the supervision of the Board of Directors.

(2) The management of the assets referred to in Section 64 (1) above shall concern the acquisition of property and the disposal thereof.

Section 65: (1) In case of disposal of the assets of a public establishment, the Director General shall require the prior authorization of the Board of Directors. He/she shall update the Board of Directors on the status of the assets, which shall be reviewed during a board meeting.

(2) The authorization of the Board of Directors shall be through a resolution adopted by at least 2/3 of its members.

CHAPTER VII
MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS

Section 66: Public establishments existing at the date of the enactment of this law shall have a period of 12 (twelve) months to comply with its provisions.

Section 67: Special provisions regarding the submission of the organization charts and appointments of strategic public establishment directors and personalities ranking as such for approval by the President of the Republic shall be laid down in the decrees to organize the said public establishments.

Section 68: Regulatory instruments shall, as and when necessary, specify the terms and conditions for the implementation of this law.

Section 69: This law repeals the provisions of Law No. 99/16 of 22 December 1999 to lay down the general rules and regulations governing public establishments and enterprises of the public and semi-public sector.

Section 70: This law shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaounde, 12 July 2017
(signed) Paul Biya,
President of the Republic

**Law No. 2017/11 of 12 July 2017 to Lay Down the
General Rules and Regulations Governing Public
Corporations**

The Parliament deliberated and adopted,
The President of the Republic hereby enacts the law set out below:

PART I
GENERAL PROVISIONS

CHAPTER I
PURPOSE, SCOPE AND DEFINITIONS

I. PURPOSE AND SCOPE

Section 1. (1) This law lays down the general rules and regulations governing public corporations.

(2) It lays down rules relating to the establishment, incorporation, functioning, dissolution and liquidation of public corporations.

Section 2. (1) This law shall be applicable to:

- State-owned enterprises; and
- Semi-public enterprises.

(2) The semi-public (private-public) enterprises referred to in Sub-section (1) above shall be enterprises wherein the State, a public enterprise, or a regional or local authority is the majority shareholder.

(3) This law shall not be applicable to semi-public enterprises wherein the State, a public enterprise, or a regional or local authority is a minority shareholder.

II. DEFINITIONS

Section 3 - For the purposes of this law, the following definitions shall apply:

- **OHADA Uniform Act relating to commercial companies and economic interest groups:** an act issued with a view to adopting the common rules of the Treaty on the Harmonization of Business Law in Africa.
- **Director:** any natural or legal person, member of the board of directors of a company, who is appointed in keeping with the rules governing public corporations and who, participates in the administration of the company.
- **Amortization of capital assets:** an operation whereby a company pays to its shareholders all or part of the nominal value of their shares as an advance on the proceeds of the company's future liquidation.
- **Financial autonomy:** powers granted to a legal person to freely administer and manage its movable and immovable, tangible or liquid assets in the pursuit of its business purpose.
- **Public enterprise:** any business entity with legal and financial autonomy, engaged in an industrial and commercial activity, and exclusively or majority-owned by a legal person under public law.

- **Allocated property:** all movable or immovable, tangible or liquid assets placed at the disposal of a public corporation by the State, a regional or local authority or any other legal person under public law.
- **Performance:** capacity to undertake results-oriented activities based on pre-set objectives, while minimizing resource costs and implementation processes.
- **Programme:** a set of activities to be implemented within an entity to achieve a specific public policy goal as part of a mandate. In practical terms, it covers the appropriations earmarked for the implementation of a coherent set of activities devolving upon the same entity with specific goals that are based on general interest objectives and expected outcomes, and that are evaluated.
- **Public limited company:** company wherein shareholder liability for corporate losses is limited to their share contribution only and shareholder rights are based on the number of shares they hold.
- **State-owned enterprise:** any legal person under private law, having financial autonomy whose share capital is held exclusively by the State, one or more public enterprises or one or more regional or local authorities, set up to undertake, in the general interest, industrial, commercial or financial activities.
- **Semi-public enterprise:** legal person under private law, having financial autonomy and majority-owned by the State, one or more public enterprises, or one or more regional or local authorities.
- **Memorandum and Articles of Associations:** instruments of incorporation of a public corporation.
- **Supervisory authority:** powers of the State or any other legal person under public law to define and guide national or local policy in the sector wherein the public corporation is engaged, with a view to achieving public interest goals.

CHAPTER II

COMMON PROVISIONS GOVERNING PUBLIC CORPORATIONS

I. SUPERVISORY AUTHORITY, FOLLOW-UP OF THE MANAGEMENT AND PERFORMANCE

Section 4. (1) Public corporations shall have technical and financial supervisory authorities.

(2) The technical supervisory authority shall ensure that the resolutions of the Boards of Directors are compliant with the laws and regulations in force, and consistent with sector-specific policy orientation.

(3) The financial supervisory authority shall ensure compliance of resolutions of the board of directors with financial implications, the sustainability of financial commitments and overall consistency of the performance plans of public corporations with sector-specific programmes.

Section 5. (1) Every public corporation established by the State shall be under the technical oversight of the ministry (ies) responsible for its sector of activity or of any other body provided for in the establishment instrument.

(2) All public corporations established by the State shall be under the financial oversight of the ministry in charge of finance.

(3) In the event of dual technical oversight, the first ministry mentioned in the establishment instrument shall be the lead supervisory authority.

Section 6. (1) Public corporations established by regional or local authorities shall be under

the technical and financial oversight of the executive organs of such authorities.

(2) A public corporation set up by one or more several public enterprises shall be placed under the technical and financial supervisory authority of such public corporation (s).

Section 7. Technical and financial supervision of public corporations jointly set up by two or more legal persons under public law shall be exercised by the body (ies) laid down in the establishment instrument.

Article 8. The State and regional and local authorities shall participate in the management of public corporations of their portfolio through their representative (s) on the Boards of Directors.

Section 9. (1) The technical and financial supervisory authorities, in conjunction with the Boards of Directors, shall contribute towards monitoring the performance of public corporations.

(2) Public corporations shall submit to the technical and financial supervisory authorities all documents and information relating to the life of the public corporation, notably financial statements, the auditor's report and activity reports.

(3) The relevant Ministers shall submit to the President of the Republic annual reports on the situation of the public corporations under their technical supervisory authority.

II. INCORPORATION

Section 10. Each public corporation shall be incorporated as a limited liability company in accordance with the OHADA Uniform Act relating to the Law on Commercial Companies and Economic Interest Groups, as well as the provisions of this law.

Section 11. The shares held by the State, public enterprises and/or regional and local authorities in public corporations shall be registered shares.

Section 12. (1) The shares owned by the State in public corporations shall be held on behalf of the State by the Minister in charge of Finance.

(2) The shares owned by a public enterprise or a regional and local authority in public corporations shall be held by the executive organs of the public enterprise or local authority concerned.

(3) The shares in a public corporation jointly owned by the State, public enterprises and/or regional and local authorities shall be held by the organ specified in the articles of incorporation.

Section 13. Property owned by a public enterprise shall be public property with regard to the accountability of managers.

Section 14. (1) Public corporations shall be subject to registration in the Trade and Personal Property Credit Register.

(2) Any modification in the configuration of the management organs, in particular the appointment or designation, resignation or dismissal of managers shall be register in the Trade and Personal Property Credit Register.

(3) Any amendment to the articles of association, as well as transfer of head office shall be advertised according to ordinary law rules.

III. MANAGEMENT

Section 15. The management organs of a public corporation shall be:

- the general meeting of shareholders;
- the board of directors;
- the general management.

Section 16: (1) The general meeting of shareholders shall be convened by the Board of Directors.

(2) The general meeting may be convened by default:

- by the auditor, through a hand-delivered letter against acknowledgement of receipt or registered letter with request for acknowledgement of receipt, after failing to have the board of directors convene the meeting. The auditor shall draw up the agenda and may, on compelling grounds, choose a venue different from that provided for in the articles of association. The auditor shall state the reasons for convening in a report read at the meeting;
- by a representative designated by the president of the competent court in an emergency ruling at the behest of one or several shareholders holding at least one-tenth of the share capital, in case of a general meeting;
- by the liquidator.

Section 17. Except otherwise stipulated in the articles of association, the general meeting of shareholders shall be held at the head office or any other venue within the national territory.

Section 18. (1) Subject to the provisions of this section, the articles of association of the corporation shall lay down the rules for convening general meetings of shareholders.

General meetings of shareholders shall be convened through a convening notice inserted in a journal of legal notices. Such notice shall indicate the agenda.

(2) The convening notice must reach or be notified to shareholders at least fifteen (15) days to the date of the general meeting, in case of first convening, and, where appropriate, at least six (6) days for any subsequent convening.

(3) Where the general meeting of shareholders is convened by a court-appointed administrator, the judge may set a deadline other than that provided for in Section 18 (3) above.

Section 19. Attendance of ordinary general meetings, extraordinary general meetings, quorum and majority shall be governed by the rules laid down in the OHADA Uniform Act relating to the Law on Commercial Companies and Common Interest Groups.

Section 20. The convening notice shall indicate the name of the corporation and, as appropriate, its abbreviation, its form, the amount of its share capital, its head office address, its registration number in the Trade and Personal Property Credit Register, the day, time and venue of the general meeting, as well as its ordinary, extraordinary or special nature and its agenda.

Section 21. (1) The sender of the convening notice shall draw up the agenda of the general meeting of shareholders.

However, where the general meeting of shareholders is convened by a court-appointed administrator, the agenda shall be fixed by the court that appointed such

administrator.

(2) One or several shareholders may request for the inclusion of a draft resolution in the general meeting agenda, in accordance with the provisions of the OHADA Uniform Act relating to the Law on Commercial Companies and Common Interest Groups.

Section 22. The general meeting of public corporations having several shareholders shall have the same powers as those devolved on the general meetings of shareholders of limited liability companies.

In this regard, and without this list being exhaustive:

A- The ordinary general meeting shall have the powers to :

- adopt the summary financial statements of the financial year;
- decide on income appropriation. Under pain of nullity of any contrary decision, an allocation equal to at least one-tenth of the profit for the financial year less deferred losses, where applicable, shall be earmarked for a "legal reserve" fund. Such allocation shall cease to be compulsory when such reserve reaches one-fifth of the share capital.
- appoint the auditor;
- approve or disapprove agreements signed between the corporate managers and the corporation.
- issue bonds;
- approve the auditor's report;
- fix the amount of session allowances as well as the monthly allowance of the chairperson of the board of directors;
- allocate to board members, as remuneration and according to the performance of the corporation, a fixed annual allowance which it shall freely determine.

B- The extraordinary general meeting shall have the powers to:

- amend all the provisions of the articles of association;
- authorize mergers, split-ups, transformation and partial transfer of assets;
- decide, as appropriate, on capital increase, the report of the board of directors and the auditor, in accordance with the provisions of the OHADA Uniform Act relating to the Law on Commercial Companies and Common Interest Groups;
- authorize capital reduction, or delegate to the board of directors all the powers to do so, in pursuance to the provisions of the OHADA Uniform Act relating to the Law on Commercial Companies and Economic Interest Groups;
- transfer the head office to any other town of the State where it is located, or on the territory of any other State;
- dissolve the corporation in advance or extend its corporate term.

Section 23. The amortization of capital shall be decided by the ordinary general meeting where provided for in the articles of association. In case of no provisions in the articles of association, it shall be decided by the extra-ordinary general meeting.

Section 24. Public corporations shall be bound to publish an information note on the financial situation of their accounts in a journal of legal notices at least once a year.

IV. PERSONNEL

Section 25. (1) Personnel of public corporations may comprise:

- personnel recruited by the corporations; civil servants on secondment and State

employees on temporary assignment; seasonal, casual and temporary personnel;
- Civil servants on secondment and State employees on temporary assignment shall be governed by the Labour Code throughout their employment, subject to the provisions of the General Rules and Regulations of the Public Service and special regulations relating to retirement, advancement, end of secondment, end of temporary assignment and payment of retirement benefits.

Section 26. (1) Civil servants on secondment and State employees assigned to public corporations, irrespective of their original status, shall be under the full financial responsibility of the public corporation concerned.

- The financial responsibility referred to in Section 26 (1) above shall concern salaries and perquisites, allowances, bonuses and other benefits granted by the public corporation concerned.

Section 27. The civil and/or criminal liability of the personnel of public corporations shall be subject to ordinary law regulations.

PART II **PROVISIONS SPECIFIC TO PUBLIC ENTERPRISES**

CHAPTER I **ESTABLISHMENT**

Section 28 (1) Public enterprises having the State as sole shareholder shall be set by decree of the President of the Republic.

(2) Their articles of association shall be approved in the same manner.

(3) The instrument of establishment of public enterprises shall serve as articles of association for its registration in the Trade and Personal Property Credit Register.

(4) The State's shareholding in the share capital of the public enterprise shall be approved by decree of the President of the Republic.

(5) The final incorporation of the enterprise shall be in accordance with ordinary law rules.

Section 29. A public enterprise may be set up by other public corporations or regional and local authorities, in accordance with ordinary law rules.

Section 30. A public enterprise may be jointly set up by the State, one or several public corporations and/or one or several regional and local authorities, in accordance with ordinary law rules.

Section 31 (1) The share capital of a public enterprise shall be owned entirely by the legal person (s) that set it up.

(2) The provisions of Section 31 (1) above shall also apply to the public enterprise set up by one or several public corporations.

(3) The shares of public enterprises shall be registered shares.

Section 32. Property acquired by public enterprises may be pledged.

CHAPTER II ADMINISTRATION AND MANAGEMENT

I. GENERAL MEETING OF SHAREHOLDERS

I.1 COMPOSITION

Section 33. (1) Where the State is the sole shareholder of a public enterprise, the role of the general meeting shall devolve on a college of 5 (five) members whose composition shall be determined by the articles of association. This college must include a representative of the minister in charge of finance and the representative of the technical supervisory authority.

(2) The representative of the minister in charge of finance shall act as chairperson of the general meeting.

(3) Each authority shall appoint its representative to the general meeting under the conditions laid down in the articles of association.

Section 34. (1) Where a regional or local authority is sole shareholder, the role of the general meeting shall devolve on a college of 5 (five) members designated by the authority's policy-making organ.

The provisions of Section 34 (1) above shall apply *mutatis mutandis* to a public enterprise set up by another public corporation.

Section 35. Where the public enterprise has several shareholders, the general meeting shall be composed of representatives of the shareholders.

Section 36. Members of the general meeting may be entitled to reimbursement of expenses occasioned by general meeting sessions.

I.2 FUNCTIONING OF THE GENERAL MEETING

Section 37. The general meetings of public enterprises with several shareholders shall function under the same rules as those stipulated for limited liability companies.

Section 38. Public enterprises having the State, a public corporation or regional or local authority as sole shareholder shall hold ordinary and extraordinary general meetings.

Section 39. (1) The ordinary general meeting shall be held at least once a year within 6 (six) months of the end of the financial year, when convened by the chairperson.

(2) Decisions of the ordinary general meeting shall be taken by a 3/5 (three-fifths) majority of members.

Section 40. (1) The extraordinary general meeting shall be held at the request of the board chairperson or that of 1/3 (one-third) of the board members, whenever necessary.

(2) Decisions of the extraordinary general meeting shall be taken by a 4/5 (four-fifths) majority of members.

Section 41. The ordinary and extraordinary general meetings may not validly conduct business except in the presence of 4/5 (four-fifths) of their members, including, compulsorily, the representatives of the technical and financial supervisory authorities.

II. BOARD OF DIRECTORS

II.1 ADMINISTRATION OF THE BOARD OF DIRECTORS

Section 42. The Board of Directors of every public corporation shall be composed of a college of at least 5 (five) and at most 12 (twelve) members. It must include 1 (one) peer-elected personnel representative.

Section 43. Board members of public enterprises having as sole shareholder the State shall be appointed by decree of the President of the Republic.

Section 44. Board members of public enterprises having public corporations or regional or local authorities as sole shareholder shall be appointed under conditions laid down in the articles of association.

Section 45. (1) Shareholders of a public enterprise set up jointly by the State, one or several public corporations and/or one or several regional or local authorities shall be appointed under the conditions laid down in the articles of association.

(2) With the exception of the personnel representative, each shareholder shall be entitled to representation proportionate to the number of shares they hold. Small shareholders may group together for purposes of representation on the board of directors.

Section 46. (1) For public enterprises with several shareholders, members of the board of directors shall be appointed by the ordinary general meeting of shareholders.

(2) The general meeting shall be free to change the number of board members.

(3) Where the number of board members becomes lower than the legal or statutory minimum required, it shall be supplemented by decision of the ordinary general meeting.

II.2 TERMS OF OFFICE OF BOARD MEMBERS

Section 47. (1) Board members of public enterprises shall be appointed for a 3 (three)-year term, renewable once.

(2) The renewal provided for in Section 47 (1) above shall be tacit.

Section 48. (1) A board member's term of office shall end:

- upon death or resignation;
- following loss of the capacity that prompted the appointment; by dismissal due to gross misconduct or activities incompatible with the duty of board member;
- upon its normal expiry;
- upon the dissolution or transformation of the enterprise;
- following permanent disability established by the board of directors.

(2) In the cases provided for in Section 48 (1) above, the board member shall be replaced under the same conditions as those of his appointment.

Section 49. Board members of public corporations who, directly or indirectly have interests in a business involving the corporation other than a contract of employment for a board member who is a personnel representative, shall be bound to keep the board of directors informed thereof.

Section 50. (1) Board members, the general manager and deputy general manager, as well as their spouses, ascendants or descendants and through other third parties shall, under ~~penalty of nullity of the agreement, be forbidden to contract, in any form whatsoever, loans~~

from the enterprise, obtain therefrom a current account or other overdraft, or surety or guarantee for their commitments towards third parties.

(2) The prohibition referred to in Section 50 (1) above shall not apply to a legal person that is a board member. However, where the representative of the legal person is acting on a personal basis, he/she shall also be subject to the provisions of Section 50 (1) above.

(3) Where the enterprise operates a bank or financial institution, such prohibition shall not apply to the current account transactions concluded under normal conditions.

II.3 BOARD CHAIRPERSON

Section 51. The board of directors shall appoint, from among its members, a chairperson who must be a natural person.

Section 52. (1) The terms of office of the board chairperson may not exceed his term as board member.

(2) The term of office of the board chairperson shall be renewable by tacit agreement.

Section 53. (1) The board chairperson shall preside over board meetings.

(2) He must ensure that the board oversees the management of the enterprise entrusted to the general manager.

Section 54. At any moment during the year, the board chairperson shall conduct audits he deems appropriate and may request for any documents deemed useful for the discharge of his duties.

Section 55. (1) The board chairperson shall receive a monthly allowance and benefits.

(2) Board members shall receive a duty allowance and may claim a reimbursement of expenses occasioned by board meetings.

(3) The monthly allowance, session allowance and benefits of the board chairperson, as well as the session allowances of board members referred to in Section 55 (1) and (2) above shall be fixed by the general meeting, on the recommendation of the board of directors.

II.4 POWERS OF THE BOARD OF DIRECTORS

Section 56. (1) The board of directors shall have the widest powers to act on behalf of the enterprise in all circumstances.

(2) It shall exercise such powers within the limits of the corporate purpose of the enterprise and subject to those expressly granted by the OHADA Uniform Act relating to the Law on Commercial Companies and Economic Interest Groups.

Section 57. (1) The powers of the board of directors shall be those laid down by the OHADA Uniform Act relating to the Law on Commercial Companies and Economic Interest Groups. In particular, the board of directors shall have the powers to :

- specify the objectives of the enterprise and the guidelines to be given to its management;
- exercise constant control over the general manager's management;
- approve the financial statements of each financial year;
- prepare management planning documents and corresponding reports;
- appoint and dismiss the board chairperson and general managers;
- appoint members of review boards;
- share out board meeting attendance allowances;

- authorize first-demand securities, sureties and guarantees subscribed by the enterprise for commitments made by third parties;
- authorize all transfer of movable or immovable, tangible or intangible property, in accordance with the conditions provided for in Sections 112 and 113 of this law.

(2) The provisions of the articles of association or the general meeting to limit the powers of the board of directors shall have no effect against third parties.

Section 58: (1) The board may entrust special tasks to one or more of its members for one or more specified reasons.

(2) In that capacity, the board of directors may decide to set up internal committees or commissions to discuss issues relating to its duties.

Section 59: The Board of Directors may grant special allowances to board members, for tasks and missions assigned them, or authorize reimbursement of travel expenses incurred in the interest of the enterprise, subject to prior approval by the said board.

Section 60: (1) The board of directors shall authorize the recruitment and dismissal of staff on the general manager's recommendation.

(2) It shall, on the general manager's recommendation, appoint persons to duty posts of the rank of sub-director, director and the equivalents thereof.

II.5 FUNCTIONING

Section 61: (1) The board of directors shall meet as often as necessary when convened by its chairperson.

(2) When necessary, 1/3 (one-third) of board members may convene a board meeting to discuss a specific agenda.

Section 62: (1) Members shall be convened by telex, telegram, fax or any other means leaving a paper trail at least 15 (fifteen) days before the scheduled date of the meeting. Convening notices shall indicate the agenda, date, venue and time of the meeting.

In case of emergency, the time-limit referred to in the preceding Sub-section may be reduced to 5 (five days).

Section 63: (1) The board of directors shall deliberate only where all its members have been duly invited.

(2) All members present or represented at a board meeting shall be deemed to have been duly invited.

(3) All members at a board meeting shall be deemed to be present.

Section 64: (1) Any board member who is unable to attend a board meeting may request another board member to represent him.

(2) No board member may represent more than one other member at the same meeting.

Section 65: (1) Board decisions shall take the form of resolutions. They shall be signed in session by the board chairperson or, where applicable, the pro tem chairperson, and one board member.

(2) The decision referred to in the preceding sub-section shall take effect upon adoption.

Section 66: (1) The board of directors may not validly deliberate on any agenda item unless at least ½ (one half) of its members are present. All provisions repugnant hereto shall be deemed unwritten.

(2) Board decisions shall be taken by simple majority of members present or represented, subject to a qualified majority provided for the articles of association. In the event of a tie, the chairperson shall have the casting vote, subject to provision in the articles of association repugnant hereto.

(3) Any decision taken in violation of the provisions in this section shall be deemed null and void.

Section 67: Board members, and persons invited to attend board meetings, shall be bound by discretion concerning confidential information or released as such by the pro tem chairperson

Section 68. (1) The general management shall act as secretary of meetings of the board of directors.

(2) The minutes of meetings shall be entered in a special minute's book kept at the head office, and initialled and signed by the President of the competent Court of Instance. They shall mention the members present or represented. They shall be read and approved by the Board of Directors at its next session.

(3) The minutes of meetings shall be co-signed by the board chairperson, or, where applicable, the pro tem chairperson, and the pro tem secretary.

III. GENERAL MANAGEMENT

Section 69: The general management of a public enterprise shall be under the authority of a general manager, assisted if need be, by a deputy general manager.

Section 70: (1) The general manager and, where applicable, the deputy general manager, shall be appointed by a 2/3 (two-thirds) majority of the board of directors upon recommendation of the majority or sole shareholder.

(2) The general manager and deputy general manager shall be appointed for a 3 (three)-year term of office, renewable twice.

(3) Provided that the cumulative terms of the general manager and deputy general manager may not exceed 9 (nine) years.

(4) All decisions taken by the general manager or deputy general manager beyond the period provided for in Section 70 (3) above shall be null and void.

Section 71: Under the supervision of the board of directors, the general manager shall be responsible for the implementation of the general policy and the management of the enterprise. He shall be responsible for the general management thereof.

Section 72. (1) The powers of the board of directors shall be those laid down by the OHADA Uniform Act relating to the Law on Commercial Companies and Economic Interest Groups. The general manager shall be responsible, inter alia, for:

- preparing the budget and annual financial statements;
- preparing the deliberations of the board of directors, participating in an advisory capacity in its meetings, and implementing its decisions;
- carrying out the technical, administrative and financial management of the corporation;
- recruiting, appointing, awarding marks to and dismissing staff, subject to the powers of the board of directors, fixing their remuneration and benefits in keeping with the laws and regulations in force, the internal regulations and board decisions;

- managing movable and immovable, tangible and intangible property of the enterprise, in keeping with the corporate purpose of the enterprise and the powers of the board of directors;

(2) The Director General may delegate some of his powers.

(3) The general manager shall represent the enterprise in all acts of civil life and before the law.

Section 73: (1) The duties of the general manager and the deputy general manager shall end upon:

- normal expiry of their terms of office;
- dismissal, due to gross misconduct or acts incompatible with the position of general manager or deputy general manager;
- death or resignation;
- permanent incapacity established by the board of directors;
- dissolution of the enterprise.

(2) Apart from dissolution of the enterprise, the occurrence of any of the cases referred to in the preceding sub-section shall lead to a vacancy in the positions of general manager and deputy general manager.

Section 74: (1) Where the general manager is temporarily unable to perform his duties:

- for a period not exceeding 3 (three) months, the deputy general manager shall deputize. Where there is no provision for the post of deputy general manager, the general manager shall appoint an acting general manager;
- beyond a period of 3 (three) months, the board of directors shall meet and designate an acting general manager.

(2) In the event of a vacancy for the post of general manager or deputy general manager, the board of directors shall appoint a new general manager and/or deputy general manager, on the recommendation of the majority or sole shareholder.

Section 75: (1) The board of directors may sanction the general manager or deputy general manager as follows:

- suspension of some powers;
- immediate suspension from duty for a limited period;
- immediate suspension from duty.

(2) In the cases referred to in the preceding sub-section, the board of directors shall take the necessary measures to ensure the smooth running of the enterprise.

PART III **PROVISIONS SPECIFIC TO SEMI-PUBLIC ENTERPRISES**

Section 76: The incorporation, administration, management, supervision, dissolution and liquidation of a semi-public enterprise shall be in accordance with the provisions of the OHADA Uniform Act relating to the Law on Commercial Companies and Economic Interest Groups, subject to the provisions of this law.

PART IV **RESTRICTIONS AND INCOMPATIBILITIES**

Section 77: Appointed on the basis of their qualifications and competence, board members representing the State, public corporations or regional and local authorities in public corporations may not delegate their duties.

Section 78: (1) The positions of board chairperson and board member of a public corporation shall be incompatible with those of Member of Parliament, Judicial Officer or member of the Constitutional Council.

(2) The positions of member of government or person ranking as such, Member of Parliament, Judicial Officer or member of the Constitutional Council shall be incompatible with those of general manager or deputy general manager of a public corporation.

(3) The general manager or deputy general manager, who is appointed member of government, shall automatically lose the position of general manager or deputy general manager.

PART V AUDITING OF PUBLIC CORPORATIONS

Section 79: (1) Each public corporation shall be audited by one or more auditors.

(2) The auditors shall be natural persons or firms formed by such natural persons.

(3) Only chartered accountants approved by the Cameroon National Association of Chartered Accountants may exercise the functions of auditor in Cameroon.

Section 80: The functions of auditor shall be exercised in accordance with the OHADA Uniform Act relating to the Law on Commercial Companies and Economic Interest Groups.

Section 81: The provisions of Sections 79 and 80 above shall be implemented without prejudice to the audit conducted by competent State bodies, in accordance with the laws and regulations in force.

PART VI DISSOLUTION AND LIQUIDATION

CHAPTER I DISSOLUTION

Section 82: (1) Dissolution of public corporations shall be pronounced on the groups provided for in their articles of association or in accordance with the OHADA Uniform Act relating to the Law on Commercial Companies and Economic Interest Groups.

It may in particular be pronounced in the following grounds:

- expiry of the term for which it was incorporated;
- realization or extinction of its purpose;
- cancellation of partnership agreement;
- decision of the sole shareholder;
- decision of shareholders, under the conditions laid down for amending the articles of association;
- advance dissolution pronounced by a competent court at the request of a partner for compelling reasons, in particular in case of non-fulfilment of their obligations by a partner or disagreement between partners preventing the normal functioning of the enterprise;
- effect of a judgement ordering the liquidation of the assets of the enterprise;
- any other grounds provided for in the articles of association.

Section 83: (1) Notwithstanding the provisions of Section 82 above, dissolution of a public corporation with the State as a sole shareholder shall be pronounced by decree of the President of the Republic, on the joint recommendation of the minister in charge of finance and the minister in charge of technical supervision and on the recommendation of the college

of the General Assembly.

(2) Dissolution shall, within 8 (eight) clear days of the decision, be published in a legal notices newspaper and in the national press. The liquidation procedure shall be open from the date of such publication.

From such date and unless otherwise decided by the dissolution instrument the following measures shall be taken:

- the board of directors and the general management shall be relieved of their duties;
- all ongoing contracts shall be suspended, subject to the pursuance of certain contracts under Section 84 below.

(3) In any case, failing regularization, advance dissolution shall be pronounced at the close of the second financial year following that during which the losses were established. The auditor (s) shall be bound to inform the minister in charge of finance or the deliberative organ which appointed them at the close of the first financial year in which the losses were established.

Section 84: The instrument pronouncing the dissolution of the public corporation shall specify whether or not operations shall continue during the liquidation period.

CHAPTER II LIQUIDATION

Section 85: The total or partial disposal of a public corporation shall be undertaken in accordance with the regulations on privatization, OHADA Uniform Act relating to the Law on Commercial Companies and Economic Interest Groups and the provisions of this law.

Section 86: (1) the liquidation of public enterprises and semi-public enterprise shall be voluntary in accordance with the provision of the law.

The publication of the instrument pronouncing the dissolution of the public corporation shall stay or bar any principal action or counter-claim, summary procedure or any other out-of-court settlement, any ongoing action against the enterprise as well as any execution on its assets.

(2) However, creditors who have a security or preferential right may, once their debts have been declared, exercise their personal right of action where the liquidator has not undertaken liquidation of the encumbered assets within 12 (twelve) months of their appointment by the minister in charge of finance.

(3) Where the liquidation is terminated due to insufficiency of assets, the creditors whose claims have been verified and accepted shall, in case of fraud affecting their rights, recover their personal right of action against managers of the public corporation or the liquidator.

Section 87: (1) The debts and claims of the dissolved public corporation shall fall due, where applicable, through forfeiture of corporate term upon publication of the instrument pronouncing the dissolution of the public enterprise.

(2) The dissolution shall freeze legal and contractual interest on the debts of the enterprise as well as all interest in arrears and as supplemental charges.

(3) The publication shall, as of right, entail the prohibition, under pain of nullity, to pay any debt contracted prior to the publication of the instrument dissolving the public enterprise. However, the liquidator may pay pre-existing debts in order to redeem the security or item that was legitimately withheld where the continuation of liquidation transactions justifies such redemption.

(4) The securities and preferential rights as well as legal transactions and decisions transferring or consulting chattels real may not be registered after the publication of the instrument dissolving the public corporation.

Section 88: (1) Public corporations under liquidation shall be exempted from making any deposit with the registries of courts.

(2) Decisions rendered against them under the debt contention procedure shall be registered free of charge.

(3) Decisions rendered in their favour shall be registered as debit balance.

Section 89: (1) By decision of the minister in charge of finance, a liquidator that may be a natural or legal person shall be appointed concomitantly with the instrument dissolving the public enterprise wherein the State is sole shareholder without prejudice to any incompatibilities.

(2) Where a legal person is appointed liquidator, the name of its representative shall be indicated.

(3) The instrument appointing the liquidator, its form notwithstanding, shall be published within 1 (one) month of appointment in a legal notices journal.

(4) The liquidator, in the execution of its mandate, may consult any person by reason of their special knowledge.

(5) The ceiling of the monthly fees or emoluments of the liquidator shall be fixed, as the case may be, by decision of the minister in charge of finance or by the deliberative organ of the legal person that appointed them.

Section 90: (1) The liquidator shall be appointed for a maximum period of 1 (one) year renewable. However, the liquidation period shall not exceed 3 (three) years. The instrument appointing the liquidator shall define their duties and powers, the scope of their mandate and the date when they shall assume duty.

(2) The duties of liquidator shall cease in particular due to non-renewal of the term or dismissal. They shall be replaced under the same conditions applied for their appointment.

Section 91: (1) Subject to compliance with the regulations on privatization, the liquidator shall have the widest powers to realize the assets, settle the debts of the dissolved public corporation and, where applicable, share the remaining net assets among the partners or revert same into the Treasury.

(2) However, during their mandate, some transactions by the liquidator and the option to compromise or settle matters out of court may be subject to authorization by the minister in charge of finance. The list of such transactions shall be specified by decision of the minister in charge of finance.

Section 92: (1) Upon assuming office, the liquidator shall prepare a draft budget and a programme of action which they shall submit to the organ that appointed them for approval. The draft budget shall comprise in particular the liquidation expenses as defined in this law.

(2) The liquidator shall prepare a liquidation opening balance sheet which they shall submit to the organ that appointed them.

(3) A decision by the minister in charge of finance shall, where necessary, lay down the conditions for executing the liquidation budget.

Section 93: (1) The liquidator shall submit a quarterly report on their activities to the organ that appointed them.

(2) The liquidator shall keep an account of the liquidation transactions. Upon the closure of the liquidation transactions, they shall submit a report and the liquidation closing accounts to the organ that appointed them.

(3) Approval of the liquidation accounts shall release the liquidator.

Section 94: (1) Upon assuming office, the liquidator shall, within a period of 15 (fifteen) days, make a physical and accounting inventory of the assets of the dissolved public corporation. He shall draw up an adversarial report thereof with the general manager as well as personnel in possession of the property of the corporation.

(2) The general manager, under pain of assuming liability, shall hand over to the liquidator, by any means leaving a paper trail, the financial statements as well as the list of creditors and the total amount of debts as at the date of the instrument pronouncing the dissolution of the public corporation.

Section 95: (1) Once in office, the liquidator shall be bound to request for, or as the case may be, himself issue all instruments needed to protect the rights of the public corporation against its debtors and to preserve its assets and, where necessary, to ensure continuation of operations during the liquidation period.

(2) In general, the liquidator shall expedite the taking of necessary precautionary measures which may include:

- freezing of bank accounts, limiting the powers of sitting officials, sealing stores or designating new caretaker officials identifying personnel necessary for maintaining the property of the public corporation as is and limiting access to sensitive areas;
- registering, on behalf of the corporation, all securities or all liens which may not have been undertaken or renewed;
- pursuing on-going contracts;
- restoring some assets for a more profitable disposal; and
- requesting assistance from the authorities to take any security measures likely to protect the property of the enterprise.

PART VII

TRANSACTIONS RELATING TO ASSETS AND LIABILITIES

CHAPTER I

TRANSACTIONS RELATING TO ASSETS

Section 96: Assets shall be realized mainly in 2 (two) ways:

- debt recovery; and
- transfer of assets.

Section 97: (1) The liquidator shall recover debts owed to the public corporation by amicable agreement, judicial process or by the treasury preferential claim procedure where the enterprise enjoyed such preferential right prior to his liquidation.

(2) General recovery notices shall be put out through the press.

(3) Specific notices may be put out through the press or served through personal letters on the basis of the schedules of assets and liabilities. Notices shall be given out even for secured debts.

(4) Only debtors whose debts are established through the accounting procedure shall be served with notices and warnings prior to recovery proceedings.

(5) The recovery of some debts may, by virtue of their specificity, be entrusted to a debt recovery entity.

Section 98: (1) The realization of assets shall contribute towards settling liquidation costs and liabilities.

(2) Movable and immovable property may be sold by auction. The liquidator shall invite tenders by publication in a journal of legal notices and fix the deadline for receiving

same.

(3) Production units forming part of the immovable property may be included in a package deal.

Section 99: (1) In order to determine their reserve price, the liquidator shall organize the sale of movable and immovable property on the basis of:

- physical inventories establishing the existence and state of the property; and
- valuations assessing the purchase value, depreciation and salvage or book value of each property.

(2) An appraisal by an expert registered with the competent court of appeal may also determine any appreciation in value depending on the state of the property or its possible use.

Section 100: (1) The unencumbered movable and immovable property owned by the public corporation may be:

- sold or auction; or
- assigned against payment or through assumption of liabilities equivalent to the cost of the property to any regional or local authority or legal person entrusted with all or part of the mission that originally devolved upon the dissolved entity.

(2) The unencumbered movable and immovable property owned by the public enterprise may be:

- assigned free of charge by the minister in charge of finance, upon the recommendation of the technical supervisory ministry, to any regional or local authority or corporate body entrusted with all or part of the mission that originally devolved upon the dissolved entity; or
- re-incorporated into the property of the State where the value of such property cannot be expected to yield significant proceeds from their sale or where the Government's economic, social and cultural policy requirements so warrant.

Section 101: (1) In the case of the sale of encumbered assets, the share of the price corresponding to the secured debts of the enterprise shall be paid into a special liquidation account and the creditors paid following the established order of preference in accordance with the rules of ordinary law. The liquidator shall obtain or ensure a write-off of the corresponding mortgage.

(2) The liquidator may propose acquisition of the encumbered assets to the mortgage or secured creditor in due proportion to his claim. Where the value of the asset assessed in accordance with this Law exceeds the claim, the creditor must make an equalization payment; otherwise, he shall remain a creditor of the liquidator.

Section 102: (1) The liquidator shall deposit any sums received by him in the discharge of his duties into a special liquidation account.

(2) Any sale of property forming part of the assets of the public corporation to the liquidator, his employees or their spouse, ascendants or descendants shall be null and void.

CHAPTER II **TRANSACTIONS RELATING TO LIABILITIES**

Section 103: The liquidator shall be responsible for listing and arranging the debts due in order of preference for settlement purposes.

Section 104: (1) With effect from the date of publication of the dissolution instrument, all creditors whose claims were due prior to the opening of liquidation shall forward their

statements to the liquidator. This shall not apply to employees of the corporation whose statements of claims shall be drawn up and forwarded to the personnel representative and the labour inspectorate by the liquidator.

(2) Creditors resident in Cameroon shall have 2 (two) months from the date of publication of the instrument opening liquidation to produce their claims together with supporting documents and in particular statements of claims.

(3) Where beyond this deadline, creditors known to the liquidator fail to produce their claims, the liquidator shall serve on them, notice to do so within 15 (fifteen) days, otherwise they shall be barred from producing the claims through the press. Such time-limit shall be extended to 3 (three) months for creditors resident outside Cameroon who shall be notified by the liquidator by registered letter against acknowledgement of receipt.

(4) Only reported debts shall be considered, after verification, in the distribution of the liquidation proceeds.

Section 105: (1) The liquidator shall, within 4 (four) months of assumption of duty, draw up a provisional list of claims after checking the validity of the claims.

(2) The list of claims shall specify the order of preference of each creditor according to the rules of ordinary law and subject to the provisions of this law.

(3) The list of claims shall be made available to creditors who shall be notified thereof through the press. Non-resident creditors shall be notified individually by registered letter against acknowledgement of receipt.

Section 106: (1) Disputes relating to claims shall be forwarded to the liquidator by registered letter against acknowledgement of receipt within 1 (one) month of the notification referred to in Section 105 above. Failure to submit objection within such time-limit shall bar subsequent objection to the liquidator's proposal.

(2) The liquidator shall be bound to take a decision within 10 (ten) days of receipt of registered letter referred to in the preceding sub-section; beyond such time-limit, no response on his part shall mean acquiescence.

(3) The decision of the liquidator shall be subject to appeal by simple application lodged with the President of the High Court of the place where the enterprise is headquartered.

(4) The President of the court shall take a decision after hearing both parties, by order issued in chambers within 15 (fifteen) days of referral of the matter to him. He shall give a first ruling solely on matters relating to claims and shall not act ultra vires.

Section 107: (1) The order of settlement of claims on the public corporations under liquidation shall be as follows:

- wage claims shall be preferred claims having topmost priority over other priorities regarding compensation for termination of contract of employment and the percentage of wages not liable to attachment as provided for by the laws and regulations in force;

- follow the other preferential claims according to the order provided for by ordinary law after prior and mandatory offsets, wherever possible, of claims between the State and the public corporation under liquidation, on the one hand, and between the public corporation under liquidation and other enterprises on the other hand. The amount of assets remaining shall be distributed to the creditors in proportion to their verified and accepted debts, in accordance with the rules of ordinary law.

(2) An order of the minister in charge of finance shall lay down the conditions for the settlement of the debts referred to in (1) above.

(3) The liquidation dividend, if any, shall be paid by the liquidator to shareholders proportionally to their share capital contributions, as the case may be.

Section 108: (1) The liquidation costs or expenses resulting directly from liquidation transactions shall be paid as the transactions are effected. They shall have priority over debt redemption costs, irrespective of preferential rights.

(2) Liquidation costs shall be reduced to the lowest value and shall comply with the ruled governing the management of public funds.

(3) All increase in liquidation cost compared to the initial budget must first be forwarded by the liquidator to the authority which appointed him, for approval.

(4) Liquidation costs shall notably include:

- debt recover-related expenses;
- fees and allowances of liquidators;
- charges for legal notices;
- expenses resulting from the performance of contracts, in particular contracts of employment that remain valid after the publication of the liquidation decisions;
- expenses incurred as part of interim measures.

CHAPTER III **CLOSURE OF LIQUIDATION**

Section 109: The liquidation may be terminated at any time by decision of the authority which appointed the liquidator in the following cases:

- where there are no further debts due;
- where the liquidation transactions cannot continue owing to insufficient assets.

Section 110: (1) Prior to closure of liquidation, the liquidator shall draw up a liquidation statement which shall be attached to his final report.

(2) The liquidation statement shall be forwarded by the liquidator to the authority which appointed him, for approval. However, the Minister in charge of finance shall in any case receive, for information, the liquidation statement where the reason for closure of liquidation is insufficiency of assets.

(3) The decision to terminate the liquidation shall be taken by the same authorities and under the same conditions, in particular of publication, as the decision to liquidate.

Section 111: (1) Under this law, where the liquidation is terminated by reason of insufficiency of assets, the creditors whose claims have been verified and accepted shall recover their individual prosecution rights in case of fraud affecting the rights of creditors and committed by the manager of the company or liquidator.

(2) The persons who during the liquidation process and in good faith acquired all or part of the property of the public enterprise cannot, unless otherwise agreed to by them, be individually or collectively liable for any of the debts of the enterprise under liquidation. In like manner, the employees of the public enterprise under liquidation who may be hired back by the purchaser of such property shall be recruited on the basis of a new contract of employment.

PART VIII **MANAGEMENT OF ASSETS OF PUBLIC ENTERPRISES**

Section 112: (1) Under the supervision of the board of directors, the management of the assets of a public enterprise shall come under the authority of the general manager.

(2) The management of the assets referred to in (1) above, shall concern the acquisition of property and their disposal.

Section 113 (1) In case of disposal of movable and immovable property of the public corporation, the general manager shall require the prior authorization of the board of directors. He shall update the board of directors on the situation of assets, which shall be reviewed during one of its sessions.

(2) The authorization of the board of directors shall be obtained through a resolution adopted by at least 2/3 of its members.

PART IX **PENALTY CLAUSES**

Section 114: The following acts by managers of public corporations shall constitute misappropriation of public funds, provided for and punishable under Section 184 of the Penal Code:

- knowingly sharing among shareholders sham dividends without an inventory or using a fictitious inventory;
- using, in bad faith and for personal material or moral purposes, the property and credit of the public corporation contrary to its interest, or to favour another legal person wherein they hold interests directly or indirectly.

Section 115: (1) The following acts by the liquidator shall constitute misappropriation of funds provided for and punishable under Section 184 of the Penal Code:

- using the property or credit of the company under liquidation for purposes contrary to its interest for personal, material and moral reasons or to favour another corporate body in which he owns interests directly or indirectly;
- transferring all or part of the assets of the public corporation under liquidation to a person who had occupied the position of board chair or auditor of the corporation, without the prior unanimous express consent of partners or, failing that, the authorization of the competent court.

(2) The following acts by the liquidator shall also constitute misappropriation of public funds as provided for and punishable under Section 184 of the Penal Code:

- paying or authorizing the payment of a creditor in violation of the provisions of this law;
- misappropriating or concealing part of the property of the enterprise;
- using the funds recovered for purposes other than those provided for.

Section 116: (1) Any liquidator who keeps or causes to be kept irregularly the accounts of the public corporation under liquidation shall be punished with imprisonment for from 5 (five) to 10 (ten) years and fine of from CFA F 100 000 (one hundred) to 1 000 000 (one million).

(2) The forfeitures provided for in Section 30 of the Penal Code may further be applied to him.

Section 117: (1) The auditor of a public corporation who knowingly gives or confirms misleading information on the situation of the said corporation or who fails to report criminal offences he is aware of to the competent organs shall be punished with imprisonment for from 1 (one) to 5 (five) years and with fine of from CFA F from 1 000 000 (one million) to 10 000 000 (ten million).

(2) The forfeitures provided for in Section 30 of the Penal Code may further be applied to him.

PART X**MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS**

Section 118: Without prejudice to the tax waivers granted to public corporations, the tax and customs regime of public corporations shall be laid down by the General Tax Code, the Customs Code and the Finance Law.

Section 119: (1) Public corporations shall not be subject to the provisions of the Public Contracts Code. However, the board of directors shall ensure that the rules on competition, equal treatment of candidates, transparency and fair price are observed.

(2) A resolution of the board of directors shall stipulate the terms and conditions of the organization and functioning of internal tender boards, appointment of its members and evaluation of bids.

Section 120: Public corporations shall be subject to private accounting rules.

Section 121: Special provisions regarding the submission of the organization charts and appointments of strategic public enterprise directors and personalities ranking as such for approval by the President of the Republic shall be laid down in the articles of association of such enterprises.

Section 122: The allocation of results in public enterprises shall be subject to prior approval of the President of the Republic.

Section 123: Separate instruments shall, as and when necessary, lay down the terms and conditions for implementing this law.

Section 124: Public corporations existing at the date of enactment of this law shall have a period of 1 (one) year to comply with its provisions.

Section 125: This law repeals Law No. 99/16 of 22 December 1999 on General Rules and Regulations Governing Public Establishments and Enterprises of the Public and Semi-public Sector.

Section 126. This law shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaounde, 12 July 2017

**(signed) Paul Biya,
President of the Republic**

**Law No.2018/11 of 11 July 2018
to Lay Down the Cameroon Code of Transparency and Good
Governance in Public Finance Management**

The Parliament deliberated and adopted,
The President of the Republic hereby enacts the law set out below:

CHAPTER I
GENERAL PROVISIONS

Section 1: (1) This law relates to the CEMAC Code of Transparency and Good Governance in Public Finance Management for Cameroon.

(2) Its purpose is to define the principles and rules governing State legislation and practices in the management of public funds and financing provided by international institutions or foreign States.

CHAPTER II
LEGALITY AND PUBLICITY OF PUBLIC FINANCIAL TRANSACTIONS

Section 2: (1) The finance law shall lay down the rules relating to the assessment, rate and collection of all types of taxes.

(2) Taxpayers shall be entitled to clear, accessible and comprehensible taxation instruments.

(3) All taxpayers shall be entitled to extensive, regular and comprehensive' information on taxes and taxation trends.

Section 3: (1) No public expenditure shall be committed or paid unless provided for by a duly published law or regulation and authorized by a finance law.

(2) The Administration shall set out the rules and criteria for granting aid, subsidies and transfers to private individuals. Such rules shall be made public.

Section 4: The regulations applicable to public contracts and public service delegations shall conform to this law as well as internationally recognized principles, rules and practices.

Section 5: (1) The public shall be regularly informed of the sale of public goods. Such sales shall be open to all without discrimination.

(2) Notwithstanding the publicity measures provided for in sub-section (1) above, specific measures shall be taken to inform the public on major transactions whose minimum amount shall be fixed by regulation.

Section 6: (1) Contracts signed between the Administration and public or private enterprises, in particular those exploiting natural resources and those operating public service concessions shall be clear and made public. These principles shall be applicable to the award procedures as well as the contents of contracts.

(2) Such contracts shall be duly audited by the competent jurisdiction and the competent parliamentary commissions.

(3) The involvement of the Government in the private sector shall be transparent and based on non-discriminatory rules and procedures.

Section 7: Every concession granted for the use or exploitation of public assets, as well as public- private partnerships shall be based on formal and explicit laws.

Section 8: Relations between the public administration and public enterprises or other public entities shall be governed by provisions that are clear and accessible to the public.

Section 9: Where government decisions, save those falling under defence secrecy, are likely to have a significant financial impact, the total budgetary impact amount of such decisions in revenue and expenditure shall be made public.

Section 10: No public expenditure shall be financed by an international organization or foreign State without prior information of the Minister in charge of finance.

CHAPTER III

DUTIES AND RESPONSIBILITIES OF STATE INSTITUTIONS AND ENTITIES

Section 11: The division of public competences, responsibilities and resources among various levels of public administration as well as financial relations between them shall be clearly defined and be the subject of general, clear and consistent information.

Section 12: The respective competences and responsibilities of the Government and Parliament regarding the conduct of the budgetary policy, public expenditure and revenue options as well as budget execution and control shall be clearly defined in accordance with the Constitution.

Section 13: (1) Parliament shall review the draft State budget and its implementation yearly.

(2) Parliamentarians shall have the right to full information and communication on all aspects of the management of public funds.

Section 14: (1) An annual calendar for the preparation of the State budget shall be prepared and published. Such calendar shall in particular provide for, within a reasonable period prior to submission of draft finance bills, the publication by the Government of a report on economic assumptions, its major medium-term budgetary guidelines and priorities as well as main fiscal options and budgetary risks for the coming year.

(2) This report shall be debated in Parliament.

Section 15: (1) Within the Government, the respective roles and responsibilities of the Minister in charge of finance, other ministers and the Head of Government shall be clearly defined.

(2) The main budgetary policy options shall be debated collegially by the Government. Once decisions are taken under the authority of the Head of the Executive Branch, they shall be binding on all ministries.

Section 16: The budgets and accounts of statutory institutions shall be prepared and managed under the same transparency, accuracy and audit conditions as those defined for all public entities by this law.

Section 17: The courts with jurisdictions over 'disputes relating to tax and non-tax revenue, expenditure, financing, State land management, public contracts and public service delegation shall be clearly identified.

Section 18: The abovementioned principles and rules shall be transposed to regional and local authorities with the adaptation in order to determine, in matters of local public finance, the

respective powers of mayors and deliberative assemblies as well as the local budget procedure.

Section 19: (1) The authorities in charge of statistics shall collect, process and publish data and information on public finance independently from political Authorities.

(2) The methodology for drawing up statistics shall be published upon their dissemination.

CHAPTER IV **ECONOMIC FRAMEWORK**

Section 20: (1) The State budget shall form part of the overall medium-term macroeconomic budgetary and financial policy framework covering the coming year and at least the two (2) following years.

(2) The economic assumptions used shall be explained and justified as well as the financing expected from external assistance.

(3) Such assumptions shall, where necessary, be compared with other available projections made by competent and independent sources other than those of the Government.

Section 21: Such general framework shall be aligned with commitments made under the treaties of the Economic and Monetary Community of Central Africa (CEMAC) and shall include all the information required for the implementation of the monitoring and convergence mechanisms provided for under the said treaties.

Section 22: (1) The deficit, balanced or surplus State budget shall be presented in accordance with internationally recognized public finance statistics principles, rules and practices. It shall be fixed each year by the finance law.

(2) The overall consolidated forecast balance of all government services, comprising the State, public enterprises and establishments, local and regional authorities as well as welfare organizations shall be published in documents annexed to the finance law.

Section 23: (1) The Government shall publish detailed information on the level and composition of its internal and external debt, its financial assets and key financial obligations, in particular acquired rights relating to public service retirements, guarantees granted to public and private entities and natural resource assets.

(2) Such information shall be presented in accordance with internationally recognized public finance statistics principles, rules and practices.

Section 24: The consolidated financial debt of all government services shall be published as well.

CHAPTER V **PREPARATION AND PRESENTATION OF PUBLIC BUDGETS**

Section 25: Annual budgets shall be realistic and accurate in their expenditure and revenue forecasts. Regarding the State budget, the key budget risks shall be identified and evaluated in a report that must be tabled alongside the budgetary documents before Parliament.

Section 26: (1) In order to be comprehensive, the budgets and accounts shall cover, for each government service, all budgetary transactions.

(2) No revenue may be allocated to a predetermined expenditure, save in special cases,

where an economic linkage effectively exists between a given revenue and the expenditure being financed or, regarding international funding, to comply with the specific desire of foreign donors.

Section 27: (1) Financial data shall be presented on a gross basis, distinguishing revenue, expenditure and funding and cash operations.

(2) Recurrent and investment expenditure shall be combined in the same budget and the preparation and adoption procedure shall be one and the same for both categories of expenditure.

Section 28: Information similar to those of the year's budget shall be provided on the execution of to the budgeting rules and scope shall be reported in order to have homogeneous series over time.

Section 29: To back the budgetary documents up, a description of key expenditure and revenue measures shall be provided, specifying their input to economic policy objectives and their consistency with each of the key public policies implemented by the Government.

Section 30: Each category of expenditure shall be provided for and authorized according to a clear and stable nomenclature enabling the determination of the vote holder, the economic nature of the expenditure and the public policy being supported.

Section 31: A comparison of the financial results and physical outcomes of the key budgetary programmes representative of public policies shall be made public every year.

Section 32: The detailed and justified proceeds of all revenue sources, including those relating to natural resources development activities and international financial cooperation shall feature in annual budget presentations.

Section 33: The detailed nature and budgetary cost of tax exemptions and waivers, as well as loans, advances and guarantees, shall be presented during the adoption of the annual budget.

Section 34: Explicit and detailed justifications shall be provided for any substantial discrepancy between a budget estimate and the actual corresponding result, as well as any proposed budget estimate review and authorization.

CHAPTER VI **REVENUE AND EXPENDITURE EXECUTION**

Section 35: Any necessary amendments to public budgets within the financial year shall be presented in the same format as those of the initial budget.

Section 36: Periodic reports on the budget implementation status shall be published during the year.

Section 37: each stage of the revenue and expenditure execution process shall be set out, without confusion or duplication.

Section 38: Complains relating to tax or non-tax obligations shall be reviewed within the time-frame laid down by regulation.

Section 39: The revenue and expenditure of the budgets of ministries shall be duly recorded in compliance With internationally recognized accounting principles, rules and practices.

CHAPTER VII **AUDITING**

Section 40: All transactions relating to the revenue, expenditure and financing of the budgets of Ministries must be subject to a political, judicial and administrative audit.

Section 41: Political audit shall be conducted by Parliament, for the State budget, and by duly elected deliberative assemblies, for local and regional authorities.

Section 42: (1) Public finance and the policies it supports shall be subject to external audit by the audit court.

(2) The work programme and methods of the audit court, as well as its decisions and analyses shall be prepared in total independence from the executive and the legislative powers.

Section 43: (1) The audit court shall publish all the reports forwarded to the President of the Republic, Parliament and the Government.

(2) It shall also publish its special decisions in the Official Gazette and in at least 2 (two) major national newspapers featuring on the list of legal notices newspapers.

(3) These recommendations shall be monitored and the results of such monitoring duly made public.

Section 44: The responsibilities of each stakeholder concerned and the terms and conditions of the audit and penalties against their actions shall be formally specified.

Section 45: The final audited accounts together with the audit reports shall, each year, serve to verify compliance with budget authorizations and the trend of Ministries' assets.

Section 46: The activities and finances of Ministries shall be subject to internal audit.

CHAPTER VIII **PUBLIC INFORMATION**

Section 47: (1) The administration shall take all necessary measures to publish public finance information, within the time limits set by regulation.

(2) The information provided for in sub-section (1) above shall be exhaustive.

It shall concern the past, present and future and shall cover all budgetary and extra- budgetary activities.

(3) A separate instrument, signed before the beginning of the financial year, shall make public the time table for the publication of the information provided for in sub-section (1) above.

Section 48: (1) For purposes of comprehension and objectivity, the public shall be duly informed on the key stages of the budget procedure as well as their economic, social and financial significance.

(2) The press, social partners and all civil society actors in general shall be encouraged to participate in disseminating information, as well as in the public debate on governance and

public finance management.

Section 49: A summary budget guide, intended for the general public, shall be published on the occasion of the annual budget in order to breakdown the major revenue and expenditure headings, including their yearly trends.

Section 50: All the information and documentation relating to public finance, as provided by this Law, shall be published by competent institutions on their websites once available.

CHAPTER IX **INTEGRITY OF STAKEHOLDERS**

Section 51: (1) Holders of any public authority, elected officials, members of Government or senior officials shall declare their assets at the beginning and at the end of their terms or tenure of office.

(2) A separate law shall lay down the conditions and scope of implementation of this principle and shall specify offences and penalties regarding illicit enrichment.

Section 52: (1) The duties of State employees shall also be governed by clear ethical rules known to all.

(2) A specific code of ethics for elected officials, based on the principles of this law, shall be prepared by Parliament.

(3) Public service disciplinary rules and procedures regarding public finance offences shall be reinforced.

Section 53: Penalties inflicted in accordance with the rule of law shall be provided against all elected persons or senior officials who mismanage State funds.

Section 54: Failure to report to the courts by any State employee who had knowledge of any criminal offence in the management of State funds shall also be punishable.

Section 55: (1) The procedures and the conditions of employment in the public service shall be laid down in compliance with the Constitution.

(2) No one may be appointed or assigned to the position involving financial responsibilities without prior verification of his/her technical skills, professional abilities, and ethical guarantees presented.

(3) Appropriate programmes shall be provided to sustain and update such skills.

Section 56: The State shall guarantee the financial, tax and customs administrations against all forms of influence. It shall also ensure respect for the taxpayer's rights and regularly inform the public about the activities of these administrations.

Section 57: All laws and regulations subsequent to this law, and directly or indirectly affecting public finance management shall be drafted and adopted in compliance with the principles and rules laid down in this law.

Section 58: The laws and regulations that directly or indirectly affect public finance management must comply with the principles and rules laid down in this law.

Section 59: This law shall be registered, published according to the procedure of urgency and inserted in the *Official Gazette* in English and French.

Yaounde, 11 July 2018

**(signed) Paul Biya,
President of the Republic.**

Law No 2018/12 of 11 July 2018 relating to Fiscal Regime of the State and other Public Entities

The Parliament deliberated and adopted,
The President of the Republic hereby enacts the law set out below:

PART I
GENERAL PROVISIONS

CHAPTER I
PURPOSE AND SCOPE OF IMPLEMENTATION

Section 1: (1) This law lays down the conditions under which the entire public finance medium- term budget policy shall be established.

(2) It lays down rules relating to the nature, content, presentation, preparation and adoption of finance laws as well as the execution and control of the budget.

(3) It states principles relating to State budget management, public accounting and the responsibilities of public employees involved in the implementation of the said principles

Section 2: This law shall be applicable to the State and other corporate bodies governed by public law, subject to their specificities, such as public establishments, local and regional authorities.

Section 3: The following shall be considered as public funds under the rules laid down in this law, irrespective of their purpose and nature: resources of the State and any other government service, as well as funds granted them by national and international donors, foreign States or international financial institutions.

CHAPTER II
BUDGETARY AND FISCAL PRINCIPLES

Section 4: (1) The budget shall outline State revenue and expenditure authorized under the finance law, in terms of revenue and expenditure within the context of a financial year.

(2) The financial year shall cover a calendar year.

(3) Aggregate revenue shall correspond to aggregate expenditure.

(4) The integral amount of proceeds shall be included in the State budget, without making any distinction between revenue and expenditure.

(5) All revenue and expenditure shall be recorded in a single document titled the State budget.

(6) No tax shall be issued, collected or exempted, and no expenditure committed or passed for payment on behalf of the State, except where they are authorized under the finance law.

(7) The State budget shall comprise the general budget, annex budgets and special accounts,

(8) Budgets of government services shall present accurately all their revenue and expenditure. Their accuracy shall be judged based on information available at the time they are prepared and reasonable forecasts thereof.

(9) For purposes of transparency and objectivity, the public shall be regularly informed of the major stages of budget procedures, as well as their economic, social and financial stakes.

Section 5: (1) Only a finance law may establish, cancel or modify the basis of assessment, rates, collection methods and compulsory levies.

(2) Their validity period shall be unlimited and may have no ex post facto effect, except by express contrary provision.

Section 6: (1) The proceeds of compulsory levies shall be remitted to the State.

(2) However, a finance law may, exceptionally, directly remit all or part of the proceeds to another corporate body governed by public law. In such case, the finance law may also delegate to the beneficiary public entities the possibility to fix the rate of these taxes within limits that it shall determine.

Section 7: (1) The budgetary nature and cost of tax exemptions and waivers shall be presented in detail during the adoption of each annual budget.

(2) An annex finance law shall provide information on such exemptions and waivers.

Section 8: (1) Government services and international donors must inform the minister in charge of finance of all funds granted to public entities or for the execution of projects and activities of public interest.

(2) The allocation- of such funds shall be subject to prior approval by the minister in charge of finance. When granted to the State, external funds including those for specific investment projects or programmes, shall be included in the general budget as income and expenditure,

(3) An annex finance law shall provide details on the origin and use of such funds.

CHAPTER III **BUDGETARY POLICY**

Section 9: (1) The budgets of government services, particularly those of the State and other corporate bodies governed by public law, shall be drawn up and financed under conditions which guarantee sustainability of the entire public finance.

(2) The budgetary policy must avoid all excessive deficits. It shall be based on deficit objectives which, in the long and medium terms, guarantee the sustainability of public finance provided for in sub-section (1) above. It must take into account the convergence requirements of economic and financial policies resulting from the international and regional agreements to which the Republic of-Cameroon adheres.

(3) In this regard, the Government shall define a medium-term budgetary policy which conforms to the criteria set by the sub-regional agreements governing the Economic and Monetary Community of Central Africa, ensure its proper implementation and undertake to comply with the obligations of multilateral supervision.

Section 10: (1) Each year, the Government shall establish a medium-term budget framework which, depending on the realistic economic assumptions, specifies the trend of the following over a minimum period of 3 (three) years:

- all the expenditure and revenue of government services, including contributions from international donors;
- the ensuing financing need or capacity of government services;
- financing elements and the overall financial indebtedness level of government services.

(2) On the basis of this medium-term budget framework and within the time frame set by it, the Government shall draw up Medium-Term Expenditure Frameworks (MTEFs), breaking down, over a minimum, period of 3 (three) years, the major public expenditure categories, by nature, function and Ministry.

(3) These medium-term framework documents shall be made public.

Section 11: (1) Each year before the 1st of July, Government shall forward to Parliament the medium-term framework documents provided for in Section 10 above, alongside a report on the macroeconomic situation and another on the execution of the budget of the current financial year.

(2) On the basis of these documents and reports, Parliament shall organize a budget orientation debate in an open sitting but without voting.

(3) Annual finance laws must comply with the first year of the State budget medium-term framework, which shall be finalized after the budget orientation debate.

PART II **FINANCE LAWS**

Section 12: (1) The purpose of finance laws shall be to outline State income and expenditure, lay down conditions of budgetary and financial balance, adopt the State budget and render account of its execution. Finance laws shall take into account a well-defined economic balance as well as the objectives and outcomes of the programmes that they determine.

(2) In addition, finance laws may comprise any legislative provision on the determination of State income and expenditure as well as on the terms and conditions of their execution and control.

(3) The following shall have the status of finance law:

- initial finance law;
- amendments to the finance law;

- settlement law.

(4) Under the authority of the President of the Republic, the Prime Minister, Head of Government, shall co-ordinate the drafting of finance bills by the Minister in charge of finance in consultation with constitutional bodies, Ministers or heads of the relevant services.

(5) The Prime Minister, Head of Government, shall notify the arbitrations to Ministers or officials of institutions and other relevant services.

CHAPTER I **INITIAL FINANCE LAW**

Section 13: The initial finance law shall provide for and authorize, for each calendar year, all State resources and expenses. The initial finance bill which must be voted before the beginning of the year to which it relates, shall comprise 2 (two) distinct parts.

I. Part 1 shall:

- a. include provisions relating to State resources which impact the budgetary balance of the year;
- b. include an assessment of each budgetary income;
- c. include all provisions relating to revenue allocations within the State budget;
- d. fix ceilings of expenditures of the general budget and each annex budget, the ceilings of each category of special accounts as well as those of authorization of charges paid for by the State;
- e. fix the general data of the balance, presented in the form of an equilibrium table highlighting the following:
 - overall budgetary balance resulting from the difference between budgetary revenue and expenditure as provided for respectively in Sections 25 and 28 of this law;
 - State financing need or capacity, in accordance with international public finance statistics standards;
 - basic budgetary balance as defined within the framework of treaties and agreements governing the Economic and Monetary Community of Central Africa;
- f. comprise authorizations relating to asset disposal, State loans and cash situation as well as assess financing and cash resources and charges presented in the form of a cash flow forecast chart;
- g. fix the ceiling of the State's financial debts.

II. Part II shall :

- a. fix, for the general budget, by programme or by allocation, the detailed amount of votes under commitment authorizations and payment appropriations;

- b, fix the amount of revenue and expenditure for each annex budget and special account and, where necessary, the amount of authorized overdrafts;
- c, authorize the granting of State and lay down their regimes;
- d. approve all loan agreements with multilateral, bilateral and international donors;
- e. approve loans and guarantees granted by the State, pursuant to Section 55 of this law;

f. may :

- include provisions on the basis of assessment, rates and conditions for the collection of compulsory levies which do not affect the budgetary balance of the year, on condition that such provisions do not lead to a drop in the overall volume of tax revenue below the level set by the medium- term budget framework;
- include provisions with a direct impact on the budgetary expenditure of the year;
- lay down the terms and conditions for distributing State support to local and regional authorities;
- include all measures relating to Parliament information and control of public finance management;
- include all provisions relating to the terms and conditions of the execution of the State budget, government accounting and the accountability and penalties system of State employees in financial, accounting and budgetary matters.

Section. 14: (1) The initial finance bill shall be presented alongside a report on the economic, social and financial situation and prospects of the nation.

(2) It shall comprise notably the presentation of assumptions, methods and the outcomes of forecasts on the basis of which the initial finance bill is drafted.

(3) It shall also present the final medium- term budget framework documents provided for in Section 10 of this law.

Section 15: (1) The following shall be appended to the initial finance bill:

- an analysis of changes in the presentation of the budget compared to the previous financial year highlighting their effects on revenue expenditure and budgetary balance of the year concerned.
- an analysis of budgetary revenue forecasts of the year under review and the amounts expected for the next two years, for information, alongside an assessment of the impact of fiscal derogations on the budget;
- a complete and detailed statement of the indebtedness forecast at the end of the financial year alongside the indebtedness strategy;
- a State financial flow chart showing all financial flows of government services;

- an annual cash plan with a monthly breakdown comprising notably a commitment plan;
- explanatory appendices, showing for each programme, the amount of appropriations presented by heading for the year under review, as well as for information, during the next two years. These appendices shall be accompanied by the annual performance project of each programme;
- a schedule of payment appropriations together with commitment authorizations;
- a distribution of charges paid by the State per ministry;
- explanatory appendices showing in detail the content of annex budgets and special accounts;
- a detailed summary of all external funds provided for in the subsequent financial year,- stipulating their amounts, purpose and method of inclusion into the national budget and its management procedures; copies of the relevant financing agreements shall be attached thereto;
- an appendix, showing State financial contributions to enterprises;
- a main budgetary risks identification and evaluation report;
- a note showing the main revenue and expenditure measures, stating their contributions to economic policy objectives and their consistency with major public policies;
- an appendix showing the major investment projects trend

(2) The list of appendices mentioned in sub-section (1) above may be modified by finance laws.

Section 16: (1) Annual performance projects appended to the initial finance law shall present, for each programme, the set objectives and expected outcomes: measured using activity and outcome indicators

(2) They shall be prepared by programme managers under the authority of ministers or persons ranking as such.

CHAPTER II **AMENDING FINANCE LAWS**

Section 17: (1) Without prejudice to the provisions of Sections 36 to 41 of this law, amending finance laws may amend the provisions of the initial finance law in the course of the year. Where necessary, they shall ratify amendments made previously by ordinance to appropriations opened by the last finance law.

(2) They shall be presented in the same form as the initial finance law as spelt out in Section 13 of this law, and must reflect the impact of the amendments made on the balance of the current financial year and the balance of the finance law.

Section 18: In the course of the financial year, an amending finance bill must be tabled by

Government:

- where the major heads of the budgetary balance set by the initial finance law are disrupted, particularly as a result of changes in the economic situation, introduction of ordinances or orders to cancel appropriations;
- where recorded revenue reasonably exceeds the forecasts of the initial finance law;
- where legislative or regulatory measures which substantially affect the execution of the budget set in.

Section 19: (1) The following shall be appended to all amending finance bills:

- a report showing the trends of the economic and budgetary situation, justifying the provisions included in the amending finance bill;
- an explanatory appendix showing in detail and justifying the proposed amendments of votes;
- an updated execution report of the initial finance law;
- a table showing the movements of appropriations since the initial finance law, in accordance with Sections 36 to 41 of this law.

(2) The list of documents mentioned in subsection (1) above may be modified by finance laws.

CHAPTER III **SETTLEMENT LAW**

Section 20: (1) The settlement law shall be the law that acknowledges the last executed finance law. As such, it shall:

- a. establish the results of budgetary and financial accounts of the year under review and give the Government final discharge;
- b. amend appropriations which would have proved necessary, if need be, notably by:
 - ratifying appropriations opened by decree after the last finance law relating to that year;
 - opening, for each programme concerned, appropriations necessary to regularize excesses noticed on the evaluative appropriations;
 - cancelling unconsumed appropriations;
 - increasing the amount of the authorized overdraft to the level of the overdraft noticed in an annex budget or a trade account.

(2) The settlement law may also comprise all provisions relating to public finance management control, as well as State accounting and the regimes of responsibility of employees responsible for budget execution.

Section 21: (1) The following shall be appended to the settlement bill:

- a. a statement showing and justifying all movements of votes in the course of the year;
- b. explanatory appendices, developing for each Ministry or institution by programme or allocation, the final amount of votes opened and expenditure effected as well as the final distribution of votes by head compared to their initial distribution. The appendices shall also bring out the disparity between projections and executions of support funds;
- c. annual performance reports by programme ;
- d. explanatory appendices developing, for each annex budget and each special account, the final amount of realized revenue and expenditure, opened votes or authorized overdrafts, as well as requested overdraft amendments;
- e. explanatory appendices on the transactions carried out for each loan and guarantee account;
- f. State accounts comprising:
 - results of budgetary accounts with the explanation of budgetary revenue and expenditure of the general budget, annex budgets and special accounts;
 - the general account of the State, comprising the trial balance of the year and financial statements: balance sheet, performance statement, cash flow chart and annex statement under the conditions spelt out by the General Regulation of Public Accounting;
- g. developed statement of outstanding payments and outstanding collections alongside a report showing measures earmarked to master these outstanding payments and collections;
- h. State financial flows chart;
- i. audit bench report on the execution of the finance law alongside a certification of the regularity, accuracy and true image of State accounts;
- j. a statement on the execution of all investment projects, justifying discrepancies noticed in the course of the year under review between forecasts and executions, by government service and by region.

(2) With the exception of the provisions of items f and i above, relating to State accounts and the report of the Audit Bench on the execution of the finance law, the list of documents mentioned in this section may be modified by finance laws.

Section 22: (1) Annual performance reports appended to the settlement law shall present, for each programme, the results obtained compared to the set objectives, actions developed and resources used, alongside activities and results indicators, as well as a projection of the costs of activities or services rendered.

(2) Annual performance reports shall be produced by programme managers under the authority of Ministers or persons ranking as such.

PART III
STATE BUDGET

Section 23: The State budget shall determine, for a financial year, the nature, amount and assignment of revenue and expenditure as well as the resulting budgetary balance and the terms and conditions of its financing. It shall be adopted into a finance law.

Section 24: State revenue and expenditure shall comprise budgetary revenue and expenditure as well as cash and financing resources and expenses.

CHAPTER I
BUDGETARY REVENUE AND EXPENDITURE

Section 25: State budgetary revenue shall be presented in heads as follows:

a. **Head I:** fiscal revenue comprising taxes, levies, duties and other compulsory transfers other than social welfare contributions, notably:

- dues and taxes on income, profit and assets;
- dues and taxes on goods and services;
- customs duties;
- registration fees and stamp duties;
- other tax revenue.

b. **Head II:** Grants and bequests as well as support funds, **in the following order**

- grants from international cooperation ;
- support funds ;
- bequests.

c. **Head III:** Pension and social insurance contributions.

d. **Head IV:** Other revenue, including property income, sale of goods and services, fines, pecuniary judgements and seizure, voluntary transfers other than grants and sundry revenue.

Section 26: Remuneration for services rendered by the State may be established and collected through advance decrees signed on the basis of the report of the Minister in charge of finance and the relevant Minister. Such decrees shall be null and void where they are not ratified in the very next finance law relating to the year under review.

Section 27: Budget expenditure may be authorized only by a finance law. Where a law, an ordinance, a decree or a contract contains provisions that may create or increase State expenditure, such expenditure shall become certain and final only when the corresponding appropriations have been opened in a finance law.

Section 28: State budget expenditure shall be presented in heads as follows:

a. Head-I: Financial costs of debt

- . interests and financial expenses,
- Other interests and bank charges.

b. Head II: Personnel expenditure;

- wages and salaries
- bonuses and allowances
- social insurance contributions
- other personnel expenditure

c. Head III: Expenditure on goods and services:

- purchase of goods;
- procurement of Services;
- repayment of revenue collected;
- routine maintenance of buildings, roads and equipment.

d. Head IV: Transfer expenditure:

- subsidies;.
- transfers.

e. Head V: Capital expenditure:

- intangible assets;
- non-produced assets;.
- procurement, construction and major renovation of buildings;
- procurement of and major repairs on equipment and furniture;
- military equipment,
- equity investments.

f. Head VI: Other expenditure:

Exceptional costs:

- Cancellation of proceeds recognized over previous years;
- sentences and settlements;

- rents- non-produced assets;
- collateral values;
- Other exceptional costs.

CHAPTER II **NATURE AND SCOPE OF BUDGET AUTHORIZATIONS**

Section 29: (1) Budgetary appropriation refers to the maximum amount of expenditure which Parliament authorizes the Government to commit and pay, for a specific purpose, during a financial year.

(2) Budgetary appropriations shall be fixed in the budget adopted as finance law and placed at the disposal of Ministers and other duly accredited public authorizing officers, with the exception of the appropriations of constitutional bodies which are placed at the disposal of the senior authorities of such bodies.

Section 30: (1) Appropriations opened in the State budget for each expenditure shall be grouped by programme of a Ministry, except the appropriations mentioned in Section 31 of this law.

(2) Only a provision of a finance law may create a programme.

(3) A programme shall comprise the appropriations intended to implement an action or a coherent set of actions of the same Ministry, with specific objective defined in line with the general interest as well as expected results. The objectives of each programme shall have results indicators.

(4) As an operational public policy steering framework, a programme may comprise the appropriations of a department, a service, a set of departments or services under the same Ministry.

(5) Under the responsibility of a programme manager appointed in accordance with Section 69 of this law, the effectiveness, economy and efficiency of programmes shall be assessed by control bodies and institutions as well as by the Audit Bench;

(6) The programmes of a specific Ministry shall be outlined in a sector-based or Ministerial strategy paper that is consistent with the medium term framework documents set forth in Section 10 of this law

(7) These documents shall be made public.

Section 31: (1) Budgetary appropriations not broken down into programmes shall be broken down into allocations,

(2) Each allocation shall comprise a set of globalized appropriations intended to cover specific expenditures which, owing to their nature, may not be directly associated with public policy objectives or performance criteria.

(3) The following shall be broken down into allocations:

- appropriations intended for public authorities with respect to each of the constitutional institutions. Such appropriations shall cover expenditure on personnel, goods and services, transfers and investments directly required for the discharge of constitutional duties;
- overall appropriations for incidental and contingency expenses;
- appropriations intended to cover repayment defaults, guarantees by the State or calls for guarantee on imprest, loans and guarantee accounts

Section 32: (1) Appropriations shall be specialized by programme or by allocation.

(2) Within each programme or allocation, allocations shall be fungible. Their presentation by head shall be for information purposes and not compulsory for the budget execution operations of authorizing officers or accountants.

(3) However, appropriations opened within a programme:

- for personnel expenditure may not be increased;
- for capital expenditure may not be reduced.

Section 33: Appropriations opened under the personnel expenditure head shall have authorization ceilings for expenditures paid by the State. Such ceilings shall be specialized by Ministry. The number and breakdown of authorized expenditures for each Ministry may only be modified by a finance law.

Section 34: (1) Appropriations opened in the State budget to cover each expenditure shall comprise commitment authorizations and payment appropriations.

(2) Commitment authorizations shall constitute the upper limit of expenditure that may be committed during a financial year and whose payment may spread over several years, as appropriate.

(3) Payment appropriations shall constitute the upper limit of expenditure that may be paid during the year to cover commitments made under commitment authorizations;

(4) For recurrent expenditure, the amount of commitment authorizations opened shall be equal to the amount of payment appropriations opened.

(5) For an investment operation directly carried out by the State, the commitment authorization shall cover a firm tranche, that is, an individualized unit forming a coherent set which can be put to use or executed without any addition.

(6) Commitment authorizations relating to activities carried out under public-private partnership contracts by which the State entrusts to a third party the financing, construction, maintenance or operation of public service interest facilities shall cover:

- from the year in which the contract is signed, the complete cost of the investments provided for in the contract as well as cancellation or idleness allowances, as appropriate;

- each financial year, the annual operating and financing payment.

Section 35: Subject to the provisions of Section 36 of this law, all commitment authorizations and all payment appropriations as well as authorization ceilings for expenditures paid by the State shall be restrictive.

Section 36: (1) Appropriations relating to State debt expenses shall be evaluative. They shall be opened on a specific programme. The expenditure to which these evaluative appropriations are applicable shall be charged, as appropriate, beyond the appropriations opened.

(2) Parliament shall be immediately informed of the excess evaluative appropriations, These excesses shall be the subject of proposals for the opening of appropriations in the next finance bill relating to the year under review.

(3) The evaluative appropriations may not be the subject of any of the appropriation movements in Sections 37 to 41 of this law.

Section 37: As and when necessary, appropriations opened on the allocation for incidental expenditure shall be distributed among the other programmes by decree issued on the basis of the report of the Minister in charge of Finance.

Section 38: (1) In the course of the financial year, appropriation transfers may modify the distribution of budgetary appropriations between programmes or allocations.

(2) Transfers may modify the distribution of appropriations between programmes of the same Ministry or allocations. The cumulative amount of appropriations transferred within the same year not exceed 2% of appropriations opened by the initial finance law for each of the programmes or allocations concerned. Transfers of payment appropriations for capital expenditure may not lead to an increase in commitment authorizations. They shall be carried out by order of the Minister in charge of finance following the opinion of the Ministers concerned.

(3) Transfers may modify the distribution of appropriations between programmes of different Ministries or amongst allocations insofar as the use of the appropriations thus transferred, for a set purpose, corresponds to the actions of the original programme or allocation. They shall be carried out by decree of the Prime Minister, Head of Government, on the basis of the report of the Minister in charge of finance, on the recommendation of the Ministers concerned.

(4) The transfer orders and decrees shall be communicated to Parliament for information purposes.

Section 39: (1) In the event of an emergency, decrees issued by the Prime Minister, Head of Government, on the basis of the report of the Minister of Finance, following the opinion of the Minister (s) concerned, may open additional appropriations without negatively affecting the budget balance adopted in the last finance law, by cancelling appropriations or recognizing new revenue.

(2) These advance decrees shall be issued within a cumulative ceiling of credits opened which may not exceed 1 % of the appropriations opened by the finance law of the year.

(3) Parliament shall, in the very next finance bill of the year under review, ratify the modifications thus made in the appropriations opened in the finance law.

(4) In the event of an emergency and overriding national interest, additional appropriations which may modify the budget balance set in the finance law, may be opened by an advance decree. A finance bill to ratify these appropriations shall be tabled immediately before Parliament.

Section 40: (1) An appropriation must be cancelled once it becomes irrelevant. The cumulative amount of appropriations thus cancelled may not exceed 1.5% of the appropriations opened by the finance law relating to the current year.

(2) In addition, an appropriation may be cancelled in pursuance of the provisions of Section 63 of this law on budget regulation.

(3) The cancelation of an appropriation shall be decided by decree of the Prime Minister, on the recommendation of the Minister in charge of finance. The decree shall be immediately communicated to Parliament.

Section 41: (1) Subject to the provisions on commitment authorizations, appropriations opened and authorization ceilings adopted for a given year shall not create entitlements for subsequent years.

(2) Commitment authorizations not used at the end of the year shall not be carried forward.

(3) Payment appropriations available for a programme at the end of the year may be carried forward, to the same programme or the same allocation, within the limit of commitment authorizations effectively used but which have not yet given rise to payment.

(4) These carry forwards shall be made by decree of the Prime Minister, Head of Government, by increasing the payment appropriations of the following year, subject to the availability of corresponding financing. This decree, which can only be signed after closing the accounts of the previous financial year, shall be based on the report of the Minister in charge of finance who shall evaluate and justify the revenue that will cover the financing of the carry forwards, without negatively affecting the balance of the authorized budget for the current year.

(5) The decree shall be immediately communicated to Parliament for information purposes.

CHAPTER III **ASSIGNMENT OF REVENUE**

Section 42: (1) Certain incomes may be assigned directly to certain expenditures, notably where there is a real economic link between the given revenue and the expenditure that it finances or where a donor wishes to allocate financing to a specific objective.

(2) Such assignments shall take the form of annex budgets, special accounts or specific procedures within the general budget, an annex budget or special account.

Section 43: (1) Annex budgets may, under the conditions provided for in a finance law, show the transactions of State services not endowed with a legal personality resulting from their goods production or service provision activity giving rise to payment of royalties, where such

services are the main producers and providers.

(2) The creation of an annex budget and the assignment of revenue to an annex budget may result only from a provision of the finance law.

(3) Subject to specific rules set forth in this Section, annex budget transactions shall be provided for, authorized and executed under the same conditions as those of the general budget.

(4) Revenue estimates and expenditure forecasts in an annex budget shall be for information purposes.

(5) Annex budgets shall be presented and executed in a balanced form. However, the finance law may authorize an overdraft on an annex budget for a limited period, under the conditions and limits laid down by the finance law. Except otherwise provided for in a finance law, the balance of each annex budget shall be carried forward to the next financial year.

(6) Annex budgets shall be presented in two sections:

- the section on recurrent transactions shall show current management of revenue and expenditure;
- the section on capital transactions shows revenue and expenditure relating to investment transactions and debt variations.

(7) Their budgetary nomenclature shall be based on the general chart of accounts.

(8) Annex budgets may comprise one or several programmes.

(9) None of the movements of appropriations provided for in Sections 37 to 41 of this law may be carried out between the general budget and an annex; budget.

Section 44: (1) Special accounts may only be opened by a finance law. Special accounts shall comprise special appropriation funds and trade accounts.

(2) The assignment of revenue to a special account may only result from a provision of a finance law.

(3) All special accounts contribute to achieving the objectives of one or several programmes.

Section 45: Except for the case referred to in Section 50 of this law, it shall be forbidden to directly charge to a special account expenditure relating to salaries, wages, allowances and benefits of all kinds to personnel.

Section 46: (1) Subject to the specific rules laid down in Sections 47 and 48 of this law, special account transactions shall be provided for, authorized and executed under the same conditions as those of the general budget. Except otherwise provided for in the finance law, the balance of each special account shall be carried forward to the following year.

(2) None of the movements of appropriations provided for in Sections 37 to 41 in this law may be

carried out between the general budget and a special account.

Section 47: (1) Special appropriation accounts shall, under conditions provided for by a finance law, show budgetary transactions financed with specific revenues which, by nature, have a direct link with the expenditure concerned.

(2) The revenue of a special appropriation account may be supplemented with transfers from the general budget not exceeding 10% of the initial appropriations of each account.

(3) Unless otherwise stated in a finance law, no transfer may be made into the general budget, an annex budget or a special account from a special appropriation account.

(4) During a financial year, total expenditure paid under a special appropriation account shall not exceed total revenue recognized. Where, in the course of the year, effective revenue exceeds finance law estimates, additional appropriations may be opened by order of the Minister in charge of finance within the limit of this surplus.

(5) Payment appropriations available under a special appropriation account at the end of the year may be carried forward to the following year within the limits of the cash surplus established, where applicable, at the end of the financial year under the special appropriation account concerned.

Section 48: (1) Trade accounts shall show industrial and commercial transactions carried out as a subsidiary activity by State services not endowed with legal personality. Trade account revenue estimates and expenditure forecasts shall be for information purposes.

(2) Trade accounts shall be presented and executed in a balanced form. However, the finance law may authorize a trade account overdraft for a limited period under conditions and limits laid down by the finance law.

Section 49: (1) Specific procedures to ensure the direct assignment of revenue to an expenditure shall be grants-in-aid, the allocation of proceeds and the reinstatement of appropriations.

(2) Support funds shall be built through non-tax revenue paid by natural or legal persons, notably international donors, to help in financing public interest expenditures and through the proceeds of legacies and donations to the State.

(3) Support funds shall be directly included as revenue in the general budget, the annex budget or the special account concerned. An additional appropriation of the same amount shall be opened by order of the Minister in charge of finance on the programme or allocation concerned. Support fund revenues shall be provided for, assessed and authorized by a finance law. The use of such funds must conform to the intention of the paying party. To this end, a decree issued at the behest of the Minister in charge of finance shall spell out the rules of use of support fund appropriations.

(4) Revenue generated from the remuneration of services duly rendered by a State entity may, by decree issued at the behest of the Minister in charge of finance, be subject to proceeds allocation procedure, The rules relating to support funds shall be applicable thereto, Credits

budgeted within the framework of this procedure shall be assigned to the entity concerned.

(5) The following may give rise to the reinstatement of appropriations under the conditions laid down by order of the Minister in charge of finance:

- revenue from the restitution to the State of sums paid unduly or provisionally on budgetary votes;
- revenue from sales between State services which give rise to payments on budget appropriations.

Section 50: Funds provided by international donors in the form of grants which, as an exception to Section 3 of this law and as a transitional measure, cannot be included in the revenue of the general budget, shall be managed:

(a) either, for regular financing, in special appropriations accounts opened per group of investment projects, pooling together funding from one or, where necessary, several international donors. As an exception to the provisions of:

Section 45 of this law, expenditure on personnel salaries, wages, bonuses and sundry allowances may be charged to these special appropriations accounts;

Section 47 of this law, these special appropriations accounts may be increased without limits by a budgetary appropriation inscribed in the State budget as national contribution.

Each of these special appropriations accounts shall be under the responsibility of the Minister in charge of implementing the programme to which such funds are related.

(b) or, for ad hoc transactions, by attachment to support funds.

CHAPTER IV **CASH AND FINANCING INCOME AND EXPENSES**

Section 51: Cash and financing income and expenses of the State shall come from the following operations:

- State cash flows;
- discount and redemption of sundry bills issued to the benefit of the State;
- management of funds deposited by Treasury correspondents;
- issuance, conversion, management and repayment of loans and other debts of the State including Treasury bills and bonds. Cash resources and expenses related to these operations may comprise neither emoluments nor discounts of the issuance;
- collection of proceeds from the disposal of assets;
- management of loans and advances granted by the State.

Section 52: With the exception of the management of loans and advances granted by the

State, operations provided for in Section 51 above shall be carried out in accordance with the following provisions:

- State funds shall be invested following the annual authorizations provided for under the finance law of the year;
- no overdraft may be granted to Treasury correspondents;
- save where expressly provided for by a finance law, public establishments of the State, regional and local authorities and their public establishments shall be bound to deposit all their funds with the public Treasury;
- issuance, conversion and management of loans shall be done pursuant to annual authorizations by the finance law of the year. Save where expressly provided for by a finance law, loans issued by the State shall be denominated in CFA francs. Payment of loans shall be executed in accordance with the issuance contract;
- disposal of assets shall be done following the annual authorizations provided for by the initial finance law.

Section 53: Operations relating to the management of State loans and advances shall be carried out in accordance with the following provisions:

- a. Loans and advances may be granted by the Minister in charge of finance to communities or persons governed by Public Law within the limit of the authorization given each year to this effect in the finance law and for a fixed period which shall not exceed five (5) years;
- b. These operations shall be recorded in a loan account. A separate -account should be opened for each debtor or category of debtors;
- c. Loans and advances shall be granted with an interest rate which may not be lower than that paid by the State for borrowings and securities on the bond market with the same maturity or, failing that, with a shorter maturity. The amortization amount in capital of loans and advances shall be included as revenue in the account concerned. Interest collected shall be included as revenue in the general budget.
- d. Any loan maturity which is missed on the due date shall be subject, depending on the situation of the debtor, to:
 - either a decision of immediate recovery or, failing which, legal action should be commenced no later than a period of six months;
 - or a rescheduling decision which shall be, published in the Official Gazette;
 - or the acknowledgement of probable loss, subject to a specific provision of the finance law and charged to the result of the financial year. Any payments made subsequently shall be included as revenue in the general budget.

Section 54: (1) Within a limit and under the conditions laid down in a finance law, the State may provide its financial guarantee or cover to loans of less than five years issued by a public

or corporate body governed by public law. This five- year limit shall not be applicable to State guarantees on loans granted by international donors.

(2) These guarantee and coverage operations shall be recorded in a guarantee account. A separate account shall be opened for each beneficiary or category of beneficiaries.

(3) Once a serious risk of triggering the guarantee or cover appears, appropriations shall be made to the tune of such risk within the allocation provided for in Section 31 of this law. Expenses relating to the triggering of State guarantee and cover shall be budgetary operations.

(4) Guarantees and covers shall be provided by decree at the behest of the Minister in charge of finance.

PART IV STATE BUDGET PREPARATION AND ADOPTION

CHAPTER I PREPARATION OF THE DRAFT BUDGET

Section 55: (1) Under the authority of the President of the Republic and coordinated by the Prime Minister, Head of Government, the Minister in charge of finance shall oversee the preparation of the State annual budget and finance bills which shall be adopted in a Cabinet meeting.

(2) Finance bills shall be drafted following a schedule and under conditions laid down by regulation.

Section 56: (1) Each year, the initial finance bill shall be prepared pursuant to the presidential circular which, on the proposal of the Minister in charge of finance:

- fixes the macroeconomic framework based on prudent and credible assumptions and within the overall amount of revenue and expenditure fixed in the medium term budgetary framework defined in Section 10 of this law;
- determines budget priorities and expenditure standards for requests of appropriations by Ministries in accordance with the medium term expenditure framework provided for in Section 10 of this law;
- lays down the procedure for the presentation and arbitration of requests for appropriations as well as their timing.

(2) At the behest of the Minister in charge of finance, the Prime Minister, Head of Government shall carry out arbitration on the expenditure and revenue upon which Ministers have not reached an agreement.

CHAPTER II ADOPTION OF THE BUDGET

Section 57: (1) The initial finance bill, including the report and explanatory appendices provided for in Sections 14 and 15 of this law, shall be tabled before Parliament latest fifteen

(15) days to the opening of the budget session.

(2) The finance bill shall be defended by the Minister in charge of finance.

(3) The finance bill may be considered in a house of Parliament only after the vote by such a house, at first reading, of the settlement bill relating to the fiscal year preceding that of discussion of the said finance bill.

Section 58: Private members' bills or amendments which, if adopted, could lead to either a reduction of State resources or an increase in public expenditure without a corresponding reduction of other expenditures or the creation of new revenues of equal proportion in accordance with the provisions of Section 13 above, shall not be admissible.

Section 59: (1) The finance law shall be debated and voted per section in its first and second parts.

(2) The second part of the initial finance law and, where necessary, of revised finance bills may be debated in Parliament only after the passing of the first part

Section 60: (1) Revenue allocations shall be voted jointly for the general budget, annex budgets and special accounts.

(2) Cash and financing income and expenses shall be subject to a single vote. However, each loan or guarantee account shall be subject to a separate vote.

(3) Deliberations on general budget appropriations shall be voted by programme or by allocation. Voting shall, where necessary, be on commitment authorizations and payment appropriations.

(4) Expenditure authorization ceilings shall be voted by Ministry.

(5) Appropriations of annex budgets and special accounts shall be voted by annex budget or by special account.

Section 61: (1) Revised finance bills shall be tabled before Parliament upon approval by a Cabinet meeting.

(2) The settlement bill and its appendices shall be tabled no later than the 30th day of September of the year following the fiscal year to which it relates.

(3) Parliament shall scrutinize the settlement bill at the very first session following its tabling.

PART VPRINCIPLES RELATING TO THE EXECUTION OF THE STATE BUDGETCHAPTER IEXECUTION

Section 62: (1) Once the initial finance bill is enacted into law, the budget appropriations voted shall, by order of the Minister in charge of finance, be placed at the disposal of heads of institutions provided for by the constitution and fine Ministers.

(2) The closure dates for commitments and authorisations on the State budget shall be fixed by the Minister in charge of finance.

Section 63: (1) The Minister in charge of finance, in conjunction with line Ministers, shall see to the proper execution of the finance law and compliance with budget balances set in pursuance of Section 13 of this law. As such, in order to avoid a deterioration of such balances, the Minister in charge of finance shall have budget regulation powers, which enable him to determine the pace of consumption of votes, depending on the cash position of the State.

(2) Where the cash position or prospects so require, he may, in the course of the financial year:

- temporarily suspend the use of certain appropriations by issuing instructions to the financial controller with a copy to the authorizing officer;
- cancel certain appropriations by order, a copy of which shall be immediately forwarded to Parliament.

Section 64: (1) State budget execution operations shall devolve on authorizing officers, financial controllers and public accounting officers.

(2) The functions of authorizing officer and those of public accounting officers shall be and shall remain separate and incompatible in matters of revenue and expenditure execution.

Section 65: The authorizing officer shall be any person appointed by the State to ensure the execution of revenue *and* expenditure inscribed in the State budget.

Section 66: (1) With respect to expenditure, there are three categories of authorizing officers:

- Principal authorizing officers;
- Secondary authorizing officers;
- Delegated authorizing officers.

(2) Principal authorizing officers of the State budget shall be Ministers or persons ranking as such and heads of institutions provided for by the Constitution.

(3) Secondary authorizing officers shall be heads of devolved State services who receive expenditure authorizations from principal authorizing officers.

(4) Delegated authorizing officers shall be officials appointed by principal or secondary authorizing officers for the execution of specific budget expenditure items. Such delegation shall be in the form of an administrative decision issued by the principal or secondary authorizing officer.

Section 67: With respect to revenue, the Minister in charge of finance shall be the sole principal authorizing officer of revenue. He may delegate the power to other Ministers or persons ranking as such as well as staff of the tax administration.

Section 68: The Minister in charge of finance shall be responsible for the centralization of the budgetary operations of authorizing officers with a view to producing accounts relating to the execution of finance laws.

Section 69: (1) The programme manager shall be appointed by the relevant line Minister. The appointment instrument shall specify the conditions under which the powers of the authorizing officer shall be delegated to the programme manager, as well as the terms and conditions for managing the programme. The appointment instrument shall be forwarded to the Minister in charge of finance for information.

(2) On the basis of the general objectives set by the Minister, the programme manager shall determine specific objectives, assign the necessary means and control the performance of services in charge of implementation of the programme, under his responsibility. He shall ensure compliance with internal control and management control mechanisms.

(3) The programme manager may modify the distribution of votes within his programme pursuant to the provisions of Section 32 of this law. In such case, his fine Minister shall inform the Minister in charge of finance upon an opinion of the financial controller.

Section 70: (1) A financial controller shall be assigned to principal and secondary authorizing officers placed at the head of devolved services.

(2) The financial controller shall be responsible for prior controls by affixing the budget operations endorsement stamp on expenditure requests forwarded to him by the Minister or his delegated authorizing officers following the procedures laid down by the minister in charge of finance.

(3) Refusal of the endorsement stamp may be overruled only by a written authorization of the Minister in charge of finance. In such case, the minister in charge of finance assumes responsibility in lieu of the financial controller.

(4) The financial controller shall, on behalf of the Minister in charge of finance; centralize the budget operations of authorizing officers to whom they are assigned.

(5) The financial controller shall give an opinion on the sincere and sustainable nature of expenditure commitment plans.

Section 71: (1) Public accounting officers shall be public employees exclusively responsible for the collection, custody and handling of funds and securities, as well as the keeping of accounts of the State and other public entities.

(2) The payment of State expenses shall be the exclusive responsibility of the public accountant or any staff personally appointed by him, and acting under his control and direct responsibility.

(3) Prior to each payment, the public accountant shall crosscheck the validity of the claim and the definitive nature of the payment. Otherwise, he may not make the payment.

(4) All State revenues shall be collected by a public accountant, who is bound to take all necessary steps to redeem duly established revenue vouchers.

(5) The categories, responsibilities and duties of public accountants shall be defined by the General Public Accounting Regulations.

Section 72: (1) For low-risk expenditures, checks carried out by financial controllers and public accountants may be modulated, under the conditions laid down for each Ministry, by the Minister in charge of finance.

(2) The functions of financial controller and public accounting officer may be held concurrently.

CHAPTER 2 ACCOUNTING

Section 73: (1) The State shall keep budgetary accounts meant to ensure Government's compliance with Parliamentary authorization, and financial accounts meant to measure the evolution of the State's assets.

(2) In addition, the State shall keep accounts meant to analyse the costs of various activities undertaken or services rendered within the framework of programmes as well as accounts of stores values and securities.

(3) Government accounts shall comprise results of budgetary accounts and those of financial accounts. They must be regular, genuine and give a true image of the budget execution and the evolution of the State's patrimony and its financial standing.

Section 74: (1) Budgetary accounting shall show the budget execution operations from the commitment to the payment phases. It shall be kept in a single entry by the authorizing officer and- the accountant, each in his own sphere, in accordance with the budgetary nomenclature of the finance law for the year concerned.

(2) The recording of budgetary revenue and expenditure shall respect the following principles:

- revenues shall be included in the budget of the year in which they are collected by a public accounting officer;

- expenditures shall be included, both at the time of their commitment and payment, in the budget of the year of commitment by authorizing officers then paid by public accounting officers;

- all expenditures shall be charged to the votes of the year concerned irrespective of the date of the claim.

(3) The authorizing officer shall keep an auxiliary budgetary account of revenue clearances and issuances on the one hand and an auxiliary budgetary account of expenditure clearances and authorizations on the other.

(4) The public accountant shall keep an auxiliary budget account of income collected, on the revenue side, and payments made, on the expenditure side. This helps to show outstanding receivables and payables.

(5) However, budgetary expenditure committed and executed during the financial year may be paid after the end of the financial year, within a supplementary period which may not exceed 30 (thirty) days. Moreover, where an amended finance law is enacted during the last month of the calendar year, the revenue and expenditure operations thereto provided for may be executed during this supplementary period.

Section 75: (1) General accounting shall be based on the principle of acknowledgement of rights and obligations. Transactions shall be considered in the year to which they relate, independently of their date of payment or collection. It shall be kept in double entry on the basis of a general accounting plan.

(2) Rules applicable to the general state accounting shall be drawn from established international accounting standards. They shall be aimed at drawing up the general state account comprising:

- the trial balance;
- the net position or balance sheet or a statement showing the State's financial assets and liabilities;
- the profit and loss account;
- the cash flow statement;
- the table of government's financial operations;
- the annex to the financial statements.

(3) The Minister in charge of finance shall avail sector Ministers with all relevant accounting information in order to help them control their budget and improve management.

Section 76: Public accounting officers shall be responsible for the keeping of State accounts in accordance with accounting principles and rules. They shall notably ensure the accuracy of accounting entries and compliance with procedures.

Section 77: (1) Cost accounting shall be aimed at highlighting the cost elements of actions committed within the framework of programmes for the implementation of public policies.

(2) It shall be instituted at the level of authorizing officers.

(3) The terms and conditions for its implementation shall be laid down by regulation.

Section 78: (1) Stores, values and securities accounting shall involve permanent inventory of accounts in order to describe existing movable and immovable property, stocks and inactive values other than funds and administrative archives belonging to the State.

(2) It shall be for authorizing officers.

(3) The terms and conditions for its implementation shall be laid down by regulation.

CHAPTER III **TREASURY OPERATIONS**

Section 79: (1) Public resources shall be, irrespective of their nature and source, collected and managed by public accounting officers. They shall be placed and kept in a single account opened in the name of the-Treasury at the Bank of Central African States.

(2) This single account, which can comprise sub-accounts, may not show a debit balance.

(3) Public expenditure shall be paid from the single account, on the order of public accounting officers.

(4) No account may be opened by a public entity in commercial banks, except with the express authorization of the Minister in charge of finance, under the circumstances and conditions determined by decree.

(5) Funds kept by public accounting officers shall be managed in accordance with the single account principle.

Section 80: (1) A yearly cash plan, established on a monthly basis, comprising notably a commitment plan shall be drawn up and appended to the finance law of the year.

(2) It shall be regularly updated by the Minister in charge of finance who shall publish, after every three months, the cash position and the budget implementation status.

CHAPTER IV **MANAGEMENT OF DEVELOPMENT PARTNERS' RESOURCES**

Section 81: This law shall set out rules governing the execution, accounting, cash management and control of donors' resources, be they international organizations or foreign States, as well as the responsibilities and sanctions regime applicable to employees in charge thereof.

Section 82: (1) However, where as an exception to Section 3 of this law and, as a transitional measure, a finance law provides for a special appropriations account or Institutes a support fund for the management of donors resources, the said finance law may provide for the following derogations:

- expenditure commitment and authorization under these resources may be assigned to one

or several persons specifically appointed by agreement between the Minister to whom the special appropriations account is related, the Minister in charge of finance and the relevant donor(s). These persons shall be bound by the same periodic financial reporting obligations as employees in charge of the execution of the State budget;

- collection and payment transactions made by public accountants may be subjected to counter signing by representatives of the relevant donor (s);

- donors' resources may be managed in a subaccount of the Treasury single account at the Bank of Central African States opened in the name of the abovementioned public accountant. The conditions for operating the sub-account shall be fixed by a decision of the Minister in charge of finance as agreed with the relevant donor(s);

- operations, activities and accounts under these resources may be subjected to a specific audit ordered by the relevant donor(s) and conducted jointly with the control bodies referred to in Part VI of this law.

(2) Modalities for the implementation of Section 82(1) of this law shall be specified in the financing agreements negotiated and signed with international donors and appended to the finance law.

PART VI **CONTROL**

Section 83: (1) Transactions relating to the execution of the finance law shall be controlled at three levels: parliamentary, administrative and judicial.

(2) These controls may, depending on their design or circumstances be consistency or performance controls.

(3) They may be done a priori, during implementation or a posteriori and shall be instituted for authorizing officers, public accountants and all managers of public resources.

CHAPTER I **ADMINISTRATIVE CONTROL**

Section 84: (1) Administrative controls shall comprise:

- Control of employees by management, which, if need be, may be exercised within a disciplinary context;

- internal control, which involves all procedures and methods enabling management to ensure the proper functioning of services, notably proper risk management;

- control as carried out by control institutions and organs;

- financial and accounting control as set out in Sections 70 to 72 of this law.

(2) A consistency and performance control as well as the audit missions of the management of public administration, public enterprises, public establishments, as well as private bodies which have received State subsidy, support or guarantee or any other corporate body governed by public law, shall be conducted by the relevant specialized services of the Executive.

(3) The terms and conditions for organizing administrative controls shall be laid down by regulation.

CHAPTER II **PARLIAMENTARY CONTROL**

Section 85: (1) Without prejudice to overall parliamentary control duties, parliamentary control shall be exercised during the consideration of the finance bill, in accordance with the provisions of Sections 57 to 61 of this law and shall also seek to ensure the proper execution of the finance law.

(2) Parliamentary commissions in charge of finance shall designate each year, at the opening of the first ordinary session of the legislative year, a general rapporteur for revenue and special rapporteurs in charge of expenditure and control of the use of public funds, including the use of funds from donors.

(3) Notwithstanding their other duties, the special rapporteurs referred to in Section 85 (2) above shall be empowered to conduct on-the-spot control of documents. They shall have access to all documents, excluding those involving national defence, investigation and medical secret.

(4) Parliament may designate commissions of inquiry on an issue concerning public finances, for a period not exceeding six months. This period may be renewed as and when necessary.

(5) Such commissions shall be vested with the powers referred to in the Section 85 (3), and under the conditions provided for by the law, they may be assisted by persons of their choice and may conduct hearings. With the exception of the President of the Republic, the persons summoned for cross-examination shall be bound to appear before the commissions. Any impediment to the functioning of a commission shall be deemed to be an obstruction to the execution of a public service duty.

(6) The commissions shall be bound to forward to the judicial authorities, any offence likely to entail a criminal penalty which they are aware of. They may refer to the body in charge of budgetary discipline.

(7) They shall draw up a report at the end of their deliberations. This report may be debated upon but not voted in Parliament.

(8) Government shall table before Parliament for information and control, quarterly reports on the execution of the budget in revenue and in expenditure, as well as on the implementation of the finance law. These reports shall be made available to the public.

(9) Parliament may rely on the Audit Bench for Parliamentary control. In this regard,

Parliamentary commissions in charge of finance may request the Audit Bench to conduct enquiries on the management.

CHAPTER III **JUDICIAL CONTROL**

Section 86: (1) Judicial control of the budgetary and accounting transaction of public administrations shall be conducted by an Audit court.

(2) Members of this court shall have the status of magistrates. It shall be independent vis- à-vis the Government and Parliament and autonomous in the discharge of its duties. It shall alone decide on the publication of its recommendations, decisions and reports.

(3) Its missions shall be as follows:

- assist Parliament in controlling the execution of the finance law;
- certify the consistency, sincerity and faithfulness of the general State account;
- judge authorizing officers, financial controllers and public accountants in accordance with the provisions of sections 87 and 88 of this law;
- control the financial legality and budgetary compliance of all State revenue and expenditure operations. In that regard, it shall acknowledge irregularities and management errors committed by public employees and shall determine, if need be, the amount of the resulting prejudice to the State. It may also pronounce sanctions;
- assess the economy, efficiency and effectiveness of the use of public funds with regard to set objectives, resources used and results obtained as well as the relevance and reliability of methods, indicators and data which help to measure the performance of policies and public services.

(4) It may also, at the request of Government or Parliament, conduct enquiries and analyses on any budgetary, accounting and financial matter.

(5) In the performance of its missions, the Audit Bench may solicit the assistance of the Audit Bench of the Economie and Monetary Community of Central Africa in accordance with sub regional treaties and conventions.

PART VII **RESPONSIBILITIES AND PENALTIES**

CHAPTER I **RESPONSIBILITIES**

Section 87: (1) In case of mismanagement stipulated in Section 88 of this law, all authorizing officers, in the exercise of their duties, shall be liable to the penalties set out in the laws and regulations in force, notwithstanding the sanctions pronounced by the Audit Bench.

(2) Financial controllers may also be prosecuted and sanctioned, like authorizing officers, if the offences committed by the authorizing officers they were supposed to control were as a result of weak control on their part.

(3) Any official of a public body, representative, administrator or employee of an entity subject to any such control by the Audit court as well as any person liable for either of the offences mentioned in section 88 of this law may be sanctioned for a management error.

Section 88: (1) Mismanagement shall be any act, omission or negligence committed by any employee of the State, local and regional authority or public body, by any representative, administrator or employee of an entity, expressly contrary to the general interest.

(2) Management errors shall notably comprise:

- breach of rules relating to the execution of revenue and expenditure of the State and other public entities;
- serious and repeated breach of the rules for recording the proceeds and charges applicable to the State and other public entities;
- breach of the rules relating to the management of property belonging to the State and other public entities;
- the act, by any person in the exercise of his functions or duties, of infringing national regulatory or legislative provisions intended to guarantee free and equal access of bidders in public contracts;
- the act, of causing sanction of a corporate body governed by public law or private law in charge of the management of a public service due to the total, partial or late execution of a court judgment;
- the act, for any person in the conduct of his functions or duties, of causing prejudice to the State or public entity by actions expressly incompatible with the interests of the State or entity by serious lapses in controls incumbent on him or repeated omissions or negligence in his management;
- negligence in the management of the budget, follow-up of votes, implementation of expenditure as well as clearance of revenue;
- downright lack of foresight as a result of the consumption of votes for expenditure whose interest is secondary, at the detriment of expenditure which is indispensable and of priority to the service;
- pursuit of objectives which are obviously remote from the missions and attributions of the service;
- implementation of means which are obviously disproportionate or unsuitable for the objectives of the service.

CHAPTER II
PENALTIES

Section 89: (1) Notwithstanding the penalties meted out by other courts, mismanagement shall be punished notably by fines of the Audit Bench.

(2) Any sanction pronounced by the Audit Bench shall be reasoned, otherwise it shall be deemed to be null and void.

(3) The amount of fines shall be determined depending on the prejudice caused to the State or other public bodies as well as the gravity of the error committed and possible reiteration of proscribed practices. It shall not exceed the equivalence of one year of the salary of the person concerned.

(4) The regime of sanctions other than fines shall be defined by the laws and regulations in force.

(5) All sanctions pronounced by the Audit Bench shall be determined individually for each of the persons mentioned in section 86 above, in respect of the rights to defence. All sanctions shall be reasoned.

(6) Mismanagement shall be prescribed at the end of the fifth year following the offence.

Section 90: (1) Public accountants shall be personally responsible for the management of funds and securities placed under their charge.

(2) Each year, they shall render account to the Audit Bench of the proper keeping of their books as well as proper custody of funds and values.

(3) In case where the accounts rendered show inconsistencies or cash shortages, the Audit Bench, after having heard the accounting officer concerned, shall give an order which shall fix the amount to be paid by the accounting officer to the State or public entity concerned, taking into account the prejudice suffered by the community, as well as the circumstances of the offence.

(4) In addition, depending on the gravity of the offence committed, it may impose a fine on the defaulting accounting officer in the double limit of the amount mentioned above and a year of the accounting officer's salary.

(5) Inconsistencies and inadequacies noticed in the management of funds and securities mentioned in Section 90 (1) above shall be prescribed at the end of the fifth year following the commission of the offence.

Section 91: (1) Decisions of the Audit Bench taken in pursuance of Sections 86 to 89 of this law shall, subject to the exhaustion of means of redress, automatically be enforceable.

(2) No authority may bar an action thereto.

Section 92: (1) Regulatory instruments shall supplement and specify, if need be, the terms and conditions of implementation of this law, notably:

- General Regulation on Public Accounting;
- State Chart of Accounts;
- State Budgetary nomenclature;
- State Financial Flows Chart.

(2) Provisions concerning the following shall take effect as from 1st January 2022: management of external financings (Sections 81 and 82);

- budgeting of expenses (Section 33);
- cost accounting (Section 77);
- the modulation of control (Section 72);
- patrimonial accounting (Section 75).

(3) During the abovementioned deadlines, the rules in forces shall continue to apply on issues relating to the abovementioned provisions whose application shall be deferred.

Section 93: This law shall be registered, published according to the procedure of urgency and inserted in the *Official Gazette* in English and French.

Yaounde, 11 July 2018

**(signed) Paul Biya,
President of the Republic**

Law No. 98/013 of 14 July 1998 Relating to Competition

The National Assembly deliberated and adopted, The President of the Republic hereby enacts the law set out below:

PART I GENERAL PROVISIONS

Section 1.- This law defines the conditions of competition on the domestic market.

Section 2.- (1) The provisions of this law shall apply to all sectors of the national economy, to the production and/or the marketing of products and services in the national territory by natural persons or public, semi-public or private corporate bodies.

(2) They shall equally apply, where the effects of anticompetitive practices caused by enterprises located outside the national territory are felt on the domestic market, subject to agreements and treaties binding Cameroon on the host country of the said enterprises.

PART II ANTICOMPETITIVE PRACTICES

Section 3.- All practices whose aim is to check, distort or significantly restrict competition on the domestic market shall be forbidden.

Section 4.- (1) The prohibition stipulated in Section 3 above shall apply to anticompetitive practices carried out within the framework of:

- relations between competitors or potential competitors operating at the same level of production or marketing;
- relations between non-competing enterprises operating at different levels of the production and/or marketing chain;
- unilateral measures taken by an enterprise or a group of enterprises having a dominant position on the market.

2) The anticompetitive practices referred to in subsection 1 above shall be those arising from:

- agreements and arrangements between enterprises;
- abuses by an enterprise or a group of enterprises in a dominant position;
- mergers and acquisitions.

CHAPTER I ANTICOMPETITIVE AGREEMENTS

Section 5.- (1) Agreements and arrangements between natural persons and/or corporate bodies with commercial autonomy with a view to:

- fixing prices, tariffs, scales of charges or discounts, or preventing the fixing of such prices, tariffs, scales of charges or discounts;
- limiting production capacities and quantities manufactured, sold, stored, leased or transported;
- jointly fixing the conditions of bidding in a call for bids with without informing the person who launched the said call for bids, shall be prohibited.

(2) Agreements and arrangements with a view to eliminating or considerably restricting competition on the market either by preventing access to a market or by sharing in any way whatsoever buyers or suppliers on a market, shall also be prohibited.

Section 6.- However, the above mentioned agreements and arrangements may not be

prohibited as provided by Article 5 above under the following conditions:

- a) where they have been previously notified to the National Competition Committee referred to in Section 21 of this law;
- b) where the National Competition Committee concludes that such agreements and arrangements clearly help to enhance economic performance by:
 - reducing the prices of the good or service concerned in the agreement or arrangement;
 - considerably improving the quality of the said good or service;
 - improving efficiency in the production or distribution of such good or service.

Section 7.- (1) The special dispensation referred to in Section 6 above shall be granted only where there is proof that the net contribution to efficiency cannot be achieved in the absence of the agreement or arrangement called in question and that the said agreement or arrangement is less restrictive to competition than other agreements or arrangements which give rise to the same enhancement of efficiency.

(2) The onus of proof of enhancement referred to in subsection (1) above shall rest with the parties to the agreement or arrangement.

Section 8.- (1) The agreement and arrangement referred to in Section 5 above shall be sanctioned only where it has been established that such agreement and arrangement reduce market competition.

(2) The following shall not constitute sufficient proof of the existence of an agreement or arrangement:

- similarity of prices and sales conditions;
- alignment with the prices or sales conditions of another competitor, even such prices or sales conditions result from an agreement or arrangement.

Section 9.- (1) The practices referred to in Section 5 above shall be null and void and shall not be demurable either to the parties to the agreement or arrangement or to third parties or even to the contracting parties. Any interested party may seize the authority in charge of competition with a view to abolishing the said practices.

(2) The abolition referred to in subsection (1) above may relate solely to the special term of the agreement and arrangement which introduces the practices which are the object of the complaint.

CHAPTER II **ABUSES BY AN ENTERPRISE OR A GROUP OF ENTERPRISES** **WITH A DOMINANT MARKET POSITION**

Section 10.- For purposes of applications of the law, the dominance of an enterprise shall be determined inter-alia by:

- its market share;
- its technological edge over the other competitors;
- obstacles of all kinds which it raises to block the entry of new enterprises into the market.

Section 11.- (1) An enterprise or a group of enterprises takes advantage of its dominant position on the market when it indulges in practices which significantly restrict competition on the said market.

(2) To this end, the enterprise;

- adopts measures which aim at preventing a rival enterprise from setting up in the market or at ousting the said competition;
- exerts pressure on distributors in order to prevent them from selling the products of its rivals;
- indulges in actions which aim to raise the production costs of its rivals.

Section 12.- Where the practices of an enterprise which is in a dominant position aim at improving economic performance especially through the reduction of production or distribution costs, such practices shall not be considered improper even if they result in the elimination of competitors, the curbing of their activities or the limitation of market access possibilities for new

enterprises.

Section 13.- Any case of abuse of a dominant position may be referred to the National Competition Committee only where the practice has been going on for less than 24 (twenty-four) months. Chapter III Mergers and acquisition of enterprises.

CHAPTER III **MERGER AND ACQUISITION OF ENTERPRISES**

Section 14.- (1) Economic operators may freely engage in mergers and the acquisition of enterprises in order to improve the competitiveness of goods and services sold on the domestic and foreign markets.

(2) However, where a merger or acquisition of enterprises reduces competition or seems likely to have this effect, such merger or acquisition shall be prohibited, subject to the cases provided for in Section 17 below.

Section 15.- Within the meaning of this law: a) merger means any transfer of the property of one or more companies to another which gives rise to a new company or to the absorption of the company transferring its property; b) acquisition means any total or partial transfer of the shares, assets, rights and obligations of one or more companies to another company which enables the latter to exercise control over all or part of the activities of the transferring companies.

Section 16. - The following factors shall be taken into account in the appreciation of the anticompetitive nature of a merger or an acquisition:

- obstacles to the entry of new competitors in to the market, notably tariff and non-tariff barriers on imports;
- the degree of competition between the autonomous decision-making centres in the market;
- the eventuality of the disappearance from the market of an enterprise which is party to the merger or acquisition, or the assets transferred.

Section 17. - Any merger or acquisition which seriously undermines, or is likely to seriously undermine competition may be permitted where the parties to the merger or acquisition prove to the National Competition Committee that:

- a) the merger has improved or will improve the performance of the national economy in a way that outweighs the negative effects of the merger or acquisition on market competition;
- b) the said performance would not be achieved without the merger or acquisition.

Section 18.- Enterprises intending to engage in a merger or an acquisition transaction and whose joint turnover and those of affiliated enterprises taken separately exceed the ceiling set by order of the Minister in charge of competition on the proposal of the National Competition Committee must declare their intention to merge to the said Committee and may carry out their transaction only after a period of 3 (three) months with effect from the date of reception of the declaration by the committee.

Section 19.- (1) Where in the course of the 3 (three) months referred to in Section 18 above, the National Competition Committee is unable to give a final ruling on the declaration for want of information which must be solicited within the 30 (thirty) days following the date of declaration, it shall notify the enterprises declaring the merger or acquisition, of its provisional ruling. It shall behove the enterprises to comply with the provisional ruling which shall not be in effect beyond 6 (six) months from the date of declaration of the merger or acquisition to the Committee. Upon expiry of this period, the fusion or merger shall be considered authorized.

(2) The request for supplementary information referred to in subsection 1 above must be given consideration within the 30 (thirty) days following notification of the enterprises concerned.

Section 20.- A case of merger or acquisition which seriously undermines competition may be referred to the National Competition Committee only if it has been in existence for less than 24 (twenty-four) months.

PART III **NATIONAL COMPETITION COMMITTEE**

Section 21.- A National Competition Committee is hereby set up. The composition and functioning of the Committee shall be defined by statutory instruments.

Section 22.- The National Competition Committee shall be an ancillary organ of the ministry in charge of competition. It shall:

- examine and give an opinion on all matters relating to competition policy in Cameroon, especially on draft legal and statutory instruments likely to influence competition on the domestic market;
- identify, control and, where applicable prosecute and punish anticompetitive practices defined in this law;
- provide expert opinion and the assistance necessary to make a court ruling on competition.

PART IV **OFFENCES AND PENALTIES**

CHAPTER I **OFFENCES**

Section 23.- The anticompetitive practices referred to in Part II above shall constitute offences against the provisions of this law where they seriously undermine or threaten to undermine competition.

CHAPTER II **PENALTIES**

Section 24.- Offences against the provisions of this law shall result in either fines or orders to stop the offending practice and may be accompanied by a binding order and payment for damages.

Section 25.- Where the National Competition Committee established that a firm has wrongly used its dominant position, in the meaning of the provisions of Section II of this law, it shall order such a firm to stop its wrongful practices.

Section 26.- (1) Where a merger or acquisition considerably reduces competition, the National competition Committee shall either order the dissolution of the new enterprise or require that some assets or shares be relinquished to eliminate the harmful consequences on competition. (2) Where the National Competition Committee established that a planned merger or acquisition will considerably reduce competition, it shall order the parties to the transaction to either stop it or to relinquish control over part of the assets or shares, to maintain the level of competition on the market.

Section 27.- The conclusion of agreements or arrangements such as those referred to in Section 5 of this law and any infringement to the provisions of Section 25 and 26 above shall be punished by a fine which shall be equal to 50% of the profits or to 20% of the turnover resulting from transactions in Cameroon effected during the financial year preceding the one in which the offence was committed.

Section 28.- Where such offences are repeated, the fines stipulated in Section 27 above shall be doubled.

Section 29.- The fines referred to in Section 27 and 28 above may be applied to offences which are not current.

Section 30.- Where an anticompetitive practice involves several enterprises, the fines stipulated in Section 27 and 28 above shall be applicable to each enterprise involved in the offence.

Section 31.- Where a fine is unpaid at the due date as stipulated in Section 44 below, a late payment fine, calculated on the basis of 1% of the original fine for each day, shall be imposed on the defaulting enterprise.

Section 32.- (1) Where an enterprise violates the provisions of Sections 25, 26, 27 and 28 above, the National Competition Committee may order the temporary closure of the offending enterprise.

(2) The temporary closure referred to in Section 32 (1) above shall involve only the production lines of the goods implicated, in the case of an enterprise with several lines of production.

Section 33.- Enterprises which suffer losses as a result of anticompetitive practices may request compensation for damages provided that they are able to show proof of links between such practices and the losses they have suffered.

PART V

CHAPTER I **ESTABLISHING OFFENCES**

Section 34.- The anticompetitive practices defined in the provisions of this law shall be established by a report to that effect.

Section 35.- (1) Reports shall be drawn up by members of the National Competition Committee after investigations following a complaint lodged by a natural person or a corporate body; or after investigations initiated by the members themselves.

(2) Members of the National Competition Committee shall take the oath before the court of First Instance of their place of work. (3) They shall be bound to uphold professional secrecy in their work, except with respect to such government services as justice and judicial police.

Section 36.- Members of the National Competition Committee in carrying out investigations as provided for in Section 35 above and on presentation of the Committee identification card may:

a) request any commercial or industrial enterprise, craftsman, cooperative, agricultural concern or professional body to furnish them with any information or document necessary for the conduct of such investigation;

b) request proofs in support of the marketing conditions for the goods and services provided;

c) have free access to all premises used for industrial and commercial purposes, even where such premises belong to third parties and whether or not a judicial police officer is present; however, where such premises are private dwellings or where such visits occur outside regular working hours, the chairman of the National Competition Committee must request the presence of a judicial police officer which shall be ordered by the President of the Court of First Instance of the area;

d) conduct hearings in which persons being heard may, they so desire, be assisted by counsel;

e) seize documents where they deem it necessary; such documents must, however, be returned to their owners as soon as the investigation is over or the purpose of the seizure is achieved.

Section 37.- (1) The report shall state the nature, the date and the place of the established

offences or control carried out.

(2) The report shall state that its content was read out to the offender, that he was asked to sign it and that he was given a copy thereof.

(3) The report shall be exempted from stamp and registration duties.

(4) The report shall state, until proven otherwise, that the material facts therein are true.

Section 38.- A report must be drawn up following any seizure of documents in accordance with the provisions of Section 37 above and a list of the seized items attached thereto.

CHAPTER II **PROSPECTION OF OFFENCES**

Section 39.- The report establishing anticompetitive practices under this law shall be examined by the National Competition Committee, in order to determine whether an offence was committed and the penalties to be imposed.

Section 40.- (1) The penalties decided upon by the National Competition Committee after examination of the offences shall be notified to the offenders by post with acknowledgement of receipt or by any verifiable means indicating that the said offenders had been served.

(2) The fines imposed shall be recovered and paid into the public treasury by a revenue collector appointed by the Minister in charge of finance as an agent of the National Competition Committee, without prejudice to payment of unpaid taxes.

Section 41.- (1) The offenders may, within a time-limit of 45 (forty-five) days following notification of the penalties, challenge the decisions of the National Competition Committee through a letter forwarded, with acknowledgement of receipt to the chairman of the said Committee.

(2) The letter referred to in subsection 1 above shall be accompanied by evidence to support the dismissal petition.

Section 42.- Where within a time-limit of 15 (fifteen) days from the date of reception of the letter referred to in Section 41 above, the National Competition Committee and the petitioner fail to agree over the litigious matter, the petitioner shall refer the matter to the court of First Instance where the head office of the National Competition Committee is located. The ruling of the court shall be final. In the absence of such a ruling, the decision of the National Competition Committee shall stand.

Section 43.- Where the decision of the National Competition Committee is challenged and in order to avoid a deterioration of the level of market competition, the petitioner shall be bound to observe the injunctions made to him by the Committee, pending the end of the law-suit.

Section 44.- Where the offender fails to pay the fine within a time-limit of 60 (sixty) days from the date he received notification, the collection order issued against him, added to the penalty referred to in Section 31 above, shall be forwarded to the competent services for a recovery order to be issued by the Treasury Department, or the file shall instead be forwarded to the Legal Department to institute criminal proceedings.

Section 45.- (1) The criminal proceedings referred to in Section 44 above shall be instituted following a complaint lodged by the chairman of the National Competition Committee with the State Counsel having jurisdiction.

(2) The rules of procedures, appeals and enforcement of judgments shall be those of ordinary law. The accused shall be summoned to appear at the next hearing and a summary ruling handed down.

(3) Payment of the fine shall end the proceedings.

PART VI

MISCELLANEOUS AND FINAL PROVISIONS

Section 46.- The proceedings of fines imposed as penalties for the various offences provided for in this law shall be paid into the Public Treasury.

Section 47.- All previous provisions repugnant to this law, in particular, those relating to competition as provided for by Law No.90/31 of 10 August 1990 to govern commercial activity in Cameroon are hereby repealed and shall so remain.

Section 48.- This law shall be registered, and published according to the procedure of urgency, and inserted in the Official Gazette in English and French.

Yaounde, 14 July 1998

**(signed) Paul Biya,
President of the Republic**

Law No. 2010-1 of 13 April 2010 to Promote Small-and Medium-sized Enterprises in Cameroon

*The National Assembly deliberated and adopted,
The President of the Republic hereby enacts the law set out below:*

CHAPTER I **GENERAL PROVISIONS**

Section 1.- This law lays down general rules for the promotion of small- and medium-sized enterprises, abbreviated as "SMEs", in accordance with the Cameroon Investment Charter.

Section 2.- (1) The SMEs governed by this law shall include: very small enterprises (VSEs), small-sized enterprises (SEs) and medium-sized enterprises (MEs).

(2) SMEs shall, from their inception and depending on the number of permanent employees and turnover, be registered in the National SME File in one of the above-mentioned categories according to the procedure laid down by regulation.

(3) The national file shall be a database listing SMEs operating in Cameroon. It shall be kept by the Ministry in charge of SMEs or any other body authorized to do so.

(4) Registration in the National SME File shall give an entitlement to the benefits provided by State public programmes for SMEs.

Section 3.- An SME shall be deemed to have been set up when it fulfils the conditions for legal existence and the formalities specified by the laws and regulations in force.

Section 4.- A very small enterprise, abbreviated as "VSE", shall be an enterprise with no more than 5 (five) employees and an annual pre-tax turnover of no more than 15 (fifteen) million CFA francs.

Section 5.- A small-sized enterprise, abbreviated as "SE", shall be an enterprise with 6 (six) to 20 (twenty) employees and an annual pre-tax turnover of more than 15 (fifteen) million CFA francs and less than 100 (one hundred) million CFA francs.

Section 6.- A medium-sized enterprise, abbreviated as "ME", shall be an enterprise with 21 (twenty-one) to 100 (one hundred) employees and an annual pre-tax turnover of more than 100 (one hundred) million CFA francs and less than 1 billion CFA francs.

Section 7.- In case of difficulty classifying an enterprise in one of the categories listed in Sections 3, 4 and 5 above, the main criterion considered, shall be the annual pre-tax turnover.

Section 8.- The national SME promotion policy shall be centred on providing start-up support,

incubation, development and financing of SMEs.

CHAPTER II **SME START-UP**

Section 9.- SME start-up support shall entail :

- streamlining of procedures;
- establishment of a one-stop shop for the fulfilment of administrative formalities for starting SMEs;
- reduction of timelines for starting SMEs;
- provision of information on investment opportunities;
- dissemination of the corporate culture in SMEs;
- multiform assistance to SME promoters.

Section 10.- (1) The procedures for supporting start-ups shall comply with the laws in force.

(2) The time-frames for setting up of SMEs, as well as procedures for the establishment of the one-stop shop for SME start-up administrative formalities shall be defined by decree.

CHAPTER III **SME INCUBATION**

Section 11.- (1) SME incubation shall be a specific strategy for supporting the setting up of SMEs to disseminate the corporate culture and support budding entrepreneurs in all operations required to build their capacities, project ideas and initiatives.

(2) Incubation shall take place in the structures provided for that purpose and in line with the national programme defined by the Ministry in charge of SMEs.

Section 12.- (1) SME incubation structures shall be responsible for the reception, training and support of enterprises less than 5 (five) years old.

(2) Their role shall be to :

- support SME promoters;
- identify the entrepreneurial potentials of SMEs and develop the skills of their promoters;
- help SMEs to set up networks of effective relations;
- acquaint SMEs with business opportunities and advisory services;
- enable SME promoters to witness the actual business world.

Section 13.- (1) SME incubation structures may be public or private.

(2) Private incubation structures shall be approved by the Ministry in charge of SMEs.

(3) Public incubation structures shall forge partnerships with the Ministry in charge of SMEs.

(4) Enterprise incubators shall have access to economic activity zones set up by regional and local authorities or developed for that purpose by public bodies.

Section 14.- The functions of SME incubation structures shall be discharged under conditions laid down by regulation.

CHAPTER IV **SME DEVELOPMENT SUPPORT**

Section 15.- (1) Support to the development of SMEs shall be all the actions and resources contributing to the improvement of SME performances and competitiveness on domestic and international markets.

(2) It shall be provided through:

- general support;
- specific support;
- facilitation;
- upgrading.

Section 16.- General support shall include, besides the measures provided by the Investment Charter, all other technical, financial and managerial measures that may be taken for the benefit of enterprises, excepting for the benefits defined by special regimes.

Section 17.- (1) Specific support shall seek to build capacities of some SMEs in strategic or social sectors, as well as SMEs promoting scientific and technical research results.

(2) The conditions for general and specific support shall be laid down by regulation.

Section 18.- Facilitation shall seek to ease SME access to financing, technical and technological innovations, modern management methods and various resources intended for their development.

Section 19.- (1) The upgrading of SMEs shall be an ongoing process of promoting SMEs to enhance their competitiveness and performance by building their production, organization and managerial capacities, in keeping with the standards in force in the sector.

(2) SMEs shall be upgraded by the Ministry in charge of SMEs, through programmes conducted by Trades Chambers, bodies approved to do so, or development partners.

Section 20.- Upgrading shall be reserved for SMEs having a strong growth potential or operating in strategic sectors.

Section 21.- SMEs included in the upgrading programme may enjoy special financial support

for the implementation of them tangible and/or intangible investments as well as the restructuring of their management.

Section 22.- SMEs may, within the framework of the application of their upgrading plan, benefit from tax and customs incentives, as well as various facilities provided for by the investment support regulations in force.

Section 23.- The organization of SME upgrading activities as well as conditions for the intervention of public authorities, approved bodies and development partners shall be laid down by regulation.

Section 24.- The state shall contribute to SME development by putting in place a quota system for awarding public contracts on a priority basis to SMEs in line with its international commitments.

Section 25.- (1) State support to SME development may be enhanced through special support programmes under conditions defined by contract with major public, semipublic and private sector enterprises or regional and local authorities.

(2) Accordingly, incentives for subcontracting may be put in place for SMEs operating nationwide and/or specific partnerships.

Section 26.- Regional and local authorities and public development programmes contributing to SME promotion may, to that end, forge partnerships with the Ministry in charge of SMEs.

Section 27.- (1) An SME promotion Agency is hereby set up for SME promotion and facilitation.

(2) The organization and functioning of the SME Promotion Agency shall be laid down by decree of the President of the Republic.

CHAPTER V **SME FINANCING SUPPORT**

Section 28.- (1) The State, Regional and Local Authorities, development partners or any approved body may provide support for the financing of SMEs.

(2) Regional and Local Authorities and development partners shall provide support in keeping with the agreements and conventions signed to that end.

Section 29.- Public authorities shall promote SME access to financing by:

- setting up special bodies and/or programmes tailored do SME financing needs;
- formulating incentive laws or regulations to encourage the financial system to provide support to SMEs ;
- supporting the setting up of institutions specializing in SME financing.

Section 30.- (1) The State shall, in collaboration with banking and financial institutions, facilitate SME access to financing.

(2) The State shall help put in place bodies or venture capital or specific assistance lines to finance SME investments.

Section 31.- Leasing and mutual guarantee establishments, mutual funds, guarantee funds and regional financing institutions may be set up to finance SMEs under conditions laid down by decree.

Section 32.- (1) To sustain SME support and development financing, and SME sector incubation and modernization operations, an earmarked account known as "SME Promotion Fund" shall be opened at the Treasury.

(2) The resources of the SME Promotion Fund, whose ceiling shall be fixed annually by the finance law, shall be derived from:

- sundry State contributions;
- funds obtained from international cooperation;
- any other resources authorized by the finance law under SME promotion.

Section 33.- The conditions of the functioning and intervention of the SME Promotion Fund shall be laid down by regulation.

Section 34.- Approved SME management centres shall provide accounting and tax management assistance to SMEs in accordance with the regulations in force.

CHAPTER VI **SME MERGERS**

Section 35.- (1) SMEs may freely merge by sector, activity or sub-sector, in accordance with the laws and regulations in force.

(2) such mergers may be carried out on a regional basis .

Section 36.- SME mergers that have been set up legally shall be entered in the National SME Database.

Section 37.- SME mergers may be given special treatment. As such, they may be given priority in state support under partnership established for SME development.

CHAPTER VII **SME REPRESENTATION**

Section 38.- SME mergers entered in the National SME Database shall represent their members among public authorities or Trades Chambers.

Section 39.- To defend the interests of their members or branch of activity, SME mergers may forge partnership with Trades Chambers as well as Regional and Local Authorities.

Section 40.- The Chamber of Commerce, Industry, Mines and Handicrafts shall represent SMEs operating in the commercial, industrial, mining and handicrafts sectors, in accordance with the regulations in force.

Section 41.- The Chamber of Agriculture, Fisheries, Livestock and forestry shall represent SMEs operating in the agroforestry, forestry and fisheries sectors, in accordance with the regulations in force.

CHAPTER VII **OBLIGATIONS OF SMES**

Section 42.- (1) SMEs and SME mergers governed by this law must fulfil their legal obligations, in particular, fiscal, corporate and financial obligations.

(2) The said obligations shall be to:

- keep regular and reliable accounts in accordance with the system in force;
- duly file their annual tax returns;
- inform the Ministry in charge of SMEs in the event of transfer, discontinuance of business or bankruptcy;
- carry out their investment programmes in accordance with this law;
- open a current account in a banking, microcredit or post office institution;
- allow the competent authorities of the Ministry in charge of SMEs to control their functioning and use of the benefits granted them;
- pay their social security taxes and employers' contributions.

Section 43.- (1) SMEs and SME mergers operating in violation of the legal obligations in force may not benefit from the promotion measures provided for by this law.

Section 44.- SMEs and SME mergers enjoying public assistance and support may, in case of need, be audited by one or several auditors or any other structure designated for that purpose.

CHAPTER IX **PENALTIES AGAINST SMES**

Section 45.- (1) Without prejudice to the statutory penalties in force, any defaulting SME enjoying public assistance and support that violate any of the obligations referred to above shall be liable to one of the following penalties :

- written warning;
- temporary suspension of assistance and support for no more than 6 (six) months ;
- forfeiture of assistance or guarantee provided by a financing institution.

(2) The penalties provided for in sub- Section (1) above shall be inflicted by the Minister in charge of SMEs.

Section 46.- (1) A warning shall be a written admonition addressed to a defaulting SME by the Ministry in charge of SMEs requiring it to fulfill its obligations in accordance with the instruments

in force and commitments made.

(2) A written warning shall be issued where, following control, it is established that an SME receiving public assistance and support is not fulfilling its obligations.

Section 47.- (1) The temporary suspension of public assistance and support shall be a temporary stoppage of the promotion of a defaulting SME, for not more than 6 (six) months, to cause it to fulfil its obligations.

(2) Temporary suspension shall be pronounced where an SME enjoying public assistance and support sanctioned with a written warning, fails to fulfil the obligations for which it was reprimanded after 3 (three) months.

Section 48.- Any defaulting SME may, by petition, request to be rehabilitated by the competent authority once the flaws that caused temporary suspension have been corrected.

Section 49.- (1) The forfeiture of assistance and guarantee provided by a funding body shall be the loss of entitlement to assistance and support.

(2) Forfeiture shall be pronounced when an SME enjoying public assistance and support that has been suspended temporarily fails to continue fulfilling its obligations after 6 (six) months.

Section 50.- Defaulting SMEs sanctioned by forfeiture may be rehabilitated by the competent authority only after fulfilling their obligations before the expiry of a period of 5 (five) years.

CHAPTER X **FINAL PROVISIONS**

Section 51.- (1) The Minister in charge of SMEs shall submit an evaluation report on the implementation of the SME promotion policy annually to the Prime Minister, Head of Government who shall be in charge of its popularisation.

(2) A copy of the report provided for in sub-section (1) above shall be forwarded to the Presidency of the Republic.

Section 52.- All previous provisions repugnant to this law are hereby repealed.

Section 53.- This law shall be registered, published according to the procedure of urgency and inserted in the *Official Gazette* in English and French.

Yaounde, 13 April 2010

(signed) Paul Biya,
President of the Republic

LAW No. 2015 / 018 OF 21 DECEMBER 2015
GOVERNING COMMERCIAL ACTIVITY IN CAMEROON

The Parliament deliberated and adopted, the President of the Republic hereby enacts the law set out below :

PART I
GENERAL PROVISIONS

CHAPTER I
PURPOSE AND SCOPE OF APPLICATION

Section 1.- This law governs commercial activity on the national territory. Accordingly, it defines:

- the conditions for carrying out commercial activity;
- the conditions for distributing, selling and fixing the prices of products;
- the services related to product warranty and after-sales;
- the conditions for organizing commercial events;
- illegal deceitful and aggressive commercial practices.

Section 2.- (1) This law shall apply to any trader, natural person or corporate body, of Cameroonian or foreign origin, operating on the national territory.

(2) It shall also apply to all production, distribution and service activities.

(3) The following shall be excluded from the scope of this law:

- public auctions carried out by judicial officers and sworn public employees or officials;
- occasional vendors and service providers.

Section 3.- Commercial activity shall contribute to:

- stimulating the production of goods and provision of services, and fostering competitiveness;
- developing job creating enterprises;
- streamlining and improving good and service distribution channels;
- satisfying the needs of consumers with respect to the availability and quality of the goods and services offered and the prices charged;
- combating poverty;
- promoting urban and rural life.

CHAPTER II
DEFINITIONS

Section 4.- For the purposes of implementing this law and its implementing instruments, the following definitions shall apply :

Commercial transaction: action by which a person participates in the movement of the goods produced or bought or by which services are provided in return for financial profit. Commercial transactions shall include:

- the purchase of movable or immovable property for resale;
- banking, stock exchange, currency exchange, brokerage and transit transactions;

- contracts between traders for business purposes;
- the industrial exploitation of mines, quarries and any natural resource deposit;
- rental of personal property;
- manufacturing; transportation and telecommunication operations;
- middlemen's business transactions such as commission, brokerage and agency, as well as middlemen's operations relating to the purchase, underwriting, sale or rental of immovable property, businesses, shares in commercial companies or building societies; and
- transactions carried out by commercial companies.

Commercial activity: any activity for the production or exchange of goods and services carried out by any natural person or corporate body having the status of trader, in accordance with the OHADA Uniform Act relating to General Commercial Law.

Used goods trade: trading in used goods.

Used goods shop: shop or place where used goods are bought and sold;

Shopping centre: a purpose- built area or building comprising several separate premises reserved for the sale of various goods and provision of services;

Trader: any person whose regular occupation is to carry out commercial transactions.

Warranty disclaimer: a clause that limits or excludes the trader's liability.

Retail distributor: a natural person or corporate body, according to the occupational usage, who offers and resells goods or merchandise bought from a wholesale distributor to consumers;

Wholesale distributor: a natural person or corporate body, according to the occupational usage, who buys goods or merchandise bought from a producer or imports them to resell in bulk to retailers;

Retail trade: the activity of distribution directly to consumers of a quantity of goods equal to one or several units of measure of the said good;

Distributive trade: any activity relating to the purchase of goods or merchandise to resell them wholesale or retail without further processing;

Wholesale trade: any activity of distribution to retailers of goods in their original or new packaging in a predetermined quantity that is more than the normal unit of measure;

Sedentary trade: activity carried out by any natural person or corporate body having the status of trader in fixed installations on a permanent basis;

Non-sedentary trade: commercial activity carried out in an itinerant manner or on a mobile stall;

Consumer: any person who uses products to meet his own needs and those of his dependents rather than to resell, process or use them within the context of his profession, or any person enjoying the services provided;

Business decision: any decision taken by a consumer concerning the opportuneness,

terms and conditions relating to the purchase of, full or partial payment for a product, retention or disposal of a product or exercise of a contractual right related thereto, which may induce the said consumer to act or refrain from acting.

Professional diligence: level of specialized skill and care which a trader is reasonably expected to have vis-à-vis the consumer, in accordance with honest commercial, industrial or craft practices in his field of activity;

Distribution: all purchase transactions for resale, wholesale or retail, transportation, storage and conservation of goods and services;

Selective distribution: method of distribution in which the producer or supplier selects distributors or retail outlets for his products and brands, on all or part of the national territory, based on the objective criteria listed in the specifications;

Self-starter: individual entrepreneur or natural person who, by a simple declaration in the Trade and Personal Property Credit Register as provided for in the Uniform Act relating to General Commercial Law, carries out a civil professional, commercial, craft or agricultural activity and whose annual turnover generated from his sales or service provision is less than 10 000 000 (ten million) francs:

Enterprise: any economic entity, irrespective of its form, operated by a trader within the scope of his professional activity;

Commercial equipment: the establishment and organization of commercial activities in space or shopping centre;

Commercial space: area developed and equipped to house any commercial activity;

Undue influence: the use of a strong bargaining position with respect to the consumer to exert pressure on him, even without using physical force or threatening to do so, such that his aptitude to take an informed decision is significantly restricted;

Trade intermediary: natural person or corporate body who has the authority to act or plan to act, usually and professionally on behalf of another person, trader or not, in order to conclude a legal commercial transaction;

Commercial practice: any action, omission, conduct, procedure or commercial communication, including advertising and marketing, carried out by a trader directly related to the promotion, sale or supply of a product;

Deceitful commercial practice: any practice that creates confusion with another good or service, trademark, trade name or any other distinctive sign of a competitor, or which is based on allegations, false indications or misrepresentation or likely to mislead the consumer.

Illegal prices: the following shall constitute illegal prices:

- the prices of goods or services that differ from approved prices, regarding prices or rates subject to prior approval;
- the prices of goods or rates of services other than those published, regarding prices or rates subject to the freedom regime;
- display of non compliant clearance sale prices;

Product: any good or service.

Infringing good: any product that violates the rights ensuing from the ownership of intellectual property or imitates an original product;

Counterfeit good: any product that has been falsified;

Professional: any natural person or corporate body who acts, including through an intermediary acting in his name or on his behalf, for purposes relating to his commercial, industrial, craft or liberal activity;

Commercial advertising: various means used or implemented through the media to publicise a product or service in order to encourage the public to buy, use or adopt it in keeping with trade procedures.

After-sales service: various services related to technical assistance in the maintenance, repair, training or information provided by the vendor of a good to an intermediary or consumer, free of charge or in return for payment, to ensure the operation of the good bought, in accordance with standard practice;

Clearance sale: sale accompanied or preceded by advertising and announces as aimed at rapidly selling off a stock of goods, by a discount;

Stock of goods or merchandise of fraudulent origin: any stock of goods or merchandise held by a trader without an invoice or business papers enabling the identification of its supplier and origin, excluding local products;

Branch: commercial or industrial establishment or services belonging to a company or a natural person, which has no independent legal personality separate from that of its owner, but enjoys some management autonomy.

PART II

EXERCISE OF COMMERCIAL ACTIVITY

CHAPTER I

CONDITIONS FOR CARRYING OUT A COMMERCIAL ACTIVITY

Section 5.- (1) Any natural person or corporate body shall be free to undertake a commercial activity in Cameroon subject to the observance of the laws and regulations in force.

(2) However, a foreigner wishing to carry out a commercial activity in Cameroon must obtain a prior approval issued by the competent authority.

(3) The terms and conditions for obtaining the approval referred to in Sub-section (2) above shall be laid down by regulation.

Section 6.- Notwithstanding the provisions of Section 5 (2) above, the following persons may undertake commercial activities without prior approval:

- any natural person from a country with which Cameroon has signed an agreement assimilating the nationals of each other's country as regards the practice of commercial activities;
- any commercial undertaking with foreign capital whose head office is in Cameroon and 51 percent at least of whose share capital is effectively owned, directly or indirectly, by natural persons of Cameroonian nationality.

- Any commercial undertaking established in an economic zone.

Section 7.- Any foreign commercial undertaking wishing to establish in Cameroon for the purpose of carrying out a commercial activity must set up a company with head office in Cameroon.

Section 8.- Any foreign natural person or corporate body regularly carrying out commercial activities in Cameroon shall enjoy the same rights as those granted to foreigners and especially to Cameroonians in the same profession in the country of nationality of the foreign natural person or corporate body.

Section 9.- (1) Notwithstanding the provisions of Sections 5 (2) and 7 above, any natural person or corporate body may open a branch, agency or liaison office, as provided for by the regulations in force.

(2) Within two (2) years following its creation, the branch owned by a foreign natural person or corporate body shall be attached to a company in existence or to be created, incorporated under Cameroonian law.

(3) However, the branch owned by a foreign natural person or corporate body may be exempted from the obligation provided for in Sub-section (2) above, under the terms and conditions laid down by regulation.

(4) The exemption shall be granted for a period of two years, non-renewable, subject to the provisions applicable to companies governed by a special regime.

Section 10.- Any commercial undertaking duly established in Cameroon shall be entitled to all the guarantees granted in this respect by the law.

Section 11.- (1) Unless otherwise provided by law, any natural person or corporate body carrying out a commercial activity in Cameroon shall, within the first month of operation of his or her business or incorporation, as applicable, apply to the Registry of the competent court for registration in the Trade and Personal Property Credit Register, as provided for by the Uniform Act relating to General Commercial Law.

The same shall apply to any secondary commercial establishment or branch subject to registration in the Trade and Personal Property Credit Register operating in the jurisdiction of another court.

(2) Any natural person or corporate body registered in the Trade and Personal Property Credit Register in accordance with the laws and regulations shall be presumed, save proof to the contrary, to have the status of trader. He shall be subject to all the consequences ensuing from such status.

(3) Any natural person or corporate body registered in the Trade and Personal Property Credit Register shall be bound to indicate on its invoices, order forms, tariffs and commercial documents, as well as on every correspondence, its number and place of registration in the Register, besides its name and complete address.

Section 12.- (1) Any individual trader or natural person whose annual turnover from his sales activities or service provision is below 10 (ten) million CFA francs shall have the status of a self-starter, as provided for in the Uniform act relating to General Commercial Law. He shall be bound to declare his activity in the Trade and Personal Property Credit Register.

(2) However, where, for two consecutive years, the annual turnover generated by his sales activities or service provision exceeds the threshold specified in Sub-section (1) above, the self—starter concerned shall, on the first day of the following year and before the end of the first quarter of that year, pay all the expenses and honour all the obligations applicable to the individual trader or natural person.

Section 13.- (1) A National Card-Index of the Trade and Personal Property Credit Register, whose organization and conditions of functioning shall be laid down by regulation, is hereby instituted in the Ministry in charge of Justice.

(2) The main purpose of the Card-Index of the Trade and Personal Property Credit Register shall be to centralize the information entered in each trade and Personal Property Credit Register.

Accordingly; it shall notably:

- centralize the information and entries recorded in each Trade and Personal Property Credit Register;
- enable taxpayers and third parties to access the information contained therein;
- transmit necessary documents and information to the Regional Card-Index kept at the Common Court of Justice and Arbitration:
- meet the requirements of safety, celerity, transparency and objectivity necessary for the development of economic activities;
- receive statements relating to mortgages made at the behest of the authority in charge of advertising mortgages or one of the persons authorized for that purpose.

Section 14.- (1) Every sedentary trader must have facilities adapted to the nature of the products sold, comprising premises, display stands and storage and conservation equipment.

(2) The facilities referred to in Sub-section (1) above shall meet safety, hygiene and sanitation standards for goods, people and the environment, in accordance with the laws and regulation in force.

(3) Itinerant trade and the status of start-up trader shall be reserved exclusively for nationals.

Section 15.- The installation, extension and transfer of commercial spaces, centres and facilities shall comply with regional planning, town planning, and environmental protection requirements. They shall also contribute to modernizing and adapting commercial facilities to changing consumption patterns and marketing techniques, consumer purchasing comfort and to improving the working conditions of employees.

Section 16.- (1) Every natural person or corporate body who is a trader shall have an address which he shall declare when filing his application for registration in the Trade and Personal Property Credit Register.

(2) Where he does not have an establishment and where there is no legal provision to the contrary, the start-up trader may state the address of his residential premises and carry out his activity therein.

(3) The itinerant trader shall be legally domiciled in his ordinary place of residence.

Section 17.- (1) Every duly established corporate body carrying out a commercial activity shall show proof of possessing a premises where the enterprise's head office is established, or, where it is located abroad, the branch or subsidiary established in Cameroon.

(2) The commercial activity may not be carried out on a premises used mainly for residential purposes.

(3) However, where the commercial activity is carried out on residential premises, there shall be a clear separation between the part of the premises reserved for residential use and that reserved for commercial use.

Section 18.- Every commercial activity carried out in a residential area or near it, a home or a public establishment, shall be in harmony with the environment, the living environment, rules of hygiene and safety and the convenience of the neighbourhood, in accordance with

the regulations in force.

CHAPTER II TRADER'S ACCOUNTING OBLIGATIONS

Section 19.- (1) Every sedentary trader, natural person or corporate body shall where necessary, be subject to the accounting provisions specified in the Uniform Act relating to General Commercial Law, the Uniform Act relating to Commercial Companies and Economic Interest Groups and the Uniform Act relating to the Organisation and Harmonisation of Business Accounting.

(2) Itinerant traders and self-starters shall keep an annual record of income and expenditure on a daily basis.

Section 20.- (1) The accounting records of traders shall be prepared in the legal currency in Cameroon and in one of the official languages.

(2) Unless otherwise provided by law, the books, accounting records and documents of traders shall be preserved for five years.

(3) Every sedentary trader shall be bound to open an account in a lending institution or a postal cheque office.

PART III DISTRIBUTION

CHAPTER I DISTRIBUTION CONDITIONS

Section 21.- (1) Distribution shall be carried out downstream of production and import and should be separated.

(2) Distribution shall be a wholesale or retail activity.

(3) Where a trader carries out wholesale and retail distribution simultaneously, the separation of the premises as well as the accounts, each of these activities shall be compulsory.

Section 22.- (1) Wholesale trade may be carried out only in sedentary form.

(2) Retail trade may be carried out in sedentary or itinerant form.

Section 23.- (1) Each commercial undertaking established in Cameroon may set up its own distribution network covering all or part of the national territory or depend on commercial intermediaries, in accordance with the provisions of the Uniform Act relating to General Commercial Law.

(2) The intermediary's mandate may be written or verbal. It shall not be subject to any procedural limitation. In the absence of writing, it may be evidenced by any means, including witnesses.

Section 24.- Without prejudice to Section 20 et seq., the conduct of some commercial activities or distribution of some goods may be organized according to specifications defined by the Minister in charge of trade.

Section 25.- (1) The period of validity of any monopoly provision by which the buyer transferee or lessee of movable property undertakes with its vendor, transferor or lessor, not to use similar or complementary items from another supplier shall be at most 5(five) years.

(2) Where the contract containing the monopoly provision referred to in Sub-section (1) above is complied with between the same parties, other similar commitments concerning the same kind of goods, the monopoly provisions contained in these new agreements shall expire on the same date as that in the first contract.

Section 26.- (1) Every person who provides another person with a trade name, trade mark, or trade sign, by demanding exclusive commitment or quasi-exclusive commitment for the exercise of his activity from him, shall be required to sign any contract concluded in the common interest of both parties to provide the other party with a document giving genuine information to enable him to make his reasoned commitment.

(2) The document referred to in Sub-section (1) above shall specify notably the company's seniority and experience, the state and prospects of development of the market concerned, the size of the network of operators, the duration, conditions for renewal, termination and assignment of the contract as well as the field of exclusive dealing.

(3) Where the payment of a sum is required prior to the signing of the contract referred to above, particularly to reserve an area, the services provided in return for the sum shall be stated in writing, as well as the mutual obligations of the parties in the event of breach of contract.

(4) The document referred to in Sub-sections (1) and (2) above, as well as the draft contract shall be communicated to the other party within 20 (twenty) days before the signature of the contract or, where necessary, before the payment of the sum referred to in the preceding Subsection.

Section 27.- (1) The wholesale distributor shall be bound to declare the start-up of his activity to the ministry in charge of trade within 30 (thirty) days after registration in the Trade and Property Credit Register.

(2) The period provided for in Sub-section (1) above shall apply to any change in his activity.

(3) Every electronic distribution business shall be subject to a declaration by filing a copy of the commercial site hosting contract to the Ministry in charge of trade within 30 (thirty) days with effect from the date of signature. Any changes to the website should also be notified.

(4) The conditions for declaring the distribution activity shall be laid down by regulation.

Section 28.- (1) Every producer or distributor shall be required to display his commercial sign in front of all his establishments and website, if any. The said sign must particularly indicate his trade name, sector and full address.

(2) Natural persons with the status of self-starter and non-sedentary traders shall be exempt from the requirement referred to under Sub-section (1) above.

Section 29.- Distribution and production enterprises shall, where necessary, be required to provide the competent services of the ministry that so request the necessary documents and information on the quantities of goods produced, distributed, sold or stored and on the origin of goods.

Section 30.- (1) Selective distribution shall apply only to products whose properties are such that they cannot be properly offered to the public without the intervention of specialized distributors.

(2) Selective distribution shall be limited to luxury good and high-tech product sectors.

(3) At any rate, discrimination in selective distribution without actual consideration shall be prohibited.

Section 31.- The specific conditions for the distribution of some products may be defined by regulations.

Section 32.- (1) The State shall ensure regular and safe supply on the domestic market.
(2) The conditions for setting up and managing buffer stocks of consumer goods shall be laid down by regulation.

(3) The professionals of some staple product sub-sectors shall, when requested by the administration, contribute to the constitution and preservation of strategic or security stocks.

CHAPTER II TRANSPORTATION AND STORAGE OF GOODS

I. TRANSPORTATION OF GOODS

Section 33.- The transportation of goods shall be carried out in accordance with the laws and regulations in force.

Section 34.- (1) The safety of the goods transported shall be ensured by any appropriate means, in accordance with the laws and regulations in force.

(2) The goods transported shall be packaged or stowed to prevent loss, breakage, damage, negative environmental impact and damage to public facilities and third parties.

(3) Where the goods transported are very harmful, this state shall be indicated through clear inscriptions on the means of transportation used, visible and legible from the outside, in accordance with laws and regulations in force.

II. STORAGE OF GOODS

Section 35.- (1) Facilities for the storage of goods intended for sale shall be subject to the provisions of Section 14 of this law.

(2) All goods stored by a trader shall be considered to belong to him or her and intended for sale, unless there is evidence to the contrary.

CHAPTER III CONDITIONS OF SALE AND PRICE

I. CONDITIONS OF SALE

Section 36.- (1) All goods produced or imported into Cameroon shall be compatible with the purpose for which they are intended and may, where necessary, be subject to quality or quantity technical inspection, without prejudice to the evaluation of their suitability, in accordance with the laws and regulations in force.

(2) The sale on the domestic market of goods produced or imported into Cameroon may be subject to prior authorization, in accordance with the terms and conditions laid down by regulation.

(3) All goods exposed to public view shall be deemed to be offered for sale.

Section 37.- (1) Every sale of goods and provision of services for a professional activity shall be invoiced.

(2) The vendor shall be bound to issue the invoice upon completion of the sale or provision of the service. The invoice shall be issued in two copies, of which one for the buyer and the other for the vendor.

(3) The invoice of the vendor or supplier which is prepared in the country shall indicate notably:

- the names of the parties as well as their full address;

- the name and full address of the printing press that produced the invoice book;

- the invoice number;
- the number, date and place of registration in the Trade and Personal Property Credit Register;
- the taxpayer's identification number;
- the sale or service delivery date;
- the domiciliation of the vendor or supplier;
- the quantity, exact name, unit price and total price, net of taxes, of goods sold or services provided, as well as any price discount granted at the date of the sale or services provided and directly related to the sale or services provided, excluding any discounts not indicated on the service;
- the amount of taxes and the total price including taxes;
- the payment conditions and method;
- the date of issuance of the invoice.

(4) The invoice shall also indicate the date on which it shall come into effect and specify the discount conditions applicable in the event of payment at a date prior to the date of application of general terms and conditions of sale as well as the rate of penalties payable on the day following the date of payment indicated on the invoice. The payment shall be deemed to have been made on the date the funds are placed at the disposal of the beneficiary or his subrogate by the customer.

(5) The invoice shall be kept by the trader for 5 (five) years from the date of its issuance, unless otherwise provided by law.

Section 38.- Notwithstanding the provisions of Section 37 (1) above, the issuance of invoices to the consumer shall except specifically requested by the buyer, not be compulsory in case of sales whose total amount is less than 10 000 (ten thousand) CFA franc, including taxes. These sales may be established by a sales receipt dated and signed by the supplier.

Section 39.- The sale of a non expendable personal property, particularly the transfer of ownership, may be accompanied by suspensive clauses pending the occurrence of the events specified by the parties. In this case, the buyer shall use the property bought as a reasonable person pending the occurrence of the said events.

Section 40.- The parties may conclude a lease option agreement serving as a lease contract completed by a commitment to sell at the end of the lease, with the lessee remaining free to waive the option or not at the end of the contract.

Section 41.- (1) In relations between traders, every producer, service provider, wholesaler or importer shall be bound to communicate his general terms and conditions of sale to the consumer who so requests. Such terms and conditions shall form the basis of the commercial negotiation.

They shall include:

- the conditions of sale;
- the scale of unit prices;
- discounts and possible dividends;
- payment terms.

(2) The terms and conditions provided for in Sub-section (1) above shall be communicated through any means in line with accepted business practice.

(3) The general terms and conditions of sale may be separated according to categories of product buyers or service applicants particularly between wholesalers and retailers.

Section 42.- (1) The trader shall, before concluding a sale or providing a service, provide the consumer, by any means, with reliable and true information about the main features of the good or service he is offering under standard terms and conditions of sale and warranty.

(2) A description of the features and qualities of a good or service presented in documents and advertising media, as well as any related commercial warranty statement made at the time of advertising or communicated to the consumer shall be considered as an integral part of the contract for such a good or service, even if the advertising is made by the manufacturer, owner or operator of the trademark or any other professional upstream of the professional concerned.

When the good or service is not consistent with the description or declaration provided for above, the consumer may request that the contract be terminated.

Section 43.- The goods offered for sale by unit, weight or measure, should be counted, weighed or measured in the presence of the buyer. However, where such goods are prepackaged, the indication affixed on the packaging should help to identify the weight, quantity or number of items corresponding to the posted price.

II. PRICES

Section 44.- (1) The prices of goods and rates of services shall be freely determined through healthy and fair market competition. However, the determination of the prices and rates of some sensitive products and services, particularly necessities or monopolies, may be subject to the prior approval procedure, according to the conditions and procedures laid down by regulation.

(2) The list of goods and services whose prices and rates are subject to the prior approval procedure shall be prepared by order of the Ministry in charge of prices.

(3) Decisions related to the prices and rates of some products and services shall be made by order of the Minister in charge of prices, who may delegate authority to Regional Governors or approved public bodies.

(4) The prices and rates of some products and services may also be fixed through consultation between the Ministry in charge of prices and various sector operators. The memorandum of understanding resulting from such consultations shall be given force of law by order of the Minister in charge of prices.

(5) The Minister in charge of prices may, by order, oblige the prior filing of the pricing and rate schedules of some staple products and services.

Section 45.- Any sale of goods or provision of services that does not fall under free pricing shall be done in compliance with regulated, approved or coordinated prices, as the case may be, in accordance with the regulations in force.

Section 46.- (1) Every vendor or service provider shall inform customers about prices, tariffs and conditions of sale of goods and services.

(2) The vendor or service provider shall, by means of marking, labeling, display, or by any other appropriate procedure, inform the consumer on the prices and tariffs of goods and services.

(3) Prices and rates on the domestic market shall be indicated in local currency and not in foreign currencies, in an unequivocal, easily visible and clearly legible manner. All taxes corresponding to the total amount payable by the customer to purchase a good or service shall also be indicated.

(4) The operators of alcoholic and non-alcoholic beverage establishments, accommodation facilities, restaurants and consumer trade shows shall indicate prices, inclusive of service charges.

(5) Where reference is made of the sale price of a product or service in a commercial advertisement, that price shall be indicated in accordance with the provisions of

this section of the law.

Section 47.- The special conditions governing information on prices applicable to some activity sectors or specific goods and services shall be laid down by regulation.

Section 48.- (1) Unless otherwise provided in the general terms and conditions of sale or agreed upon between the parties, the prices of goods sold and services provided by any trader shall be deemed to be payable in cash during the sale or on the date and place of delivery or removal.

(2) Payment may, by agreement between the parties, be postponed to a later date following delivery or removal.

(3) Payment shall, under no circumstances, take place before the sale is concluded.

Section 49.- (1) Clearance sales shall be preceded by announcements indicating notably:

- the price reduction margin in absolute terms;
- goods or services, categories of the goods and services concerned;
- conditions under which the advantages announced are granted, particularly the period during which the product or service is provided at a discount;

(2) The labeling, marking or display of prices shall show, besides the reduced price, the reference or previous price.

(3) All goods or services ordered during the period to which a price reduction advertisement relates shall be delivered or sold at the price indicated in the advertisement.

(4) No advertisement of price or discount may be made on items that are not available for sale or on services that cannot be provided during the period announced.

CHAPTER IV **SUPPLY, WARRANTIES AND AFTER-SALES SERVICE**

I. SUPPLY

Section 50.- (1) The cost of delivery shall be borne by the vendor or professional. In the event of removal, the related costs shall be borne by the buyer.

(2) Packaging other than the original, used to protect the good during transportation shall be provided, returnable, hired or charged to the buyer. Hired or returnable packaging must be returned.

(3) The person bearing the risks of transportation of the goods sold shall be liable for the loss, breakage and leakage established upon delivery.

(4) The place of delivery must be agreed upon between the parties during sale.

(5) The delivery date must be specified. In the event of split delivery, the successive dates, quantities and qualities must be specified.

II. WARRANTIES AND AFTER-SALES SERVICE

Section 51.- (1) The vendor or professional shall be bound to provide the buyer with a warranty for:

- the peaceful and useful possession of the good sold;
- the actual use for which the good or service sold is intended;
- the latent defects prior to the sale and unknown to him.

(2) The warranty shall take effect upon supply of the good.

Section 52.- (1) Any commercial undertaking marketing new durable consumer goods, whether for professional use or not; must provide the buyer, at the time of delivery, the following documents, written in English and/or French:

- a delivery slip specifying the quantity, quality or references of the good;
- a brochure tracing the main characteristics as well as technical specifications necessary for the use and maintenance of the good, and recalling the provisions relating to the legal warranty against latent defects;
- a certificate specifying the extent and duration of the warranty granted to the buyer;

(2) The vendor or professional concerned shall also be bound to ensure; when necessary, the delivery, installation and commissioning of the good.

Section 53.- In the event of non issuance of the certificate of warranty or loss, the warranty shall remain valid and the consumer shall be entitled to use it by presenting the invoice, cash receipt or any other evidence, where necessary.

Section 54.- The obligation of providing a warranty shall be implemented by:

- repairing the good;
- replacing the good;
- reimbursing the price of the good.

Section 55.- The vendor or professional shall be bound to replace the good when the defect is so serious that the good will be partially or totally unusable despite its repair.

Section 56.- (1) The good shall be replaced or repaired free of charge within a time limit that is consistent with standard practices.

(2) The trader concerned shall bear the entire costs, especially those relating to labour and delivery of goods.

Section 57.- Where the vendor or professional is unable to repair or replace the good, he shall immediately refund the amount paid under the following conditions:

- where the good is partially unusable and that the consumer prefers to keep it, the refund shall be partial and proportional to the loss;
- where the good is completely unusable, the refund shall be full and the consumer shall return the faulty good.

Section 58.- (1) The warranty period may not be less than 6(six) months, from the date of delivery of the new product or service and 3 (three) months for used products.

(2) The warranty period, depending on the nature of the good, may be specified by regulation.

(3) Any non-warranty clause shall be null and void.

Section 59.- The vendor or professional may freely provide the consumer with a conventional warranty that is more advantageous than the one governed by this law.

Section 60.- The vendor or professional may not condition the implementation of the warranty or any other consumer service, unless the service is provided to the buyer free of charge or it is indispensable for the normal operation of the good.

Section 61.- The other terms and conditions related to the warranty for products and services shall be defined by regulation.

Section 62.- (1) Any commercial concern offering or selling consumer durables such as heavy

and light capital goods, various apparatuses, all kinds of machines, transport equipment and, in general, non- expendable items, shall be required to provide after-sales service.

(2) The vendor himself or a third party bound by the contract to the vendor and acting under his responsibility shall provide services related to the warranty or to the installation of goods purchased, as well as after-sales service.

Section 63.- (1) The assignee of the warranty shall be bound to fulfill the obligations of the assignor. Conditional assignment shall not relieve the assignor of his obligations to the consumer.

(2) The importer shall be bound to issue to successive buyers the manufacturer's original warranty attached to the good imported.

Section 64.- (1) Every sale of a durable consumer good shall include the vendor's or professional's commitment to provide after-sales service.

(2) The commitment to provide after sales service shall bind the vendor or professional to the buyer of the good and shall be appended to the warranty certificate issued the buyer, in accordance with the trade practices and procedures in force.

PART IV

COMMERCIAL EVENTS ORGANIZED ON THE NATIONAL TERRITORY

Section 65.- (1) A trade fair or exhibition shall be any general or special event whose main aim is to expose or exhibit samples and types of products, or various materials in order to publicize or market them.

(2) The classification as well as conditions doe organizing trade fairs on the national territory shall be determined by regulation.

Section 66.- (1) Exhibition grounds shall be a permanent or temporary enclosed housing complex, with appropriate facilities and equipment, hosting temporary commercial events for all or part of the year.

(2) The exhibition grounds shall be registered with the local or regional authority to which they belong.

(3) Each trade event hosted by the exhibition grounds shall be, as the case may be, subject to an authorization or a prior declaration to the relevant administrative authority.

Section 67.- (1) A trade fair shall be a trade event devoted to the promotion of a series of professional activities reserved for visitors with a paid or free access card. It shall propose for on-premise sale goods intended for the buyer's personal use, whose value does not exceed a limit set by regulation.

(2) Every trade fair shall be the subject of a prior declaration filed with the competent administrative authority, as well as the programme of the commercial events it hosts every year.

PART V

COMMERCIAL PRACTICES

CHAPTER I

ILLEGAL COMMERCIAL PRACTICES

Section 68.- The sale of the following products shall be prohibited:

- products that are expired or unsuitable for human and animal consumption, or that may affect the environment;
- new products or food items in used goods shops;
- used goods in establishments selling new products;
- banned goods and substances;

- products bought on the domestic market exclusive of taxes and intended for export

Section 69.- (1) It shall be forbidden to refuse, for no valid reason, the sale of goods or the provision of services so long as such goods are on sale or such services are available.

(2) The provisions of Section 69 (1) above shall not apply to articles of description and products displayed during trade fairs and exhibitions.

Section 70.- It shall be forbidden for any individual vendor or service supplier or provider, or group of vendors or service suppliers or providers, to refuse to satisfy purchase or service requests, based on the availability of goods and services, where such requests do not show any anomaly and are made by bona fide customers, and where the sale of such goods or the provision of services is not forbidden by the laws and regulations in force.

Section 71.- (1) It shall be forbidden to make the sale of goods contingent upon the purchase of an imposed quantity or the concomitant purchase of another item of goods or service. In like manner, it shall be forbidden to make the provision of a service contingent upon the provision of another service or the purchase of an item of goods.

(2) The provisions of Section 71 (1) above shall not apply to goods of the same nature sold by lot, provided these same goods are sold separately.

Section 72.- (1) It shall be forbidden to resell goods at a price below the actual cost price.

(2) The actual cost price shall mean the unit purchase price on the invoice plus taxes and custom duties and, as appropriate transportation costs.

(3) However, the prohibition referred to in Section 71 (1) above shall not apply to:

- perishable goods that may rapidly deteriorate;
- goods from voluntary or forced sale following a change or cessation of business activity ordered by a court decision;
- goods sold seasonally, as well as downgraded, outmoded or technically outdated goods;
- goods that were supplied or resupplied, or that could be supplied or resupplied at a lower price. In that case, the actual minimum resale price could be that of the new resupply price;
- products whose resale price is aligned with the price charged by other traders, provided that they do not sell below loss-leading threshold.

Section 73.- It shall be forbidden to resell in the same condition raw materials purchased for processing purposes, except for duly established cases of cessation or change of business activity or force majeure.

Section 74.- it shall be forbidden for traders to keep:

- products imported or manufactured unlawfully;
- stocks of products not covered by the legal purpose of their business activity with the intention of reselling them.

Section 75.- (1) Any violation of the decrees, orders and decisions on prices issued pursuant to this la shall be considered as illegal price increase and, consequently, forbidden, especially prices:

- above the fixed retail price;

- below the minimum purchase or selling price of local products;
- maintained at the previous level, whereas they should have been reduced.

(2) It shall also be considered as unlawful price increase for any producer, industrialist or trader to:

(a) keep products or commodities meant for sale by refusing to satisfy the buyers' requests, on an available basis, so long as these requests do not show any anomaly, as well as habitually apply unjustified discriminatory price conditions through corresponding cost price increases;

(b) restrict the sale or purchase of any product, raw material or commodity to some days, whereas the business undertakings or shops concerned are open for the sale of such products, raw materials or commodities, provided, however, that the sale of other articles is not subject to a special regulation.

(c) take or attempt to take an action, either individually or as a group or an association, aimed at circumventing price regulation by threatening to close down his/her commercial, industrial or craft activity, or by effectively closing down the activity;

(d) refuse to present the required price justification documents to control officials, or present forged documents;

(e) sell above displayed, labeled or homologated prices.

Section 76.- The following shall be considered as unlawful pricing and, consequently forbidden:

- all product or service sale offers or proposals made or concluded at an unlawful price;
- all purchases or purchase offers intentionally made or concluded at an unlawful price;
- maintaining the price of products or services whose quantity or weight has been reduced, or the volume of whose container has been reduced;
- the paid intervention, in whatever form, of an intermediary who occasionally or habitually gets involved, without being duly authorized, in the distribution chain leading to a rise in the lawful price of goods;
- the use of a false name to sell a low-quality product at the price of a similar but higher quality product.

Section 77.- The following practices shall be forbidden:

- the sale of an item of goods or provision of a service without prior submission of price or tariff lists or structures, for goods or services subject to that procedure;
- selling at prices unjustifiably imposed by the producer, industrialist, wholesaler or importer;
- false cost price declarations intended to influence the prices of goods and services not subject to the free pricing system.

Section 78.- It shall be forbidden for a trader to apply, against another trader, or compel same to apply discriminatory prices, payment deadlines and conditions of sale or purchase not justified by any valuable consideration that comply with fair and honest commercial practices.

CHAPTER II **DECEITFUL COMMERCIAL PRACTICES**

Section 79.- (1) Deceitful commercial practices shall be forbidden.

(2) A marketing practice shall be considered as deceitful where it contains false information or where, in any way, including through its overall presentation, it misleads or is likely to mislead the consumer, even if the information presented is right with respect to one or several of the elements below, and where, in either case, it causes or is likely to cause the said

consumer to take a decision he/she may not have otherwise taken. The elements are:

- the existence or the nature of the product;
- the main features of the product such as its availability, benefits, risks, execution, composition, accessories, after-sales service and claims processing, its method and date of manufacture or provision, delivery, its suitability, use, quantity, specifications, geographical or commercial origin, the results to be expected from its use or the results and material features of tests or checks carried out on the product;
- the extent of the professional's commitments, the reasons for the commercial practice and the nature of the sales process, as well as any statement or symbol in relation to direct or indirect sponsorship or support of the professional or the product;
- the price or price calculation method, or the existence of a price specific benefit;
- the need for a service, spare part, replacement or repairs;
- the nature, attributes and rights of the professional or his agent, such as his identity and assets, his qualifications, status, approval, affiliation or connection and ownership of industrial, commercial or intellectual property rights or his awards and distinctions;
- consumer's rights, especially the right to replacement or reimbursement with respect to legal warranty or the risks he may run.

Section 80.- The following marketing practices shall be considered as deceitful in all circumstances:

- a) displaying a quality certificate or label, or any similar document without the required authorization;
- b) claiming that a professional or a product has been approved, endorsed or authorized by a public or private body when it has not, or making such a claim without complying with the terms of the approval, endorsement or authorization received;
- c) proposing the purchase of products at the indicated prices and subsequently, with the intent of promoting a different product either by:
 - refusing to present the article in the advertisement to consumers;
 - refusing to take orders for the article or deliver same within a reasonable time limit;
 - or presenting a defective sample of the products;
- d) falsely stating that a product will only be available for a very short time or that it will only be available on particular terms for a very short time, in order to elicit an immediate decision and deprive consumers of the opportunity or sufficient time to make an informed choice;
- e) claiming or giving the impression that the sale of a product is legal, whereas it is not;
- f) making inexact claims concerning the nature and extent of the risks to the personal security of the consumer or his/her family if the consumer does not buy the product;
- g) promoting a product similar to that made by a particular manufacturer in such a manner as to deliberately lead the consumer to think that the product is made by that same manufacturer, whereas it is not the case;
- h) establishing, operating or promoting a pyramid promotion scheme where a consumer pays a contribution in exchange for the opportunity to receive compensation derived primarily from the introduction of other consumers into the scheme rather than from the sale or consumption of products;
- i) claiming that the professional is about to stop his activity or move premises, whereas such is not the case.
- j) claiming that a product increases the chances of winning in a game of chance;

- k) falsely claiming that a product can cure diseases, malfunctions or malformations;
- l) providing inexact information on market conditions or the possibilities of finding the product, with the intent of inducing the consumer to purchase the product at less favourable conditions than normal market conditions;
- m) claiming that a competition has been organized or that a prize could be won without awarding the prizes described or a reasonable equivalent;
- n) describing a product as “free”, “free of charge”, “without charges” or other similar words, where the consumer has to pay charges other than the unavoidable costs of responding to the commercial practice and taking possession or delivery of the article;
- o) including in the promotion material an invoice or similar document requesting payment which gives the customer the impression of having ordered the product being commercialised, whereas it is not the case;
- p) falsely claiming or giving the impression that the professional is acting for purposes which do not fall within the realm of his/her commercial activity or falsely presenting himself as a consumer.

Section 81.- Without prejudice to the other related applicable legislative provisions, the following shall be considered as deceitful commercial practices:

- a) any reference likely to discredit a specific commercial undertaking or product as well as any declaration or visual presentation which undermines public decency, public order or morality in general, or which by omission and through ambiguity or deliberate lies, may breach the customer’s trust;
- b) all advertising activities with features of a lottery, except where they do not oblige the participants to purchase and, more generally, compensate in whatever form;
- c) any advertisement of illegal or prohibited products;
- d) any deceitful commercial advertising, especially one which:
 - comprises, in any form, claims, indications or representations that are false or likely to mislead as to the identity, quantity, price, availability or features of a service or a product relating especially to its composition, manufacture, usefulness, commercial or geographical origin, usefulness, commercial or geographical origin, after-sales service and the scope or duration of the warranty attached to the said product;
 - comprises elements likely to create confusion with another vendor, his/her products, services or activity;
 - concerns a specific product or service offer, whereas the trader does not have sufficient stocks of products or cannot provide the services that should normally be provided for in relation to the scale of the advertisement;
 - refuses the consumer the right to terminate the contract where one or several of its obligations are not fulfilled;
 - unilaterally modifies the time limit for the delivery of a product or the provision of a service;
 - threatens to break off contractual relations with the consumer for the sole reason of refusing to comply with new or unfair commercial conditions;
- e) use of a false name or any maneuver to sell a low-quality product at the price of a similar but higher quality product;
- f) storage of goods for speculative purposes or unjustified refusal to sell;
- g) fraud on the quantity or labeling of pre-packaged products;

- h) destruction, hiding and falsification of commercial and accounting documents with the aim of distorting actual commercial transaction conditions;
- i) keeping stocks from fraudulent origin, especially:
 - products or goods subject to special sales regulations stocked by a trader not authorized to distribute such products or goods;
 - products and goods whose production, importation, stocking or marketing are expressly forbidden by the laws and regulations in force.

Section 82.- (1) Misleading omissions shall also be considered as deceitful commercial practices.

(2) A commercial practice shall be considered as misleading omission where it omits material information which the consumer needs to take an informal commercial decision and, consequently, causes or is likely to cause the consumer to take a commercial decision which he/she would not have taken.

(3) Shall also be considered as misleading omission, a commercial practice whereby the professional hides material information or provides such information in a vague, unintelligible and ambiguous manner or late or where he does not state his/her real commercial intention and where the consumer is thus caused or is likely to be caused to take a commercial decision which he/she would not have taken.

(4) To determine whether information has been omitted in the case where the communication means used for the commercial practices imposes space or time limitations, consideration must be given to these limitations as well as any measure taken by the professional to inform the consumer using other means.

(5) The following shall be considered as material information during an invitation to buy:

- the main features of the product, taking into account the communication means used and the product concerned;
- the geographical address and the identity of the professional, and, where applicable, the geographical address and the identity of the professional on whose behalf he is acting;
- the tax inclusive price or, where the nature of the product implies that the price cannot reasonably be calculated before hand, the method of calculating the price, as well as; where applicable, all the additional costs of transportation, delivery and postage or, where these costs cannot reasonably be calculated beforehand, the indication that these costs may not be borne by the consumer;
- the methods of payment, delivery, execution and processing of claims, where these methods are different from the requirements of professional diligence.

Section 83.- (1) The following shall be forbidden:

- a) sales consisting particularly in offering goods to the public by giving the public hope of obtaining such goods for free or against payment of an amount below their actual value and by making sales contingent upon the distribution of coupons or tickets to third parties or the collection of subscriptions or registrations;
- b) proposing to a person to collect subscriptions or to register on a list by requiring the person to pay any form of contribution and by giving him/her hope of obtaining financial gains from increase in the number of persons recruited or registered instead of the sale, supply or consumption of goods or services.

(2) In the case of sales networks established through chain recruitment of members or affiliates, it shall be forbidden to require a network member or affiliate to pay an amount as admission fee or cost of acquiring teaching, training, demonstration or sales equipment or service, or any other similar equipment or

service where such payment gives rise to the payment or granting of a benefit to one or several network members or affiliates.

(3) Concerning the sales networks referred to in Section 83 (2) above, it shall also be forbidden to require a member or affiliate to acquire a stock of goods for sale without guarantee to take back the stock under purchase conditions, with possible deduction of an amount not exceeding 10 percent of the corresponding price. However, such take-back guarantee may be limited to a one-year period after purchase.

CHAPTER III **AGGRESSIVE COMMERCIAL PRACTICES**

Section 84.- (1) A commercial practice shall be deemed aggressive where, through harassment, constraint or undue influence, it significantly affects or is likely to significantly affect the consumer's freedom of choice or behavior with regard to an item of goods or service and, consequently, causes or is likely to cause the customer to take a commercial decision he/she would not have taken.

(2) To determine whether a commercial practice resorts to harassment, constraint or undue influence, the following elements shall be taken into account:

- the time and place of the practice, its nature and persistence;
- use of physical or verbal threat;
- informed exploitation by the professional of any specific misfortune or circumstance of such gravity as to impair the consumer's judgment in a bid to influence the customer's decision with regard to the product;
- any major or disproportionate non contractual barrier imposed by the professional where a customer wishes to exercise his/her contractual rights, especially the right to terminate the contract or change product or supplier;
- any threat of action whereas such an action is not legally possible.

Section 85.- Without prejudice to the legislation in force, the following commercial practices shall be deemed aggressive in all circumstances:

- a) giving the consumer the impression that he/she would not be able to leave the business premises without signing a contract;
- b) personally visiting the consumer's residence without heeding to the said consumer's refusal of door-to-door sales or canvassing, or the consumer's request for the professional to leave his/her premises or not to come back;
- c) indulging in unwanted canvassing through telephone, fax, e-mail or any other distance wireless communication tool, without prejudice to the legal or regulatory provisions authorizing him to enforce a contractual obligation;
- d) using advertisements to indirectly encourage children to buy or to convince their parents or other adults to buy for them the product being advertised;
- e) requiring the immediate or deferred payment or products or services supplied by the professional without the consumer requesting them, or demanding that they should be returned or kept;
- f) explicitly informing the consumer that if he does not buy the product or service, the professional's employment or livelihood will be threatened;
- g) giving the false impression that the consumer has already won or will win a prize or another equivalent benefit, in return for completing one or several formalities or not, whereas, in fact, either:
 - there is no prize or equivalent benefit;

- or the completion of one or several formalities in relation to the request for the prize or another equivalent benefit is subject to the obligation for the consumer to pay money or bear a charge.

PART IV **OFFENCES AND PENALTIES**

CHAPTER I **OFFENCES AND THEIR ESTABLISHMENT**

Section 86.- Non-compliance with or violation of the obligations and prohibitions provided for in this law shall be an offence.

Section 87.- (1) Without prejudice to the prerogatives of the Public Prosecutor and judicial police officers, violations of the provisions of this law and its implementing instruments shall be established by a report prepared by public and sworn officials duly authorized by the Ministry in charge of trade.

(2) The public and sworn officials referred to in Section 87 (1) above shall take an oath before the Court of First Instance having territorial jurisdiction, at the request of the Government service concerned. The wording of the oath shall be as follows:

“I do swear that I will strictly and honestly abide by the laws and regulations governing the performance of my duties”.

(3) However, the Judicial Police Officer who first becomes aware of a violation of this law shall automatically hand over the matter to the public and sworn officials referred to in Section 87 (1) and (2) above on account of their jurisdiction.

(4) The report referred to in Section 87(1) shall be exempted from stamp duty and registration fee, and shall be evidence of the findings contained therein until proven otherwise. It shall state:

- the nature, date, time and place of the findings made and the controls carried out;
- the full name or corporate name of the offender or his representative;
- the full name and capacity of the public or sworn official carrying out the control;

The authorization issued by Public Prosecutor having territorial jurisdiction, where applicable.

(5) The report shall be signed by the civil servant or the sworn official and the offender or his/her representative. In case of refusal to sign by the offender or his/her representative, the public or sworn official shall enter such refusal in the report.

(6) Any person requested to sign a report may express any reserve he/she deems appropriate before signing. Such reserve must be explicit and void of any ambiguity. He/she shall receive a copy of the copy.

Section 88.- (1) After showing evidence of their capacity and presenting an official document stating the purpose of their enquiry to the official or representative of the defaulting enterprise or business undertaking, the public or sworn officials of the Government service in charge of trade referred to in Section 87 above may, during opening hours:

- request any commercial, industrial or craft undertaking as well as any professional organization to provide all the documents relating to their activity;
- request all justifications of prices charged and the breakdown of such prices and their components;
- request the provision of all the professional documents they think are required to carry out their enquiry, and obtain a copy of such documents through any means and in whatever medium;

- freely enter any industrial and business premises, even those belonging to third parties. The authorization of the Public Prosecutor shall, however, be required to enter private homes. In that case, they must be accompanied by a judicial police officer;
- obtain necessary information and justifications upon summons or on the spot.

(2) At first request, civilian authorities and the forces of law and order shall provide support to the sworn public servants or sworn officials of the Government service in charge of trade in the discharge of their duty.

Section 89.- The civil servants and officials responsible for establishing offences as well as gathering and processing information pursuant to this law shall be bound by professional secrecy with respect to any information or document that cannot be legally placed at the disposal of the public, under pain of the penalties provided for in Section 310 of the Penal Code.

CHAPTER II PENALTIES

I. ADMINISTRATIVE PENALTIES

Section 90.- (1) After a reasoned formal notice to the offender has remained unheeded for thirty (30) days from the date of notification, the Minister in charge of trade may automatically suspend the activity of any trader who does not comply with the obligations and prohibitions of this law or who refuses to submit to a control by duly empowered sworn officials, to present professional documents after a written request or to pay a fine.

(2) The suspension referred to in Section 90 (1) above shall lead to sealing of the defaulting business premises or professional premises. It shall entail the temporary cessation of the business activity concerned until the litigious situation is regularized, where applicable.

(3) During the period of suspension, which may, however, not exceed six (6) months, the offender shall continue to honour his/her commitments to his/her staff and the tax authority.

(4) The suspension provided for in Section 90 (1) above may be appealed before the administrative courts, in accordance with the laws in force.

Section 91.- (1) Violations of the provisions of this law shall be punished with a fine of 5 percent of the annual turnover of the offending trader or professional, with a minimum fine of 30 000 (thirty thousand) CFA francs for natural persons and 100 000 (one hundred thousand) CFA francs for legal persons.

(2) However, the following violations shall be punished with a fine of 10 percent of the annual turnover of the offending trader or professional; with a minimum fine of 100 000 (one hundred thousand) CFA francs for natural persons and 250 000 (two hundred and fifty thousand) CFA francs for legal persons:

- violation of the provisions of Sections 21 et seq. relating to the terms and conditions for distributing goods and services;
- the carrying out of a sedentary business activity on principal residential premises;
- the carrying out of a commercial activity by a sedentary trader within an infrastructure ill-adapted to the nature of the products sold;
- violation of the provisions relating to carrying out of commercial activity by foreigners and the establishment of branches by foreign natural or legal persons;
- the carrying out of a commercial activity without prior approval, authorization or licence by natural or legal persons whose activity is subject to either of these regimes;

- stocking of goods for speculative purposes or unjustified refusal to sell;
- refusal by any producer, importer or wholesaler to communicate his/her price structure or scale and his/her general conditions of sale to a reseller who so requests;
- failure to provide the consumer, prior to concluding the sale or provision of service, with true and accurate information on the essential features of the goods and service proposed, the warranties and sales conditions applied;
- sales without invoices;
- violation of the provisions relating to warranties for goods and services;
- failure to organize or poorly organized after-sales service;
- sale of prohibited or expired products or products not fit for human, animal or plant consumption, or dangerous to the environment;
- sales without accounting or with irregular accounting;
- Sales contingent upon the purchase of other goods or services;
- Non-compliance with the directives on "seasonal" sales;
- sales without prior price or tariff homologation for goods and services whose prices or tariffs are subject to such a procedure;
- unlawful price increases or charging unlawful prices;
- production, importation or distribution of infringing products;
- involvement in the unlawful, deceitful and aggressive commercial practices provided for in Section 68 et seq. of this law.

Section 92.- (1) Where the offence concerns expired or prohibited goods or products sold in a specific place or nationwide, or goods or products which do not comply with standards whose implementation has been rendered compulsory, the sworn civil servant or official shall attach the goods or products concerned. The same shall apply to the keeping of any stock of goods or products of fraudulent origin or for speculative purposes.

(2) With the exception of products whose manufacture, importation, stocking, distribution, sale or use are unlawful and whose seizure shall lead to destruction or confiscation, as the case may be, the other attachments may be carried out with or without removal of the goods concerned.

(3) Where attachment is carried out without removal of the goods concerned, replevin shall give rise to assessment of the goods in the presence of the parties concerned and the offender shall be free to either record the estimated value or redisplay the goods attached if he so requires.

(4) Where attachment concerns perishable goods, they may be destroyed or sold as appropriate. Where they are sold, their sales price shall be record.

(5) Non-perishable goods and equipment attached by the Government service in charge of trade shall be placed under open, exposed or closed seal and may be entrusted to a custodian. No legal proceedings may be taken against the Government service or its employees for the normal deterioration of goods or equipment attached.

(6) Any attachment of goods must be recorded in a report prepared in accordance with the provisions of Section 87 above. The report shall contain the list of goods attached.

Section 93.- The administrative penalties provided for in Chapter II (1) shall apply without prejudice to those of the penal Code and special laws.

Section 94.- (1) Claims by offending traders or professionals to the Minister in charge of trade must state the purpose, full name and complete address of the claimants, accompanied by documents supporting the declarations or allegations contained therein. They shall give rise to an administrative enquiry to assess their basis.

(2) Failing a response from the Minister in charge of trade within the three (3) months following submission of claims or in case of unfavourable response, the offending trader or professional may go to court.

Section 95.- (1) At his/her request submitted within the thirty (30) days following the establishment of the offence, the Government service in charge of trade may grant the offender the benefit of a settlement procedure.

(2) The amount of the settlement may not be below the minimum fine provided for in Section 91 above.

(3) The terms of settlement shall be laid down by regulation.

Section 96.- (1) The payment of a fine or the proceeds of settlement shall be justified by a receipt issued by the accounting station or the intermediate revenue officer having territorial jurisdiction. It shall stay any prosecution, except it is initiated after the matter is brought before the Court of Justice.

(2) Where the offender does not pay the fine or the proceeds of settlement within the prescribed time limit, the Government service in charge prices shall submit the related file to the competent Public Prosecutor's Office for prosecution.

II. CRIMINAL PENALTIES

Section 97.- (1) Any natural or legal person who violates this law and its implementing instruments shall be criminally liable.

(2) Legal persons shall be criminally liable for offences committed on their behalf by their staff and management bodies.

(3) The criminal liability of legal persons shall not exclude that of natural persons who commit or are accomplices in the same offences.

Section 98.- (1) Without prejudice to the administrative penalties referred to in Chapter II (1) and civil liability, as appropriate:

- a) Any natural or legal person who encourages resistance to the application of this law shall be punished with the penalties provided for under Section 157 of the Penal Code;
- b) Any natural or legal person who breaks the seal legally placed by the Government service in charge of trade shall be punished with the penalties provided for under Section 191 of the Penal Code;
- c) Any natural or legal person who:
 - makes false cost price declarations with the intent of influencing the prices of goods and services not subject to the free pricing system;
 - stocks goods for speculative purposes;
 - keeps stocks of goods with the intent of causing unjustified price increases;
 - violates the provisions relating to the exercise of commercial activity by foreigners or the establishment of branches by foreign natural or legal persons;

- fails to organize or poorly organizes after-sales services;
- indulges in an aggressive commercial practice as provided for in Sections 83 and 84 of this law; shall be punished with the penalties provided for under Section 256 of the Penal Code;
- a) any natural or legal person who:
 - conducts sales without invoices or with fake invoices;
 - conducts sales without accounting or with irregular accounting;
 - indulges in deceitful commercial practices as provided for in Section 79 et seq. of this law; shall be punished with the penalties provided for under Section 314 of the Penal Code;
- b) any natural or legal person who sells prohibited goods or goods which are not fit for human, animal or plant consumption or are harmful to the environment, or who sells on the domestic market, without prior payment of taxes and custom duties, a product bought tax-free and intended for export shall be punished with the penalties provided for under Section 326 of the Penal Code;
- c) any natural or legal person who manufactures, imports or distributes counterfeit products shall be punished with the penalties provided for under Section 330 of the Penal Code.

(2) The Court may also, as the case may be, impose the accessory penalties provided for under Section 33 et seq. of the Penal Code.

Section 99.- Any rebellion, opposition to control, insults or assault against the sworn civil servants and officials referred to in Section 87 of this law shall be punished with the penalties provided for under Sections 154, 156 and 157 of the Penal Code.

Section 100.- Without prejudice to victims' right of prosecution, public criminal action against the offences provided for in this law shall be initiated by the competent Public Prosecutor, upon a prior complaint lodged by the Government service in charge of trade, accompanied by the report on each file as well as the goods attached, as appropriate.

PART VII MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS

Section 101.- (1) The fines and proceeds from the settlements provided for in this law shall be collected for the State budget and paid to the Treasury under conditions laid down by regulation.

(2) The scale for distributing the fines and proceeds of the settlements provided for under Section 101 (1) above shall be fixed by a special instrument.

Section 102.- The conditions for applying this law shall be laid down by regulation as and when necessary.

Section 103.- (1) Traders who are natural or legal persons shall comply with the new provisions set forth in this law within a period of one (1) year from the date of its enactment.

(2) Upon its enactment, the provisions of this law shall apply to traders undergoing the process of registration in the Trade and Personal Property credit Register.

Section 104.- All previous provisions repugnant hereto are hereby repealed, in particular Law No 90/31 of 10 August 1990 governing commercial activity in Cameroon, Ordinance No 72/18 of 17 October 1972 to institute general price regulations and its amending Laws No 79/11 of

30 June 1979 and No. 89/11 of 28 July 1989.

Section 105.- This law shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaounde, 21 December 2015

**(signed) Paul Biya,
President of the Republic**

Law No.2011/022 of 14 December 2011 governing the Electricity Sector in Cameroon

The National Assembly deliberated and adopted,
The President of the Republic hereby enacts the law set out below:

PART I GENERAL PROVISIONS

Section 1: (1) This law governs the electricity sector with a view to ensuring its modernization and development.

(2) It shall apply to the generation from any primary or secondary energy source, the transmission, distribution, supply, importation, exportation and sale of electricity by any corporate entity or individual in Cameroon.

In this regard, the law:

- lays down the conditions for storing water for electricity generation, the generation, transmission, distribution, importation, exportation and sale of electricity;
- establishes the basis for fair competition in the electricity sector so as to enhance its economic efficiency;
- lays down the procedures for checking the fulfilment of specific obligations incumbent upon operators engaged in non-competitive activities;
- specifies the rules governing environmental protection in the electricity sector;
- lays down the rules governing the protection of consumers' interests in terms of prices, conditions of supply and safety of the services;
- guarantees the continuity and quality of services.

Section 2.- Electricity shall be considered by nature a movable property, which is consumable and replaceable.

Section 3.- (1) The storage of water for the generation of electricity, the generation, transmission, distribution, importation and exportation of electricity with a view to selling energy to the public shall constitute a public utility service.

(2) The objective of the electricity utility service shall be to guarantee electricity supply throughout the national territory in line with the general interest. It shall contribute to the autonomy and reliability of supply, optimal management and development of national resources, the management of energy demand, competitiveness of the economy and mastery of future technological options, as well as rational energy use. It shall contribute to the social cohesion, the fight against exclusion, balanced regional development in line with environmental protection, research and technological progress, as well as defence and public safety.

The electricity utility service shall be managed in accordance with the principles of equality, continuity and adaptability, and under the best conditions of safety, quality, cost, price and economic, social and energy efficiency.

(3) The electricity utility service shall be organized by the State.

Section 4.- Installations for the distribution of signals, State security installations and energy research facilities shall not fall within the ambit of this law.

Section 5.- For the purposes of this law and subsequent regulations, the following definitions shall apply:

self-producer: person producing electricity exclusively for its own use and not engaged in its transmission or distribution in the area where it is located, save in the case where transmission is intended for its own use;

competent authority: corporate body governed by public law and empowered to conclude, sign or issue the legal instruments required for carrying out the activities mentioned hereunder.

granting authority: corporate body governed by public law and empowered to sign concession contracts between the State and a corporate body governed by public or private law.

local authority: representative of a regional or local authority;

authorization: legal instrument issued by the competent authority which allows the carrying out of an activity in the electricity sector and establishes that the operator fulfils the conditions and obligations under this law and its implementing instruments;

hydroelectric power station: installation on a stream or river which uses water power to generate electricity;

concession: agreement signed exclusively between the State and an operator allowing the latter to use clearly-defined State Land for the purpose of generating, transmitting and distributing electricity on the basis of specifications.

concessions to generate and transmit electricity for industrial purposes: concessions respectively for the generation and transmission of electricity that allow for the development and operation of electricity generation and transmission activities between electricity generation and industrial sites and/or between generation sites and interconnection substations to transmission grids, by any firm operating and industrial production activity, with a view to meeting its industrial needs.

eligible customer: customer that is free to buy electricity from the supplier of its choice.

conciliation: procedure followed by the Regulator for the amicable settlement of conflicts between electricity sector operators and their customers.

control: all the operations or actions carried out to verify the compliance of activities, appliances, equipment, installations or procedures with the instruments and standards in force.

alternating current: electric current that regularly and periodically changes direction at a frequency of 50 Hertz;

direct current: electric current that is time-independent;

declaration: an administrative formality fulfilled with the competent authority to carry out certain activities provided for hereunder;

distributor: any natural person or corporate body setting up and/or operating low or medium voltage electricity networks and selling and/or supplying electricity to users; **distribution:** setting up and operating medium and low voltage electricity networks with a view to selling energy to the public.

energy efficiency: all technical or managerial measures aimed at optimizing the energy output of installations according to the principles of least-cost production;

electricity: energy generated from primary sources (rivers, lakes or tides), mineral raw materials (coal, oil, nuclear substances, geothermal and other resources, or renewable energy sources (solar rays, wind, biomass, etc.).

low voltage electricity: voltage below 1 000 volts in alternating current and below 1 500 volts in direct current;

high voltage electricity (HV): voltage ranging from 30 000 volts and 25 000 volts;

medium voltage electricity: voltage ranging between 1 000 volts and 30 000 volts in alternating current and between 1 500 volts and 30 000 volts in direct current;

extra high voltage electricity (EHV): voltage above 225 000 volts; **marine energy**: energy carried by ocean waves, currents, tides, offshore wind, or ocean temperature or salinity gradients;

biomass energy: energy produced by burning organic matter in a fluid to produce steam used to power turbines; **wind energy**: mechanical energy of large masses of air in the atmosphere;

geothermal energy: mechanical energy produced from thermal underground sources;

photovoltaic thermal energy: energy obtained from the conversion of sunlight into electricity by the photovoltaic effect of photosensitive semi-conductors; **solar thermal energy**: thermal energy produced by the effect of sunlight on a fluid resulting in the production of steam used to power turbines;

exportation: sale of electricity produced in Cameroon to a public or private body for sale or use on a foreign market;

electricity supplier: natural person or corporate body authorized to sell electricity to an intermediate or final user;

supply: making electricity available to users at the delivery point; **distribution network operator**: a natural person or corporate body responsible for operation, maintenance and, where necessary, development of the distribution network in a given area;

transmission network operator: corporate body responsible for the operation, maintenance and, where necessary, development of the national transmission network, its interconnection with other networks, as well as the management of energy flow;

bulk user: an end-point industrial or commercial vendor or buyer of extra high, high and medium voltage electricity who is authorized to buy electricity directly from the conveyor, producer or seller;

importation: buying electricity from a public or private body in a foreign country for sale on the national territory;

installation: all the electrical equipment used to generate, transmit or distribute electricity:

- a building or land used for electricity supply lines;
- equipment which enables electricity to be supplied to users at the point of delivery;

domestic electricity installations: any electric cables, line, instrument or apparatus located downstream from the electricity distributor's delivery point characterized:

- In low voltage: by output terminal from meter(s) or calibrated and sealed fuses or sealed circuit breakers, if placed after the meter;
- In medium and high voltage: by solar collectors before the entrance to the user's transformer substation or the cable end box in the case of underground networks, including collectors or boxes.

renovated domestic electrical installations: installations whose elements have been entirely or partly removed and replaced;

interconnections: equipment used to link up electricity networks; **licence**: contract or administrative title granted by a competent authority to a qualified operator who has been selected as an independent operator selling extra high, high voltage and medium voltage electricity as well as import and export activities totally or partially intended for distributors or bulk users;

private electricity line: a transmission line for extra high, high, medium or low voltage electricity for the exclusive use of its owner, and installed in a private property and complying with the rights thereof;

electrical equipment: any equipment used to mount an electrical installation or that can be plugged into it;

energy control: all the measures and actions carried out to ensure the judicious use of energy and development of renewable energy sources;

least cost: necessary and realistic amount of financial cost incurred during an activity in the electricity sector;

dealer: natural person or corporate body authorized to supply electricity purchased from procedures or from the market to users;

operator: any natural person or corporate body governed by Cameroonian law who has the right to engage in an activity in the electricity sector;

delivery point: any apparatus or instrument used to effectively convey electricity from the distributor to the consumers, from producer to transporters and bulk users, and from transporters to distributors and bulk users;

interconnection station: location of all interconnection equipment or installations.

producer: a natural person or corporate body that is authorized to operate an installation designed to generate electricity from any source of energy and sells and supplies its product to third parties;

production: generation of electricity from any source;

decentralized production: electricity production unit designed to meet the electricity needs of users located far from interconnected networks and unable to be connected thereto in the medium term;

normal profitability: cash compensation paid on the operator's equity capital committed on the licence it holds in the sector, under normal conditions of use, recognized as such by the Electricity Sector Regulator;

transmission network: a system of conductors consisting of extra high and high voltage electrical transmission lines and current transforming stations between extra high and high voltage or high and medium voltage, for the purpose of supplying high or medium voltage electricity to delivery points;

electrical grid: all the generation, transmission and distribution structures that help transport electricity from production sources to delivery points;

auxiliary services: services required in the electricity transmission and distribution system;

electric power utility: any activity involving the generation, transmission, distribution, exportation or importation of electricity, storage of water for the generation of electricity not intended for the exclusive use of the producer concerned;

primary energy resources: resources which exist in their natural state on the territory of the Republic of Cameroon or are imported, and which can either be used directly as fuel, such as organic matter (petroleum, crude oil, schist, coal, peat, biomass, fuel gas, uranium), converted into other forms of energy, used as nuclear energy, or be obtained from renewable sources of energy (water, solar energy, wind tide and geothermal energy), or residue of human activity;

renewable energy resources: sources of energy that exist naturally and are permanently renewed by nature;

secondary sources of energy: sources obtained from the conversion of primary sources by a process of transformation, with loss of part of the original power content;

standards and norms: the technical, statistical and dynamic conditions required under this law and its implementation instruments for the products plants and equipment used in the electricity sector;

interconnected system: the set of transmission and distribution systems linked up by one or several interconnectors;

transmission: the transportation of extra high and high voltage electricity for supply to distributors, exporters, bulk users or for own purposes;

conveyor: corporate body that is holder of a licence to transmit electricity and in charge of the operation, maintenance, and where necessary, the development of the transmission concession and of its interconnection with other networks;

user: a natural person or corporate body connected to a distribution network in order to receive a supply of electricity at the delivery point;

sale: supplying electricity for valuable consideration.

PART II
ELECTRIC POWER UTILITY AND SAFETY MEASURES

Section 6.- (1) Concession contracts, licences and authorizations provided for hereunder shall define the extent of public utility obligations.

(2) The State may compensate all financial expenses incurred subsequent to the fulfilment of public utility obligations not provided for in the concession contracts, licences and authorizations and which compel operators to apply rates lower than the actual cost of production.

Section 7.- (1) In the event of a sudden crisis or shortage in the electricity market, or of a serious threat to the safety of persons, installations or the national network, government services shall take the required safety, requisition, restrictive and containment measures.

(2) The measures taken pursuant to Subsection (1) above may not irreversibly affect the normal conditions for the production and transmission of electricity on the domestic market. Such measures should be in proportion of what is strictly necessary to solve problems that led to their implementation.

Section 8.- The construction of electricity structures in protected natural zones such as reserves and parks shall be done only following an authorization granted by the authority in charge of environmental protection, in accordance with the laws and regulations in force.

Section 9.- The environmental impact evaluation of activities in the electricity sector that require an authorization, a licence or a concession shall be carried out, at the expense of the operator. The Electricity Sector Regulatory Board shall ensure compliance with the laws and regulations on environmental protection.

Section 10.- In terms of environmental safety and protection of people and property, electrical installations, appliances and equipment shall be governed by the provisions of the law on hazardous, unhealthy and inconvenient establishment or, where applicable, by the urban planning and construction regulations in force.

PART III
LEGAL FRAMEWORK FOR ELECTRICITY SECTOR ACTIVITIES

Section 11.- (1) Activities in the electricity sector shall be placed under one of the following legal schedules:

- the concession;
- the licence; the authorization;
- the declaration;
- the free scheme.

(2) The activities provided for under Subsection (1) above shall entail the payment of royalties the rate, collection and distribution of which shall be defined by statutory instruments.

(3) The Ministry in charge of electricity shall grant concessions and licences. The Electricity Sector Regulatory Board shall be competent in all the other cases provided for in Sub-section (1) above.

Section 12.- The generation and transmission of electricity for industrial purposes shall be

subject to the legal regimes of concessions to generate and transmit electricity for industrial purposes and shall be governed by this law.

CHAPTER I: **CONCESSION**

I. COMMON PROVISIONS ON CONCESSIONS

Section 13.- (1) The following activities shall be subject to the concession regime, save otherwise provided by this law:

- water storage on public land for electricity production;
- generation of hydroelectric power in particular on public land;
- operation of the transmission network;
- electricity transmission;
- electricity distribution.

(2) Concession agreements shall determine the duration and condition of suspension, expiry and revision, renewal and cancellation of the contract by the granting authority, as well as the settlement of disputes.

(3) The renewal of concession shall be done in accordance with the procedure laid down by regulation.

Section 14.- (1) The owners of hydroelectric power stations as well as operators of electricity transmission networks, transmission and distribution shall be selected through a call for tenders following the procedure laid down by regulation.

(2) However, where necessary and under certain conditions laid down by regulation, the storage of water for the generation of electricity, in particular hydroelectric production, the operation of the transmission network, transmission and supply may, in special cases, be granted without any call for tenders.

II. SPECIAL PROVISIONS ON WATER STORAGE CONCESSIONS FOR ELECTRICITY GENERATION

Section 15.- (1) Water storage concessions shall define the conditions for operating and managing storage installations as well as the water stored in storage dams intended mainly for hydroelectric power producers. They shall also define the rights and obligations of the holder of a licence to store water for electricity generation.

(2) The use of the water stored by the holder of a licence to store water for the generation of electricity shall be subject to the payment of a fee whose amount as well as conditions of collection and distribution shall be laid down by regulation.

Section 16.- Holders of licences to store water for electricity generation shall be subject to special obligations in the public interest, namely:

- optimization of water resource management; and
- supply of water to users in keeping with the principle of non-discrimination.

Section 17.- The conditions for the management of basin water stored for electricity generation on the national territory shall be laid down by regulation.

Section 18.- (1) The provisions of this section shall not apply to water storage which is incidental to generation within the framework of a generation licence.

(2) The characteristics and conditions for the use of such storage shall be laid down by regulation.

III. SPECIFIC PROVISIONS ON GENERATION CONCESSIONS

Section 19.- Generation concessions shall define the conditions for operating specific installations designed to generate energy from any source and sell or supply such electricity to third parties. They shall also define the producer's rights and obligations within the framework of his activity.

Section 20.- (1) Producers shall be subject to specific obligations in the public interest, in particular that of supplying electricity to distributors or bulk users in an uninterrupted manner, except in cases of force majeure and other cases stipulated hereunder.

(2) It shall be incumbent upon the Ministry in charge of electricity to assess the cases of force majeure referred to in Subsection (1) above.

IV. SPECIFIC PROVISIONS ON CONCESSIONS FOR TRANSMISSION AND OPERATION OF THE TRANSMISSION NETWORK

Section 21.- A transmission concession may be concluded between the State and the transmission operator for a transmission network over a given area after appropriate studies.

Section 22.- The concession for the management of the transmission network shall be concluded between the State and the transmission network operator-manager throughout the national territory. It shall define the rights and obligations of the transmission network operator-manager.

Section 23.- A public liability company, a transmission network organization abbreviated "TNO", is hereby established. Its missions, organisation and functioning shall be laid down by decree of the President of the Republic.

Section 24.- The holder of a concession to operate a transmission network shall forward to the Ministry in charge of electricity and the Electricity Sector Regulatory Board, for publication, an annual estimate of the generation, transmission and distribution capacities of the network. He shall determine the needs for interconnection with other networks, the potential transmission capacities and the demand for electricity. The Ministry in charge of electricity shall determine the duration of the period covering this activity.

Section 25.- The holder of a concession to operate a transmission network shall abide by the confidentiality of the commercial information forwarded to him within the framework of his activities.

V. PROVISIONS APPLICABLE TO CONCESSIONS FOR DISTRIBUTION AND OPERATION OF DISTRIBUTION NETWORKS

Section 26.- Electricity distribution concessions shall determine the conditions for the exclusive distribution of electricity in the area for which such concessions are granted. They shall also determine the rights and obligations of the distributor within the framework of his activities.

Section 27.- The concession to operate distribution networks shall be concluded between the State and the distribution network operators throughout the national territory. It shall define the rights and obligations of the distribution network operators.

Section 28.- Distribution network operators shall be subject to specific obligations in the public interest, in particular that of supplying electricity to any natural or corporate body in the area for which the concession is granted, according to the conditions set out in the specifications.

CHAPTER II **THE LICENCE SCHEDULE**

Section 29.- Licences shall be awarded for:

- the independent production of electricity;
- the sale of extra high, high and medium voltage electric power;
- the import and export of electricity.

Section 30: The Electricity Sector Regulatory Board shall receive and process applications for licences relating to the activities referred to in Section 29 above and shall forward such applications to the Ministry in charge of electricity.

Section 31.- Independent electricity producers shall produce and sell electricity to distributors or to bulk users, in accordance with the provisions of Section 29 above and Section 34 below of this law.

Section 32.- Electricity importers and exporters shall carry out their activities in accordance with the provisions of this law, its implementing instruments and the international commitments of the Republic of Cameroon.

Section 33.- The operators shall state, in the application relating to each import, the destination of the imported electricity depending on whether it is for sale on the national market, or in transit for export purposes.

Section 34.- Licences to sell extra high, high and medium voltage electricity power, as well as those for the independent production, import and export of electricity shall be granted only to operators who fulfil the technical requirements and provide adequate financial guarantees to carry out their activities.

Section 35.- Electricity which exceeds the needs of the domestic market shall, after the granting of licence referred to in Section 29 above, be free to go to any destination and to be sold abroad under the most favourable conditions in accordance with the international commitments of the Republic of Cameroon.

Section 36.-The Government may, as and when necessary, suspend the import and export of electricity, particularly under exceptional circumstances.

CHAPTER III

REGULATIONS RELATING TO AUTHORIZATIONS, DECLARATIONS AND THE
FREEDOM TO INSTALL ELECTRICITY LINES

I. AUTHORIZATION REGIME

Section 36.- The following shall fall under the authorization schedule under conditions laid down by statutory instruments:

- private production installations of more than 1 MW;
- setting up and operating electricity distribution installations with a view to directly or indirectly supplying power of not more than 100 KW;
- installation of private electricity lines along or across a highway or running horizontal at distances of less than 10 m from an existing electric, telephone or telegraph line situated on public property.

Section 38.- The authorization may be granted only where there is no public electricity service due to the lack or shortage of electricity generation, transmission and distribution means in the area concerned.

II. DECLARATION REGIME

Section 39.- Where the output of installations for personal production of electricity is more than 100 KW and less than 1 MW, the owner of such installations shall be bound to make a declaration to the electricity Sector Regulatory Board before operating the said installations.

III. FREE REGIME

Section 40.- (1) Installation of private electricity lines shall be done without restriction where the facilities are entirely located on private property, provided such lines shall not run along or go across a highway, and that the wires shall at no point run horizontally at less than ten (10) metres from an existing electric, telephone or telegraph line situated on public property.

(2) Installation of private electric lines must meet the required norms and standards.

Section 41.- The setting up and operation of installations for personal production of electricity other than in hydroelectric power stations whose output is not more than 100 KW shall not be subject to any legal or administrative procedure. Such installations shall be considered as domestic installations and subject to the provisions of Section 75 and seq. below.

Section 42.- Any production activity intended for suppliers, other than those provided for in this chapter shall, except as otherwise provided in this law, be carried out after obtaining a concession or licence.

Section 43.- All the activities referred to in this part shall be subject, without prejudice to the declarations required by any of the bodies concerned, to a declaration for statistical purposes made to the Electricity Sector Regulatory Board under the conditions laid down by statutory instruments.

CHAPTER IV

**PROVISIONS RELATING TO HOLDERS OF CONCESSIONS, LICENCES,
AUTHORIZATIONS OR DECLARATIONS**

Section 44.- (1) Concessions, licences, authorizations and declarations of intent to set up installations, granted in accordance with this law, shall be personal and non-transferable, except expressly authorized by the Electricity Sector Regulatory Board. They shall be published in the gazette for legal notices, with the specifications, if any, appended thereto.

(2) Where the holder of a concession, licence, authorization or declaration of intent to set up an installation granted in accordance with this law fails to fulfil the requirements laid down in this law, the Board may notify such holder to comply with the requirements.

(3) Where the holder of a concession, licence, authorization or declaration fails to comply with the notification served to him, the Board may pronounce against him one of the penalties provided for in Section 97 (2) of this law.

Section 45.- (1) The Ministry in charge of electricity or the Board, as the case may be, may annul the concessions, licences, authorizations or declarations and pronounce a forfeiture against any operator in the event of a decision to dissolve the enterprise before due date, a court order to liquidate the enterprise, whether or not the said order included an authorization to carry on with its activities, or in the event of a bankruptcy decision.

(2) The operator shall be bound to inform the Board of any changes made in respect of the shareholders, the registered capital or the management of the enterprise.

(3) In the event of any change in the circumstances that prevail at the time of the granting of the concession, licence or authorization deemed to be against public interest, such concession, licence or authorization may be annulled by the administration in charge of electricity or the Board, as the case may be.

CHAPTER V

**SPECIFIC PROVISIONS ON THE PRODUCTION AND TRANSMISSION OF
ELECTRICITY FOR INDUSTRIAL PURPOSES AND FOR
THE MANAGEMENT OF SURPLUS ELECTRICITY**

I. GENERAL PROVISIONS

Section 46.- (1) Any company carrying out industrial production activities may develop and carry out activities to generate and transmit electricity between production and industrial sites and/or between production sites and interconnection stations to transmission networks to satisfy its industrial requirements.

(2) The surplus electricity produced that is not used for its industrial needs shall be governed by the provisions of Section 57 of this law.

(3) The management of the surplus of electricity referred to in Subsection (2) above shall be subject to public utility obligations.

Section 47.- (1) The production of electricity by an industrial producer for use primarily in its industrial plants and, where applicable, the transmission of electricity from its production and industrial sites and/or between its production sites and transmission network interconnection

stations shall be carried out under separate concessions for the generation and transmission of electricity for industrial purposes.

(2) Activities carried out under one of the concessions referred to in Subsection (1) above shall not be public utility activities.

II. COMMON PROVISIONS ON CONCESSIONS FOR THE GENERATION AND TRANSMISSION OF ELECTRICITY FOR INDUSTRIAL PURPOSES

Section 48.- The competent authority may, for industrial projects considered to be of strategic importance to the national economy, decide that the granting of concessions for the generation and transmission of electricity for industrial purposes shall be done without a call for tenders under conditions laid down by regulation.

Section 49.- (1) The initial duration of concessions for the generation and transmission of electricity for industrial purposes referred to in Section 47 above shall be compatible with requirements for returns on investments.

(2) They shall be renewed at the behest of holders under the conditions in force, except where the holders of such concessions notify the State of their decision not to renew the concession no later than two (2) years before expiry of the concession.

(3) The concession agreements may be revoked or withdrawn by the State before their expiry only for gross negligence by the holder, established by the Electricity Sector Regulatory Board.

(4) The holder of a concession may, prior to the expiry of the concession, renounce its concession. The draft renunciation must be notified to the Electricity Sector Regulatory Board no later than six (6) months before the proposed date of the renunciation. The Board shall rule on the termination within three (3) months from the date of notification. The amount of compensation due under this agreement shall be fixed on the basis of the grounds for renunciation and the consequences assessed by the Electricity Sector Regulatory Board. The termination shall become effective upon payment of taxes, customs duties and other fees and penalties payable by the concession holder.

Section 50.- The concession for the generation and transmission of electricity for industrial purposes referred to in Section 47 above shall be subject to payment of the fees provided for hereunder.

Section 51.- (1) Where concessions for the generation and transmission of electricity for industrial purposes prevail as concerns occupation of public land in the area for which they are granted, the concessions shall be deemed to be authorization to occupy the land for their duration and possible renewal. The holder of the concessions shall have ownership right over the structures, buildings and installations constructed, except otherwise specified by the concession contract, under the conditions and limits defined by the terms of the concession contract.

(2) To carry out transmission activities, the holder of a concession to transmit electricity for industrial purposes shall obtain rights, within a right-of-way delimited in the concession, to occupy and use land in accordance with the purpose of the concession, to freely access the installations that fall under transmission lines and to freely use them, to carry out all works necessary for the exercise of transmission activities, upon the payment of taxes, duties and levies provided for by law in force and undertake any other development

necessary for the exercise of this activity.

Section 52 (1) The concessions for the generation and transmission of electricity for industrial purposes referred to in Section 47 above, as well as the rights and obligations attached thereto may be assigned to companies over which the holder exercises control or is a member of his corporate group, after approval by the Electricity Sector Regulatory Board.

(2) The respective concessions for the generation and transmission of electricity for industrial purposes referred to in Section 47 above, as well as the rights and obligations attached thereto may be assigned to third parties as collateral or security on behalf of third parties to finance or refinance the construction of any buildings, structures and installations and to undertake the activities concerned, upon the approval of the Electricity Sector Regulatory Board which shall make its decision on the project within one (1) month of reception of all the appropriate documents.

(3) The assignment to third parties of the concessions and licences, as well as the rights and obligations attached thereto shall be subject to the prior approval of the Electricity Sector Regulatory Agency, to which the proposed assignment must be notified within four (4) months before the proposed date of its implementation. The Board shall rule on the proposed assignment within three (3) months of notification. The rejection of a proposed assignment shall be reasoned.

(4) The assignment, provision of securities or transfer of rights shall, except otherwise specified in the assignment, transfer or security deed, entail automatically the full and complete transfer to the new holder of the concession of the rights and obligations attached thereto as well as buildings, structures and installations of any kind relating thereto, upon the approval of the Electricity Sector Regulatory Board.

Section 53.- The execution of works relating to concessions to generate and transmit electricity for industrial purposes and the related equipment and installations shall be preceded, where applicable, by a declaration of public utility.

III. SPECIFIC PROVISIONS ON THE PRODUCTION AND TRANSMISSION OF ELECTRICITY FOR INDUSTRIAL PURPOSES

Section 54.- the construction, operation and maintenance of electricity transmission lines shall, as applicable, be authorized or controlled by the State in accordance with the specifications of the respective concessions for the generation and transmission of electricity for industrial purposes.

Section 55.- (1) The holder of a concession to generate or transmit electricity for industrial purposes must comply with the good practices and Cameroonian regulations in force, in particular the technical and safety standards relating to the protection of the environment and the population.

(2) Where some of the power generated is intended for public service, the holder of a concession to generate or transmit electricity for industrial purposes must go through a competitive bidding procedure for the construction of the transmission or generation facilities under the supervision of the Electricity Sector Regulatory Agency.

Section 56 (1) Third parties shall have the right to access existing transmission lines under the concession to transmit electricity for industrial purposes provided they are connected to the national transmission network, on condition that:

- access by third parties is feasible in terms of reliability, safety and capacity of transmission

lines;

- access by third parties does not disrupt the concession holder's transmission activities;
 - the concession holder receives a fee to cover the cost of the connection and maintenance of transmission lines and to offer the concession holder normal profit for the service rendered. The profit shall be ascertained by the Electricity Sector Regulatory Board on the proposal of the concession holder.

(2) The conditions of access to transmission lines by third parties shall be laid down by regulation.

IV. SPECIFIC PROVISIONS ON THE MANAGEMENT OF SURPLUS ELECTRICITY

Section 57.- (1) The holder of a concession to generate electricity for industrial purposes shall place an agreed quantity of the electricity generated in keeping with his concession at the disposal of the transmission network operator-manager for supply to public or private buyers.

(2) The price of the electricity so placed at the disposal of the transmission network operator-manager shall be approved by the Electricity Sector Regulatory Agency, on a service cost basis.

PART IV

RURAL ELECTRIFICATION, RENEWABLE ENERGY AND ENERGY EFFICIENCY

CHAPTER I

RURAL ELECTRIFICATION

Section 58.- (1) The State shall ensure the promotion and development of rural electrification nationwide.

(2) Local authorities shall contribute, as and when necessary, towards the implementation of the rural electrification policy under conditions laid down by regulation.

(3) The shall be bound to comply with the provisions of this law.

Section 59.- (1) Rural electrification shall be carried out through connection to the interconnected network, or by distributed generation.

(2) Within the framework of decentralized rural electrification and in view of constraints related to environmental protection, priority shall be given to distributed generation from renewable energy sources, except in the event of scarcity, high cost or deficiency thereof.

(3) The surplus electricity generated from renewable energy sources may be purchased by the transmission system operator or by any local distributor under the conditions laid down by regulation.

Section 60.- (1) Within the context of rural electrification and the limits stipulated by decree, the generation, especially of hydroelectric stations with a capacity of 5 MW or less, the supply and sale of electricity shall be by virtue of a simple authorization of the Electricity Sector Regulatory Board. No special requirements for tender notices or advertisement shall be imposed. Such activities shall be carried on in compliance with the rules of safety and environmental protection.

(2) The decree referred to in Subsection (1) above shall lay down the conditions under

which independent producers may sell their surplus electricity to users in rural areas.

Section 61.- (1) Notwithstanding the provisions of Sections 11 and 24 of this law, the direct or indirect supply of electricity of 1 MW or less for use in rural areas shall be subject to an authorization granted by the Electricity Sector Regulatory Board, in accordance with conditions laid down by decree.

(2) Such authorizations may in no case infringe on the acquired rights of concessionaires as stipulated in their concession contracts.

Section 62.- The missions, organization and functioning of the agency in charge of promoting rural electrification shall be defined by decree of the President of the Republic.

CHAPTER II **RENEWABLE ENERGY AND ENERGY EFFICIENCY**

I. RENEWABLE ENERGY

Section 63.- The following shall be considered as renewable energy:

- solar, thermal and photovoltaic energy;
- wind energy;
- less than or equal to 5MW river hydroelectric energy;
- biomass energy;
- geothermal energy;
- marine energy.

Section 64.- Renewable energy shall help meet the energy requirements of consumers and contribute to environmental protection and securement of energy supply.

Section 65.- (1) The State shall ensure the promotion and development of renewable energy.

(2) The aim of the development of renewable energy shall be to introduce and promote renewable energy processing subsectors

(3) The terms, conditions and mechanisms for research, development, production of equipment at local level and financing of projects shall be laid down by regulation.

(4) The State shall fix the tax benefits for the products, goods and services intended for renewable energy exploitation.

Section 66.- (1) Any electricity utility operator shall be bound to connect to the network any operation generating electricity from renewable energy sources to who so demands. Connection fees shall be borne by the applicant.

(2) The conditions, volume and price for the purchase of energy by a public utility operator shall be fixed by decree.

Section 67.- An agency responsible for the promotion and development of renewable energy may be established as and when necessary.

II. ELECTRIC ENERGY EFFICIENCY

Section 68.- The judicious use of electric power shall concern the optimization of energy consumption at different levels of energy production and transformation and final consumption

in industry, transportation, commercial and residential sectors.

Section 69.- The implementation of electric energy efficiency shall be based on obligations, conditions and resources, in particular the standards and requirements for energy efficiency, energy efficiency control, compulsory and periodic energy audits, incentives to improve the understanding of the energy system and user awareness.

Section 70.- (1) The organization of activities to control electric energy as well as the conditions for the implementation of the National Energy Control Programme shall be governed by regulation. They shall fall under the competence of the Ministry in charge of energy.

(2) The Electricity Sector Regulatory Board shall be responsible for the implementation of the National Energy Control Programme.

PART V

REGULATION AND CONTROL OF THE MINISTRY IN CHARGE OF ELECTRICITY

Section 71.- The Ministry in charge of electricity shall implement and monitor government policy in the electricity sector in view of technological developments in this sector, development needs and priorities defined by the Government in this domain. It shall be responsible for the general planning, commissioning of strategic studies in the sector and signing of concessions and licences; approval of operators' investment programmes and tariff policies in the electricity sector.

CHAPTER I

THE ELECTRICITY SECTOR REGULATORY BOARD

Section 72.- The Electricity Sector Regulatory Agency shall regulate, control and monitor users and operators in the electricity sector.

In this regard, the Agency shall among others:

- ensure compliance with the laws and regulations governing the electricity sector and the concession, licensing and authorization contracts as well as any other type of contract adopted within that framework;
- ensure that access to networks is provided under objective, transparent and non-discriminatory conditions;
- protect the interests and rights of consumers with regard to the price, supply and quality of electric power;
- ensure fair and healthy competition in the electricity sector;
- implement, follow up and oversee the pricing system instituted in compliance with methods and procedures laid down by the Administration in charge of the electricity sector;
- issue authorizations;
- study applications for the licences and concessions;
- arbitrate disputes between electricity sector operators, upon referral by the parties;

- participate in any other public interest mission that may be assigned to it by the Government on behalf of the State in the electricity sector.

(2) The agency referred to in sub-section (1) above shall be under the technical oversight of the ministry in charge of electricity and under the financial oversight of the ministry in charge of finance.

(3) The organization and functioning of the Agency shall be laid down by decree of the President of the Republic.

Section 73.- The resources of the Agency shall be derived from:

- part of the licences fees provided hereunder;
- part of the proceeds from the fines provided hereunder ;
- gifts and legacies ;
- any other resources that may be allocated to it shall be bound to respect the confidentiality of commercial information conveyed to them, upon pain of being sued for damages before courts or any other authority provided for by this law.

CHAPTER III **DOMESTIC ELECTRICAL INSTALLATIONS AND EQUIPMENT**

Section 75.- An approved standards compliance audit of domestic electrical installations and equipment to protect users of electricity and property against potential hazards is hereby established.

Section 76.- (1) The compliance audit of domestic electrical installations and equipment shall be carried out by the Ministry in charge of electricity or under its control, by companies under Cameroonian law, approved to that end by it, on the recommendation of the Electricity Sector Regulatory Board.

(2) The audit conditions and fees as well as approval conditions shall be specified by order of the Minister in charge of electricity.

Section 77.- The functions of manufacturer importer vendor in electrical equipment, electrical installer and electricity distributor shall be incompatible with those of controller of domestic electrical installations and electrical equipment.

Section 78.- The standards and technical requirements applicable within this framework shall be defined by a joint order of the Minister in charge of electricity and the Minister in charge of standardization.

Section 79.- (1) Any electricity distributor shall, before turning on a new or repaired installation, request for a certificate of compliance of the installation with the regulations and safety standards in force.

(2) Any manufacturer and importer of electrical equipment shall, before placing it at the disposal of the retailer, ensure that a certificate of compliance of the equipment with the standards in force is issued by the approved audit firm.

(3) Each vendor must assure the importer or manufacturer that the equipment he is placing at the disposal of users is consistent with current standards and has a compliance certificate.

Section 80.- (1) Notwithstanding the contractual terms binding the distributor for the supply of electricity, the user whose electric installation does not comply with the safety standards in force or refuses to comply with such standards shall be suspended from the supply of electricity until he produces a compliance certificate in due form.

(2) Suspension from the supply of electricity shall be ordered by the Minister in charge of electricity or his representative with territorial jurisdiction where prior notification produced no effect after six (6) months.

Section 81.- (1) Any manufacturer, importer or vendor whose equipment has no compliance certificate shall have his equipment withdrawn from the market at his expense.

(2) The withdrawal shall be ordered by a joint order of the Minister in charge of electricity and the Minister in charge of trade.

PART VI **PRICING RULES**

Section 82.- (1) Pricing principles in the electricity sector shall be defined by the Ministry in charge of electricity, on the recommendation of the Electricity Sector Regulatory Board, or by the latter as the case may be, within the framework of concession contracts, licences and authorizations of private or public operators.

(2) The concession contracts, licences and authorizations shall lay down the rules for the periodic modification of rates.

In any case, the rule for modifying rates shall be revised five (5) years or, exceptionally, before the expiry of that period in the event of drastic change in operating conditions or because of events which significantly modify the economic, financial or technical environment in which the concession agreements and licences were concluded or granted.

(3) In any case, the rates shall be revised by the Board on the basis of principles that would enable the operator to make a reasonable profit under normal operating conditions.

Section 83.- Any practices undermining fair competition on the electricity market shall be punishable in accordance with the provisions of the law governing competition.

Section 84.- (1) The rates applied between producers and suppliers, on the one hand and a bulk user, on the other hand, shall be freely fixed under their contractual relations while remaining subject to the requirement to deliver cost structures corresponding to the Electricity Sector Regulatory Board thirty (30) days after their introduction. If irregularities are found, particularly in terms of cost transfers or cross subsidies, the Electricity Sector Regulatory Board shall make an adjustment with a cash penalty of between 50% and 200% of the irregularity.

(2) Each producer shall initially submit his price allocation form to the Electricity Sector Regulatory Board for approval.

(3) Where the producer is a supplier to the dealer or distributor, all contracts, including those concluded with the distributors or bulk users referred to in Subsection (1) above shall be submitted to the Board which shall have a time-limit of thirty (30) days to make possible reservations and, if need be, challenge the execution of the contracts.

PART VII **DISPUTE SETTLEMENT MECHANISMS**

Section 85.- (1) The Board may, within the framework of a conciliation procedure, be seized by any natural person or corporate body, any professional organization or users association to resolve conflicts between users, on the one hand, and operators, on the other hand.

(2) In the event of conciliation, the Board shall prepare a conciliation report noting the settlement conditions. This report shall be signed by the two (2) parties and the Board. It shall be submitted to the President of the court of competent jurisdiction to become executory.

(3) Conditions for settling disputes within the framework of the conciliation procedure between professional organizations, users and users associations on the one hand, and operators on the other hand, shall be defined by the Electricity Sector Regulatory Board.

Section 86.- (1) As an arbitration body, the Board may be seized by any operator to settle disputes between operators.

(2) Conditions for settling disputes between operators shall be defined by the Electricity Sector Regulatory Board, in accordance with the provisions of the Uniform Act relating to the arbitration law.

Section 87.- Matters dating more than five (5) years back may not be brought before the Board unless action relating to the investigation, establishment or punishment thereof had been instituted prior to that period.

Section 88.- The Board shall make known its decisions, subject to secrets protected by the law. It shall notify the parties thereof.

PART VIII **RIGHT OF WAY AND PASSAGE**

Section 89.- Within the framework of their general interest mission, and to carry out their activities, operators that have been granted concessions or are holders of licences duly established in accordance with the provisions of this law, shall have right of way on public roads and on portions of collective estates and settlement areas as well as on surface and underground parts of non-built- on estates, save otherwise provided by the laws and regulations in force.

Section 90.- (1) The operators referred to under Section 89 above shall have certain prerogatives including:

- the right to occupy or private property of the State as well as of regional and local authorities;

- the right to create rights of way and passages for public use;
- the protection of all property allotted to their activity.

(2) The rights enumerated in Subsection (1) above and their respective restrictions shall be determined and laid down in the instrument granting the concession or licence, in conformity with the provisions of this law and o/.and laws.

Section 91.- In all cases, the expenses and compensation costs accruing to any public or private interests and arising from the application of the provisions of Sections 89 and 90 above shall be borne by the “*concessionaire*” or licensee.

Section 92.- The execution of works provided for in Section 90 above must follow prior notification directly to concerned parties. This shall not entail dispossession.

Section 93.- The laying of cables or supports on an open and non-built on estate shall not restrict the owners right to enclose or build thereon. In this case, three (3) months prior to the commencement of works, the owner must notify the “*concessionaire*” or licensee by registered mail. The latter shall be bound to move the structures at his expense.

PART IX

ELECTRICITY SECTOR DEVELOPMENT FUND

Section 94.- (1) An Electricity Sector Development Fund hereinafter responsible for the development of the electricity sector may be established as and when necessary. The Minister in charge of the electricity sector is the authorizing officer for all the expenses relating to the development fund.

(2) The missions, organization and functioning of the Fund shall be determined by decree of the President of the Republic.

PART X

OFFENCES AND ADMINISTRATIVE SANCTIONS

Section 95.- The following shall be deemed offences under this law:

- carrying out activities in the electricity sector without the legal coverage;
- non-respect of the obligations stipulated by any of the schedules provided for in Section 11 above;
- non-payment of levies owed;
- failure to provide, within a time-limit fixed by the Electricity Sector Regulatory Board, information and data requested by it or by the authority in charge of electricity in accordance with this law and its implementing instruments;
- late payment of fees owed;
- non-compliance with the standards and norms stipulated by the implementing instruments.

Section 96.- (1) Without prejudice to the prerogatives of the Legal Department and judicial police officers with general competence, sworn officials commissioned by the Board shall be

responsible for identifying, establishing and instituting legal proceedings against offenders in matters of electricity. These officials shall be sworn in before the competent court of law at the request of the Board, under conditions stipulated by decree.

(2) They may, at their request, be assisted by the forces of law and order in the performance of their duties, and especially in the identification and questioning of suspects.

Section 97.- (1) Where the offence is duly established, without prejudice to penal sanctions applicable in accordance with the legislation in force, and provided that a prior notice has been issued, operators governed by this law shall be liable to the following administrative sanctions:

- penalties corresponding to the loss of income suffered by the national community or to overcharge by the operator including an additional charge between 20 and 100%;
- withdrawal of the concession, licence or authorizations;
- suspension of right to operate.

(2) Without prejudice to the application of the sanctions provided for in Subsection (1) above, and where the default is not deemed to be a penal offence, the Board may impose on the defaulter any of the following fines:

a) Failure to declare: 100 000 to 500 000 CFA F;

b) Failure to obtain an authorization: 500 000 to 5 000 000 CFA F;

c) Failure to standardize domestic electrical equipment:

- Users: 100 000 to 500 000 CFA F
- Equipment suppliers: 500 000 to 2 500 000 CFA F;
- Equipment manufacturer: 2500 000 to 5 000 000 CFA F.

d) Failure to provide contractual information or requested by the Ministry in charge of electricity or the Board within the contractual period or period stipulated by the latter:

- Flat rate of 100 000 to 5 000 000 CFA F;
- 100 000 CFA F per calendar day of delay.

e) Hindering the execution of works on a concession or authorization and hindering maintenance work on installations or use of the right of way by an operator of easements: 100 000 to 5 000 000 CFA F

f) Hindering inspection by sworn officials:

- Operator under the declaration schedule: 100 000 to 250 000 CFA F;
- Operator under the authorization schedule: 250 000 to 500 000 CFA F;
- Operator under the licence schedule: 500 000 to 5 000 000 CFA F;
- Operator under the concession schedule: 5 000 000 to 10 000 000 CFA F;
- Owner of a low voltage domestic equipment: 100 000 CFA F;

- Owner of a medium voltage domestic equipment: 500 000 CFA F;
- Owner of a high voltage domestic equipment: 1 000 000 CFA F;
- Owner of an extra high voltage domestic equipment: 2 000 000 CFA F;
- Importer, manufacturer or seller of electrical equipment: 500 000 to 5 000 000 CFA F.

g) Non-payment of fees within the time prescribed by the regulations in force : 5 000 000 CFA F per day of delay.

(3) The breach of the provisions of the Penal Code shall be punished in accordance with it.

(4) The method of collection and sharing of the above fines shall be defined by regulation.

Section 98.- In case of a serious and direct breach of the laws and regulations governing the electricity sector, the Ministry in charge of electricity may, in accordance with the regulations in force, enforce precautionary measures to safeguard the continuance of the public service, after the prior opinion of the Board.

PART XI TRANSITIONAL PROVISIONS

Section 99.- (1) The decision to update concessions, licences and authorizations which are still valid on the date of enactment of this law shall be mutually agreed between the Administration in charge of electricity or the Electricity Sector Regulatory Agency, as the case may be, and holders of concessions, licenses and authorizations.

(2) Until such compliance, which may not exceed a period of 12 (twelve) months with effect from the date of enactment of this law, the concessions, licences and authorizations referred to in subsection (1) above shall remain valid.

Section 100.- Owners of domestic electrical installations and equipment that do not comply with the provisions of this law shall have three (3) years, renewable once, to comply.

PART XII MISCELLANEOUS AND FINAL PROVISIONS

Section 101.- Within a period of no more than five (5) years as set in the administrative title, any power generation site awarded to an operator and not developed may, after a notice has remained without effect for six (6) months, be handed to the State after an audit by the Electricity Sector Regulatory Agency, according to conditions laid down by regulation.

Section 102.- Statutory instruments shall determine the respective functions of the administration in charge of electricity and the Electricity Sector Regulatory Agency.

Section 103.- This law, which repeals all the provisions of law No. 98/022 of 24 December 1998 governing the electricity sector, shall be registered, published according to the procedure of urgency and inserted in the *Official Gazette* in English and French.

Yaounde, 14 December 2011

**(signed) Paul Biya,
President of the Republic**

**LAW No.2016/004 OF 18 APRIL 2016
GOVERNING EXTERNAL TRADE IN CAMEROON**

**The Parliament deliberated and adopted,
The President of the Republic hereby enacts the law set out below :**

**CHAPTER I
GENERAL PROVISIONS**

Section 1 : This law lays down special rules applicable to the conduct of external trade in Cameroon.

As such, it shall govern in particular:

- the importation and exportation of goods;
- the marketing of subsidised imports whose increased quantities cause or threaten to cause serious injury to the domestic industry concerned;
- the practice of dumping.

Section 2 : This law shall apply to any natural or legal person engaging in international trade transactions in Cameroon.

Section 3: Goods placed under customs taxes and duties suspension regimes on the national territory shall be governed by the bilateral, regional, multilateral and international treaties, agreements or conventions in force.

Section 4: External trade transactions undertaken in Cameroon shall, in particular, seek to:

- regulate importation and exportation, as well as other related activities;
- boost domestic production of goods, competitiveness and growth;
- create jobs; and
- satisfy consumer needs.

Section 5: For the purpose of this law and its implementing instruments, the following definitions shall apply:

- **International trade:** any business activity consisting in the purchase and re-sale of goods outside the national territory;
- **Domestic industry:** all domestic producers of like products whose aggregate production constitutes a major proportion of the total domestic production of those products.
- **External trade :** activities related to the import, export and transit of goods;
- **Verification of compliance with standards:** controls intended to ascertain that goods meet requirements of the relevant national or international standards and regulations;
- **Customs control:** set of measures taken to ensure compliance with laws and regulations and applicable by the Customs administration.
- **Quality control:** any compliance verification intended to ensure that goods, products or services meet the minimum quality requirements provided for by the standards or regulations in force;
- **Technical control:** set of domestic measures taken to ensure compliance with laws and regulations and applicable by services other than the Customs administration.

- **International brokerage:** activity consisting in acting as an intermediary between a non-resident buyer and a non-resident seller with a view to concluding a contract and receiving a commission;
- **Serious injury:** a significant overall impairment in the position of a domestic industry;
- **Customs:** all government services responsible for applying the customs laws and collecting import and export duties and taxes, and for implementing other laws and regulations relating, inter alia, to the import, transit and export of goods.
- **Export :** act of sending goods or services to a foreign country;
- **Import:** act of bringing in goods or services from another country;
- **Environmental inspection:** all operations undertaken to verify some environmental aspects as part of administrative and technical surveillance aimed at preventing either threats to health, safety, public hygiene, agriculture, nature and the environment, in general, or environmental nuisance;
- **Medical and sanitary inspection:** inspection, excluding veterinary inspection, undertaken to protect the life and health of people;
- **Veterinary inspection:** sanitary inspection conducted on animals and animal products in order to protect the life and health of people and animals, as well as that conducted on objects or goods that are potential animal disease vectors;
- **Phytosanitary inspection:** official visual checks on plants, plant products or other regulated products in order to determine the presence or not of harmful organisms and/or ensure compliance with phytosanitary regulations;
- **Export or import licence:** a document required for import or export of some goods placed under external trade control;
- **External trade transactions:** all mandatory formalities provided for under applicable instruments relating to the import, export and transit of goods;
- **Dumping:** process consisting in selling on the domestic market, a product purchased from a foreign supplier at below-market price in the ordinary course of trade in the said product or of the like product on the domestic market of the exporting country;
- **Product:** any good or service;
- **Suspension regime:** a customs regime whereby goods are allowed into the country under certain conditions, with a waiver of customs duties and taxes;
- **National territory:** commercial, economic and geographical area delimited by Cameroon's land, maritime and air boundaries, including ships and aircraft registered in the Republic of Cameroon;
- **External trade document:** a personal and non-transferable administrative instrument required for the conduct of import and export transactions and related financial payments.

CHAPTER II **IMPORT AND EXPORT REGIME**

Section 6: (1) The conduct of international trade shall be free, save for the import and export of products restricted or prohibited by law.

(2) The conduct of import, export and transit transactions shall be based on the principle of trade facilitation.

Section 7: (1) All products affecting public morality, security and order, hygiene and health, protection of the environment, fauna and flora as well as the cultural heritage shall be excluded from the international trade freedom regime.

(2) The list of the products referred to in Sub-section (1) above shall be fixed by order of the minister in charge of external trade, in conjunction with the technical ministries concerned.

Section 8: (1) Products excluded from the trade freedom regime may be imported or exported under import and export authorizations issued by the minister in charge of external trade, upon the technical approval of the ministry concerned, where necessary.

(2) The terms and conditions for obtaining the authorizations referred to in Sub-section (1) above shall be laid down by regulation.

Section 9: (1) Under this law, it shall be forbidden to engage in the import, export, trade, brokerage, acquisition, transfer and transit of chemical weapons or any substance used for the production of chemical weapons or of any document or technological or information medium intended to enable or facilitate such activity.

(2) The terms and conditions for obtaining authorisations for the import, export, trade, brokerage, acquisition, transfer and transit of chemical products listed on Appendix 2 of the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction, including any document or technological or information medium, for medical, pharmaceutical, research or protection purposes and in quantities limited to what may be justified by such purposes, shall be laid down by a separate instrument.

Section 10: (1) The provisions of section 8 above notwithstanding, authorizations to import and export products may be instituted by the competent authority in order to implement any measure taken pursuant to this law and in accordance with international agreements to which Cameroon is a party.

(2) The competent authority may limit or prohibit the export of a product where domestic supply needs so warrant. In addition, the authority may also take restrictive measures or prohibit the import, introduction and circulation in Cameroon of some products deemed dangerous for health or public morality.

Section 11: Without prejudice to conditions laid down by the laws in force, any natural or legal person desiring to engage in import or export activities must be registered in the importers and exporters file in accordance with the conditions laid down by regulation.

Section 12: Every import or export transaction must first be declared with the competent authorities, for purposes of statistics, inspection, control and issuance of a certificate of origin, in particular with respect to exports, under conditions laid down by the laws in force.

Section 13: Registration in the importers and exporters file and import declarations shall be subject to payment of fees fixed by separate instruments.

Section 14: Notwithstanding the obligations under this law, importers and exporters must comply with the Customs Code and with the applicable regulations relating to trade control.

Section 15: (1) The invoice shall be the basic element for any import or export of goods for commercial purposes.

(2) Without prejudice to the provisions of Sub-section (1) above, transactions shall be conducted and paid for under cover of an external trade document or a final invoice, used in lieu thereof.

(3) In particular, the invoice must specify the name and address of the buyer, the date

and place of shipment, marking information and numerical order of the packaging, as appropriate, the exact description in English or French, the country of origin, the weight and price of the product, as well as the shipment and insurance fees.

(4) Export invoices shall be issued under the terms and conditions provided for by the laws and regulations in force.

Section 16: The re-export of products benefiting from tax and customs exemptions shall be prohibited except upon payment of the relevant customs duties and taxes at the point of entry into the national territory, during the said re-export.

CHAPTER III **IMPORT AND EXPORT CONTROL**

Section 17: Imported and exported products shall undergo Customs control. They may also undergo technical control.

Section 18: Technical control of imports and exports shall involve medical health, veterinary, environmental and phytosanitary inspection; quality control and verification of compliance with national technical standards and regulations or international standards, or, where necessary, with the specific conditions agreed upon between the supplier and the importer provided that such conditions are not repugnant to national and international standards as well as consumer interest.

Section 19: The government services and agencies authorized to undertake technical controls on the import, export and transit of goods at the borders must cooperate and coordinate their work.

Section 20: (1) The list of products subject to technical control shall be fixed by regulation.

(2) The conditions for technical control as well as the government services and agencies authorized to undertake technical control shall be laid down by separate instruments.

CHAPTER IV **CONTROL OF UNFAIR IMPORT TRADE PRACTICES**

I. IMPOSITION OF ANTIDUMPING AND COUNTERVAILING DUTIES

Section 21: (1) Any transaction for the import of dumped or subsidized products which, when released for consumption, cause or threaten to cause serious injury to similar domestic products, or considerably delay the creation or development of similar domestic products, shall be considered as unfair practice.

(2) A product shall be considered:

- a dumped product, where its price of export to Cameroon is lower than its normal value or that of a similar product as established in the ordinary course of trade in the country of export or origin;
- a subsidized product, where it enjoys any direct or indirect assistance for its production, processing, export or transport in the country of export or origin.

Section 22: (1) An antidumping or countervailing import duty may be imposed on any dumped or subsidized product.

(2) The amount of the countervailing duty referred to in Sub-section (1) above may not exceed the dumping margin or the amount of the subsidy.

(3) The provisional or definitive antidumping or countervailing duties shall be fixed in accordance with the laws and regulations in force, at the behest of the minister in charge of external trade. Such duties shall be calculated and collected as in the case of customs duties.

Section 23: (1) Where an imported product bearing indications of being dumped or subsidized causes or threatens to cause serious injury to a similar domestic product within the meaning of the Antidumping Agreement or the Agreement on Subsidies and Countervailing Measures of the World Trade Organisation, its release for consumption on the Cameroonian market may be subject to payment of a deposit, in cash or a guarantee, equal to the dumping margin or the amount of the subsidy, as provisional antidumping or countervailing duty.

(2) The provisional or definitive antidumping or countervailing duty referred to in Sub-section (1) above shall be valid for a maximum period of 4 (four) months with effect from its date of entry into force. However, the minister in charge of finance may, upon the proposal of the minister in charge of external trade, extend it by an additional period of two (2) months.

Section 24: Where a provisional antidumping or countervailing duty has not been imposed on the import of dumped or subsidized products released for consumption, and the injury or threat of injury caused by such imports has been definitively established, a definitive antidumping or countervailing duty with retrospective effect may be imposed on such imports pursuant to Section 22 above, provided that a period of 90 (ninety) days has not elapsed since the date when the said products were declared to be released for consumption at customs.

Section 25: The deposit for the provisional antidumping or countervailing duty referred to in Section 23 above shall, as appropriate, be regularized as follows:

- where the definitive antidumping or countervailing duty is equal to the provisional duty for which a deposit is paid, the guarantee shall be collected definitively;
- where the definitive antidumping or countervailing duty is higher than the provisional duty for which a deposit is made, the difference shall be collected;
- where the definitive antidumping or countervailing duty is lower than the provisional duty for which a deposit is paid, the amount in excess shall be reimbursed in the form of a tax credit.

Section 26: An additional antidumping or countervailing duty may be imposed where it is established through a trade investigation that the antidumping or countervailing duty is paid fully or partially, directly or indirectly by the exporter.

Section 27: The terms and conditions for assessing the actual value, the injury suffered by domestic industry, the dumping or subsidy margin, the procedures for applying provisional or definitive antidumping or countervailing duties as well as the other procedures relating to protection against dumping or subsidy practices, shall be laid down by regulation.

II. THE INVESTIGATION PROCEDURE

Section 28. (1) Applications relating to the dumped or subsidized imports shall be filed in writing and addressed to the minister in charge of external trade by natural or legal persons or by the agencies concerned.

(2) The applications referred to in Sub-section (1) above must contain sufficient evidence as to the existence of dumping or subsidies causing or likely to cause serious injury to a similar domestic product.

Section 29: (1) Where, following preliminary review, an application is inadmissible for lack of sufficient evidence, the applicant shall be informed.

(2) Where there is found to be sufficient evidence, the minister in charge of external trade shall forthwith order the conduct of a trade investigation and officially inform the parties concerned.

(3) The trade investigation referred to in Sub-section (2) above shall be conducted by the Antidumping and Subsidies Committee, the organization and functioning of which shall be laid down by regulation.

(4) The opening of a trade investigation shall not preclude customs clearance of the goods concerned.

Section 30: In the event of a trade investigation, the minister in charge of external trade shall take the following measures:

- issue requests for the information necessary for the investigation to the parties concerned, who shall find and return them to the minister in charge of external trade with a maximum period of 30 (thirty) days of receipt of the said request. This period may, where necessary, be extended by an additional 15 (fifteen) days;
- publish the decision to open a trade investigation concerning the dumped or subsidized product in a legal notices newspaper.

Section 31: (1) To check the information provided during the trade investigation, the Committee referred to in Section 29 above may visit and inspect work and production sites belonging to the natural or legal persons or bodies concerned by the investigation.

(2) In accordance with international cooperation agreements, the verifications referred to in Sub-section (1) above may be conducted outside Cameroon, in agreement with the exporter and competent authorities of the country concerned.

(3) Where necessary and considering the specific nature of trade investigation, information may be obtained from various national or foreign public establishments and institutions in Cameroon or abroad.

(4) The trade investigation shall be conducted on the basis of information available to investigators, notably where it appears that for one reason or another, any of the parties concerned is unable to provide the information required, provides false information, refuses to provide information or attempts to obstruct the investigation.

Section 32: (1) The information obtained during a trade investigation may not be used for purposes other than those of the procedure relating to the dumped or subsidized products.

(2) The parties concerned shall be bound to provide the investigators with a confidential summary of the said information when so requested.

(3) The parties concerned may, when they so request in writing, be allowed access to non-confidential information, save those relating to measures concerning the trade investigation.

(4) In case of a court action, the Cameroonian administration shall have the right to provide confidential information or information presumed as such by the parties concerned.

Section 33: (1) Prior to assuming duty, members of the Antidumping and Subsidy Committee responsible for conducting trade investigations shall take an oath, using the formula enshrined in the law governing commercial activities in Cameroon. For purposes of the investigation, they may hear the parties concerned together or separately, at the latter's request.

(2) The hearing referred to in Sub-section (1) above shall be recorded in a report containing the following information:

- its number, day, month and year of drafting;
- the full name and capacity (occupation) of the sworn investigator;
- the complete identity, capacity and address of the party concerned;
- the reason for the hearing.

(3) The report, signed by the investigator and the party concerned shall remain authentic until otherwise proven.

Section 34: Whoever is privy to information on the trade investigation shall be bound to professional secrecy, under pain of penalties provided for by Section 310 of the Penal Code.

Section 35: Exporters and importers of the product under a trade investigation, as well as those who requested the trade investigation may be informed of its conduct and findings.

Section 36: Each party concerned shall have the right to request the minister in charge of external trade in writing to undertake consultations towards reaching an amicable settlement of disputes.

Section 37: Once the decision to open a trade investigation is issued, importers about to import the dumped or subsidized product shall be bound, prior to customs clearance, to inform the minister in charge of external trade about the volumes and value of the expected imports.

Section 38: (1) The trade investigation shall expire, either when the reason for the application has ceased to exist, or by amicable settlement, or by acceptance of the undertakings provided for in Section 39 below.

(2) Where acceptable undertakings are offered in the course of a trade investigation, it may be closed. The closure of a trade investigation shall not preclude definitive collection of the amounts paid as guarantee for provisional countervailing duties.

(3) Every decision to close a trade investigation shall be published in a legal notices newspaper in Cameroon, in accordance with the regulations in force.

Section 39: (1) An undertaking shall mean all acts or actions whereby:

- the Government of the country of origin or of export of the subsidized product eliminates or limits the subsidy, or takes other measures to put an end to the adverse effects thereof;
- the exporter concerned revises its prices or renounces its exports in order to eliminate the dumping margin or the adverse effects thereof;

(2) Where acceptable undertakings are offered in the course of a trade investigation, it may be closed by an instrument of the minister in charge of external trade.

(3) In case of non-observance of the undertakings offered, the trade investigation shall resume normally, on the basis of the acknowledgement of the practice of dumping or subsidy by the party concerned, as well as its adverse effects on domestic industry.

III. REVIEW AND REIMBURSEMENT OF ANTIDUMPING AND COUNTERVAILING DUTIES

Section 40: (1) Decisions to impose countervailing duties as well as those relating to the acceptance of the undertakings provided for under Section 39 above, may be reviewed.

(2) Such revision may be undertaken at the request of the parties concerned which shall produce evidence of a change of situation justifying the need to undertake the review, and provided that at least one year has elapsed since the date of imposition of the countervailing duties.

Section 41: (1) The request for review shall be addressed to the minister in charge of external trade. Where the review appears necessary, the trade investigation shall be reopened without prejudice to any measures already taken.

(2) The outcome of a trade investigation concerning the review of measures may be either revision or confirmation of such measures. In case of a downward revision of the countervailing duties, the difference shall be reimbursed in the form of credits.

(3) Decisions to reopen and close a trade investigation shall be published.

CHAPTER V
MASS IMPORTS AND SAFEGUARD MEASURES

Section 42: (1) Where a product imported in increased quantities causes or threatens to cause serious injury to the established domestic industry of similar or directly competitive products or significantly delays the development of a domestic industry, safeguard measures may be applied to such product in accordance with the World Trade Organisation's agreement on Safeguards.

(2) In particular, safeguard measures may be in the form of quantitative restriction or suspension of concessions.

Section 43: (1) For the purpose of this law, "serious injury" shall mean a significant overall impairment in the position of a domestic industry.

(2) The serious injury caused or likely to be caused to the domestic industry by the increased imports of a product shall be assessed within the framework of a trade investigation ordered by the minister in charge of external trade, pursuant to the World Trade Organisation's Agreement on Safeguards and following the criteria laid down by regulation.

Section 44: (1) The application of the Safeguard measures referred to in Section 42 above shall be subject to prior consultation with the Government of the exporting country to agree on appropriate ways to offset the adverse effects of such measures on trade with such country.

(2) The outcome of such consultations shall be notified to the World Trade Organisation's Council on Trade in Goods through diplomatic channels.

Section 45: In case of imposition of a quantity restriction, the volumes imported must be at least equal to the average of imports made over the last 3 (three) years, save where it is clearly established that a different level is necessary to prevent or repair the serious injury caused by the imports question.

Section 46: Where a quota is shared among supplier countries, the assignment of shares shall either be negotiated or proportional to the total quantities or values of average imports made over the last 3 (three) years.

Section 47: (1) Where the time-limit set for the conduct of a trade investigation causes a tort that is difficult to repair, a provisional safeguard measure may be taken. Such measure may be taken only where there is clear evidence that an increase in imports has caused or threatens to cause serious injury to a domestic industry.

(2) The provisional measures shall be in the form of higher customs duties. Where the findings of the trade investigation do not confirm that the serious injury caused or threatened to be caused to the domestic industry is consequent upon increased imports, such customs duties shall be refunded in the form of credits.

(3) The enforcement of a provisional measure may not last more than 200 (two hundred) days.

Section 48: (1) Safeguard measures shall be applicable only during the period necessary to prevent or repair the serious injury and facilitate adjustment by the domestic industry in question. Such period which may include that of the provisional measure may not exceed 4 (four) years.

(2) However, the period provided for under Sub-section (1) above may be extended once, where it is established that the serious injury caused is not repaired or that the adjustments effected in the domestic industry are not completed.

Section 49: Safeguard measures shall be lifted progressively and at regular intervals.

Section 50: A product already covered by a safeguard measure may be covered de novo only after a period of no less than 2(two) years following the lifting of the first measure.

Section 51: Without prejudice to the provisions of Sections 42 et seq. above, safeguard measures may be imposed in case of balance of payment difficulties, under the conditions laid down by regulation.

CHAPTER VI **THE NATIONAL COUNCIL ON EXTERNAL TRADE**

Section 52: (1) A National Council on External Trade is hereby established. It shall:

- advise on the export promotion strategy and national policy on external trade;
- follow up measures relating to protection against the practice of dumping and subsidies;
- give advisory opinions on any matter concerning external trade relations.

(2) The organization and functioning of the National Council on External Trade referred to in Sub-section (1) above shall be laid down by regulation.

CHAPTER VII **ELECTRONIC PLATFORM FOR EXTERNAL TRADE TRANSACTIONS**

Section 53: (1) External trade transactions shall be conducted through a single electronic platform dubbed e-Single Window for External Trade.

(2) The electronic platform referred to in Sub-section (1) above shall be an information sharing system which receives and transmits data following the procedures of various services involved in external trade transactions.

(3) The conditions for operating the platform referred to in Sub-section (1) and (2) above shall be laid down by regulation.

CHAPTER VIII **ADMINISTRATIVE MEASURES AND PUNISHMENT OF OFFENCES**

Section 54: (1) Non-compliance with or violation of the obligations and prohibitions provided hereunder shall be tantamount to infringements of this law.

(2) Infringements of this law may lead to administrative or criminal penalties.

Section 55: (1) Without prejudice to the prerogatives of the Legal Department and Criminal Investigation Officers with general jurisdiction, violations of the provisions of this law and its implementing instruments shall be established in a report drawn up by sworn officers or civil servants duly designated by the minister in charge of external trade, the minister in charge of finance or any other government ministry or public body entrusted with such duties.

(2) The report referred to in Sub-section (1) above shall specify:

- the dates and times of commencement and end of every investigation;
- the full name and capacity of the investigator;
- where necessary, the authorization of the State counsel having territorial jurisdiction.

Section 56: The criminal investigation officer with general jurisdiction to whom a case of violation of this law is first referred, shall automatically relinquish jurisdiction to the civil servants or officers referred to in Section 55 above, by forwarding the case file to the competent authority.

Section 57: The criminal investigation officers and personnel with special jurisdiction referred to in Section 55 above shall take the oath at the request of the authority concerned,

before the Court of First Instance with territorial jurisdiction. The oath taking formula shall be as follows:

“ I, ..., do swear that I shall discharge the duties assigned to me with devotion and loyalty, in strict compliance with the laws and regulations in force”.

Section 58: The civil servants or officers responsible for establishing offences as well as gathering and processing information or “ material pursuant to this law, shall be bound to confidentiality with respect to any information, material or document that may not legally be placed at the disposal of the public.

I. ADMINISTRATIVE MEASURES AND PENALTIES

Section 59: (1) After control, verification or observation, the minister in charge of external trade may, either as of right or at the request of a natural or legal person with vested interest to act, inflict penalties on any international trade company for failure to fulfill its obligations under this law.

(2) The minister in charge of external trade may, after an unanswered reasoned warning, pronounce the suspension or withdrawal of the import or export licence or authorization, as well as removal from the importers' or exporters' index file.

(3) Suspension shall lead to provisional or definitive cessation of the operations of the trading company concerned. However, the suspension decision shall specify its duration which may not exceed 3 (three) months.

Section 60: (1) Violations of this law and trade regulations may give rise to a compromise, without prejudice to legal action.

(2) Only sworn officers and civil servants duly designated by the ministry in charge of external trade shall be authorized to make a compromise.

(3) The compromise shall be requested by the party concerned

(4) Under no circumstances shall the amount of the compromise be lower than the minimum applicable fine.

(5) The compromise document shall be dated and jointly signed by the sworn officer or civil servant and the accused. It shall be registered at the expense of the offender and shall specify the conditions for its payment.

II. PUNISHMENT OF OFFENCES

Section 61: Any natural or legal person that violates the provisions of this law and its implementing instruments shall be criminally liable and subject to the penalties provided for.

Section 62: (1) The import and export of products that breach the formalities and procedures set out in this law and its implementing instruments shall be punishable in accordance with the laws in force, in particular, those relating to trade, customs, taxation, exchange, economic control, standardization, technical control, hygiene health and safety, as the case may be.

(2) For all cases not punishable under the laws in force as provided for in Sub-section (1) above, the fine shall be ten percent of the FOB value of the goods, and a minimum amount of CFAF 200 000 (two hundred thousand).

(3) In addition, any imported products that do not comply with the provisions of this law shall be shipped back, in accordance with the laws in force.

Section 63: Engaging in import or export trade in violation of the provisions of Sections 11 and 12 of this law shall be punishable with fine of ten percent of the FOB value of the goods and a minimum amount of from CFAF 50 000 (fifty thousand) to CFAF 300 000 (three hundred thousand).

Section 64: Whoever engages in the sale on the domestic market of a product imported tax-free and intended for export shall be liable to the penalties provided for under Section 256 of the Penal Code.

Section 65: Whoever engages in the trade and brokerage of products listed in Appendix 2 of the International Convention on the Prohibition of Chemical Weapons from a state non-party to the said Convention or bound for such a State shall be punished with imprisonment of from 1 (one) to 2 (two) years and fine of from CFAF 1 000 000 (one million) to 2 000 000 (two million).

Section 66: Whoever without the authorization of the competent authority imports, exports or eases the transit of chemical products listed in Appendix 1 of the Convention on the Prohibition of Chemical Weapons, for medical, pharmaceutical, research or security purposes from a State non-party to the said Convention or bound for such a State shall be punished with imprisonment of from 2 (two) to 4 (four) years and fine of from CFAF 5 000 000 (five million) to 10 000 000 (ten million).

Section 68: (1) Whoever imports, exports or eases the transit, stockpiles, keeps, purchases, sells or engages in the trade or brokerage of:

- chemical weapons
- the chemical products listed in Appendix 1 of the Convention on the Prohibition of Chemical Weapons, for purposes other than medical, pharmaceutical, research or security purposes, shall be punished with imprisonment of from 15 (fifteen) to 25 (twenty five) years and fine of from CFAF 10 000 000 (ten million) to 25 000 000 (twenty five million)

(2) The same penalty shall apply to whoever imports, exports, eases the transit or engages in the trade or brokerage of any material used for the production of chemical weapons or any technology and information document or material meant to enable or facilitate the commission of the offences referred to in Sub-section (1) above.

Section 69:- Rebellion, insult or assault against the civil servants and officers referred to in Section 55 above shall be punished with the penalties provided for under Sections 156 and 157 of the Penal Code.

CHAPTER IX

MISCELLANEOUS AND FINAL PROVISIONS

Section 70: The conditions for the enforcement of this law shall, as and when necessary, be laid down by regulation.

Section 71: All previous provisions repugnant hereto, in particular those of Law No. 98/12 of 14 July 1998 on dumping practices and trade in subsidized products, are hereby repealed.

Section 72: This law shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English French.

Yaoundé, 18 April 2016

**(signed) Paul Biya,
President of the Republic**

Law No. 2010-21 of 21 December 2010 on Electronic Commerce in Cameroon

*The National Assembly deliberated and adopted,
the President of the Republic hereby enacts the law set out below:*

PART I GENERAL PROVISIONS

Section 1: This law governs electronic commerce in Cameroon.

Section 2: For the purposes of this law and its implementing instruments, the following terms shall mean:

Commercial Activity: Any activity for the production and exchange of goods and services carried out using electronic or material media, by any natural person or corporate body in accordance with the provisions of the laws, regulations and conventions governing trade;

Certification Authority: The body entrusted with the mission of generating and allocating public and private electronic keys and certificates;

Electronic Certificate: An electronic document protected by the electronic signature of the person who issued it and which attests, upon verification, to the authenticity of its content;

Qualified Electronic Certificate: an electronic certificate issued by an authorized certification structure;

Client: Any- natural person or corporate body using electronic means to conduct business with a trader;

Electronic Commerce: A commercial activity whereby a person uses electronic means to supply or ensure the supply of goods or services;

Commercial Communication: Any form of communication intended to directly or indirectly promote the goods, services or image of a company, an organization or an individual having a commercial, industrial, artisanal activity or engaged in a regulated profession;

Consumer: Any natural person or corporate body benefiting from the services or using commercial products to satisfy his personal needs or those of his dependents;

Electronic Mail: Any text, voice, audio or video message sent through a communication network, stored in a server of the network or in the terminal equipment of the addressee until the latter retrieves it;

Service Addressee: Any natural person or corporate body who, for professional purposes or otherwise, uses electronic means, in particular, to search for information or make it accessible;

Electronic signature generating system: All the equipment and/or private encrypting software approved by a competent authority, intended for the creation of electronic signatures;

Electronic signature verification system: All the equipment and/or public encrypting software authorized by a competent authority, which a certification authority uses to ascertain an electronic signature.

Electronic Document: All the data stored or saved in-the memory of any media by a computer system or similar mechanism and which may be read or seen by a person or such a system or mechanism. This shall also include billposting and print-outs or any other such data;

Data relating to the creation of signatures: unique data such as codes or private cryptographic keys, which the signatory uses to generate an electronic signature;

Electronic Correspondence: Exchanges conducted through electronic documents;

Electronic Data Interchange (EDI): Electronic transmission of information from computer to computer according to agreed standard rules for structuring information;

Data Message: Information created, sent, received or stored using electronic, optical or analog means, in particular, but not exclusively, the electronic data interchange (EDI), electronic messaging, telegraphy, telex and telecopy;

Electronic means of payment: Means enabling its holder to carry out distance payments through telecommunications networks;

Electronic signature: product: Any material product, software or specific element of the said product, intended to be used by a certification service provider to deliver electronic signature services, or intended to be used in creating or verifying electronic signatures;

Commercial Advertising: Information published using various media to make a product or service known, with a view to encouraging the public to buy or use it;

Electronic Signatory: The person who owns a signature generating device and who acts either in his personal name or as a representative of a natural person or corporate body;

Electronic Signature: Signature obtained by an asymmetrical encryption algorithm that helps to authenticate the sender of a message and verify the integrity thereof;

Information System: Any isolated device or group of interconnected or linked devices, which ensure or one or more of whose elements ensure automated data processing according to a programme.

PART II

PRINCIPLES GOVERNING THE EXERCISE OF ELECTRONIC COMMERCE RELATED ACTIVITIES

CHAPTER I

RESTRICTIONS AND EXCEPTIONS

Section 3 (1): The exercise of electronic commerce shall be free, to the exclusion:

- legally authorized money games, betting and lotteries;
- activities concerning legal representation and aid;
- activities carried out by notaries public.

(2) The exercise of electronic commerce shall be subject to compliance with the provisions relating to:

- conditions for setting up and operating an insurance business, as provided for under relevant international and national instruments;
- anti-trust practices and economic concentration;

- the prohibition or authorization of unsolicited advertising sent by electronic mail;
- the Customs Code of the Central African Economic and Monetary Community;
- the General Tax Code;
- rights protected by intellectual property laws and regulations.

Section 4: Under the conditions laid down by regulation, the administrative authority may, on a case by case basis, take restrictive measures on the free exercise of electronic commerce activities in case of disturbance or serious and great risk of undermining public order and security, the protection of minors, public health, defence of national interest or the protection of natural persons.

CHAPTER II **ELECTRONIC ADVERTISING**

Section 5 (1) : Any advertisement that is accessible through an online service shall clearly identify:

- the natural person or corporate body for whom the advertisement is made;
- the promotional offers such as discounts, premiums or gifts, as well as competitions or promotional games, the conditions for participation of which shall be easily accessible, precise and unambiguous.

(2) The provisions of Section 5 (1) shall apply without prejudice to the provisions that punish misleading advertising.

Section 6: Unsolicited advertising material made by a service provider by electronic mail shall be clearly and unequivocally identified once the addressee receives it.

Section 7 (1): It shall be forbidden to engage in direct prospecting through a call processor, fax machine or an electronic mail using the address, in any form whatsoever, of a natural person or corporate body that has not expressed prior consent to receive direct prospecting by such means.

(2) Direct prospecting shall mean sending any message intended to directly or indirectly promote goods, services or the image of a person selling goods or providing services.

Section 8 (1): Members of regulated professions shall be authorized to use advertising in the exercise of their activities, subject to compliance with professional rules of independence, dignity and honour of the profession as well as confidentiality and loyalty to customers and the other members of the profession.

(2) Professional organizations and associations shall prepare the codes of conduct to specify the information which may be provided for advertising purposes in compliance with the rules referred to in Section 8 (1) above.

CHAPTER III **CONTRACTS SIGNED BY ELECTRONIC MEANS**

Section 9: The signing of contracts by electronic means shall be allowed subject to the conditions laid down by the laws and regulations in force.

Section 10: The regime of written contracts shall apply to electronic contracts in terms of consent, their legal effect, validity and implementation, except for the following contracts:

- contracts which create or transfer rights over immovable property, except for renting rights;
- contracts for which the law requires the intervention of courts, public authorities or professions exercising public authority;
- surety and guarantee contracts produced by persons acting for purposes not coming under their professional or commercial activity;
- contracts governed by family law and succession law.

Section 11 (1): Bids made electronically concerning the supply of goods and services shall be accompanied by the contractual conditions applicable thereto such that they can be stored and reproduced. Without prejudice to the conditions of validity mentioned in the said bids, the authors of the bids shall remain bound as long as remaining accessible online is their own doing.

(2) The bids referred to in Section 1 (1) above shall clearly specify:

- the various steps to follow in concluding an electronic contract;
- the technical means that helps the user to spot any errors made in keying in data and to correct them before concluding the contract;
- the proposed language(s) for concluding the contract;
- in case of archiving the contract, the conditions for such archiving by the author of the bid and the conditions for accessing the contracts in the archives;
- the means for electronically consulting the professional and commercial rules which the author of the bid undertakes, where necessary, to abide by.

(3) The general contractual terms and conditions must be provided to the addressee such that it can keep and reproduce them.

(4) Sub-sections (1) and (2) of Section 11 above shall not apply to contracts signed exclusively through the exchange of electronic mail or through equivalent individual messages. There may also be exceptions to the provisions of the said sub-sections in agreements signed between professionals.

Section 12 (1): A contract may be deemed to be validly concluded only if the addressee of the bid previously had the possibility of verifying the details and total price of its order, and correcting any errors before confirming the bid to express acceptance.

(2) The author of the bid shall, within a period of no more than 5 (five) days, acknowledge online receipt of the order addressed to it.

(3) The order, confirmation of acceptance of the bid and acknowledgement of receipt shall be deemed to have been received when the parties to which they are addressed can access them.

(4) Sub-sections (1) and (2) of Section 11 above shall not apply to contracts concluded exclusively through the exchange of electronic mail or through equivalent individual messages. There may also be exceptions to the provisions of the said sub-sections in agreements signed between professionals.

Section 13 (1): Where a paper document is required for the validity of a legal act, it may be issued and kept in an electronic form under the conditions stipulated in Sections 1317 et seq. of the Civil Code, relating to written proof.

(2) Where a handwritten note is required, even by the person making the undertaking, the latter may append the note electronically where the conditions for appending the note are such as to guarantee that it can be done solely by such person, except for the provisions of Section 13(1) above for:

- private agreements relating to family law and succession law;
- private agreements relating to personal or real sureties, civil or commercial, save where they are signed by an individual for the purposes of its profession.

Section 14: Where the contract is concluded electronically and concerns an amount equal to or exceeding that fixed by regulation, the professional contracting party shall keep the ascertaining paper version for a period equally specified by regulation and ensure access thereto at all times by its co-contracting party if the latter so requests.

CHAPTER IV **ELECTRONIC COMMERCIAL TRANSACTIONS**

Section 15 (1): Prior to the conclusion of a contract, the seller shall be bound, during electronic commercial transactions, to provide the consumer with the following information in a clear and intelligible manner:

- the identity, address and telephone number of the seller or service provider;
- a complete description of the states for the conduct of the transaction;
- the nature, characteristics and price of the product;
- the cost of delivery and, where applicable, the insurance rates of the product and the required taxes;
- the duration of validation of the supply of the product at fixed prices;
- the conditions of commercial guarantees and aftersales service;
- the payment conditions and procedures and, where applicable, the proposed credit conditions;
- the conditions and deadlines for delivery, execution of the contract and the consequences of failure to honour the commitments;
- the possibility of revocation and its time- frame;
- the procedure for confirming the order;
- the procedure for returning the product, change of product or refund;
- the cost of using telecommunication means where they are assessed using a reference other than the applicable rate;
- the conditions for terminating the contract where it is signed for an unspecified period or for a period of over 1 (one) year;
- the minimum contract period for contracts relating to long-term or periodic supply of a product or service.

(2) The information under sub-section (1) above must be provided electronically and put at the disposal of the consumer for consultation at all stages of the transaction.

Section 16 (1): It shall be prohibited for the seller to deliver a product not ordered by the consumer where it is accompanied by a request for payment.

(2) In case of delivery of a product not ordered by the consumer, the latter may not be requested to pay its price or the cost of its delivery.

(3) The cost of returning products delivered without any order shall be borne by the seller.

Section 17: Before concluding a contract, the seller shall allow the consumer to make a final statement of all its choices, confirm or modify the order as it may desire and consult the electronic certificate relating to its signing.

Section 18: Unless otherwise agreed by the parties, the contract shall be concluded at the address of the seller and on the date of acceptance of the order by the latter through and save in cases where the sales contract or the goods and services arising therefrom may contain obvious or hidden defects, the consumer may not renounce the order where it:

- requests the service to be delivered prior to the expiry of the deadline for revocation and the seller acted accordingly;
- receives products manufactured accordingly to personalized characteristics or products that cannot be returned or are likely to be deteriorated or expired due to the expiry of the validity periods;
- detects delivered or downloaded audio or video recordings or computer software;
- buys newspapers and magazines.

Section 19 : Where the sales operation is wholly or partially covered by a loan granted to the consumer by the seller or by a third party under a contract concluded between the seller and the third party, revocation by the consumer shall be tantamount to termination, without penalty, of the loan agreement.

Section 20: Save in cases of improper use, the seller shall bear, in case of sale after testing, the risks to which the product may be exposed and this, up to the end of the testing period of the product.

All disclaimer clauses repugnant to the provisions of this section shall be null and void.

Section 21 (1): Where the product or service ordered is unavailable, the seller shall inform the customer or consumer at least 24 (twenty-four) hours before the delivery date set in the purchase or service contract. Where applicable, the seller or service provider shall refund to the customer the total of amounts received for the delivery of the product or provision of the service.

(2) In case of force majeure, the contract shall be terminated where the seller fails to honour its commitments and the consumer shall be reimbursed all amounts paid, without prejudice to damages.

Section 22: The seller must prove the existence of prior information, confirmation of the information listed in Section 15 above, compliance with timeframes and the consent of the consumer. Any agreement repugnant hereto shall be null and void.

Section 23: Payment operations may be carried out in public services electronically under the conditions laid down by the laws and regulations in force.

Section 24 (1): The holder of the electronic means of payment shall notify the issuer of the loss or theft of the said means or instruments used to operate it, as well as any fraudulent use it is aware of.

(2) The issuer of an electronic means of payment shall include the appropriate means for such notification in the contract concluded with its holder.

Section 25 (1): Cases of fraud notwithstanding, the holder of the electronic means of payment shall:

- until it notifies the issuer, assume responsibility for the loss or theft of the means of payment or the fraudulent use thereof by a third party;
- be released from all responsibility for the use of the electronic means of payment after notifying the issuer.

(2) The use of the electronic means of payment without presentation of the said means of payment and identification by electronic means shall not commit its holder.

PART III

RESPONSIBILITY OF SERVICE PROVIDERS AND INTERMEDIARIES

CHAPTER I

OBLIGATION TO INFORM

Section 26 (1): Without prejudice to other obligations to inform provided for by the laws and regulations in force, any person operating as a service provider in the domain of electronic commerce shall be bound to ensure that the end-users of the said service and the authorities have easy, direct and permanent access to the following minimum information:

- in case of a natural person, his/her full name and, in case of a corporate body, its company name, physical address, email address and its telephone number;
- where it is subject to the formalities for registration in the trade and personal property credit register, its registration number, its registered capital and head office address;
- where it is subject to the value added tax and identified by an individual number in keeping with Book 1 of the General Tax Code, its taxpayer's number;
- where its activity is subject to an authorization regime, the name and address of the authority that issued the authorization;
- where he/she is a member of a regulated profession, reference to the applicable professional rules, his/her professional title, the name and order or the professional organization to which he/she belongs

(2) The obligations to inform and forward the contractual conditions referred to in Section 11 and Section 30 (1) above shall be fulfilled electronically in accordance with the conditions laid down by regulation.

Section 27: Subject to the conditions for setting rates and taxes under the laws and regulations in force, any person operating as a service provider in the domain of electronic commerce

shall, even in the absence of an offer of contract, as long as he/she indicates a price, do so clearly and unequivocally and, in particular, where the delivery taxes and fees are included.

Section 28: Every service provider shall be bound to store and keep data relating to any commercial transaction carried out by electronic means in accordance with the laws and regulations in force.

CHAPTER II **STORAGE, CONSERVATION AND TRANSMISSION OF DATA**

Section 29: Any natural person or corporate body engaged in automatic, intermediate and temporary storage for the sole purpose of making subsequent transmission of contents more efficiently shall not be criminally or vicariously liable for such contents; except in the following cases:

- it has modified the contents, failed to keep to their conditions for access and the usual rules for updating them or has obstructed the authorized and ordinary use of the technology used to obtain data;
- it has failed to act promptly to remove the contents he/she stored or make access thereto impossible, once it effectively became aware either of the fact that the contents transmitted initially have been removed from the network or due to the fact that it has become impossible to access the contents transmitted initially, either on account of the judicial authorities having ordered removal from the network of the contents transmitted initially or denial of access thereto.

Section 30 (1): The electronic document shall be stored on an electronic medium making it possible to:

- consult its content throughout its validity period;
- keep it in its final form in order to ensure the integrity of its content, conserve the information relating to its provenance and destination as well as the date and place of its issuance or reception.

(2) The conservation of the electronic document as well as that of the paper document shall be authentic.

(3) The issuer shall undertake to keep the electronic document in the format in which it was issued. The addressee shall undertake to keep the electronic document in the format in which it is received.

PART IV **SECURING AND AUTHENTICATION OF DATA AND INFORMATION**

CHAPTER I **ELECTRONIC CERTIFICATE AND SIGNATURE**

Section 31 (1): Any natural person or corporate body shall be authorized to use the electronic certificate and signature in electronic commerce under the conditions laid down by a separate instrument.

(2) Official documents may be authenticated in government services using electronic certificates and signatures under conditions laid down in separate instruments.

Section 32: Anyone using an electronic signature device shall:

- take the minimum precautionary measures set forth in the instruments in force to avoid any unauthorized use of the personal equipment concerning its signature;
- report any unauthorized use of its signature to the certification authority;
- ensure the accuracy of all the information it provides to the said authority;
- ensure the veracity of all the information it provides to any person whom it has asked to rely on its signature.

Section 33: In case of violation of the provisions of Section 36 above, the holder of the signature shall be held responsible for the tort caused another person.

Section 34: The conditions for exercising the activities of certification authority shall be laid down in a separate instrument.

Section 35: The certification authority shall keep an electronic register of certificates at the disposal of users.

CHAPTER II **EQUIVALENCES**

Section 36 (1): The certificates and signatures issued by a certification authority based abroad shall have the same value as those issued by a certification authority based in Cameroon, where such an authority is recognized under a mutual recognition agreement signed by the competent authorities of the States concerned.

(2) The conditions for the legal recognition of electronic certificates and signatures issued from third countries shall be defined in a separate instrument by default.

PART V **ESTABLISHING OFFENCES AND PENALTIES**

Section 37 (1): All violations of the provisions of this law and its implementing instruments shall be established by criminal investigation officers with general jurisdiction, sworn officers of the Ministries in charge of telecommunications and advertising, the electronic regulation and certification authority, as well as those of economic control, in accordance with the conditions set forth in the laws and regulations in force.

(2) Reports establishing offences as well as objects and documents seized shall be transmitted to the State Counsel with territorial jurisdiction.

Section 38: Whoever illegally uses the electronic signature of another shall be punished with the penalties provided in Section 219 of the Penal Code.

Section 39: Whoever is found guilty of breaching the provisions of Sections 15, 17, 19, 21, 24 and 25 of this law shall be punished with a fine of from 250 000 to 2 500 000 CFA francs.

Section 40: Whoever takes advantage of the weakness or ignorance of another to make him/her enter, through an electronic sale, into commitments in cash or on credit in any form whatsoever, where it is proven that such a person is not capable of appreciating the extent of the commitments he/she is making or detecting the trick or tactics being used to convince him/her to subscribe thereto or that he/she was under duress shall be punished with the penalties set forth in Section 349 of the Penal Code.

Section 41: The certification authority and/or its officers who disclose, cause or participate in the disclosure of information entrusted to them within the framework of the exercise of their

activities shall be punished with the penalties provided in Section 310 of the Penal Code, except for those whose publication or communication are authorized by the order of the certificate either in writing, by electronic means or in the cases provided by the law in force.

Section 42: Any violation of the provisions of Sections 9 and 10 of this law shall be punished with the penalties set forth in Sections 37 and 38 of Law No. 90/31 of 10 August 1990 governing commercial activity.

PART VI

TRANSITIONAL AND FINAL PROVISIONS

Section 43: Any natural person or corporate body engaged in electronic commerce on the date of enactment of this law shall have a period of 6 (six) months within which to comply with provisions.

Section 44. This law shall be registered, published according to the procedure of urgency and inserted in the *Official Gazette* in English and French.

Yaounde, 21 December 2010

**(signed) Paul Biya,
President of the Republic**

Law No.2016/006 du 18 April 2016 on Tourist and Leisure Activities in Cameroon

The Parliament deliberated and adopted, The President of the Republic hereby enacts the law set out below:

CHAPTER I GENERAL PROVISIONS

Section 1. (1) This law lays down the regulation on trade activities, and specific rules applicable to tourist and leisure activity.

(2) It has as objective to contribute to:

- economic development;
- emergence of a competitive private sector in the area of tourism and leisure;
- promotion of national culture;
- national integration and population mixing;
- protection and safeguarding of national tourist and cultural values, as well as the environment;
- promotion of people's welfare and well-being;
- development of cultural and natural heritage for tourist and leisure purposes;
- free access of all to leisure;
- promotion of healthy and educational recreation.

Section 2 (1) This law shall be applicable to any activity that contributes to the provision of accommodation, catering, satisfaction of the needs of people travelling either for pleasure or for professional reasons, as well as provision of recreational services and to any activity organised for the sole purpose of amusement.

(2) The activity referred to in section 2 (1) above shall have tourism and recreation as end purposes, notably:

- organisation of tours and holidays;
- construction, extension, transformation or operation of a tourism establishment;
- development, operation or protection of a tourist site;
- development, construction, extension of operation of a leisure facility;
- organisation of holidays and recreational activities;
- organisation of socio-cultural celebrations for recreational purposes.

Section 3. For the purpose of this law and its implementing instruments, the following terms and expressions shall have the meanings below:

recreational activity: physical, amusement, sporting, cultural, intellectual or scientific activity organised for the sole purpose of relaxing, having fun or building one's capacities;

holiday activity: activity organised during holidays for the youth and children to relax through healthy and recreational activities;

tourism agency: enterprise set up by a natural or legal person to organise and sell on a regular basis, directly to the public and at a lump sum or against a commission, holidays and tours individually or collectively, as well as any other activity related thereto;

approval: document required by law to carry out the tourist guide activity and recreational facilitator activity;

recreation facilitator: any person with professional references and skills, approved by the competent Ministry, to carry out leisure activities;

furnished flat: flat rented out by its owner, with furniture and adequate appliances to meet the basic needs of a client for a given period;

authorisation: document required by law to build, transform, extend and operate a tourist establishment, a leisure facility or a holiday and tour activity;

classification: allocation, by regulation, of categories according to previously established standards in the area of the hotel industry, tourism and leisure;

leisure complex: serviced geographic space belonging to a natural or legal person where several types of leisure activities are carried out such as amusement, hotel and catering, trade or services, sporting activities or relaxing activities;

leisure establishment: trade structure providing leisure activities to the public, including music, attractions and various recreational activities. Light meals and drinks can be sold. It is either autonomous or integrated in a hotel or a leisure complex;

tourist establishment: service enterprise set up by a natural or legal person to provide accommodation and catering services to the public; **classified tourist or leisure establishment:** enterprise that meets the standards of classification in the tourist and leisure sector;

non-classified tourist or leisure establishment: enterprise that does not meet the standards of classification in the tourist and leisure sector;

tourist guide: any person with professional references and skills, approved by the Ministry in charge of tourism and leisure who, on a full or part-time basis, is responsible for accompanying tourists visiting monuments, museums and tourist sites, or any other tourist attractions, while providing them with any useful information and explanations;

Leisure facility: built-on or non-built-on area designed to host leisure and/or holiday facilities and activities. Leisure facilities comprise leisure establishments, leisure parks and holiday and leisure centres.

Licence: document required by law to operate an entity for organizing tours and holidays.

Recreation instructor: any person with professional references and skills, approved by the competent authority, for carrying out a specific leisure activity;

Tourist office: any corporate body set up by a local and regional authority for the development and promotion of tourism.

Leisure park: developed enclosed recreational area comprising various types of attractions. Leisure parks comprise amusement parks and recreational parks.

Tourist site: any natural landscape or artificial national resource of cultural, aesthetic, historic, scientific, legendary and artistic value used and conserved for tourism purposes;

Tourist station: locality founded and operated by public authorities or a private body that promotes holidays and recreational activities for people coming for a brief stay.

Tour and holiday organizing entity: a tourist agency or, as the case may be, a tour operator.

Tourist board: tourist association responsible for receiving and informing the public locally.

Tour operator: enterprise set up by a natural or legal person to design and prepare tourist products in a habitual manner and to sell them to the public directly or indirectly and for a fixed amount or on a commission basis.

Charter flights: non-scheduled public air transport services for tourists.

Section 4.- (1) In implementing the provisions of this law, the Government shall, in accordance with the Global Code of Ethics for Tourism, prevent any use of tourism for prostitution purposes by taking appropriate measures to combat pimping and sex tourism.

(2) In accordance with the United Nations guidelines for the protection of children, the Government shall particularly stop sex tourism involving children and any child exploitation in the area of leisure.

Section 5.- (1) The Government shall be responsible for implementing this policy, in conjunction with local and regional authorities.

(2) To that end, the Government shall formulate national strategies, programmes and plans, notably to:

- facilitate the entry and stay of tourists in Cameroon;
- promote and develop tourism and leisure for all;
- promote investments in the area of tourism and leisure.

CHAPTER II

CONDITIONS FOR CARRYING OUT TOURISM AND LEISURE ACTIVITIES

Section 6.- Any natural or legal person shall be free to engage in tourist and leisure activities in Cameroon subject to compliance with the laws and regulations in force, as well as the fulfilment of the professionalism requirements in accordance with the international standards and practices in this domain.

Section 7.- (1) Any commercial and industrial tourist or leisure activity shall be subject, as the case may be, to prior authorization, approval or licence issued by the Ministry in charge of tourism and leisure, after the compulsory opinion of the commission referred to in Section 10 below.

(2) The following shall be subject to the authorization regime:

- construction, transformation or extension of a tourist establishment;
- development, construction or extension of a leisure facility;
- operation of a tourist establishment providing accommodation services;
- operation of a tourist establishment providing catering services;
- operation of a leisure facility; and
- organization of a leisure or holiday activity.

(3) The following shall be subject to the approval regime:

- tourist guide activity;
- recreation facilitator activity;

(4) The operation of an entity for organizing tours and holidays shall be subject to the licence regime.

Section 8.- The development or operation of a national, regional or local tourist site shall comply with the specifications previously rendered enforceable by order of the Minister in

charge of tourism and leisure, after the compulsory opinion of the commission referred to in Section 10 below.

Section 9.- The conditions for granting the authorizations, approvals and licences referred to in Section 7 above shall be laid down by regulation.

Section 10.- (1) An advisory commission responsible for issuing opinions on the application, suspension or withdrawal files of the operation permits referred to in Section 7 above is established in the Ministry in charge of tourism and leisure.

(2) The composition, organization and functioning conditions of the advisory commission referred to in 10 (1) above shall be laid down by regulation.

Section 11.- The granting of authorizations, licences, approval of the specifications provided for in Section 9 above shall be subject to payment of a fee of an amount which shall be fixed by the Finance Law.

Section 12.- Any tourist office or board must, prior to starting activities, declare such activities to the Ministry in charge of tourism and leisure under conditions laid down by regulation.

Section 13.- The authorizations, approvals and licences provided for by this law shall be personal. However, they may be transferred after prior agreement by the Ministry in charge of tourism and leisure in the event of death, transfer of business, reorganization or dissolution of the tourism office or board.

Section 14.- (1) Tourist establishments, facilities for organizing tours and holidays, tourist sites, leisure facilities and leisure activities shall be classified.

(2) The conditions for classifying or downgrading them shall be laid down by regulation.

Section 15.- (1) A signboard placed at the main entrance to the entity or at a visible spot shall indicate the type and classification of the facility for organizing tours and holidays, tourist establishment leisure facility and tourist site concerned.

(2) The signboard shall be provided by the Ministry in Charge of tourism and leisure. It shall be subject to payment of an annual fee and tax laid down by the Finance Law. It shall remain State property.

Section 16.- Any person operating a classified facility for organizing tours and holidays, tourist establishment, leisure facility and tourist site, any leisure activity organizer shall be bound to produce statistical documents drawn up according to a frequency set and model adopted by the ministry in charge of tourism and leisure.

Section 17.- (1) No person may perform the duties of director or manager of a classified facility for organizing tours and holidays, a tourist establishment, tourist site, leisure facility or leisure activity without having the professional qualifications required for each case as laid down by regulation.

(2) Where the director or manager is replaced, the promoters of the establishments or activities referred to in (1) above shall, under pain of sanctions stipulated in Section 40 herein below, inform the Ministry in charge of tourism, and leisure accordingly in writing within 15 (fifteen) days.

Section 18.- (1) Any person engaging in a tourist or leisure ' activity governed by this law shall be subject to control by sworn officers of the Ministry in charge of tourism and leisure and shall be bound, to that end, to provide all such officers with any information necessary for conducting such controls.

(2) The officers referred to in (1) above shall be bound to professional secrecy and the regulations relating to competition.

Section 19.- (1) The authorizations, approvals and licences may be suspended in the following cases:

- lack of insurance;
 - non-compliance with hygiene, safety and health standards or operating regulations;
 - non-compliance with leisure activity organization standards;
 - non-payment of tourist and leisure industry taxes and fees;
 - employment of a director or manager in violation of the provisions of this law;
 - refusal or violent obstruction of sworn officers or any other control provided for by instruments in force, from freely carrying out their duty.
- (2) The activity suspension decision shall determine the duration of such suspension, which shall not exceed one (1) year, and shall clearly indicate the formalities to be fulfilled by the holder in order to be rehabilitated.
- (3) The suspension decision shall be taken by the Ministry in charge of tourism and leisure after a formal notice served by sworn officers during the discharge of their duties.
- (4) At the expiry of the suspension period and, in case of failure to remedy the reasons for suspension, withdrawal of the permit in question shall be pronounced (3) three months after an unheeded formal notice.

Section 20.- (1) The authorizations, approvals, and licenses referred to in Section 7 above shall be withdrawn in the following cases:

- cessation of activity by the recipient for a period of 12 (twelve) months and after an unheeded formal notice;
- conviction of the holder for any violation of the provisions of this law and its statutory implementing instruments or for any violation of tax or customs or exchange-related laws;
- conviction of the holder for a felony;
- bankruptcy or - liquidation of the holder's assets;
- use of a forged authorization, licence or approval;
- participation of the holder in a fraudulent transaction relating to an authorization, approval or licence;

- non-compliance with ethical principles;
 - child exploitation.
- (2) The cessation of activity shall be established following non-regularization of the situation observed within 3 (three) months of the formal notice served by the Ministry in charge of tourism and leisure.
- (3) The withdrawal decision shall be issued by the Ministry after the opinion of the commission referred to in Section 10 above, and notified to the holder of the operating permit within 15 (fifteen) days. It shall entail closure of the establishment or cessation of leisure activity.
- (4) The suspension or withdrawal conditions shall be laid down by regulation.

CHAPTER III

TOURIST, CLIENT OR LEISURE ENTHUSIAST SAFETY

Section 21.- (1) Any person operating a facility for organizing tours and holidays, a tourist establishment leisure facility or tourist site, any person organizing leisure activities shall be bound to take out an insurance company approved by the inter-African Conference of Insurance Markets (CIMA) and the Ministry in charge of insurance to cover the following risks:

- civil liability resulting for bodily injury and/or damaged property of clients or third parties due to mistakes, de facto or de jure errors of omission or negligence committed in the course of activities defined in Section 2 above, either by the operators themselves or by their agents, whether or not salaried;
 - additional expenses incurred by clients and directly attributable to the non-provision of services or insufficient provision of services resulting from insolvency or short comings of its intermediaries or agents in Cameroon or abroad.
- (2) The insurance provided for in Subsection (1) above shall cover all justified claims submitted to the insurance company within the period of validity of the insurance contract and bearing on the services provided by the person concerned.
- (3) It shall be mandatory for the structures referred to in subsection 1 above, to have an appropriate safety device under pain of refusal or withdrawal of licence,
- (4) The conditions for implementing the provisions of Subsections (1), (2) and (3) above shall be laid down by regulation.

Section 22.- (1) Operators of facilities for organizing tours and holidays, tourist establishments, leisure facilities or tourist sites, must publish price lists for the benefit of their clients.

(2) Posted prices must be inclusive of taxes.

Section 23.- Any person operating a facility for organizing tours and holidays, tourist establishment, leisure facility or tourist site, any organizer of a leisure activity shall be bound to:

- always maintain all materials and equipment used to provide comfort to clients in a clean state and in working order;
- abide by safety standards governing their operations as established by the competent government services.

CHAPTER IV **PROMOTION OF TOURISM AND LEISURE**

Section 24.- (1) To develop and support the tourism and leisure industry, a special appropriations account is hereby established. The Finance Law shall, each year, determine the specific resources to be allocated to it for the development and support of tourist and leisure activities.

(2) The special appropriations account referred to in Section 24(1) above may, as appropriate, receive:

- contributions from national and international donors;
- any other voluntary contributions;
- proceeds from settlement fines as provided by this law;
- gifts and legacies;
- all other revenues authorized or allocated by this law.

(3) The funds mentioned in Section 24(1) and (2) above shall be used solely for the development of the tourism and leisure industry.

Section 25.- (1) The operation of charter flights from all tourist generating countries within the framework of package tours is hereby authorized.

(2) The conditions for implementing Section 25 (1) above shall be laid down by

Section 26.- (1) A National Tourist and Leisure Board is hereby established. It shall be responsible for supporting the Government in defining, implementing, monitoring and assessing the national tourism and leisure policy.

(2) The composition, organization and functioning of the Board shall be laid down by regulation.

Section 27.- Special measures shall be laid down by a special instrument in the domains of tax, customs, land tenure and State property incentives shall be granted within the context of the Finance Law or specific laws to promote investment in tourism or leisure, enhance the competitiveness of national tourist products and develop leisure for all.

CHAPTER V **OFFENCES AND PENALTIES**

Section 28.- The following shall constitute violations of this law:

- carrying out tourist and leisure activities without authorization;
- carrying out tourist and leisure activities using an unduly transferred authorization;

- continuing tourist and leisure activities in defiance of an order suspending or withdrawing the operating licence;
- occupying or operating a tourist site without duly approved specifications;
- operating a classified entity for the organization of tours and holidays, a tourism establishment, leisure facility or tourist site under a category not corresponding to the category to which it belongs;
- non-compliance with construction and operating standards, as well as standards for organizing leisure activities;
- failure to post prices;
- failure to submit or late submission of statistics;
- submission of deliberately incorrect statistics;
- failure to post or fraudulent posting of signs;
- using fraudulent signs or posting ambiguous signs or decorations regarding the classification of the establishment, the tourist site of the facility or leisure activities;
- polluting, destroying or damaging tourist sites or leisure facilities;
- failure to produce a medical certificate certifying the health status of employees;
- lack of fire prevention or fire-fighting measures;
- hiring a director or manager who does not meet the requirements of the law;
- failure to declare the replacement of the director or manager of a tourist and leisure establishment;
- lack of insurance policy;
- violating police requirements regarding clients' registration;
- child labour for tourist or leisure purposes;
- sexual exploitation of children in the tourist or leisure sector;
- practicing sexual tourism and procuring;
- non-compliance with hygiene and sanitation rules;
- lack of specification sheets for recreational facilities.

PARAGRAPH I
SETTLEMENT

Section 29.- Without prejudice to the prerogatives of the Public Prosecutor and criminal investigation officers with general jurisdiction, violations of this law and its implementing instruments shall be established by sworn officials of the Ministry in charge of tourism and leisure or any other Government services duly appointed for that purpose, in conformity with the law governing commercial activity or, as the case may be, in conformity with the legislation governing prices.

Section 30.- (1) The Ministry in charge of tourism and leisure alone shall be competent to rule. Offenders should duly refer matters to this Ministry.

- (2) The offender's request for a settlement shall stay administrative procedure. It must precede any judicial procedure, under pain of nullity.
- (3) The settlement amount shall be established by the administration in charge of tourism. This amount may not be less than the corresponding minimum of the criminal fine.
- (4) The payment of fines and settlement fees shall stay administrative procedure.
- (5) Settlement shall not be taken into account in case of repeated offence.
- (6) Settlement proceeds shall be fully paid into the appropriation account provided for by this law.

Section. 31.- (1) In the absence of settlement or in case of failure to execute the settlement, after prior notification of the offender, administrative procedure shall follow its course.

- (2) The conditions for initiating administrative procedure shall be specified by regulation.

PARAGRAPH II **CRIMINAL PENALTIES**

Section 32.- Whoever constructs, transforms or extends a tourist establishment, a leisure - facility without prior authorization, or whoever develops a tourist site without approval of the related specifications shall be liable to a fine of from CFAF 50,000 to CFAF 1,000,000.

Section 33.- Any person granted authorization to operate a tourist establishment, tourist site, leisure facility who fails to conform to the plans and specifications submitted and approved by the Ministry in charge of tourism and leisure shall be liable to a fine of from CFAF 50,000 to CFAF 500,000.

Section 34.- The following shall be liable to a fine of from CFAF 100,000 to CFAF 500,000:

- whoever carries out activities related to the profession of tourism guide or leisure facilitator without approval;
- whoever runs a tourist establishment or leisure infrastructure without the appropriate licence;
- whoever operates a facility for organizing tours and holidays without the appropriate licence;
- whoever organizes a leisure activity without the appropriate licence.

Section 35.- (1) Whoever occupies or runs a touristic site without approved specifications shall be liable to a fine of from CFAF 100,000 to CFAF 1,000,000.

(2) Without prejudice to the penalties provided in Article 187 of the Criminal Code, whoever degrades destroys or pollutes a tourist site shall be punished in accordance with the provisions governing the protection of the nation's cultural and natural heritage.

Section 36.- Whoever, as a tourist and leisure operator, fails to take out an insurance policy to guarantee the accountability of their establishment shall be liable to a fine of from CFAF 100,000 to CFAF 500,000.

Section 37.- (1) Whoever, as an operator of a tourist establishment, leisure facility or classified tourist site, fails to post the sign provided for by law shall be liable to a fine of from CFAF 10,000 to CFAF 50,000.

(2) The fines provided in Section 37(1) above shall be doubled in the case where a sign of fraudulent origin is posted or a sign is posted fraudulently.

Section 38.- (1) Whoever runs a vocational tourism, hotel management or leisure centre without a joint authorization by the Ministry in charge of tourism and that in charge of vocational training shall be liable to a fine of from CFAF 100,000 to CFAF 500,000.

(2) Whoever runs a tourism, hotel management and leisure vocational training institution and violates the standards homologated by the Ministry in charge of tourism and leisure shall be liable to a fine of from CFAF 50,000 to CFAF 200,000.

Section 39.- Whoever operates a facility for organizing tours and holidays, a tourist establishment, a tourist site or leisure facility under a category which does not correspond to the grade to which it belongs shall be liable to a fine of from CFAF 100,000 to CFAF **1,000,000**.

Section 40.- Any promoter of a tourism or leisure business who hires an unqualified director or manager or who fails to declare the change of director or manager in their establishment shall be liable to a fine of from 50,000 CFAF to 250,000 CFAF.

Section 41.- Whoever operates a tourism business or leisure facility without having a fire extinguishing device shall be liable to a fine of from 50,000 CFAF to 500,000 CFAF.

Section 42.- (1) Whoever operates a tourism business or leisure infrastructure, or who organizes a leisure activity in violation of hygiene-and sanitation rules established by the competent authorities shall be liable to a fine of from 50,000 CFAF ta 100,000 CFAF.

(2) Whoever, as a promote of a tourism business, leisure facility or leisure activity, fails to subject their employees to periodic medical check-up shall be liable to the fines provided for in Section 42(1) above. "

Section 43.- (1) Any operator of the tourism and leisure industry, director or manager of a tourism or leisure business who displays human beings in a show for tourists without consideration for their dignity shall be liable to a fine of from CFAF 200,000 to CFAF 500,000.

(2) The penalties provided for in Section 43(1) above shall be doubled in the case of exploitation of the prostitution of others, regardless of the form.

Section 44.- (1) Notwithstanding the penalties provided by the Criminal Code regarding crimes against morality involving children, whoever uses child labour for tourist or leisure purposes shall be liable to a fine of from CFAF 1,000,000 to CFAF 2,000,000.

However, shows involving children under conditions prescribed by the labour code shall not be considered to be use of child labour under Section 44(1) above.

(2) The penalties provided in Section 44(1) above shall be doubled in the case of sexual exploitation of children, regardless of the form.

Section 45.- Whoever fails to submit statistics, as required by law, to the Ministry in charge of tourism and leisure or who submits deliberately incorrect statistics shall be liable to a fine of from CFAF 50,000 to CFAF 500,000.

Section 46.- The following shall be liable to a fine of from CFAF 200,000 to CFAF 500,000

- whoever fraudulently rents or transfers a licence to a third party, regardless of whether such transfer is free of charge or for a consideration;
- whoever uses the authorization of a tourism or leisure business, or leisure activity, obtained

through a fraudulent transfer.

Section 47.- The price-related offences provided for by this law shall be penalized in conformity with the legislation governing prices.

Section 48.- (1) The maximum of penalties shall be doubled in case of a further offence.

(2) Without prejudice to the criminal penalties provided for by this law, the Minister in charge of tourism and leisure may order the closure of a tourist or leisure business, or a leisure activity involved in the commission of an offence, after receiving the opinion of the competent committee.

(3) The closure of a tourist or leisure business, or a leisure activity shall be automatic in case of conviction for sexual offences involving children.

CHAPTER VI

MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS

Section 49.- The conditions for opening secondary or higher education level for tourism and/or hotel management and leisure institutions, tourism and leisure vocational training centres, as well as the control of such institutions, shall be laid down by regulation.

Section 50.- (1) Local tourist sites shall fall within the jurisdiction of local and regional authorities.

(2) Other powers may, as appropriate, be devolved to local and regional authorities by regulation.

Section 51.- (1) Any person engaged in one of the activities governed by this law shall be allowed 12 (twelve) months from its date of enactment to comply with its provisions.

(2) Without prejudice to the implementation of the provisions penalizing the lack of a licence, the Minister in charge of tourism and leisure shall, as an interim measure and after prior notification, order the closure of any establishment engaged in tourist or leisure activity without the licence provided for by this law.

Section 52.- (1) Legally established professional associations and unions shall ensure compliance with the ethics and fair competition principles that are indispensable to tourist and leisure activities, and the laws and regulations in force, as well as the customs and practices of the profession.

(2) The associations and unions referred to in Section 52 (1) above may contact any examining or trial court or, where necessary, be part of any court action taken by the Legal Department or any other interested party against any person accused of violating the laws and regulations in force on tourist and leisure activities.

Section 53.- The statutory instruments shall, as and when necessary, lay down the conditions for implementing this law.

Section 54.- All previous provisions repugnant hereto, notably those of Law No. 98/6 of 14 April 1998 on tourist activity are hereby repealed.

Section 55.- This law shall be registered, published according to the procedure of urgency and inserted in the *Official Gazette* in English and French.

Yaounde, 18 April 2016

(signed) Paul Biya,
President of the Republic

Law No.2010-13 of 21 December 2010 to Regulate Electronic Communication in Cameroon

The National Assembly delivered and adopted,

The President of the Republic hereby enacts the law set out below:

PART I

GENERAL PROVISIONS

Section 1 : This law shall govern electronic communications in Cameroon.

In this respect, it:

- aims to promote the harmonious and balanced development of electronic communication networks and services, with a view to ensuring the contribution of this sector to the development of the national economy, and satisfying the various needs of users and the population;
- lays down the modalities for establishment and operating networks as well as for the supply of electronic communication services, taking into consideration national defence and public security prescriptions;
- encourages and promotes the participation of the private sector in the development of electronic communications in a competitive environment.

Section 2. (1) This law shall apply to the various services relating to electronic communications on the national territory, carried out by any electronic communication enterprise regardless of its legal status, place of its head office or its main establishment, nationality of its proprietors, its capital or its managers.

(2) The following shall be excluded from the jurisdiction of this law:

Radio and cable television enterprises with respect to their production, and broadcast programming activities;

State installations established for national defence or public security purpose.

Section 3. (1) The establishment and operation of networks as well as the provision of electronic communication services shall be * subject to compliance with the essential requirements.

(2) The essential requirements mentioned in Subsection 1 above shall be those that are necessary to safeguard the general interest:

- the security of end-users and personnel operating electronic communication networks;
- the protection of networks and, in particular, the exchange of command and management information that are associated there with;
- if need be, the good use of radio band;
- the interoperability of networks and terminal equipment as well as the protection of personal data;
- the respect of limits of exposure to electromagnetic radiation and electromagnetic compatibility.

Section 4. Every person shall have the right to benefit from electronic communication services, regardless of his geographic location on the national territory.

Section 5. Under this law and its implementation instruments, the following definitions 'shall be accepted:

- 1) **Subscriber:** a natural person or corporate body who or which has entered into a contract with a provider regarding the use of electronic communication services;

- 2) **Access:** making available network elements or electronic communication services to an operator in order for the latter to provide electronic communication services.
- 3) **Administration in charge of Telecommunications:** Ministry or Minister depending on the case, entrusted on behalf of the Government, with the general competence over the sector of telecommunications and information and communication technologies;
- 4) **Board:** autonomous public body, charged with the mission of regulating, controlling and following up the activities of telecommunications and information and communications technologies;
- 5) **Approval:** deed of recognition issued to a natural person or corporate body giving him the right to exercise the activity of installer or test laboratory in the electronic communications domain, the homologation by the Board to a natural person or corporate body, giving him or it the right to exercise a given activity in the sector of telecommunications and information and communication technologies;
- 6) **Universal directory:** book, list or database containing mainly or exclusively data concerning the subscriber of an electronic communications service and made available to the public, subject to the protection of rights on persons, with a view to making it possible to identify exclusively or mainly the telephone number of an end user;
- 7) **Assignment of frequency or radiofrequency channel:** authorization given for the utilization, through a radio station, of a frequency or a given radiofrequency channel according to specific conditions;
- 8) **Assignment of frequency band:** the recording on the table of assignment of frequency bands of a given frequency band, for the purpose of its utilization by one or more earth or space radio communication services, or by the radio communication service under specific conditions;
- 9) **Authorization:** right conferred by the State to a physical person or corporate body to carry out a given activity in the telecommunications and information and communication technologies sector, subject to a number of obligations;
- 10) **Local loop:** a physical line, which connects a fixed public telephone network termination point in a subscriber's premises to the telephone exchange cross or any other equivalent facility of a fixed electronic communication network opened to the public;
- 11) **Submarine cable:** physical medium of electronic communication signals that uses the marine environment as passageway for the cable. It is known as "international" when it connects two or more States;
- 12) **Interconnection catalogue:** technical and tariff offer of interconnection published by operators of electronic communication networks opened to the public;
- 13) **Co-location:** provision of a space and technical resources necessary for hosting and connection, under reasonable conditions, of relevant technical equipment by alternative operator as part of a reference offer;
- 14) **Inter-ministerial Board:** inter-ministerial structure in charge of assigning radio communication frequency bands;
- 15) **Electronic communications:** emission, transmission or reception of signs, signals, writings, images or sounds by electronic means;
- 16) **Emergency electronic communications:** emergency calls or electronic communications in the event of disaster, distress and emergency situation;
- 17) **Consumer:** any physical person who uses or requests an electronic communication service accessible to the public for purposes other than professional ;

- 18) **Cryptography:** all services that use the principles, means, and methods for the processing of data in order to hide their semantic content, to establish the authenticity, to prevent the unnoticed change thereof, to prevent their unauthorised use;
- 19) **Unbundling of local loop:** service that includes associated services, especially that of co-location offered by a user of an electronic communications network opened to the public, in order to enable a third party user of an electronic communications network to have access to all of the elements of the local loop of the first user in order to serve his subscribers directly;
- 20) **Terminal equipment:** any device, facility or set of facilities to be connected to the end-point of a network and which broadcasts, receives or processes electronic communications signals. Not included are, equipment that provide access to audiovisual communication services broadcast by radio-relay or distributed by cable, except in the case where such equipment also provide access to other electronic communications services;
- 21) **Alternative infrastructure operator:** public law corporate body or public service concessionary company which has infrastructure or rights that can support or contribute to supporting electronic communications' networks, without itself being an operator of electronic communications' networks opened to the public;
- 22) **Provision of an electronic communications network:** establishing, operating, controlling or making available an electronic communications network;
- 23) **Management of radiofrequency spectrum:** all administrative and technical activities aimed at ensuring a national utilization of radiofrequency spectrum by users;
- 24) **Official approval:** expert and verification operation carried out by a body approved to certify that the prototype of equipment and electronic communications systems comply with the regulations and technical specifications in force;
- 25) **Alternative infrastructure:** facilities or set of facilities operated by public service concessionaries that can ensure or contribute to ensuring the transmission or the transmission and conveyance of communications signals;
- 26) **Interconnection:** special form of access that consists in physical and logical link of public electronic communications networks operated by the same operator or a different operator, in order to enable users to communicate among themselves or to have access to service provided by another operator;
- 27) **Interoperability of terminal equipment:** aptitude of terminal equipment to function with the network and with other terminal equipment enabling access to the same service.
- 28) **Radio installation, station or equipment:** electronic communication installation, station or equipment that uses radio frequencies for the propagation of waves in free space. Radio-electric installations comprise, in particular, networks that utilize satellite capacities;
- 29) **Roaming:** service that enables the routing of communications for an assigned network to another, while maintaining the same telephone number or enabling subscribers to have access to one or more satellite systems;
- 30) **License:** title representing an administrative authorization issued for a specific period that enables the holder to carry out, according to specifications, certain activities in the telecommunications and information and communication technologies sector;
- 31) **Operator:** physical person or corporate body operating an electronic communications network opened to the public or providing an electronic communications service to the public;
- 32) **Dominant operator:** operator of an electronic communications network opened to the

public whose market share individually or jointly with others (percentage of revenue or traffic of the said operator compared with the revenue or traffic of ail operator) on the segment of the market considered is equal or higher than a percentage to be determined by the Board;

- 33) Electronic communications networks operator:** person who is a holder of a concession or license;
- 34) Termination point:** physical point by which users have access to an electronic communications network opened to the public. The said connection points are part of the network;
- 35) Portability numbers:** possibility of a subscriber to use the same subscriber number independently of the operator or user the network to which he is subscribed, and even in the case where he changes operator or user;
- 36) Cryptography service:** operation aimed at establishing, on behalf of others, cryptography means;
- 37) Radio-communication:** transmission by means of radio waves of information of any nature, especially of sound, text, image, conventional signs, digital or analogue expressions, remote control signals, signals aimed at detecting or determining the position of movement of objects;
- 38) Broadcasting network:** radio-communication whose programmes are intended to be received directly by the public;
- 39) Collection network:** ail installations that enable the conveyance of electronic communications and provision of electronic communications services between the distribution network and backbone network;
- 40) Distribution network:** ail installations that enable the conveyance of electronic communication and the provision electronic communications services from a local intelligent equipment to the subscriber;
- 41) Electronic communications opened to the public:** all electronic communications networks established or used for the needs of the public;
- 42) Electronic communications network:** active or inactive transmission systems and, where applicable, switching and routing equipment and other resources that enable signal routing by wire, radio, optical means or other electromagnetic means, including satellites terrestrial networks, fixed (circuits or packets switching, including the Internet) and mobile networks, systems using electrical network, provided they are used to transmit signals, networks used for radio and television and cable television networks, irrespective of the type of information transmitted;
- 43) Private network:** an electronic communications network reserved for private use or shared by a restricted group of users;
- 44) Independent private network:** network established between several domains, sites or private property and which, because of this, uses public domain, including radio-relay and/or third party private property;
- 45) Internal private network:** electronic communications' network entirely established on the same domain, on the same site or same private property, without using either the public domain including the radio-relay, or a third party property;
- 46) Virtual private network:** private electronic communications network for private internal and external needs of a restricted group of end-users, who may use the infrastructure of a public network to transmit data which are protected thanks to the utilization of encryption and encapsulation techniques;

- 47) **Rural network:** electronic communications network entirely established for the rural population;
- 48) **Resale of traffic:** act that consists in the wholesale purchase of time from a concessionary operator with a view to reselling in retail to one's own customers;
- 49) **Selection of operator-carrier:** mechanism that enables a user to choose between one or a group of operators of authorized telecommunication service providers, for the transmission, of part or all of its calls;
- 50) **Value-added service:** services offered to the public through public electronic communications' networks using computer systems that enable access to data relating to specific fields for consultation or exchange;
- 51) **Data transmission service:** simple data transmission service, excluding any processing;
- 52) **Electronic communications service:** a service that entirely or mainly consists in transmitting signals over electronic communications networks;
- 53) **Support service:** service for simple transmission of information whose objective is, either to transmit or handle signals between termination points of an electronic communications network, without giving these signals procession other than that necessary for their transmission, conveyance and control of the said functions;
- 54) **Public telephone service:** commercial operation for the public of direct transfer of voice in real time between fix or mobile end- users;
- 55) **Telex service:** commercial operation of direct transfer, through the exchange of telegraphic signals, of typed messages, between end-users to termination points of an electronic communications network;
- 56) **Universal service:** all minimal services of specific quality and which are available to ail end-users under affordable tariff independently of geographic allocation;
- 57) **Easement:** right to set up infrastructure and any equipment on, above or under private property;
- 58) **Radio easement:** easement that consists in a limitation of the height of obstacles in defined zones in emission or reception centres, in order to prevent any disturbances of the radio waves emitted or received by the said centres;
- 59) **Global mobile personal communications system (GMPCS):** fix or mobile satellite system, broad or narrow band, world or regional, geostationary or not, existing or- planned, providing electronic communications services directly or indirectly to end-users from à constellation of satellites;
- 60) **Community telecentre:** common infrastructure which offers electronic communications from a terminal or terminal made available to a community in order to enable it to communicate at an affordable price;
- 61) **Telecommunications:** emission, transmission or reception of signs, signals, writings, images or sounds by electronic means ;
- 62) **Tele-distribution:** broadcast or rebroadcast of radio signals by satellite or an appropriate ground system or produced locally for subscribers through a cable or radio-relay network;
- 63) **End-user:** physical person or corporate body who or which uses a telephone communication service accessible to the public for private or professional purposes without being necessarily subscribed to the said service.

PART II**LEGAL REGIME OF ELECTRONIC COMMUNICATION SERVICES AND NETWORKS**

Section 6. (1) The following shall be under the exclusive domain of the State and shall not be subject to concession:

- laws and regulations on electronic communications;
- management of the national frequency spectrum and orbital locations.

(2) The following shall be within the exclusive domain of the State and may be the subject of concession to one or more corporate body (ies) governed by public or private law, under the conditions set forth in Section 9 below:

- the construction and operation, throughout the national territory, of submarine cable landing points;
- the construction and operation of teleports to one or more satellite networks.

Section 7. The establishment and/or operation of electronic communications networks as well as the provision of services shall be subject to one of the following regimes:

- authorization;
- declaration.

CHAPTER I
AUTHORISATION REGIME

Section 8. Three types of permits shall be subject to the authorization regime:

- concession;
- license;
- approval.

I. CONCESSION

Section 9. (1) The following public domains may wholly or partially be subject to a concession to one or more public or private law corporate bodies or under agreements by setting out in particular the rights and obligations of the holder of such concession:

- establishment and operation of national electronic communications networks opened to the public, excluding the core network;
- establishment and operation of electronic communications systems, including submarine cable landing stations and teleports to one or more satellite networks.

(2) The concession shall be granted to any selected corporate body that undertakes to comply with the provisions of this law, as well as the clauses of specifications governing the general conditions for setting up and operating electronic communications networks.

(3) The concession referred to in Subsection 1 above shall be subject to compliance with the regulations contained in specifications appended to the concession agreement and relating to:

- the nature, characteristics and service coverage area;
- service continuity, quality and availability;
- confidentiality and neutrality of service in relation to messages transmitted;
- network and service norms and standards;
- use of assigned frequencies;
- regulations required for national defence, public security, health and environmental protection and town planning purposes;
- the operator's contribution to research, training and standardization regarding electronic

communications;

- conditions of interconnection and, where necessary, the payment of charges for access to electronic communications' networks opened to the public;
 - conditions for infrastructure sharing;
 - contribution to the general, missions of the State and, in particular, to universal service missions and costs and territorial planning;
 - free routing of emergency electronic communications;
 - commercial operation necessary to ensure fair, objective, transparent and non-discriminatory competition at affordable prices, without flawing or impeding free competition, by ensuring equal treatment for users;
 - duration, revocation and renewal;
 - calculation and revision of contributions due as financial investments for electronic communication development throughout the national territory.
- (3) The concession agreement and specifications negotiated and drawn up in accordance with the laws and regulations in force shall be approved by decree of the President of Republic.
- (4) The holder of a concession agreement shall pay a financial compensation, fees and contributions under the terms and conditions specified in the above-mentioned agreement.

II- LICENCE

Section 10. (1) The license shall be issued to any natural person or corporate body to establish and operate in particular:

- any support service;
 - radiofrequency networks, excluding those referred to in Section 9 above;
 - independent private networks excluding those referred to in Section 16 below;
 - temporary networks;
 - experimental networks;
 - collection and/or distribution networks for providing electronic communications services to the public;
 - electronic communications networks opened to the public in rural areas;
 - virtual networks opened to the public;
 - telephone numbers portability.
- (2) The terms and conditions of establishment and/or operation of the electronic communications service networks referred to in Subsection (1) above shall be defined by regulation.
- (3) The license shall be issued subject to compliance with specifications relating to:
- the nature, characteristics and service coverage area of service;
 - service continuity, quality and availability;
 - confidentiality and neutrality of service in relation to messages transmitted and information related to electronic communications;
 - health and environmental protection and regional development and town planning regulations, comprising, where necessary, conditions of occupation of public land and infrastructure sharing;
 - national defense and public security regulations;
 - technical specifications concerning service access, interconnection with other support services and costing of its functioning with the latter;

- free routing of emergency electronic communications;
- conditions necessary to ensure the interoperability of services;
- obligations on the operator to submit to control by the Board;
- information on the contractual conditions for providing services and consumer protection;
- duration, conditions of revocation and renewal of the license;
- calculation and Revision of the required contributions;
- contribution to the general missions of the State and, in particular, to the missions and costs of universal service and territorial planning.

(4) The licensee may provide to the public value-added services related to its license, under conditions defined by law.

Section 11. The licensee shall be liable for fees and taxes under conditions which shall be specified by the regulations in force as well as specifications.

Section 12. On account of technical constraints inherent in the availability of frequencies, the Administration in charge of Telecommunications may render the granting of license for the establishment and/or operation of an electronic communication radio frequency network opened to the public subject to competitive bidding.

Section 13. Electronic communication activities carried out on the national territory by foreign institutions and organizations governed by international law shall be exercised in keeping with the agreements signed and ratified by the Republic of Cameroon. Such activities shall be subject to obtaining a license, in accordance with this law, except otherwise stipulated in the aforesaid agreements.

III- APPROVAL

Section 14. (1) The following activities shall be subject to obtaining an approval:

- electronic communication equipment and infrastructure installer;
- electronic communication equipment testing and measuring laboratories;
- homologation of terminal equipment to be connected to a public electronic communications networks;
- radiofrequency installations.

(2) The conditions for obtaining approval shall be laid down by regulation.

CHAPTER II **DECLARATION REGIME**

Section 15. (1) The following activities shall be subject to prior declaration against receipt:

- provision of value-added services to the public;
- provision of Internet services to the public;
- resale traffic;
- any electronic communications service from global mobile personal communication system (GMPCS) terminals;
- use of leased link with a capacity of over 10 megabits per second.

(2) The declaration shall be subject to operating conditions related to:

- the nature, technical characteristics of equipment, service area and estimated implementation schedule;
- continuity, availability, quality and neutrality of the service;

- compliance with technical specifications concerning service access, its interconnection with other service supports and the compatibility of its operation with them;
- regulations relating to national defence and public security;
- calculation of contributions as financial investments in development of electronic communication throughout the national territory.

Section 16. The following may be established by simple declaration against receipt:

- internal private networks;
- independent private networks excluding radiofrequency networks whose terminal points are less than 300 metres apart and whose connection have a capacity of less than 10 megabits per second;
- radiofrequency installations composed exclusively of low-power and low-range devices whose categories are determined by the Administration in charge of telecommunications.

Section 17. The conditions for obtaining a declaration as well as conditions for the operation of network and installations referred to in Section 16 above shall be determined by a separate instrument.

Section 18. The provision of electronic communications services other than those referred to in Sections 9, 10, 14, 15 and 16 above shall be free, subject to compliance with the main requirements referred to in Section 3 of this law.

Section 19. No one may, in territorial waters, aboard a ship or boat, in airspace aboard an aircraft or any other medium subject to Cameroonian law, hold a radio communication transmitting and/or receiving apparatus, nor establish and operate a station or a non-public radio communication network without having obtained a declaration receipt or license, therefore.

CHAPTER III **PROVISIONS COMMON TO AUTHORIZATION AND** **DECLARATION REGIME**

Section 20. (1) The issuance and renewal of a concession agreement or license shall be subject to the payment of a financial compensation respectively known as "import duty" and "renewal fee" whose amounts and payment conditions shall be laid down by decree of the President of the Republic, on a joint proposal of the Minister in charge of telecommunications and the Minister in charge of finance.

(2) The concession agreement, license, approval and declaration receipt issued pursuant to the provisions of the preceding chapter shall be personal and non-transferable. They shall be published in a legal notice journal, where necessary, alongside the specifications appended thereto.

(3) A performance bonus shall be deducted from the amounts collected as import duty and renewal fee and granted to persons responsible for the regulation and control of the telecommunications and information and communication technologies sector.

(4) The conditions for the implementation of Subsection 3 above shall be laid down by regulation.

Section 21. (1) The Administration in charge of telecommunications may cancel the license, approval or declaration receipt and pronounce the lapse of its ownership in the event of advance dissolution or compulsory liquidation decision, whether or not including an authorization for the company to pursue its activities, or bankruptcy.

(2) Any holder of concession, license or declaration receipt shall be bound to inform the

Agency provided for in Section 36 below, of any modification in the distribution of the registered capital or in the company's management.

- (3) Where the modification referred to in Sub-section 2 above is considered contrary to the public interest, the Agency shall refer the matter to the Administration in charge of telecommunications with a view to cancelling the concession, license, approval or declaration receipt.

Section 22. In accordance with the regulations in force, this law provides for:

- opening to public or private law nationals, of the capital of concession holders where the latter are foreigners, at the outset of commercial operation;
- inclusion of public or private law nationals in the policy-making bodies of companies with foreign majority shareholders.

Section 23. (1) Electronic communication operators shall be bound to keep cost accounting to determine the cost, proceeds and returns of each network operated or service provided.

- (2) The accounts and summary statements produced within no more than six months of the close of the financial year may be subject to audit by an approved body designated by the Board, at the expense of operators.

- (3) The purpose of the audit shall be to ensure that the summary statements reflect the true and fair nature of the costs, proceeds and returns of each network operated or service provided.

Section 24. The persons authorized to set up an electronic communications network opened to the public and electronic communications service providers, as well as their employees shall keep the contents of communications of end-users secret.

Section 25. Actions and practices aimed at or capable of preventing, restricting or impeding competition on the electronic communications market shall be prohibited.

Section 26. (1) Operators and users of electronic communications networks shall be bound to provide necessary information, documents and data within set deadlines at the request of the Board or the Administration in charge of telecommunications.

- (2) The information held by the Board shall be transmitted to the Administration in charge of telecommunications on demand.

PART III

UNIVERSAL SERVICE AND DEVELOPMENT OF ELECTRONIC COMMUNICATIONS

CHAPTER I

UNIVERSAL SERVICE

Section 27. The right referred to in Section 4 of this law shall consist of:

- the possibility for any person to be connected to public networks and to have access to basic electronic communications services;
- the benefit from other electronic communications services according to the coverage area of each service;
- the freedom to choose the electronic communications service provider;
- the equal access to electronic communications services;
- the access to basic information relating to the conditions of provision of electronic communications services and their rates.

Section 28. (1) The obligation to provide universal electronic communications service shall cover the provision of quality electronic communications service at affordable rates and uninterruptedly.

(2) The following shall be considered part of the obligation of universal electronic communications service:

- the possibility of connection to the public telephone network ;
- the placing of public access points to electronic communications service throughout the national territory;
- access to emergency services;
- possibility for some social groups to benefit from special measures;
- the routing of electronic communications from and to subscription points;
- free routing of emergency electronic communications;
- provision of a printed and electronic universal directory of subscribers and of a free information service;
- any other activity of the telecommunications and information and communication technologies sector determined by public authorities.

(3) Universal service shall be a dynamic concept whose contents are reviewed periodically by the Administration in charge of telecommunications.

Section 29. The specifications of operators shall determine the obligations and conditions for the provision of universal electronic communications services.

Section 30. The financing of costs related to the obligation of universal service throughout the national territory shall be borne by all users of electronic communications' networks opened to the public and by all providers of electronic communications' services to the public, under the conditions defined by respective concession agreements or specifications.

Section 31. A separate instrument shall determine the conditions of distribution of income from the production and publication of the universal directory of subscribers.

CHAPTER II **DEVELOPMENT OF ELECTRONIC COMMUNICATIONS**

Section 32. The development of electronic communications shall consist notably in:

- servicing of rural areas not covered by operators specifications;
- reducing the gap in the coverage of the national territory using electronic communication means that may benefit from a subsidy;
- adjusting the frequency spectrum;
- providing support to research, training and standardization in the domain of electronic communications;
- supporting the development of weak sectors of the national economy through the use of electronic communications;
- the payment of the State's financial contributions to international organizations of the telecommunications and information and communication technologies sector; .
- any other activity that contributes to the development of the telecommunications sector.

Section 33. The conditions of implementation of the universal service and development of electronic communications shall be laid down by regulation.

Chapter III

**Financing the Universal Service and
Development of electronic Communication**

Section 34. (1) A Special Telecommunications Fund is hereby instituted.

(2) The resources of the Special Telecommunications Fund referred to in Subsection 1 above shall be derived notably from:

- annual contributions of operators and users of electronic communications' services amounting to 3 % of their untaxed turnover value;
- State's subsidies;
- revenue from the production and publication of the universal directory;
- budgetary excesses of the Board mentioned in section 36 below;
- share of import duties, proceeds from the sale and renewal of authorization;
- gifts and legacies.

(3) The resources of the Special Telecommunications Fund shall be public funds intended, according to the priorities set by authorities, to contribute to the financing of:

- the universal electronic communications' services;
- the development of electronic communications throughout the national territory;
- the development of information and communication technologies;
- the activities related to the security of electronic communications networks and information systems.

(4) The resources of the Special Telecommunications Fund shall be recovered by the Board referred to in Section 36 below and deposited in an account opened in the Central Bank.

(5) Network operators and service providers shall be subject to the payment of an annual contribution equal to 1.5 % of their untaxed turnover value, for the functioning of the Board, in accordance with the modalities laid down by regulation.

(6) A Committee shall be set up for the validation of priority projects for universal services and the development of telecommunications and Information and Communication Technologies.

The conditions of functioning of the Committee shall be laid down by regulation.

(7) The Minister in charge of Telecommunications shall be the authorizing officer for expenses made under the Fund.

(8) A decree of the President of the Republic shall determine the conditions of management of the Special Telecommunications Fund.

PART IV

**ELECTRONIC COMMUNICATIONS REGULATION
AND CONTROL**

CHAPTER I
REGULATION AND POLICY OF DEVELOPMENT OF THE
TELECOMMUNICATIONS AND INFORMATION AND COMMUNICATION
TECHNOLOGIES SECTOR

Section 35. (1) The Administration in charge of telecommunications shall be responsible for the development and implementation in the sector policy of telecommunications, information and communication technologies, taking into account technological changes, development needs and priorities of Government in this sector. It shall ensure the application of this policy as well as compliance with the related laws and regulations.

(2) The Administration in charge of telecommunications shall, inter alia:

- supervise the telecommunications and information and communication technologies sector, serve as supervisory authority of public telecommunications and information and communication technology companies;
- represent the State in international organizations and events concerning telecommunications and information and communication technologies;
- determine the number of operators in each market segment, taking into account the scarce resources;
- guarantee the judicious use of available scarce resources, taking into account economic constraints;
- invite bids for concessions and licenses;
- sign concession agreements;
- issue licenses to operators and users, upon approval by the Board,
- define a tariff policy;
- conduct sector strategy studies.

CHAPTER II
REGULATION AND MONITORING OF ACTIVITIES OF ELECTRONIC COMMUNICATIONS
OPERATORS AND SERVICE PROVIDERS

Section 36. (1) A Telecommunications Regulatory Board, herein referred to as The Board is hereby established.

(2) The Board referred to in Subsection 1 above shall, on behalf of the State, regulate, control and monitor the activities of operators and users of the telecommunications sector. It shall also ensure compliance with equal treatment of end-users in all electronic communication companies.

Accordingly, it shall also:

- ensure the application of laws and regulations regarding electronic communications;
- ensure that access to networks opened to the public is provided under objective, transparent and no-discriminatory conditions;

- guarantee healthy and fair competition in the telecommunications sector;
 - sanction the breach of obligation and trust practices by operators;
 - define the principles governing the pricing of services rendered;
 - examine applications for authorization and prepare the decisions relating thereto;
 - formally issue declaration receipts;
 - define the conditions and obligations for interconnection and sharing of infrastructure;
 - give an opinion on all draft legislative or regulatory instruments on electronic communications;
 - ensure the assignment and control of the frequency spectrum;
 - prepare tender documents for concessions and licenses;
 - draw up and manage the numbering plan;
 - submit to Government any proposal and recommendation aimed at developing and modernizing the telecommunications and information and communication technologies sector;
 - assign addressing resources;
 - examine files for the approval of terminal equipment and prepare decisions relating thereto;
 - issue authorizations;
 - carry out any general interest mission that may be assigned to it by the Government in the telecommunication and ICT sector;
 - ensure consumer protection.
- (3) The Board referred to in Subsection 1 above shall be placed under the technical supervision of the Ministry in charge of Telecommunications and under the financial supervision of the Ministry in charge of Finance.
- (4) The organization and functioning of the Board shall be laid down by a decree of the President of the Republic.

CHAPTER III **MANAGEMENT OF THE FREQUENCY SPECTRUM**

- Section 37.** (1) The radiofrequency spectrum shall be part of the public property of the State.
- (2) The Administration in charge of telecommunications shall, on behalf of the State, be responsible for the management of the frequency spectrum referred to in Subsection 1 above. To this end, its general mission shall be to coordinate, plan, control and optimize the use of the said frequency spectrum according to national needs and in accordance with the provisions of the Convention, the Constitution and the Radio Regulations of the International Telecommunications Union as well as other relevant international treaties.
- (3) The assignment of radiofrequency bands shall devolve on an inter-ministerial Committee for radiofrequency band assignment under the authority of the Administration in charge of

Telecommunications.

(3) The organization and functioning of the inter-ministerial Committee referred to in Subsection 3 above, shall be laid down by regulation.

Section 38. In case of interference caused by broadcasting or receiving radio stations the Committee referred to in Subsection 3 of section 37 above may prescribe any technical measure to remedy the situation.

Section 39. (1) The use of radiofrequencies shall be subject to the payment of a fee determined by regulation.

(2) The conditions for the payment and distribution of such fee between Public Treasury, the Committee referred to in Subsection 3 of Section 37 and the Board shall be laid down by a separate instrument of the Minister in charge of Telecommunications.

Section 40. (1) The Administration in charge of Telecommunications may, upon the opinion of the Board, limit the number of frequency assignment approvals.

(2) Where the number of frequency allocation approvals is limited, the Board may issue such approvals only through competitive bidding.

Section 41. The conditions for the exploitation and control of the use of frequencies shall be laid down by regulation.

CHAPTER IV **INTERCONNECTION AND ACCESS TO THE NETWORK**

Section 42. (1) Operators of electronic communications networks opened to the public shall be bound to grant, under objective, transparent and non-discriminatory conditions, applications for interconnection and access to the network submitted by any operator of electronic communications services opened to the public that is holder of a concession, a license or a declaration receipt.

(2) Interconnection and access to the network shall be subject to an agreement between the parties which shall specify, notably, the technical and financial conditions thereof in accordance with the provisions of this law and its implementation instruments

(3) The agreement referred to in Subsection 2 above, shall be subject to endorsement by the Board which may at any time request the amendment thereof where the Board deems that the conditions of competition and interoperability of electronic communications networks and services have not been met.

(4) The application for interconnection shall be in writing and addressed directly to the addressee operator using any means that leaves evidence in writing. The operator to whom the application is addressed shall reply within a maximum period of 60 (sixty) days with effect from the date of receipt thereof. After this period, the applicant may refer the matter to the Board in accordance with the provisions of Section 66, 67, 68 and 69 of this law.

(5) Any operator using a fixed telephone network opened to the public shall each year publish a reference offer for the unbundled access to its local loop and related resources in keeping

with its specifications.

- (6) Related services shall concern, in particular, resources associated with the unbundling of the local loop such as collocation of connection cables and the relevant computer systems to which access is necessary for a beneficiary to be able to provide competitive basic services.
- (7) Operators holding concession shall, in keeping with the conditions contained in their specifications, publish the interconnection catalogues previously approved by the Board.

Section 43. (1) The application for interconnection and access to the network may not be rejected where it is justified in view of the applicant's needs on the one hand, and in view of the operator's capacity to meet such needs, on the other hand. Any refusal of interconnection shall be justified.

- (2) The cost of interconnection shall be borne by the applicant.
- (3) In case of disagreement between the parties, the dispute shall be referred to the Board.

Section 44. The conditions for the unbundling of the local loop and the supply of telephone services to the public shall be laid down in a separate instrument.

Chapter V

Sharing of Infrastructure

Section 45. The infrastructure of electronic communications networks opened to the public, installed on State land, may be used by other operators to provide any electronic communications service to the public.

Section 46. (1) The sharing of infrastructure shall be subject to an agreement between the parties concerned which shall specify the technical and financial conditions thereof in accordance with the provisions of this law and its implementation instruments. Such an agreement shall be subject to endorsement by the Board which may at any time request the amendment thereof where the Board deems that the conditions of interoperability of network have not been met. The said agreement- shall, where necessary, be published in the journal of legal notices at the initiative of the Board.

- (2) The application for the sharing of infrastructure shall be in writing. The operator managing the infrastructure concerned shall be bound to reply within a maximum of 60 (sixty) days with effect from the date of receipt of the application.
- (3) The application for the sharing of infrastructure may not be rejected where it does not lead to any interference or any other technical problem, in view of the proper development of the network and the proper exploitation of the service. Any refusal to share infrastructure shall be justified.
- (4) In case of disagreement between the two parties, the dispute shall be referred to the Board for settlement.

Section 47. The users of alternative infrastructure are obliged, under the supervision of the Administration in charge of Telecommunications, to transfer the surplus capacity they may have after deploying the infrastructure necessary for their own needs, and/or the rights of passage over State land, easements of way, civil engineering works, routes and drainages as

well as the high points they have.

Section 48. The conditions for interconnection, network access and sharing of infrastructure shall be laid down by regulation.

CHAPTER VI **NUMBERING AND ADDRESSING SYSTEM**

Section 49. (1) The Board shall draw up and manage the national numbering and addressing plan. Such a plan shall determine all the addresses and numbers that help in identifying the terminal points of electronic communications networks and services, call routing and accessing internal resources of networks, in accordance with the recommendations of the International Telecommunications Union (ITU). It shall ensure equal and simple access by end-users to various networks and services as well as the equivalence of numbering formats.

(2) The addressing resources referred to in Subsection 1 above shall comprise, in particular, signaling point codes and electronic communications network codes.

Section 50. (1) The Board shall, under objective, transparent and non-discriminatory conditions, allocate addresses, prefixes, numbers or groups of numbers to users who apply for them for a fee to be determined by regulation.

(2) The conditions for the use of such addresses, prefixes, numbers or groups of numbers shall concern:

- the type of service for which the resources are reserved;
- the efficient and proper use of the numbers allocated;
- the respect of the number portability requirements;
- the payment user fees.

(3) The subscribers of an electronic communications network opened to the public have the right to the number portability service under the conditions let down by regulation.

(4) The conditions for letting or using the addresses, prefixes, numbers or groups of numbers referred to in Subsection 1 above, shall be laid down in the management rules adopted by the Board and where applicable, in the specifications of the users.

CHAPTER VII **PROTECTION OF CONSUMERS**

Section 51. In their relation with operators, consumers shall be entitled to a subscription contract, the model of which shall be preapproved by the Board.

Section 52. A consumer of electronic communications services shall, in particular, be entitled to:

- access to electronic communications services, with the quality and regularity standards inherent thereto all over the national territory;
- free choice of services providers;
- non-discrimination with respect to access to and conditions of use of the services;
- update information on the conditions of service delivery, prices and other related fees;
- inviolability and confidentiality of communication, with the exception of the cases provided

for by laws and regulations;

- non-disclosure of his or her access identity, where he or she so demands;
- the terms of the contract;
- prior information on the clauses relating to , the suspension of the contract;
- refer petitions against service providers to the Board and consumer protection structures;
- responses from service providers to his or her complaints;
- compensation for damage arising from the violation of his or her rights.

Section 53. It shall be the obligation of the consumer of electronic communications services, in particular, to:

- make proper use of the communication services, equipment and networks put at his disposal;
- respect public property;
- report to competent authorities all irregularities and illegal acts perpetrated by electronic communications service providers.

Section 54. Operators shall take all measures aimed particularly at protecting privacy, ensuring security and providing information on service quality, prices and electronic communications costs.

CHAPTER VIII

IDENTIFICATION OF SUBSCRIBERS AND TERMINALS

Section 55. (1) Operators and users of electronic communications networks opened to the public as well as service providers shall be bound*at the time of any subscription to identify subscribers and terminals. They shall update their list of subscribers.

(2) The conditions for the identification of subscribers and terminals referred to in Subsection 1 above shall be laid down by regulation.

Chapter IX

Terminal Equipment

Section 56. (1) The marketing of terminal equipment shall be free on the national territory. However, where such terminal equipment is intended for connection to a network opened to the public, it shall be subject to approval under the conditions set forth in this law. Whatever the case, approval shall be required for radio installations, be they meant to be connected or not to a network open to the public.

(2) The aim of the approval referred to in Subsection 1 above, is to ensure respect of essential requirements and ascertain the compliance of terminal equipment and radio installations with the norms and standards in force in Cameroon as well as the interoperability thereof.

(3) The procedure for the approval of radio installations intended for connection to electronic communications networks shall be laid down by regulation.

Section 57. (1) A regulatory instrument shall define the upper limits of exposure to electromagnetic waves released by the equipment used in electronic communications networks or any other equipment that emits electromagnetic waves, where the public is exposed thereof.

(2) Compliance with such limits shall be verified on the spot by establishments that meet the quality requirements laid down by regulation.

CHAPTER X CRYPTOGRAPHIC SERVICES

Section 58. (1) T-fee provision, export, import or use of cryptographic devices or services associated with data transmission shall be subject to:

- prior declaration where such devices or services are solely meant to authenticate a message or ensure the integrity of the message sent;
 - prior authorization in all other cases.
- (2) However, the conditions listed in Subsection 1 above, shall not apply to inbuilt cryptographic functions in the telecommunications sector application software employed by users.
- (3) A separate instrument shall lay down the conditions for making the declaration and granting the authorization referred to in this section.

PART V ELECTRONIC COMMUNICATION EASEMENTS

Section 59. To avoid disturbances in the propagation of radio waves emitted or captured by all types of centers operated or controlled for general interest purposes, the relevant administrative authority shall institute easements.

Section 60. (1) The concession holders of State rights as provided for in Section 9 (1) above and duly authorized users of networks opened to the public shall have the right of passage on State road estate and easements on parts of collective buildings and housing estates for common use as well as the soil and sub-soil of undeveloped property, in accordance with the relevant laws and regulations in force.

- (2) The users referred to in Subsection 1 above shall have the same rights and easements on non-road State land, subject to signing agreements conferring such rights and easements with the authority that is the assignee or manager of the State land concerned. Such rights or easements may entail the payment of fees, in keeping with the principles of equality among operators.
- (3) Users of networks opened to the public, authorized in accordance with Section 9 (1) above, may occupy the State estate to build various structures, provided such occupation is not incompatible with the use of such estate.

Section 61. To ensure the conservation and normal functioning of electronic communications networks, easements may be instituted for the protection of cables and network lines

Section 62. The existence of easements may not obstruct the right of the owners or co-owners to demolish, repair, modify or fence off their property. However, the owners or co-owners shall notify the beneficiary of the easement, at least 03 (three) months before carrying out works likely to affect the facilities.

Section 63. The installation of infrastructure and equipment must be carried out with due respect for the environment and the aesthetic quality of the place and under the least damaging conditions for private and State land.

Section 64. Where the easements lead to the demolition or adjustment of property, failing amicable settlement, such property shall be expropriated for public purpose in accordance with the laws and regulations in force.

PART VI
ADMINISTRATIVE PROVISIONS AND PENALTIES

CHAPTER I
RESOLUTION OF DISPUTES BETWEEN OPERATORS

Section 65. (1) Disputes between operators of electronic communications networks pertaining in particular, to interconnection or access to an electronic communications network, unbundling of the local loop, numbering, frequency interference, physical co-localizing and sharing of infrastructure, shall be submitted first to the Board for examination before they are referred to the court.

- (2) The jurisdiction of the Board referred to in Subsection 1 above shall be possible only where the facts of the matter do not constitute a criminal offence.
- (3) In order to better the management of the sector and due to its technicality, the Board can put in place a body in charge of settlement of disputes in accordance with the law and regulation in force.
- (4) The Board may, automatically or at the request of one of the parties, proceed with an attempt at conciliation in order to find an amicable resolution to the dispute. It may take some measures it deems useful to this end, such as seeking the assistance of internal or external experts, where necessary. The conciliation decision must be taken within a maximum period of 30 (thirty) days with effect the date the dispute is referred to the Board.
- (5) Where the dispute is completely or partially settled amicably, the Board shall prepare a conciliation report signed by all parties and the Board. In light of the report which shall serve as an agreement between the parties, the Board shall take a conciliation decision that establishes the out-of-court settlement. Such conciliation decision shall be notified to the parties who shall comply therewith within a period of 30 (thirty) days.
- (6) Where the conciliation procedure initiated by the Board fails, a non-conciliation report shall be prepared. The matter shall be referred to the body provided for in Subsection 3 above which shall initiate the necessary inquiries and investigations to be able to rule on the dispute.
- (7) The body referred to in Subsection 3 above, shall rule on the petition within a period of 45 (forty-five) days with effect from the date of submission of the petition. The decision shall be notified to the parties through a bailiff.
- (8) The decisions of the body shall be appealable either before an arbitrator or before ordinary law courts.
- (9) The reasoned decisions of the arbitrators shall indicate the technical and financial conditions that justify them. They shall be binding on the parties which shall comply therewith within a period of 30 (thirty) days, and shall be communicated to the Board which may publish them.

- (10) Where the dispute between operators is such that can paralyze the normal functioning of electronic communications networks or services, the Board shall take any safeguard measure to ensure the continuity of the service or the functioning of networks, pending the final settlement of the said dispute.
- (11) Recourse to any of the procedures provided for in Subsection 8 above shall not stay the enforcement of the decision where the dispute pertains to one of the aspects referred to in Subsection 1 above. However, a stay of execution may be pronounced by the appeal court, after hearing the representative of the Board.
- (12) The stay of execution of the decision shall be pronounced where the decision is likely to have clearly excessive consequences or where, after its notification, new exceptionally serious events occur, on the one hand, and where at the current level of the procedure, particular evidence is used to cast serious doubt on the legality thereof, on the other hand.
- (13) Where the operators and users of electronic communications networks refer their cases to Common Law courts, the procedure applicable shall be the summary procedure. In such a case, the civil court to which the matter is referred shall give a ruling within a maximum period of 60 (sixty) days with effect from the data of commencement of proceedings.

CHAPTER II **ADMINISTRATIVE PROVISIONS**

Section 66. The Board may, either automatically or at the request of the Administration in charge of telecommunications, of a professional organization, an approved end-users association or a natural person or corporate body concerned, after establishing or ascertaining cases of non-compliance, punish electronic communications network operators or service providers in accordance with the provisions of the laws and regulations governing their activities or the decisions taken in order to ensure the implementation thereof.

Section 67. Where the holder of a concession agreement, a license, an authorization or a declaration receipt in accordance with law fails to honor his obligations under the laws and regulations in force, he may be notified to comply.

Section 68. (1) In case of non-compliance duly established in accordance with Sections 66 and 67 above, the Board shall notify the defaulting operator to comply, within a maximum period of 15 (fifteen) days, with the laws and regulations or the terms of the title granting him the right to exercise the activity. The Board may publish the notice.

(2) Where an electronic communications network user or service provider does not heed to the notice referred to in Subsection 1 above, the Board may pronounce one of the following against him:

- Suspension of operation permit for a maximum period of 1 (one) month;
- reduction By 1 (one) year of the validity of operation period;
- withdrawal of the operation permit.

Section 69. Without prejudice to the penalties provided for under Section 68 above:

(1) Any electronic communications network operator or user who, without any just cause, refuses to grant interconnection, access to an electronic communications network or service

to other operators of the sector shall be punished with a fine of from 100,000,000 (one hundred million) to 300,000,000 (three hundred million) CFA francs.

(2) Any electronic communications network operator or user who establishes or operates an electronic communications network or service without an operation permit shall be punished with a fine of from 100,000,000 (one hundred million) to 500,000,000 (five hundred million) CFA francs

(3) Any electronic communications network operator or user who, upon noticing a fraudulent connection on his network, maintains such a network, shall be punished with a fine of from 50,000,000 (fifty million) to 150,000,000 (one hundred and fifty million) CFA francs.

(4) The penalties provided for in Subsection 2 above shall equally apply to any electronic communications network operator or user who causes someone else to set up, operate or provide an electronic communications network, sub-network or service for persons who are not holders of an operation permit.

(5) Any operator of an electronic communications network or user of an electronic communications service who infringes a decision to suspend his operation permit shall be punished with a fine of from 200,000,000 (two hundred million) to 400,000,000 (four hundred million) CFA francs.

(6) Any operator of an electronic communication network or user of an electronic communication service who contravenes the provisions of Section 55 above related to identification of subscribers and terminals shall be punished with a fine of from 200,000,000 (two hundred million) to 500,000,000 (five hundred million) CFA francs.

(7) Any electronic communications network operator or user who fails to comply with the terms of his specifications shall be punished with a fine of from 100,000,000 (one hundred million) to 200,000,000 (two hundred million) CFA francs.

(8) Any electronic communications network operator or user who fails to comply with:

- the obligations to provide the Board and the Administration in charge of Telecommunications with the information required under the regulations in force, with regards to the use of radiofrequencies and electronic communication equipment;
- the time-limit for furnishing the information required by the regulations in force;
- the obligation relating to the identification of subscribers and terminals to electronic communications networks shall be punished with a fine of from 50,000,000 (fifty million) to 150,000,000 (one hundred and fifty million) CFA francs.

(9) The penalties provided for in Subsection. (3) above shall equally apply to users of electronic communications network who fail to honour:

- the obligations to provide the Board or the Administration in charge of Telecommunications with the information required by the regulations in force or by the latter concerning the interconnection of public electronic communications networks;
- the obligation relating to providing the Board or the Administration in charge of Telecommunications with information concerning the Analytical accounting or audit of accounts as required under the regulation in force or by the latter;

- the obligation relating to publication of pricing offers;
- the obligations to provide the Board or the Administration in charge of Telecommunications with the information required by the regulations in force or by the latter concerning the universal service;
- the obligations to provide the Board or the Administration in charge of Telecommunications with the information concerning research and training as well as universal directory of subscribers.

(10) Any electronic communications network operator or user and electronic communications service provider who fails to honour his obligations to furnish the Board and the Administration in charge of Telecommunications with any information required other than that referred to in Subsections 7 and 8 above shall be punished with a fine of from 25,000,000 (twenty-five million) to 75,000,000 (seventy-five million) CFA francs.

(11) All the penalties shall be pronounced by the Board in accordance with the procedure laid down by regulation.

The fines referred to above shall be collected by the Board.

(12) A performance bonus shall be deducted from the amounts collected as penalties and granted to staff in charge of the oversight and regulation of the telecommunications and information and communication technologies sector.

(13) The conditions for the implementation of Subsections 12 and 13 above shall be laid down by regulation.

Section 70. Whoever, without intent to disrupt electronic communications, orders an action that causes the disruption of electronic communications, shall be liable to reparation in accordance with the legal provisions in force.

Section 71. Any natural person or corporate body that, without prior authorization, carries out one of the activities governed by one of the regimes provided for in this law shall be warned. After such warning, his installations shall be dismantled at his expense.

Section 72. (1) In case of a serious event that threatens the security of the State, the President of the Republic may prescribe to operators and service providers, any measures from restriction of access to certain services to the temporary suspension of electronic communications, throughout or in some parts of the national territory.

(2) In case of serious and immediate violation of the laws and regulations governing electronic communications, the Board may, after hearing the parties involved, take provisional measures to ensure the continuous functioning of the networks.

Section 73. No facts dating back to over 05 (five) years may be reported to the Board if no action had been taken prior to such a period towards investigating, establishing and punishing them.

CHAPTER III**PENALTIES**

Section 74. (1) Without prejudice to the prerogatives recognized for the Legal Department and Criminal Investigation Officers with general jurisdiction, sworn officers specially assigned to the Board shall be responsible for investigating, establishing and prosecuting offences committed in the domain of electronic communications. At the behest of the Board, they shall take the oath of office before the court of competent jurisdiction in accordance with the conditions laid down by regulation.

(2) In the discharge of their duties, the sworn officers may:

- carry out impromptu controls and prepare reports on offences committed in the domain of electronic communications;
- under the control of the State Counsel, proceed to search and seize the material used in committing the offences and close the premises, in accordance with the instruments in force.

(3) In the discharge of their duties, the officers referred to in Section 74 (1) above shall, at their request, be assisted by the forces of law and order in particular for the identification and arrest of suspects.

Section 75. (1) The establishment of an offence shall give rise to the preparation of a report in which the duly authorized reporting officer clearly narrates the facts whose existence he observed and the statements he has taken:

(2) The report shall be signed by the reporting officer and the offender.

(3) In case of refusal by the offender to sign, the report shall remain authentic until proven otherwise and shall not be subject to confirmation.

(4) The report shall be forwarded within a period of not more than 08 (eight) days to the State Counselor any other authority with territorial jurisdiction.

Section 76. (1) Whoever, being onboard a vehicle or any other machine, deliberately or out of negligence or due to failure to comply with the regulation, breaks an electronic communication cable or causes damage thereto that is likely to disrupt or impede all or part of electronic communications, shall be bound, as soon as he arrives, to report to the nearest local authorities the breaking of the cable he or she has caused.

(2) The offences referred to Subsection 1 above may be established using reports prepared by criminal investigation officers and forces of law and order.

(3) Whoever is found guilty of the offences referred to in Subsection 1 above shall be punished with imprisonment for from 3 (three) months to 1 (one) year or a fine of from 1,000,000 (one million) to 5,000,000 (five million) CFA francs or both such imprisonment and fine.

Section 77. The penalties applicable in cases of unfair competition governed by relevant separate instruments shall be doubled where such unfair competition concerns the electronic communications.

Section 78. (1) The liability of the managers and workers of corporate bodies which are electronic communications network and service operators and users notwithstanding, the said

corporate body may be financially liable where it is proven that the offence is committed during or in the discharge of the person's duties within the enterprise.

(2) In the cases provided for in Subsection 1 above, the fine to be pronounced shall be the maximum fine provided for the instrument governing the prosecution of such offences.

Section 79. In persecuting offences under this law, no suspended sentence shall be granted.

Section 80. Whoever breaches the privacy of a message or, without the authorization of the sender or addressee, discloses, publishes or uses the content of said message shall be punished with imprisonment for from 6 (six) months to 2 (two) years or a fine of from 1,000,000 (one million) to 5,000,000 (five million) CFA francs or both such imprisonment and fine.

Section 81. (1) Whoever uses the electromagnetic, acoustic, mechanical or any other device deliberately or inadvertently to intercept a private message and divulge it shall be punished with the penalties provided for in Section 77 above to:

(2) The provisions of Sections 80 and 81 (1) shall not apply

- (a) persons who have obtained the explicit consent of either the author of the private message or addressee thereof;
- (b) persons who intercept a private message at the request of judicial authority in accordance with the relevant laws in force;
- (c) persons who provide electronic communications services to the public and who intercept a private message in any one of the following cases:
 - during surveillance of the service or during the impromptu control necessary for technical or operational purposes of service delivery and verification of quality thereof;
 - where such interception is necessary for the delivery of such service;
 - where such interception is necessary for the protection of the rights and property directly related to the provision of electronic communications service.
- (d) the staff of the inter-ministerial Committee in charge of managing and controlling the radiofrequency spectrum and the Board, for a private message intercepted in order to identify, isolate the unauthorized use of the frequency or transmission.

Section 82. (1) Whoever fraudulently uses, for personal ends, an electronic communications network opened to the public or fraudulently connects to a private fine by any means shall be punished with imprisonment for from 1 (one) to 5 (five) years or a fine of from 5,000,000 (five million) to 200,000,000 (two hundred million) CFA francs or both of such imprisonment and fine.

(2) The penalties provided for in Subsection 1 above shall be doubled in the event where the use is opened to the public.

Section 83. (1) Whoever deliberately uses the services obtained through the offence referred to in Section 78 (1) above shall be punished with imprisonment for from 6 (six) months to 2 (two) years or a fine of from 1,000,000 (one million) to 5,000,000 (five million) CFA francs or

both of such imprisonment and fine.

(2) The penalties provided for in Subsection 1 above shall be doubled in the event where the use is opened to the public.

Section 84. (1) Whoever transmits, without authorization, signals or correspondence from one place to another, using electronic communications equipment, or by any other means defined in Section 78 of this law, shall be punished with imprisonment for from 1 (one) month to 1 (one) year or a fine of from 1,000,000 (one million) to 5,000,000 (five million) CFA francs.

(2) The Court seized of the matter may also order the confiscation of the installations, equipment or transmission sources, or the destruction thereof at the contravener's expense.

Section 85. Whoever knowingly transmits or puts into circulation distress, false or misleading signals or calls on radio route shall be punished with imprisonment for from 6 (six) months to 1 (one) year or a fine of from 1,000,000 (one million) to 10,000,000 (ten million) CFA francs.

Section 86. Whoever disrupts the radio broadcast of an authorized service using a frequency or radio installation without the authorization provided for by law shall be punished with imprisonment for from 1 (one) month to 1 (one) year or a fine of from 1,006,000 (one million) to 5,000,000 (five million) CFA francs.

Section 87. Whoever makes transmissions deliberately using a call sign in the international series assigned to a national station or an authorized private station shall be punished with imprisonment for from 3 (three) months to 1 (one) year or a fine of from 1,000,000 (one million) to 5,000,000 (five million) CFA francs

Section 88. Whoever, by any means, intentionally interrupts electronic communications shall be punished with imprisonment for from 2 (two) to 5 (five) years or a fine of from 5,000,000 (one million) to 50,000,000 (fifty million) CFA francs

Section 89. Whoever, fraudulently withdraws one or more conductors during his direct or indirect participation in an electronic communications service shall be punished with imprisonment for from 1 (one) to 5 (five) years or a fine of from 5,000,000 (five million) to 25,000,000 (twenty five million) CFA francs.

Section 90. Whoever imports, manufactures or keeps, for marketing purposes, distributes freely or against payment, connects to a network opened to the public or advertises electronic communications terminal equipment and installations that have not been approved under the conditions provided for by this law shall be punished with imprisonment for from 2 (two) to 5 (five) years or a fine of from 1,000,000 (one million) to 20,000,000 (twenty million) CFA francs or both of such imprisonment and fine.

Section 91. The infringements of easements as provided for by this law shall be punished with imprisonment for from 6 (six) to 2 (two) years or a fine for from 1,000,000 (one million) to 20,000,000 (twenty million) CFA francs or both such imprisonment and fine.

Section 92. Whoever, in territorial waters or on the continental shelf contiguous with the territory of Cameroon, voluntarily breaks an underwater cable or damages or tries to damage it in order to disrupt all or a part of electronic communications shall be punished with imprisonment for from 2 (two) to 5 (five) years or a fine of from 500,000,000 (five hundred million) to 800,000,000

(eight hundred million) CFA francs or both of such imprisonment and fine.

Section 93. Whoever, in maritime area, dislocates underwater cable or damages it by inadvertence, ignorance, negligence or non-compliance with the regulations, such as to disrupt all or part of electronic communications and omit to declare this to the local authorities of the nearest Cameroonian port within twelve (12) hours shall be punished with imprisonment for from 3 (three) months to 1 (one) year or a fine of from 50,000,000 (fifty million) to 250,000,000 (two hundred and fifty million) CFA francs or both of such imprisonment and fine.

Section 94. Where the infringements referred to in Sections 60 and 91 above are committed in territorial waters or on the continental shelf contiguous with the territory of Cameroon by a member of the crew of a Cameroonian or a foreigner ship, they shall fall within the jurisdiction of Yaounde Courts or those of the:

- port of registry of the ship boarded by the author;
- first Cameroonian port where the ship will accost, whose territorial jurisdiction extends to the seaward extension of the place of the infringement.

Section 95. (1) Without prejudice to the application of the Customs Code, whoever exports or imports a cryptographic appliance without authorization shall be punished with imprisonment for from 1 (one) to three months or a fine of from 1,000,000 (one million) to 20,000,000 (twenty million) CFA francs or both of such imprisonment and fine.

(2) In the-event of conviction, the court may also order the confiscation of the cryptographic appliance and prohibit the party concerned from applying for this authorization within a period of no more than two (2) years.

PART VII **MISCELLANEOUS, TRANSITIONAL** **AND FINAL PROVISIONS**

Section 96. (1) A structure known as National Agency for Information and Communication Technologies, abbreviated "ANTIC", is hereby established. It shall be responsible for promoting and monitoring the actions of public authorities in the area of information and communication technologies (ICT).

In this respect, the functions of ANTIC shall be, in particular, to:

- draw up and monitor the implementation of the national strategy to develop information and communication technologies;
- identify the common need of Government services for computer equipment and software;
- ensure the harmonization of technical standards and propose technical references to facilitate interoperability between information systems;
- lend its expertise to Government services in the design and development of their technical goals; .
- coordinate the creation and ensure the monitoring of the Internet, Intranet and Extranet websites belonging to the State and public establishments;
- contribute to the technical training of trainers in Universities, high schools, secondary schools, teacher training colleges and primary schools;

- participate in training activities for State employees in the area of the information and communication technologies, by making recommendations on contents of technical training programmes and syllabuses for professional and competitive examinations;
- maintain technical cooperation relations with public or private international organizations operating in this domain, in accordance with the laws in force. Consequently, it shall be responsible for procedures for the registration of domain names cm ;
- put in place mechanisms for the resolution of disputes between information and communication technology operators, on the one hand, and between the operators and users, on the other hand, for problems relating to the content and quality of service (spamming, phishing, hacking);
- in the use of information and communication technologies, ensure respect for ethics as well as the protection of intellectual property, consumers decency and privacy;
- formulate the policy and procedures for the registration of the domain names cm, hosting, administration of root servers, granting the authorization for Registrar of the cm;
- plan, assign and control Internet addresses (IP) in Cameroon;
- put in place mechanisms for ensuring Internet security at the national level;
- regulate information and communication technologies and Internet.

(2) The organization and functioning of ANTIC shall be laid down by a decree of the President of the Republic.

Section 97. (1) The Public Telecommunications, Information and Communication Technologies management structures existing at the date of enactment of this law shall automatically benefit from concessions for the exercise of activities related to their corporate purpose.

(2) Any change in these structures must be approved by the President of the Republic.

Section 98. (1) Holders of valid concessions and authorizations shall have one (01) year within which to comply with law with effect from the date of its enactment.

(2) Accordingly, the compliance of concession agreements and authorizations valid at the date of its enactment of this law shall be determined by agreement between the parties.

Section 99. (1) The staff and property of the Telecommunications Regulatory Board established by Law No. 98/14 of 14 July 1998 to govern telecommunications in Cameroon and the National Agency for Information and Communication Technologies (ANTIC) set up by Decree No. 2002/92 of 8 April 2002 shall devolve on the Telecommunications Regulatory Board and ANTIC, established by this law.

(2) Under no circumstances shall the status granted by the two bodies mentioned above to the staff transferred to the Telecommunications Regulatory board and ANTIC, in keeping with Subsection 1 above, be less favorable than that of the parties concerned on the date of their transfer.

Section 100. (1) The board shall collect the fees paid for frequency management, admission duties and renewal of authorizations.

(2) A separate instrument shall determine the key for the distribution of the fees referred to in Subsection 1 above.

Section 101. A joint order of the Minister in charge of Telecommunications and the Minister of Finance shall determine the tariffs of service provided by the board and, where necessary, by the inter-ministerial committee provided for in Section 37 of this law, as well as the cost of proceedings before the board and modalities of collection thereof.

Section 102. Holders of authorizations referred to in Sections 9, 10, 14, 15 and 16 of this law shall be bound to register with the board or, where necessary, the Ministry in charge of Telecommunications, within six (6) months with effect from the date of promulgation of this law. Failing that, they shall be deemed to have renounced the benefits of their authorizations.

Section 103. The conditions of applications of this law shall, as and when necessary, be laid down by separate instruments.

Section 104. This law, which repeals all previous provisions repugnant hereto, shall be registered, published according to the procedure of urgency and inserted in the *Official Gazette* in English and French.

Yaoundé, 21 December 2010

(signed) Paul Biya,
President of the Republic

Law No. 2010-20 of 21 December 2010
on the Organization of Leasing in Cameroon

*The National Assembly deliberated and adopted,
The President of the Republic hereby enacts the law set out below:*

CHAPTER I
GENERAL PROVISIONS

Section 1: This law relates to the organization of leasing in Cameroon.

Section 2: Its scope covers:

- the leasing company with its headquarters in Cameroon;
- leased property located on the territory of Cameroon or registered in Cameroon;
- the centre of main interests of the lessee in the territory of Cameroon;
- leasing contracts concluded under Cameroonian law.

Section 3: For the purposes of this law and its implementation instruments, the following definitions shall be accepted:

Leasing: Credit operation to finance the acquisition or use of movable or immovable property for professional purposes. It involves the rental of specially purchased or constructed capital equipment, tooling equipment or real estate for professional use, for rental, by businesses that remain owners of such equipment when such lease transactions, whatever be their name, give the tenant the option of acquiring all or part of the property leased for a fee agreed upon, taking into account, at least partly, payments made by way of rent.

Lessor: Any credit or micro-finance establishment which finances leasing operations.

Lessee: any person or entity that uses leased property for the purposes of his professional activity.

Equipment leasing: leasing transaction relating to property consisting of equipment, materials or tooling equipment needed for the activity of the lessee.

Real estate leasing: leasing transaction involving real property built or constructed for the professional needs of the lessee.

Leasing contract: any contract by which a leasing company, termed the lessor, gives out for rent to an economic operator, be it a physical or legal person, designated by the term lessee, for a fixed period and against payment of rent, property acquired by the lessor at the indication of the lessee, leaving him the possibility to acquire at the end of the contract all or part of the leased property at an agreed price, taking into account at least partly, payments made by way of rent.

Property: anything movable or immovable, existing or future, including the thing to be transformed for commercial or professional use, excluding currency receivables and securities.

Centre of main interests: place where a person usually manages his interests. Unless proved otherwise, the registered office or, in the case of an individual, the usual residence of the person, shall be presumed to be the centre of main interests.

Supplier: any natural person or legal entity that provides for commercial reasons, under a contract of purchase/sale or construction according to a specific schedule, concluded with a lessor, a property chosen and specified by the lessee which will be the subject of a leasing contract.

Supply contract: contract by which the landlord acquires the property or the right to possess the property, subject of the leasing contract.

CHAPTER II **THE LEASING CONTRACT**

I. THE FORM AND CONTENT OF THE LEASING CONTRACT

Section 4: (1) The equipment leasing contract shall be made in writing, either as a private deed or a notarial deed.

(2) Every real estate leasing contract shall be established by notarial deed.

(3) Where a leasing contract is made by authentic deed, either party may request to be issued 'an engrossed copy.

Section 5: The leasing contract shall, under pain of nullity, state:

- the duration of the lease;
- the amount and the number of instalments of rent;
- the rent payment schedule;
- the purchase option offered to the lessee at the end of the contract;
- the price of exercising the option to purchase the leased property.

Section 6: (1) The lease contract may, depending on the wishes of the parties, contain any clauses relating to:

- the commitment of the lessee to provide the lessor real or personal guarantees and security;
- exemption of the lessor from his civil liability vis-à-vis the lessee or vis-à-vis third parties, whenever such liability is not defined by law as public policy
- exemption of the lessor from obligations generally incumbent on the owner of the leased property; and
- Any compromise or competence attributing clause.

(2) Generally, any clause imputing to the lessee of the leased property, at his own expense and risk, the installation of the property leased, the obligation to maintain and repair the property, and compulsory insurance, shall be deemed valid.

II. REGISTRATION AND PUBLICATION OF LEASING CONTRACTS

Section 7: (1) Where the leasing contract relates to movable property, the lessor shall enter the contract in the Trade and Credit Register in accordance with Section 61 of the OHADA Uniform Act on general commercial- law.

(2) Where the leasing contract relates to a building, in addition to the above obligation, the lessor shall enter the contract in the land register of the area of location of the building.

(3) The cancellation of such registration shall be subsequent to the publication of the deed terminating the contract.

Section 8: The leasing contract, duly entered in the Trade and Credit Register or Land Conservation Register, shall be opposable against third parties from the date of registration for the entire term of the lease.

The wordings by virtue of the provisions of Section 7(1) shall be prescribed by five (5) years, except for renewal.

Section 9: The wordings provided for in Sections 7 and 8 above shall not exonerate the parties from the advertisement obligations proper to any operation on all goods subject to the lease.

Section 10: Leasing companies may, as appropriate, publish the entries made in the inter-professional newsletter or any other medium.

Such publication shall not be a condition for opposing the leasing transaction against third parties.

CHAPTER III **RIGHTS AND OBLIGATIONS OF THE PARTIES TO THE LEASING CONTRACT**

I. RIGHTS AND OBLIGATION OF THE LESSOR

1. The Rights of the Lessor

Section 11: (1) The lessor shall retain ownership of the leased property during the term of the leasing contract. Such ownership shall continue after the termination of the contract, unless the lessee exercises the purchase option.

(2) Where the lessee exercises the purchase option in accordance with the contract, he shall acquire full ownership of the leased property with effect from the date of exercise of the option, unless otherwise agreed by contract.

(3) The option shall be exercised in the form stipulated in the contract.

Otherwise, it shall be done by registered letter sent by the lessee to the lessor at least 15 (fifteen) days before the date of expiry of the leasing contract, or payment of the residual value to the lessor before the expiry of the lease period.

(4) The transfer of ownership shall be made under conditions of ordinary law.

Section 12: During the term of the lease, the lessor shall enjoy all legal rights attached to ownership, but the lessee shall bear all legal obligations incumbent on the owner, under the conditions and limitations laid down in the leasing contract.

Section 13: The lessor's right of ownership of the leased property shall not suffer any restriction or limitation of any kind by the fact that the property is used by the lessee or by the fact that the contract allows the lessee to act as agent of the owner in legal or commercial-transactions with third parties related to the leasing operation.

Section 14: During the term of the lease, the lessor shall have the right of visit, the modalities of exercise of which shall be determined by the contract.

Section 15: The lessor can surrender all or part of his privileges, rights and obligations derived from the leasing contract without seeking the consent of the lessee. It shall be incumbent on the lessor to inform him thereof by all means. However, the assignee shall guarantee the lessee the quiet enjoyment of the leased property as well as the respect of the provisions provided for in Sections 5 and 6 above.

Section 16: In addition to the rights listed above, the lessor shall enjoy all other rights conferred on him by the leasing contract.

2. Obligations of the Lessor

Section 17: The lessor shall be obliged to:

- pay the supplier the price agreed upon for the acquisition of the property;
- guarantee the lessee quiet enjoyment of the leased property. This obligation covers only disturbance arising from his acts or those of his assignees or agents.

Section 18: In case of failure of the lessor to fulfill his statutory or contractual obligations, the

lessee shall have the right to seek compensation against the lessor.

Section 19: (1) The lessee shall have no claim against the lessor because of the non-delivery, late delivery or delivery of non-compliant property, to the extent where it results from an act or omission by the lessor, including failure to pay the price.

(2) However, if the supplier's failure results from the non-fulfilment by the lessor of his obligations, the lessee may withhold the rentals payable under the leasing contract.

II. GUARANTEES AND PRIVILEGES OF THE LESSOR

Section 20: Where proceedings are brought by third parties against the lessee, including amicable or judicial dissolution or any of the collective procedures provided by law, the leased property shall not be the subject of creditor actions against the lessee, unsecured or privileged, whatever their legal status and rank, and considered individually or in mass in the case of collective judicial proceedings.

Section 21: Where the lessee who has failed to pay one or more rent instalments is subject to collective judicial proceedings, the lessor can claim the leased property only as provided by Articles 101 et seq. of the OHADA Uniform Act relating to the organization of collective procedures for the discharge of liabilities.

Section 22: (1) Where the leasing contract is established by authentic deed and is invested with a binding clause, the lessor bearing an engrossed copy issued by a notary may, if the lessee who has not paid one or several terms of rents and is not subject to any collective judiciary procedure, proceed without further action to recover the leased property from the lessee, his assignees, employees or subcontractors.

(2) Where the leasing contract is established under private deed, the lessor may, in view of the restitution of his property, act either in chambers or in accordance with Sections 19 et seq. of the OHADA Uniform Act relating to the organisation of simplified procedures for collection and enforcement.

(3) In case of real estate leasing, recovery of the property shall consist in the expulsion of the lessee in accordance with the leasing contract.

Section 23--: The lessor who has recuperated his property in conformity with the provision of Sections 21 and 22 above shall have the right to sell it or give it again on lease to another individual or corporate body, notwithstanding any protest made by the lessee.

Section 24: In addition to conventional securities granted if need be, the lessor shall be entitled, for the recovery of his claim arising under the leasing contract in principal and accessory, due to disputed amount, to a general lien on all movable and immovable property, receivables and assets in the lessee's account, ranking immediately after the privileges stipulated in Section 107 of the OHADA Uniform Act on the organization of securities.

Section 25: (1) The privilege mentioned in Section 24 above may be exercised at any time during and after the term of the leasing contract. This privilege shall have an effect only when it is registered within six (6) months following the end of the contract in the Trade Register and Movable Credit or in the land booklet.

(2) The enrolment shall confer validity of the lien for three (3) years with effect from the day it was made. Its effect shall cease, unless its renewal is requested, before the expiration of that period.

Section 26: The lessor may, to safeguard his claim against the lessee, take any precautionary measure for the attachment of the movable and immovable property of the lessee.

Section 27: The preferential right granted to the lessor by the general lien shall be exercised after seizure of movable and immovable property, receivables and assets in the lessee's

account.

Section 28: In case of partial or total loss of the leased property, only the lessor shall be entitled to receive insurance benefits for the leased property, notwithstanding the assumption by the lessee of insurance premiums subscribed and without need of a special delegation to that effect.

Section 29: (1) Where the leased property is accompanied by a certificate of ownership, this deed shall not be transferred to the benefit of the lessee until the lessee becomes the owner of the property.

(2) To secure the property leased by the lessee during the term of the lease, at the request of the lessor, a special stamp shall be affixed on the certificate stating that the property is leased.

Section 30: Where the leasing contract is subject to default interest for the lessor, the opening of proceedings for the legal redress or liquidation of the lessee's assets shall not stay the payment of interest, like for loan contracts, and this under the same conditions as those laid down in Article 77 of the OHADA Uniform Act organizing collective procedures for the discharge of liabilities.

III. RIGHTS AND OBLIGATIONS OF THE LESSEE

Section 31: (1) Under reserve of the execution of his legal and conventional obligations, the lessee shall have the right to possess and use the leased property from the date of supply and all the other rights which would have been conferred to him by the leasing contract.

(2) The lessee's right to enjoy and use the property shall be exercised during the contractual term of the lease.

Section 32: The lessee shall have the right to assign to third parties all or part of his rights under the leasing contract. However, he must previously obtain the written consent of the lessor.

Section 33: The lessee shall be required to pay rent under the conditions stipulated in the contract.

Section 34: In case of default of payment of rent due by the lessee, the lessor may either:

- decide to leave the property to the lessee and demand payment of rent due and the advance payment of rent to become due, as well as the price of the residual value of the property at the end of the full period of lease as stipulated in the contract;
- recover the property and possibly claim from the lessee the penalties provided for in the contract or, alternatively, damages fixed by the competent court.

Section 35: (1) The lessor may not require advance payment of rent to become due, or recover the property and demand damages or payment of penalties unless he has given formal notice under conditions of ordinary law.

(2) The lessor's claim based on the provisions of the preceding section shall justify the use of enforcement provided the lessee has been notified.

(3) Any provision of the leasing contract contrary to the provisions of this section shall be deemed non enforceable.

Section 36: (1) The lessee shall operate the leased property judiciously. He shall ensure the proper preservation of the property, operate it under normal conditions for such property and maintain it in the condition in which it was delivered, subject to wear resulting from normal use.

(2) Where the leasing contract requires him to maintain the leased property or where the manufacturer or supplier of the property issues technical instructions for its operation, the lessee shall fulfill the conditions of Sub-section 1 above by respecting those provisions of

the contract or such instructions.

- (3) At the termination of the leasing contract, the lessee shall restore the leased property under the conditions described in Sub-section 2 above, unless he has purchased it or renewed the lease.
- (4) If the lessor deems that the property has been subjected to misuse or poor maintenance in the light of its state, he shall receive it with reservations which should be communicated to the lessee. The latter shall have a deadline of three working days to react to the reservations. The lessor may refuse to receive the property and then take action when necessary before the competent court to engage the contractual liability of the lessee.
- (5) For the assessment of the state of property, an expert may be consulted at the diligence of any of the parties.

Section 37: (1) The lessee shall be liable for the loss and damage caused to third parties for the possession or operation of the leased property. To this end, the parties may mutually agree by the terms of the leasing contract that such risk shall be covered by an insurance policy subscribed from an insurance company approved by the lessor.

(2) This liability shall not cover damage caused by defects attributable to the supplier or manufacturer.

Section 38: The lessee who, under a leasing contract, provides information to the lessor or the supplier, shall guarantee the latter against any action based on violation of an intellectual property right arising from compliance with or the implementation of such information.

The lessor and the supplier who take cognisance of this information shall be obliged to respect of the same intellectual property right.

Section 39: (1) The lessee may not sell the leased property or use it as security in his own favour.

(2) The lessee who usurps the status of owner of the property, sells it, diverts it or refuses to return it or to represent it shall be liable to the sanctions laid down in Section 318 of the Penal Code.

Section 40: In a leasing transaction, the obligations of the lessee and of the lessor shall be irrevocable as of the date of conclusion of the contract or the date mutually agreed upon for the lease to take effect, unless otherwise stipulated by contract.

IV. RIGHTS AND OBLIGATIONS OF THE SUPPLIER

Section 41: (1) The supplier shall deliver the leased property to the lessee in order and within the time specified in the supply contract.

(2) There shall be acceptance of the property where the supplier has given the lessor the delivery order approved by the lessee for movable property and a certificate of compliance for real estate.

Section 42: In case of default of delivery of the leased property, partial delivery, late delivery or sub-standard delivery to the supply contract, the lessee or the lessor shall have the right to demand from the supplier the delivery of a compliant property and to implement all the measures provided for by common law to oblige him to execute and repair all the prejudice resulting thereof.

Section 43: The supplier shall be only exonerated from the obligations provided for in Section 42 above if he shows proof that the default of delivery, the partial delivery, the late delivery or the sub-standard delivery of the property under his contract is due to the fault of the lessor or the lessee or due to unforeseen circumstance or case of force majeure.

CHAPTER IV
RULES SPECIFIC TO REAL ESTATE LEASING

Section 44: A real estate leasing company can be created to execute a real estate leasing contract on a single building or a housing complex.

Section 45: In real estate leasing, the mutual rights and obligations of the lessee and lessor shall be those defined in the leasing contract and in this law.

Section 46: Notwithstanding the lessor's rights of ownership of the property leased, during the rental period and unless otherwise agreed, the lessee shall:

- pay the taxes and other similar charges imposed on the leased property;
- not carry out on the leased property and its dependencies, any change that would reduce the enjoyment thereof;
- carry out at his own expense all major repairs incumbent on lessor in leased premises.

Section 47: At the expiration of the fixed term of the lease stated in the leasing contract, and where the purchase option has not been exercised, the lessee may not claim any right to remain in the leased premises, nor can he claim any commercial ownership of the leased property.

Section 48: (1) Any default in execution, partial execution or late execution shall be established after notification made by a bailiff has not been respected.

(2) Where the defaulting party fails to fulfil his obligations within eight (8) days of the notification, either party may terminate the contract without prejudice to damages, by a letter sent to the defaulting party through a bailiff.

Section 49: Where the leasing contract concerns a building, it must meet the conditions provided for by the laws and regulations relating to land tenure and lands.

CHAPTER V
EFFECTS OF THE LEASING CONTRACT

Section 50: The leasing contract shall be binding on the parties, purchasers of property leased, creditors of the parties and collective proceedings bodies.

Section 51: Where the property subject of the leasing contract is considered incidental to or forming part of a real property, the owner of such real property shall allow access to the lessor for inspection and recovery pursuant to this law or the terms of the contract.

Section 52: The lessee may, at the expiration of the fixed term lease and at his sole discretion, either:

- exercise the option by purchasing the leased property at its option value as stated in the contract;
- renew the lease for a period and at a rent amount to be agreed between the parties;
- restitute the leased property to the lessor in the state under which it was leased while taking into account the wear resulting from a normal usage;

Section 53: The leasing contract may also be terminated in accordance with the law in case of physical impossibility to continue executing the contract, particularly in case of loss or destruction of the leased property, proven insolvency of the lessee, a fortuitous event or force majeure, or simply by mutual agreement.

Section 54: (1) Collective proceedings instituted against the lessee shall not automatically

interrupt the leasing contract.

(2) In this case, the lessee may continue performing his obligations in accordance with the terms of the contract, provided that all rents due under the leasing contract on the date of opening of collective proceedings, or to become due, shall be payable according to their amounts and due dates pursuant to the general and special conditions of the leasing contract.

(3) Where the lessee subject to collective proceedings cannot continue to honour his commitments, the lessor shall have the right to use all remedies provided for in the leasing contract and in this law.

Section 55: The parties shall obligatorily state in the leasing contract that the expiry of the term or upon termination of the leasing contract, the property shall be returned to the lessor amicably, failing the purchase option, with spontaneous execution by the lessee at the request of the lessor or, failing that, in accordance with Sections 21 and 22 of this law.

Section 56: (1) Where the contract is established by a notary and is subject to enforcement, any dispute arising from the interpretation or enforcement thereof shall be brought before the court.

(2) Where the leasing contract is in private form, it shall be governed by the rules of ordinary law.

Section 57: In case of dispute arising from an equipment leasing contract, the law of the area of residence of the lessor shall be applicable, barring an arbitration clause.

Section 58: In case of dispute arising from a real estate leasing contract, Cameroonian law shall apply as the law in the area of location of the property, barring an arbitration clause in the contract determining other applicable law.

CHAPTER VI **ACCOUNTING AND FISCAL ASPECTS**

Section 59: The accounting rules applicable to leasing contract shall be those of the accounting plan of credit institutions fixed by Central African Banking Commission and subsequent modifications.

Section 60: The fiscal provisions applicable to leasing shall be governed by the provisions of the General Tax Code applicable in this domain.

CHAPTER VII **MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS**

Section 61: Leasing enterprises in activity shall have a deadline of one (1) year from the date of promulgation of this law, to comply with the provisions of the latter.

Section 62: Leasing operations meant for the financing of the activities of individuals shall be subject to a special instrument.

Section 63: Regulatory texts shall be signed as the need arises for the application of this law.

Section 64: This law shall be registered, published according to the procedure of urgency and then inserted in the *Official Gazette* in English and French.

Yaounde, 21 December 2010

(signed) Paul Biya,
President of the Republic

Law n°2020/ 010 of 20 July to regulate statistical activity in Cameroon

***The National Assembly delivered and adopted,
The President of the Republic hereby enacts the law set out below:***

**CHAPTER I
GENERAL PROVISIONS**

SECTION 1: This law regulates statistical activity in Cameroon.

It lays down the basic principles for producing official statistical data, rules of professional conduct, the institutional framework for statistical production and the terms and conditions for coordinating statistical activity.

SECTION 2: Within the meaning of this law, the following definitions shall apply:

Statistical activity: all tasks whereby statistical data or statistical information relating to gender, governance and economic, political, demographic, social and environmental phenomena, etc. are obtainable using a rigorous methodology;

Data collection: operation consisting in gathering required data using various collection methods and loading them in the appropriate storage medium;

Statistical dissemination: placing at the disposal of the public statistical data produced by the National Statistical Information System in all the forms authorized by the regulations in force and with due respect for the privacy of the natural and legal persons having provided the information used to produce such data;

Individual data: any information relating to an identified natural or legal person that can be identified directly or indirectly by reference to an identification code or to one or more elements specific thereto;

Statistical data or statistics: quantified information relating to the life of a Nation obtained through appropriate processing using statistical methods;

Statistical information: any organized quantitative and/or qualitative information obtained from statistical data;

Microdata: immediate results obtained from observing statistical characteristics and variables collected through an observation unit and that have not been processed statistically;

Statistical production: a process consisting in producing statistical information through the determination of needs, the design of collection methodology, data collection, data entry, data processing, the production of results, dissemination and archiving;

Statistical secrecy: measure helping to ensure that natural or legal persons providing information to be used for statistical purposes enjoy the respect for the confidentiality of information on their personal and family life, or commercial secrecy for businesses;

Statistical service: any statistical entity and/or body responsible for producing and disseminating public statistics at the national, regional and continental levels;

Official statistics: statistical data produced by services under the National Statistical Information System;

Data processing: operation consisting in cleansing data obtained from statistical and non-statistical sources alike in order to organize them in such a way as to have a clean file.

CHAPTER II **ORGANIZATION OF OFFICIAL STATISTICS PRODUCTION**

SECTION 3: Official statistics shall be produced under programs contained in the National Statistics Development Strategy.

SECTION 4: Any national or regional statistical survey requiring the collection of information from natural and legal persons shall be subject to obtaining a statistical visa issued under conditions laid down by order of the Minister in charge of statistics.

SECTION 5: Notwithstanding the provisions of Section 4 above, the internal statistical work of a government service not involving non-staff of such service shall not be subject to prior approval.

SECTION 6: (1) Official statistics producing services and bodies may, under their responsibility, entrust the collection, processing and analysis of specific information to private enterprises, bodies or establishments.

(2) The statistical data collection operations conducted within such framework shall be subject to prior approval.

SECTION 7: Entities responsible for producing statistic shall enjoy scientific independence and perform their functions in accordance with the fundamental principles of official statistics of the United Nations and the African Charter on Statistics.

SECTION 8: Official or public statistics must be produced in total transparency, objectivity and impartiality, and according to criteria allowing their practical use and making them available and accessible to all citizens, in accordance with the principles of the African Charter on Statistics.

SECTION 9: (1) Natural and legal persons subject to statistical data collection operations must be informed through appropriate means of the legal and institutional framework for statistical data production, in accordance with the fundamental principles of official statistics of the United Nations and the African Charter on Statistics.

(2) They must also be informed of the objectives of statistical surveys and censuses or other operations conducted, the purpose of data collected, data collection and processing methods, the mediums and schedule of dissemination of data collected as well as measures taken to ensure and guarantee the confidentiality and protection of individual information.

SECTION 10: (1) Access to official statistics shall be open and free for all users, subject to respect for the privacy of natural and legal persons whose information is used to prepare such statistics.

(2) The use of official statistics shall be free, provided the source is indicated.

SECTION 11: The integrity of official statistical data must be preserved. Any manipulation

for unlawful ends shall be prohibited.

CHAPTER II **INDIVIDUAL DATA PROTECTION**

SECTION 12: Any natural or legal person involved in the conduct of any statistical data collection operation shall be bound by statistical secrecy.

SECTION 13: Individual data collected within the framework of statistical data collection operations may not be disclosed in any way whatsoever, unless explicitly authorized by the natural or legal persons concerned, in accordance with the principles of the African Charter on Statistics.

SECTION 14: (1) The nominative information relating to a natural or legal person entered in questionnaires during statistical data collection operations may not be used outside the services responsible for such statistical operations.

(2) Under no circumstances may the individual data collected be used for purposes other than those for which they were collected.

(3) However, microdata concerning individual statistical units may, on the written authorization of the head of the official statistics service or body concerned, be disseminated in the form of an anonymous file for public use, in accordance with the conditions of use to be specified in the data transfer protocol.

(4) In any case, statistical data may not be used for the purposes of fiscal or criminal prosecution or repression.

CHAPTER IV **OBLIGATION OF RESPONDENTS IN STATISTICAL DATA COLLECTION** **OPERATIONS**

SECTION 15: Natural or legal persons subject to statistical surveys and censuses shall be bound to respond accurately and within the time-limits set by the instruments instituting such operations in accordance with the principles of the African Charter on Statistics.

SECTION 16: The legal persons called upon to place administrative files at the disposal of the relevant statistical services of the National Statistical Information System for statistical exploration purposes shall be bound to provide such files to the said services within 15 (fifteen) days from the date of- acknowledgement of receipt of the request submitted by the statistical service.

SECTION 17: (1) Where the natural or legal person subject to the statistics collection operations fails to respond or provides an inaccurate response, a report shall be drawn up. The same shall apply to legal persons that refused to provide their administrative files to statistical services to be exploited for statistical purposes.

(2) In the absence of an accurate and timely response, the competent authority of the statistical operation shall formally notify the defaulting natural or legal person by a registered letter with acknowledgement of receipt of an additional time-limit for a response. Such time limit may not exceed ten (10).

CHAPTER IV PENALTIES

SECTION 18: (1) however violates statistical secrecy shall be liable to the penalties provided for in the Criminal Code regarding professional secrecy, without prejudice to administrative sanctions.

(2) In like manner, any natural or legal person that has received protected data and that violates the data transfer protocol shall be liable to a fine of from 100 000 (one hundred thousand) CFA francs to 1 000 000 (one million) CFA francs for a natural person and 0.01% of the turnover or wage bill for a legal person, without prejudice to other penalties provided for by the laws in force.

SECTION 19: Whoever refuses to participate in statistical surveys and censuses or makes false statements shall be liable to the following fines:

- between 10 000 CFA francs and 50 000 CFA francs for a natural person;
- 1% of the turnover of the previous year for a private company or 0.01% of the wage bill of the previous year for a legal entity with no turnover or a semi-public entity.

CHAPTER V

NATIONAL STATISTICAL INFORMATION SYSTEM

SECTION 20: The National Statistical Information System shall comprise all the national public and semi-public services and bodies that produce, provide and disseminate statistical data.

SECTION 21: The National Statistical Information System shall be responsible for the collection, processing and dissemination of official statistical data for public purposes.

SECTION 22: The National Statistical Information System shall be financed by the State budget and various contributions.

CHAPTER VI PROVISIONS

SECTION 23: The conditions for implementing this law shall, as and when necessary, be laid down by regulation.

SECTION 24: All previous provisions repugnant hereto, particularly those of Law No. 91/23 of 16 December 1991 relating to censuses and statistical surveys, are hereby repealed.

SECTION 25: This law shall be registered, published according to the procedure of urgency, and inserted in the Official Gazette in English and French./-

Yaounde, 20 July 2020

(signed) Paul Biya,
President of the Republic

**Decree No.2019/195 of 17 April 2019 to Lay Down the Conditions for
the Establishment and Management of Economic Zones in Cameroon**

THE PRESIDENT OF THE REPUBLIC,

Mindful of the Constitution;

Mindful of Law No.2000/4 of 19 April 2002 to Institute the Investment Charter of the Republic of Cameroon, and its subsequent amendments;

Mindful of Law No.2011/6 of 6 May 2006 to Lay down Guidelines for Land Use Planning and Sustainable Development in Cameroon;

Mindful of Law No.2013/4 of 18 April 2013 to Lay down Private Investment Incentives in the Republic of Cameroon as amended and supplemented by Law No.2017/15 of 12 July 2017;

Mindful of Law No.2013/11 of 16 December 2013 to Regulate Economic Zones in the Republic of Cameroon;

Mindful of Decree No.2013/4008 of 9 December 2011 to organise the Government, as amended and supplemented by Decree No.2018/190 of 2 March 2018;

Mindful of the Notice of the Regulation and Competitiveness Council issued in its session of 5 June 2014,

HEREBY DECREES AS FOLLOWS:

CHAPTER I
GENERAL PROVISIONS

Section 1: This decree lays down the conditions for the establishment and management of Economic Zones in Cameroon.

Section 2: (1) An economic zone shall be a space comprising one or several serviced and developed geographical areas equipped with the required infrastructure to enable entities established therein to produce goods and services under the best conditions.

(2) It shall seek to concentrate on one or several given areas, activities or players engaged in economic and social development activities.

(3) An economic zone may notably comprise industrial enterprises, agricultural enterprises, service enterprises, business nurseries or incubators, science and technology centres, technocities and/or agricultural poles.

Section 3: (1) Economic zones shall be:

- agricultural zones;
- handicrafts zones;
- trade zones;
- free-trade zones;
- industrial zones;
- logistical zones;
- services activities zones;
- technological activities zones;
- specialized zones;
- agricultural poles;
- technological poles;
- scientific and technological centres;
- competitiveness centres;

- tourist complexes.

(2) Mixed zones hosting several activities on the same space referred to in Section 1 above, may also be established.

(3) Conditions for the organisation and functioning of each type of economic zone shall be laid down by specific instruments.

CHAPTER II **ESTABLISHMENT**

Section 4: (1) The establishment of an economic zone must be aligned to the land use planning master scheme.

(2) An economic zone shall be established by decree of the President of the Republic.

Section 5: (1) The following legal persons may be economic promoters:

- the State and its agencies;
- regional and local authorities;
- trade chambers;
- Employers' Organisations;
- State universities and private higher education establishments;
- Economic Interest Groups.

(2) The Economic Interest Groups referred to in Section 5 (1) above shall be made up of, as the case may be:

- local investors;
- foreign investors;
- foreign investors associated with local investors;
- members of trade chambers and employers' organisations.

(3) Legal persons referred to in Section 5 (1) above may also come together in an economic interest Group to request for the establishment of an economic zone.

Section 6: (1) Any request for the establishment of an economic zone must be subject to:

- identification by the promoter, in conjunction with the service concerned, of unoccupied lands capable of accommodating the enterprises;
- evidence of a portfolio comprising at least 5 (five) enterprises having expressed the desire to establish in the economic zone;
- evidence of financial capacity to fund site development works;
- commitment to pay, where applicable, the fee intended to cover the promoter's contribution to the development works of the site concerned.

(2) Any request for the establishment of an economic zone must also show proof of the capacity of enterprises wishing to establish therein to:

- promote and attract multi-sectoral industrial, commercial and service investments;
- develop innovative processes and technical and technological solutions;
- increase the national economy's competitiveness;

- foster export development and direct domestic and foreign investment;
- foster the development of national production and natural resources;
- foster job creation;
- promote socio-economic integration of the host region in the rest of the territory.

(3) Enterprises that shall express interest in establishing on an economic zone under establishment shall meet the requirements spelled out in Section 5 (2) above.

Section 7: Constitution of files for the establishment of an economic zone shall be set by Order of the minister in charge of the economy.

Section 8: (1) Any promoter willing to establish an economic zone shall submit a comprehensive file in 3 (three) copies to the Economic Zone Promotion Agency.

(2) The Agency shall issue a deposit receipt upon reception of the complete file.

(3) The Agency shall have a maximum period of 30 (thirty) days to examine the file. After this period, the promoter concerned may appeal to the minister in charge of the economy for a swift examination.

(4) The Agency shall reserve the right to request further information from the promoters concerned and reject any file that will not meet the requirements. The rejection shall be substantiated and notified to the promoter within 7 (seven) days following the decision.

(5) Where the file is not compliant, it shall be submitted to the minister in charge of the economy together with the draft decree to establish the economic zone.

(6) The minister in charge of the economy shall have 15 (fifteen) days to examine the file and forward it to the Prime Minister's Office with his/her opinion.

Section 9: (1) The promoter of the economic zone shall have 5 (five) years as from the date of signing of the decree establishing the economic zone to make it operational.

(2) Where the promoter is unable to meet the deadline prescribed under Section 9 (1) above, he/she may request an extension period from the Agency which shall not exceed 2 (two) years.

(3) Where there is no sign of development in the zone after a period of 2 (two) years with no valid reason, the status of economic zone shall be cancelled by decree of the President of the Republic for the geographical area where this status was granted.

CHAPTER III MANAGEMENT OF ECONOMIC ZONES

Section 10: (1) An economic zone shall be managed by the promoter or a manager appointed by the promoter.

(2) Where the promoter himself/herself manages the economic zone, he/she shall be required to comply with the rights and obligations of the manager.

(3) The mandate referred to in Section 10 (1) above shall be materialized by an agreement between the promoter and the manager. It shall specify the duration of the mandate, as well as the rights and duties of the parties.

Section 11: (1) The manager of the economic zone shall be a legal entity under Cameroonian law with experience on the economic and financial management of economic zones. Its head office shall be located within the economic zone.

(2) The manager of the economic zone shall be approved by the Agency. The file of the approval request shall be addressed to the Agency by the promoter of the economic zone.

(3) An order of the minister in charge of the economy shall specify the composition of the approval request file in his capacity as manager of the economic zone.

Section 12: (1) The manager shall be approved for the duration of the mandate referred to in Section 10 above.

(2) The approval shall not be transferable or transmissible.

Section 13: The approval may be withdrawn by the Agency under the terms and conditions laid down by an order of the minister in charge of the economy.

Section 14: (1) The manager of the economic zone shall be responsible for:

- establishing approved enterprises in the economic zone;
- basic infrastructure (water, electricity, telephone, internet, roads, etc.) project management;
- leasing, sub-leasing and maintaining real estate within the economic zone;
- building any other infrastructure necessary for the efficient functioning of the economic zone;
- providing various services to enterprises operating in the zone;
- security within the economic zone;
- promoting and advertising the zone to investors.

(2) All the activities referred to in Section 14 (1) above shall comply with the laws and regulations in force.

(3) In connection with the activities provided for under Section 14 (1) above, the manager of the economic zone shall receive a fee paid by approved enterprises, under conditions laid down by an order of the minister in charge of the economy, after the approval of the Prime Minister.

Section 15: (1) The manager shall establish internal rules which shall be submitted to the formal endorsement of the Agency prior to their implementation.

(2) No response from the Agency within 30 (thirty) days after submission of the project by the promoter shall mean acceptance.

(3) The manager shall be responsible for the implementation of the rules and regulations within the zone. He/she shall facilitate the tasks of follow-up and oversight conferred to the Agency.

Section 16: (1) In the discharge of his/her duties, the manager of the economic zone shall be assisted by an 8-member Joint Committee comprising 4 (four) representatives of the promoter and 4 (four) elected representatives of enterprises operating in the economic zone.

(2) He/she shall receive the appeals of the enterprises; which shall have their approvals rejected or limited and ruled within 5 (five) days, and forward their substantiated opinion to the Agency.

(3) He/she shall give an opinion on the amount and conditions for the payment of fees by the enterprises operating in the economic zone.

(4) The Agency shall attend meetings of the Joint Committee in an advisory capacity.

Section 17: The manager of the economic zone shall set up a one-stop-shop responsible, exclusively, for all formalities and procedures for establishing enterprises in the zone.

Section 18: The manager of the economic zone may use a technical partner. In such case, an agreement shall be signed between the Agency, the promoter, the manager of the economic zone and the technical partner.

CHAPTER IV

TRANSFER AND CLOSURE OF THE ECONOMIC ZONE

Section 19: (1) Where the promoter is unable to fulfil his/her obligations, he/she may propose the transfer of the economic zone which he/she is the promoter, to one of the legal entities referred to in Section 5 above.

(2) The request for transfer shall be addressed to the Agency that shall forward it to the minister in charge of the economy, together with his/her opinion within 30 (thirty) days as from the date of reception. The request for transfer shall necessarily comprise the transfer agreement concluded between the transferrer and the proposed transferee as well as a commitment of the latter to comply with the obligations of the promoter.

(3) The minister in charge of the economy shall have 15 (fifteen) days to forward the file to the Prime Minister's Office with his/her opinion.

(4) The transfer shall be authorized by decree of the President of the Republic.

(5) The transfer shall terminate the mandate of the manager except otherwise stipulated by the transfer agreement concluded between the transferrer and the transferee.

Section 20: (1) The default of the promoter shall be established by the Agency.

(2) In case of default of the promoter, the Agency may, pending the resumption of the activities of the defaulter, manage the economic zone for a period not exceeding 2 (two) years. The Agency shall update the minister in charge of the economy.

(3) Beyond the period provided for in Section 20 (2) above, the closure of the economic zone shall be announced by decree of the President of the Republic.

Section 21: (1) The request for the closure of the economic zone shall be addressed to the minister in charge of the economy by the Agency. It shall be complemented by a substantiated opinion and all supporting documents.

(2) It shall necessarily comprise proposals for the re-establishment of approved enterprises.

(3) The minister in charge of the economy shall submit the file together with his/her opinion within 15 (fifteen) days to the Prime Minister's Office

Section 22: (1) The Agency shall ensure the re-establishment of the approved enterprises prior to the signing of the decree to close the economic zone.

(2) The approvals of the enterprises operating in the economic zone which have been declared closed shall remain in force throughout the remaining period of their validity.

(3) The enterprises operating in the economic zone which have been declared closed shall continue to enjoy the benefits granted by their approval.

Section 23: (1) The State may replace a defaulting promoter where an economic zone has a proven strategic or economic interest. The request for replacement shall be initiated by the minister in charge of the economy after the opinion of the Agency.

(2) In this case, a decree of the President of the Republic shall terminate the activities of the defaulting promoter. The role of the promoter of the zone concerned shall devolve on the

State by the same decree.

CHAPTER V

MISCELLANEOUS AND FINAL PROVISIONS

Section 24: The fiscal and customs regime of the economic zones shall be laid down by a separate instrument.

Section 25: The Joint Committee for the monitoring of the stability of private investment incentives in Cameroon set up by decree No.2013/299 of 9 September 2013 shall be responsible for ensuring the stability of the tax and customs system of economic zones, as well as the benefits granted to enterprises established in the said zones.

Section 26: This decree all be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaounde, 17 April 2019

**(signed) Paul Biya,
President of the Republic**

Decree No. 2019/246 of 24 May 2019
To reorganise the Economic Zones Promotion Agency

THE PRESIDENT OF THE REPUBLIC,

Mindful of the Constitution;

Mindful of Law No.2013/11 of 16 December 2013 Governing Economic Zones in Cameroon;
 Mindful of Law No.2017/10 of 12 July 2017 to Lay Down the General Conditions Governing Public Establishments; Mindful of Law No.2018/12 of 12 July 2018 to lay down the Finance Regime of the State and other Public Entities;

Mindful of Decree No.2011/408 of 11 December 2011 to Organise the Government, as amended and supplemented by Decree No.2018/190 of 02 March 2018;

Mindful of Decree No. 2018/366 of 20 June 2018 to institute the Public Contracts Code,

HEREBY DECREES AS FOLLOWS:

CHAPTER I
GENERAL PROVISIONS

Section 1: This decree reorganizes and regulates the functioning of the Economic Zones Promotion Agency, abbreviated “EZPA”, and hereinafter referred to as “the Agency”.

Section 2: (1) The Agency shall be a public administrative establishment with an economic and financial status. It shall have a legal personality and financial autonomy.

(2) Its head office shall be in Yaounde.

(3) Branches or representations may be set up as and where necessary throughout the national territory upon deliberation of the Board of Directors.

(4) Offices may be set up in foreign countries as and where necessary by an order of the President of the Republic.

Section 3: The Agency shall have as mandate to oversee and develop economic zones in Cameroon.

To this end, it shall be responsible amongst others for:

- receiving and examining application files for the establishment of economic zones, in conjunction with the authorities concerned;
- issuing approvals to enterprises on the basis of the request submitted by the promoter of the economic zone concerned;
- submitting draft economic zone establishment decrees to the Government;
- defining and ensuring respect for infrastructure project contracting standards in economic zones;
- monitoring the performance and growth of economic zones;
- defining specifications for promoters and approved enterprises, in conjunction with the administrations and bodies concerned, and ensuring their respect;
- hearing disputes between promoters, enterprises, government services and local communities and conducting procedures for amicable settlement thereof where applicable;
- building partnerships with any other public or private body that can help achieve its corporate purpose;
- participating in the search of financing for the development of its activities, in conjunction

with the administrations and bodies concerned.

Section 4: The Agency shall publish an annual report on the promotion and performance of economic zones in Cameroon, as well as on the development of the approved enterprises.

CHAPTER II **SUPERVISORY AUTHORITY, FOLLOW-UP OF MANAGEMENT AND PERFORMANCE**

Section 5: (1) The Agency shall be placed under the technical supervisory authority of the ministry in charge of the Economy and financial supervisory authority of the ministry in charge of Finance.

(2) The technical supervisory authority shall seek to ensure that the activities undertaken by the Agency comply with the Government's public policy guidelines in the promotion of economic zones, subject to the powers entrusted to the Board of Directors. It shall also ensure that resolutions adopted by the Board of Directors comply with the laws and regulations in force, as well as sector policy guidelines.

(2) The financial supervisory authority shall seek to ensure that the finance-related management operations of the Agency comply with the rules and regulations of public finance and carries out a post-review of its accounts.

Section 6. (1) The technical and financial supervisory authorities, in conjunction with the Boards of Directors, shall contribute towards monitoring the performance of the Agency.

(2) The Agency shall address to its technical and financial supervisory authorities, all documents and information relating to its management notably performance plans, action plans, annual performance reports, Financial Controller's report, administrative and management accounts, up-to-date staff situation and salary grid.

(3) The minister in charge of the Economy and the minister in charge of Finance shall address each in their area of competence, an annual report on the situation of the Agency to the President of the Republic.

CHAPTER III **ORGANISATION AND FUNCTIONING**

Section 7: The Agency shall be governed by two bodies:

- the Board of Directors;
- the general management.

I. BOARD OF DIRECTORS

Section 8: (1) The Board of Directors of the Agency shall comprise 12 (twelve) members.

It shall comprise:

Chairperson: a personality appointed by decree of the President of the Republic.

Members:

- A representative of the Presidency of the Republic;
- A representative of the Prime Minister's Office;
- A representative of the Ministry in charge of the Economy;
- A representative of the Ministry in charge of Finance;
- A representative of the Ministry in charge of Private Investments;
- A representative of the Ministry in charge of Small and Medium-sized Enterprises;

- A representative of the Ministry in charge of Land Tenure;
- A representative of the Ministry in charge of Tourism;
- A representative of the Chamber of Commerce, Mines, Industry and Handicrafts;
- A representative of the Promoters of Economic Zones;
- An elected representative of the staff.

(2) Members of the Board of Directors shall be elected by decree of the President of the Republic, on the proposal of the administrations and bodies to which they belong.

(3) The representative of the promoters of economic zones shall be designated at the behest of the technical supervisory Minister.

Section 9. (1) The board chairperson shall be appointed for a 3 (three)-year term, renewable once.

(2) The instrument appointing the board chairperson shall automatically confer on such person the status of board member.

Section 10. The board chairperson shall convene and chair board meetings. He/she shall ensure the implementation of board resolutions.

Section 11: Board members shall be appointed by decree of the President of the Republic for a 3 (three)-year term renewable once.

Section 12. (1) A board member's term of office shall end:

- upon death or resignation;
- upon loss of the status that prompted the appointment;
- through dismissal following gross misconduct or activities incompatible with the duty of board member;
- at normal due date.

(2) In the cases provided for in Section 12 (1) above, the board member shall be replaced under the same conditions as those of his/her appointment.

Section 13: (1) 6 (six) months prior to the expiry of board member's term of office, the board chairperson shall contact in writing the entity to which the relevant board member belongs for his replacement, with copies to the technical and supervisory authorities.

(2) No board member may sit upon expiry of his/her term of office.

(3) Upon expiry of the board chairperson's term of office, the minister in charge of the economy shall contact the appointing authority.

(4) In case of a board member's death in office, or in any case

where the board member can no longer perform his/her mandate, the body that appointed him/her shall designate another board member to pursue the term.

Section 14. (1) The board chairman shall receive a monthly allowance as well as benefits. The amount of the monthly allowance and the benefits shall be fixed by the Board of Directors in accordance with the regulations in force.

(2) Board members shall receive sitting allowances fixed by resolution of the Board of Directors within the ceiling limits set by the regulations in force. They may claim reimbursement of expenses arising from board meetings upon presentation of supporting documents.

(3) The Board of Directors may grant special allowances to its members for tasks and

missions assigned them, or authorize a refund of travel costs and expenses incurred in the interest of the Agency, subject to prior authorisation by the said board.

Section 15. (1) The Board of Directors shall have power to define and guide general policy and assess the management of the Agency, within the limits fixed by its corporate purpose and subject to the laws and regulations in force.

In that regard, it shall in particular:

- set the objectives and approve the performance projects of the Agency, in accordance with the overall objectives in the area of promotion of economic zones;
- adopt the budget together with the performance project of the Agency, and close the books;
- approve the annual performance reports;
- adopt the organisation chart and internal regulations;
- authorize recruitment of the entire staff, in accordance with the recruitment plan proposed by the General Manager and approved by the Board of Directors;
- authorize dismissal of staff, on the recommendation of the General Manager;
- appoint, on the recommendation of the General Manager, persons to duty posts, from the rank of sub-director, director and persons ranking as such;
- accept gifts, legacies and subsidies;
- approve performance contracts or all other agreements, including loans, prepared by the General Manager and having budgetary implications;
- authorize all transfer of movable or immovable, tangible or intangible property, in accordance with the rules and regulations;
- ensure compliance with rules of governance and commission audits to ensure sound management of the Agency;
- fix staff remunerations and benefits, in accordance with the laws and regulations in force, internal regulations and budget estimates;
- fix the monthly remunerations and benefits of the General Manager and Assistant General Manager, in compliance with the laws and regulations in force.

(2) The Board of Directors may delegate some of its powers to the General Manager.

Section 16. (1) The General Management shall act as secretary of board meetings.

(2) The minutes of board sessions shall be entered in a special Minutes book kept at the head office, and signed by the chairperson and secretary of the session. They shall mention the members present or represented. They shall be read and approved by the Board of Directors at its next session.

Section 17. (1) Convened by its chairperson, the Board of Directors shall meet at least twice a year in ordinary session as follows:

- one session to consider the performance project and vote the budget, to be held compulsorily before the beginning of the following financial year;
- one session to close the books, to be held compulsorily no later than 30 June.

(2) The board chairperson shall be considered to be defaulting where he/she fails to convene at least 2 (two) board meetings per year.

(3) In case of refusal to convene a board meeting in accordance with Section 17 (1) above, 2/3 (two-thirds) of the board members shall contact the ministry in charge of Finance which shall convene the board meeting.

(4) The provisions of Section 17 (3) above shall also apply in case of no response from the chairperson as a result of permanent disability duly established by the Board of Directors.

Section 18. The Board of Directors may be convened in extraordinary session at the request of the board chairperson or of at least 2/3 (two-thirds) of board members to discuss a specific agenda.

Section 19. The Board of Directors shall discuss all items included in the agenda either by the chairperson or at the request of 2/3 (two-thirds) of the board members.

Section 20: (1) In case of vacancy of the post of board chairperson as a result of death, resignation or chairperson's default, board meetings shall be convened by the minister in charge of Finance at the behest of the General Manager or at the request of 2/3 (two-thirds) of the board members.

(2) Board meetings convened in accordance with Section 20 (1) above shall be chaired by a board member elected by his/her peers.

Section 21: (1) Members shall be convened by letter, fax, telegram, telecopy or any other means leaving a paper trail at least 15 (fifteen) days before the scheduled date of the meeting. If necessary, such period shall be reduced to five (5) days.

(2) Convening notices shall indicate the agenda, date, venue and time of the meeting.

(3) The Board of Directors shall discuss all items included in the agenda either by the chairperson or at the request of board members.

Section 22: (1) Any member who is unable to attend a board meeting may request another board member to represent him/her.

(2) No board member may represent more than one other member at the same meeting.

(3) All members present or represented at a board meeting shall be deemed to have been duly convened.

(4) Where the chairperson is absent, the board shall elect from amongst its members a pro tem chairperson by simple majority of the members present or represented.

Section 23: (1) Board decisions shall take the form of resolutions. They shall be signed in session by the board chairperson or by pro tem chairperson, where applicable, and a board member.

(2) Board decisions shall take effect from the time of their adoption, subject to provisions repugnant to the laws and regulations in force.

Section 24 (1) The Board of Directors cannot validly discuss items on the agenda unless at least 2/3 (two-thirds) of its members are present or represented. Where the quorum is not reached during the first meeting, it shall be reduced to half of the members present for the next meeting.

(2) Each member shall have one vote. Decisions shall be taken by a simple majority of members present or represented. In the event of a tie, the chairperson shall have the casting vote.

Section 25: (1) To perform its duties, the Board of Directors may set up committees and commissions as and when necessary.

(2) Members of such committees and commissions shall be entitled to working facilities and allowances within the ceiling limit laid down by the regulations in force.

II. GENERAL MANAGEMENT

Section 26: (1) The General Management of the Agency shall be under the authority of a General Manager and, where applicable, an Assistant General Manager.

The General Manager and Assistant General Manager of the Agency shall be appointed by decree of the President of the Republic.

Section 27 (1) The General Manager and the Assistant General Manager shall be appointed for a 3 (three)-year term renewable twice.

(2) The renewal referred to in Section 27 (1) above shall be tacit.

(3) In any case, the cumulative terms of office of the General Manager or Assistant General Manager may not exceed 9 (nine) years.

Section 28: (1) Under the supervision of the Board of Directors, the General Manager shall be responsible for the implementation of the general policy and the management of the Agency.

To this end, it shall be responsible for:

- preparing the draft budget and the performance plan;
- producing the administrative account and the annual performance report;
- preparing resolutions of the Board of Directors, attending its meetings in an advisory capacity, and implementing its decisions;
- carrying out the technical, administrative and financial management of the Agency;
- proposing a staff recruitment plan to the Board of Directors;
- appointing staff, subject to the powers vested in the Board of Directors;
- managing movable and immovable, tangible and intangible property of the Agency, in keeping with its corporate purpose and the powers of the Board of Directors;
- recruiting temporary, seasonal and casual personnel according to the exigencies of the service and in accordance with the regulations in force.

The General Manager may delegate some of his powers to some officials of the Agency.

Section 29. The Director General shall represent the Agency in all matters of civil life and before the law.

Section 30: (1) The General Manager or his/her Assistant General Manager shall be answerable to the Board of Directors which may sanction him/her in case of gross management error or misconduct likely to undermine the smooth running or tarnish the image of the Agency.

(2) In the cases provided for in Section 30 (1) above, the Board Chairperson shall convene an extraordinary session during which the General Manager or the Assistant General Manager shall be heard.

(3) The file comprising complaints shall be sent to the Director General or his/her Assistant, at least 10 (ten) days prior to the extraordinary session date.

(4) The deliberations before the Board of Directors shall be adversarial.

(5) 2/3 (two thirds) of its members.

In such case, representation shall not be allowed.

Section 31: (1) The Board of Directors may inflict the following penalties on the Director General or Assistant Director General:

- suspension of some of his/her powers;
- immediate suspension from his/her duties for a limited period;
- immediate suspension with a request for dismissal submitted to the appointing authority.

(2) Decisions shall be forwarded to the minister in charge of Local and Regional Authorities and the minister in charge of Finance, for information, at the behest of the chairperson of the Board of Directors.

Section 32: In the case of suspension from duty, the Board of Directors shall take necessary measures to ensure the smooth running of Agency.

Section 33 (1) Where the Director General is temporarily unable to perform his/her duties, the Assistant Director General shall deputize, or where the latter is absent, by an official with at least the rank of director designated by the Director General.

(2) In case of vacancy of the post of Director General as a result of death, resignation or expiry of term of office, and pending the appointment of a new Director General by the appointing authority, the Board of Directors shall take the necessary measures to ensure the smooth running of the Agency.

(3) Where the Director General or Assistant Director General is sanctioned, in accordance with Section 31 above, the Board of Directors shall take the necessary measures to ensure the smooth running of the Agency.

CHAPTER IV PERSONNEL

Section 34. (1) Personnel of the Agency may comprise:

- personnel recruited directly by the Agency;
- civil servants on secondment and State employees governed by the Labour Code placed at the disposal of the Agency;
- casual, seasonal and temporary staff whose terms of recruitment, remuneration and termination of contract shall be laid down by the Staff Regulations of the Agency.

(2) Staff referred to in Section 34 (1) above shall have a profile that matches with the positions occupied.

Section 35: Civil servants on secondment and State employees governed by the Labour Code placed at the disposal of the Agency shall remain governed by the labour law throughout their employment, subject to the provisions of the General Rules and Regulations of the Public Service and special regulations relating to retirement, advancement and end of secondment.

Section 36: (1) The civil servants on secondment and State employees governed by the Labour Code put at the disposal of the Agency, irrespective of their original status, shall be fully covered by the Agency.

(2) This coverage shall concern salaries and incidentals, allowances, bonuses and other benefits granted by the Agency.

Section 37: (1) The civil and/or criminal liability of Agency personnel shall be subject to ordinary law regulations.

(2) Disputes between personnel and the Agency shall fall within ordinary law courts.

Section 38: Agency staff shall on no account be a salary earner and benefit from a remuneration of any form whatsoever in another body, or have a direct interest in operations financed by the Agency.

Section 39: The instrument of appointment of the Director General and Assistant Director General shall not confer on them the status of employee of the Agency, unless they are already under contract with the Agency.

CHAPTER V

FINANCIAL PROVISIONS

I. RESOURCES

Section 40: (1) The financial resources of the Agency shall be public funds managed in accordance with the rules provided for in the Finance Regime of the State and the other public entities.

(2) The resources of the Agency shall be made up of:

- state subsidies;
- proceeds from services delivery;
- donations and legacies;
- resources derived from cooperation and partnerships,
- any other resources derived directly or indirectly from its activities or which may be allocated by the regulations in force.

II. BUDGET AND ACCOUNTS

Section 41: The financial year of the Agency shall run from 1st January to 31 December each year.

Section 42: (1) The Director General shall be the chief budget authorizing officer of the Agency.

(2) Secondary authorizing officers may be instituted by the Board of Directors on his/her proposal.

Section 43: (1) The draft annual budget together with the performance project including the investment plans of the Agency shall be prepared by the Director General and adopted by the Board of Directors.

(2) The budget shall be presented in the form of sub-programmes consistent with national or sector public policy objectives.

(3) The budget of the Agency shall be balanced in revenue and expenditure.

(4) All the revenue of the Agency and its expenditure shall be captured in the budget adopted by the Board of Directors.

Section 44: (1) The sum indispensable to cover the recurrent expenditure and in general the resources of the Agency may be deposited to a bank account open after the agreement of the minister in charge of Finance.

(2) Commitment, liquidation, payment authorization and payment of the sums deposited in the bank account referred to in Section 44 (1) above shall be made in accordance with the public accounting rules.

Section 45: (1) The budget shall be adopted by the Board of Directors.

(2) The budget of the Agency adopted by the Board of Directors shall be forwarded to the Minister in charge of Finance, for approval.

(3) The budget shall be enforceable once adopted by the Board of Directors, subject to repugnant provisions of the laws and regulations in force.

Section 46: The accounts of the Agency must be regular and accurate and give a true and fair view of its assets and financial position.

Section 47: (1) The Agency shall carry out 3 (three) types of accounting:

- budgetary accounting of revenue and expenditure;
- general accounting;
- cost accounting.

(2) The Agency may also carry out other types of accounting.

Section 48: The Director General shall submit the administrative and management accounts, as well as annual performance reports to the Minister in charge of Finance and the Minister in charge of the Economy, as the case may be, within the 6 (six) months following the close of the financial year

III. MANAGEMENT OVERSIGHT AND MONITORING

Section 49: (1) An accountant and a specialized financial controller shall be appointed to the Agency by order of the Minister in charge of Finance.

(2) The accountant and specialized financial controller shall perform their duties in accordance with the laws and regulations in force except otherwise provided for by the international conventions duly ratified by Cameroon and published. In such case, the instruments setting up the Agency shall lay down the terms and conditions of financial management.

Section 50 (1) The accountant shall collect and record all the revenue and expenditure of the Agency. He/she shall control the regularity of revenue authorizations, payment orders and payments authorized by the Director General.

(2) The payment of authorized expenditure shall be made solely with the accountant of the Agency.

Section 51: The specialized financial controller shall be in charge of the control of the instruments bearing on revenue and expenditure taken either by the Director General or the secondary authorizing officers. He shall be responsible in general for the control of the execution of the budget.

Section 52: (1) The specialized financial controller and the accountant shall submit their respective reports on the execution of the budget of the Agency to the Board of Directors.

(2) Copies of the said reports shall be forwarded to the Minister in charge of Finance, the Minister in charge of the Economy and the Director General of the Agency.

Section 53 (1) The Director General shall produce at the end of each financial year, all the statements on the situation of bank accounts, and deposit and portfolio accounts. He/she shall also make inventories as well as statements of claims and debts.

(2) The Director General shall, within 6 (six) months of the close of the financial year, present to the Board of Directors and, as the case may be, the minister in charge of Finance and the minister in charge of the Economy, the administrative and management accounts and annual performance reports.

Section 54: Monitoring of the management and performance of the Agency shall be ensured by the minister in charge of Finance. In this respect, the Agency shall forward to the minister in charge of Finance, all documents and information relating to the Agency which must be put at the disposal of board members, by virtue of ordinary law.

CHAPTER VI
MANAGEMENT OF ASSETS

Section 55: (1) The assets of the Agency shall include:

- goods of the National Office for Industrial Free Zones devolved on the Agency;
- goods acquired directly by the Agency;
- goods from the private land of the State transferred to the Agency;

(2) goods of the public and national land, as well as goods from the private land of the State transferred to the Agency in accordance with the land legislation keeping their initial status.

(3) The special-purpose assets of the Agency shall be made up of all movable and immovable goods, tangible and intangible goods, transferred by the State. These special-purpose assets shall be made after the inventory of all the assets considered.

(4) Assets falling under the private property of the Agency shall be managed in accordance with ordinary law.

Section 56: (1) The Director General shall manage the assets of the Agency, under the supervision of the Board of Directors.

(2) The management of the assets referred to in Section 56 (1) above shall concern the acquisition of property and the disposal thereof.

Section 57 (1) In case of disposal of property of the public corporation, the general manager shall require the prior authorization of the board of directors. He/she shall update the board of directors on the situation of assets, which shall be reviewed during one of its sessions.

(2) The authorization of the board of directors shall be obtained through a resolution adopted by at least 2/3 of its members.

CHAPTER VII
PUBLIC CONTRACTS

Section 58: (1) The Agency shall be subject to the provisions of the Public Contracts Code.

(2) The Director General shall be the contracting authority for all contracts.

Section 59: The Internal Tender Boards set up with the Agency shall ensure the rules of transparency, competition and fair price.

CHAPTER VIII
MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS

Section 60: (1) Notwithstanding the provisions of this decree, in case of serious crisis likely to undermine the general interest missions, the corporate purpose of the Agency or sector objectives of the Government, a provisional administrator may be appointed by decree of the President of the Republic, in lieu of the management bodies of the Agency.

(2) The instrument appointing the provisional administrator shall specify his/her powers as well as the duration of tenure, which in any case, may not exceed 1 (one) month.

(3) Upon expiry of the tenure, the provisional administrator shall be bound to produce a progress report presenting all the management acts performed.

Section 61 (1) The National Office for Free Industrial Zones shall continue to carry out its activities until the setting up of the governing bodies of the Agency.

(2) All staff and assets of the National Office for Industrial Free Zones devolved on the Agency;

Section 62: All previous provisions repugnant to this decree notably those of decree No.2015/178 of 6 April 2015 to organize and regulate the functioning of the Economic Zones Promotion Agency shall be repealed.

Section 63: This decree shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaoundé, 24 May 2019

(signed) Paul Biya,

President of the Republic

**Decree No.2008/15/PM of 24 January 2008
to Specify the Conditions for the Implementation of Law No.2006/12 of 29 December
2006 to lay down the General Regime for Partnership Contracts**

The Prime Minister, Head of Government,

Mindful of the Constitution;
Mindful of Law No.2006/12 of 29 December 2006 to Lay Down the General Regime for Partnership Contracts;
Mindful of Decree No.92/89 of 4 May 1992 to specify the Rights and Duties of the Prime Minister, as amended and supplemented by Decree No.95/145-a of 4 August 1995;
Mindful of Decree No.2004/320 of 08 December 2004 to organise the Government, as amended and supplemented by Decree No.2007/268 of 7 September 2007;
Mindful of Decree No.2008/35 of 23 January 2008 to Organise and Regulate the Functioning of the Support Council for the Realisation of Partnership Contracts;

HEREBY DECREES AS FOLLOWS:

CHAPTER I
GENERAL PROVISIONS

Section 1: This decree specifies the conditions for the implementation of Law No.2006/12 of 29 December 2006 referred to above.

Section 2: (1) The Prime Minister shall be the High Authority for Partnership Contracts. He shall have the power of awarding contracts.

(2) Notwithstanding the provisions of Section 2 (1) above, the Prime Minister may delegate this power to the manager of the Public Entity who initiated the project.

(3) The signing of the partnership contract shall rest on the entity that initiates the project.

CHAPTER II
PROJECT ASSESSMENT CONDITIONS

Section 3 (1) The partnership contract shall be concluded only where the assessment carried out to determine the eligibility of a project to the partnership contract shows without prejudice to other possible criteria its complex character and the urgency of realisations.

(2) The complex character of a project shall mean the objective inability of a public entity to determine, by its own, the means likely to meet its needs or appraise what the market can offer in terms of technical and/or financial or legal solutions.

(3) The urgency is prompted by general interest ensuing from the need to catch up delays in the construction of social amenities or to accelerate growth in a domain or in a given geographic area.

Section 4: The assessment of projects eligible to the partnership contract regime shall rest on the procedure that shall comprise the following steps:

- initiation of the project.
- feasibility study
- opinion of the Minister in charge of Finance;
- assessment of the expert body.

Section 5 (1) The initiation of projects eligible to the partnership contracts regime shall rest on public administrations, local and Regional Authorities and public establishments.

(2) The provisions of the preceding subsection shall remain valid even where the project proposal is introduced by a private entity. In this case, the private operator concerned may benefit from a bonus under the competitive public tender notice for the selection of the public entity's partner.

Section 6: (1) The feasibility study shall correspond to the phase of maturation of the project. It shall comprise a feasibility file highlighting the economic and social interest of the project, the technical and financial arrangement of the project, the legal arrangements, the overall cost, the existing technology, the list of the potential partners qualified.

(2) In all cases, the feasibility file shall fulfil the requirements provided for in Section 6 (1) of the law on the general regime for partnership contracts.

Section 7: The feasibility study shall be prepared by the public entity initiating the project and forwarded to the Minister in charge of Finance for opinion in accordance with the law. It shall compulsorily include a summary note of the opinions of the competent technical entities notably the Minister in charge of regional development.

Section 8: (1) The opinion of the Minister in charge of Finance shall bear on the budgetary sustainability of the project, in particular the consistency of financial commitments with the appropriations available and impact on public finance.

(2) The Minister in charge of Finance shall have a period of thirty (30) days as from the date of reception of the file to forward his/her opinion to the public administration initiating the project.

Section 9: (1) The file complemented by the opinion of the Minister in charge of Finance shall be submitted to the expert body by the public entity initiating the project.

(2) Even where the public administration initiating the project associates the expert body in the preparation of the feasibility file, it shall still have to submit the said file to the said body for examination.

Section 10: The analysis of the file by the expert body shall result in the drafting of an evaluation report.

Section 11: (1) The evaluation report shall be complemented by the opinion of the expert body on the option of carrying out the project in the partnership contract mode. It shall be submitted to the public administration initiating the project.

(2) The opinion given by the expert body shall precede to the launch of the partner selection and partnership contract award procedure.

Section 12: Partnership contracts shall be awarded on the basis of tender rules and advertisement, enabling free participation, fairness in the treatment of candidates and objectivity of the procedure.

Section 13: The selection of the subcontractor of the public entity as part of projects eligible to the contract regime:

The partnership shall comprise the following steps:

- public request for expressions of interest;
- restricted invitation to tender;
- presentation;
- pre-qualification dialogue;
- award of contract;
- notification of results;
- signing of the contract.

Section 14: Competitive bidding processes shall only take place on the basis of a tender file prepared by the public administration initiating the project, after the evaluation referred to in Section 3 of this decree.

Section 15: The competitive bidding process for the selection of the subcontractor of the public entity shall specify the administrative conditions, references to similar services, staff, facilities, material and financial standing of the bidder.

Section 13: (1) The tender file shall be submitted to the validation of the expert body before the launch of the call for expression of interest or the invitation to tender.

(2) The opinion of the expert body shall take the form of a notice of no objection.

Section 17: (1) After the validation of the tender file, the public administration initiating the project shall launch a call for expression of interest for the realisation of an infrastructure, equipment or service provision project in partnership contract.

(2) The call for expression of interest shall be widely published through various communication means. It shall be complemented by a technical fact sheet of the project to be carried out.

(3) The procedures referred to in sections 12 to 15 of this decree shall remain valid even where the project has been proposed by a private operator.

(4) The expression of interest notice shall fix the time limits and format of this expression of interest.

Section 18: (1) The public administration initiating the project shall launch the restricted invitation to tender no later than 15 (fifteen) days after the time line set by the call for expression of interest. This shall be on the basis of the list of the service providers who will express their interest in bidding.

(2) This procedure shall seek to retain no more than 5 (five) candidates in view of the restricted invitation to tender.

Section 19: The restricted invitation to tender file shall lay down the rules of competition and composition of the bidding file.

Section 20: (1) Based on the bidding files and in as much as they are necessary for the

appraisal of the candidates' capacities, the public entity may only ask information and documents or any of the following information or documents:

- statement on overall turnover and turnover concerning services to which the partnership contract relates and carried out during the past 3 (three) financial years;
- statement indicating the staff strength of the candidate and the importance of supervisory staff for each of the past 3 (three) years;
- list of the main services provided during the past 3 (three) years or presentation of the list of works under way or carried out over the past 5 (five) years, indicating the amount, date and public or private recipient;
- reference of academic certificates and/or professional experience of official (s) or the performers of the planned service;
- statement on the tools, equipment and technical re-equipment which the service provider or entrepreneur has at his/her disposal to carry out the statement mentioning the technicians or the technical bodies which the entrepreneur will have for the performance of services;
- certificates of professional qualification. In this respect, the public entity shall specify that the proof of the entity's capacity may be provided by all means, notably by certificate of professional identity or references to work testifying to the competence of the enterprise to perform the assignment for which they are standing for;
- certificates issued by services in charge of quality control and authorized to attest the compliance of services with specifications or standards. However, the public entity shall accept other proofs of quality guarantee produced by service providers where they cannot obtain them within the time limits prescribed;
- samples, descriptions and/or photographs of supplies and services;
- Information relating to the nationality of the candidate for contracts awarded for defence purposes as well as additional information bearing on the prior authorization, composition of shareholders, installation of its technological assets; skills shall be expected from the performers of the contract;
- information relating to subcontracting contracts between the bidder and small and medium-enterprises or local craftsmen.

(2) The public entity shall specify in the competitive bidding notice or bidding rules the information and documents referred to in Section 20 (1) which must be produced by the candidate.

(3) They shall also indicate in the competitive bidding notice where necessary, the maximum number of candidates who shall be retained to bid or participate in the pre-qualification dialogue.

(4) To prove the professional, technical and financial capacities of one or several subcontractors, the candidate shall produce the same documents concerning the subcontractor (s) as those required of the candidates by the public entity. The candidate shall further provide either the sub-contracting contract or a written commitment of the subcontractors to prove that he/she has the capacities of the sub-contractors for the performance of the contract.

Section 21: (1) The candidate to a partnership contract shall produce an affidavit to prove that he/she doesn't fall in the cases of exclusions referred to Section 11 of Law No.2006/12 of 29 December 2006 to lay down the general regime for sub-contracting contracts.

(2) The candidate shall also produce bulletin No.2 of the criminal record, attestations and certificates issued by the competent administrations and bodies to prove that he/she has fulfilled the fiscal and social obligations.

(3) Candidates residing outside Cameroon shall produce documents, certificates, attestations and documents equivalent to those referred to the preceding subsection, in accordance with the regulations of the State where they reside. Where these regulations

shall not provide for documents, certificates, attestations or similar documents, the candidate shall produce a solemn statement before the competent judicial or administrative authority, a notary or a qualified professional body of his/her country.

Section 22: (1) Upon expiry of the deadline set by the competitive bidding regulations, files shall be received by the public administration initiating the project, which shall forward the files to the special partnership contract board for the opening and assessment of bids.

The special board referred to in the preceding subsection shall be an ad hoc board set up by Order of the Prime Minister which shall also organise and regulate its functioning.

- The special board shall be set up 7 (seven) days before the date set for the opening of bids. It shall be presided at by a personality designated by the Prime Minister. Its members shall be experts from the expert body, the administration initiating the project and other administrations with the technical capacities necessary for the bid assessment.

Section 23: (1) The special partnership contract board shall receive, open and assess the bids. It shall produce minutes of the deliberations and draft a report of the pre-selection and forward it to the authority having the power of approval.

- (2) The pre-selection report shall present the results of the assessment by order of merit.

Section 24 (1) Upon reception of the pre-selection report by the special partnership contract board, the authority having the power of approval shall publish the names of the short-listed candidates. They shall be notified officially within 10 (ten) days following the publication of the results.

- (2) The non-short-listed candidates shall be informed by letter with an acknowledgement of receipt within the same time limits.

Section 25: The notification of the results of the short-listed candidates shall take the form of a letter of invitation to the pre-qualification dialogue. The said letter shall indicate the date provided for the beginning of the pre-qualification dialogue and specify elements for supplementary information to be provided by the short-listed candidate(s).

Section 26: (1) The pre-qualification dialogue shall be conducted by the public administration initiating the project, in conjunction with the expert body. It shall be a consultation between the public entity and the short-listed candidate(s) allowing for the determination of technical means as well as the appropriate legal and financial arrangements for the realization of the project.

- (2) The pre-qualification dialogue shall further seek to rank, by order of merit, candidates that have the technical skills, the technology, experience and professional ability to meet the exigencies of the public entity.

- (3) Hearing of candidates shall be strictly under fair conditions. The public entity cannot provide a candidate with information likely to benefit him/her more than other candidates. The public entity shall not reveal to other candidates the solutions proposed or confidential information communicated by a candidate during the discussion without the agreement of the latter.

- (3) During the pre-qualification dialogue, the public entity may decide to modify the consistency of the project. In that case, it shall provide compensation commensurate to the excess costs arising from the studies for the disqualified bidders.

- (4) The compensation provided for under Section 26 (4) above shall not exceed 30% (thirty per cent) of the costs of studies on the project. Its amount shall be fixed by the expert body.

Section 27: (1) At the end of the pre-qualification dialogue, the public administration initiating the project shall produce deliberations' minutes and invite candidates to submit their final bid on the basis of the solution(s) presented and specified during the said dialogue, within a time limit that shall not exceed 20 (twenty) years.

(2) Bids received within the time limit shall be submitted to the special partnership contract boards.

Section 28: (1) The special partnership contract board shall open and assess the bids. It shall draft a pre-qualification report and forward it to the authority having the power of approval.

(2) The pre-qualification report shall present the results of the assessment by order of merit, in accordance with the provisions of Section 10 of Law No. 2006/12 of 29 December 2006 to Lay down the General Regime of Partnership Contracts.

Section 29: (1) Where it calls off the contract award, the public entity shall notify the short-listed candidates. The latter may, in this case, claim a compensation.

(2) In any case, the compensation provided for in the preceding subsection shall not exceed 30% (thirty per cent) of the costs of the project design. Its amount shall be fixed by the expert body.

Section 30: (1) Once the pre-qualification report is received, the authority having the power of approval shall designate and made known the name of the successful bidder. The latter shall be officially notified no later than 10 (ten) days following the publication of the results.

(2) Unsuccessful candidates shall be informed of the non-qualification of their offers within the same time limits.

Section 31 (1) As from the notification of the results, the public administration initiating the project shall set the date of the beginning of discussions on the terms of the contract in accordance with the provisions of the law laying down the general regime for Partnership Contracts.

(2) It shall be assisted in the contract negotiation phase by the expert body.

(3) The end of discussions shall be crowned by a report. The said report and the draft contract shall be submitted to the expert body for appraisal.

(4) The signing of the contract shall take place after the no-objection notice of the expert body. It shall be followed by an official notification to the beneficiary under the conditions provided for by law.

CHAPTER IV

EXECUTION CONDITIONS AND CONTRACTS FOLLOW-UP

Section 32: (1) The partnership contract shall be a single two-sided document. All the contractual documents provided for in the competitive bidding regulations shall be annexed to it.

(2) The partnership contract shall necessarily be concluded before the kick-off of the execution.

(3) Any claim bearing on the performance of services before the entry into force of the partnership contract shall not be accepted.

Section 33: The partnership contract shall enter into force after its notification to the successful bidder by the public administration initiating the project.

Section 34: (1) After notification of the contract, the public administration initiating the project shall designate a project management team and an official charged with monitoring the performance of the partnership contract without prejudice to the powers and duties devolved on the expert body.

(2) The conditions for monitoring referred to in Section 34 (1) above shall be laid down in the partnership contract.

Section 35: Where the partnership contract shall bear on the use of public domain, the conditions for such use shall be determined under the same modalities as those of a public service concession.

Section 36: At the end of each year, the public entity and the subcontractor shall obligatorily assess the performance of the partnership contract. The modalities for this assessment shall be written down in the partnership contract.

general
CHAPTER V
LITIGATIONS AND SANCTIONS RELATING TO
PARTNERSHIP CONTRACTS

Section 37. (1) The public entity shall be authorized to take sanctions against the defaulting subcontractor, without prejudice to legal proceedings against the latter, where it is established, after notification of the contract or at any time during its execution, that:

- the partner willingly concealed or manipulated information that favoured his/her selection;
- the partner failed to honour contract clauses;

(2) Cases on non-compliance with the clauses of the contract referred to in Section 37 (1) above may, where necessary, be subject to a tentative amicable settlement.

(3) The tentative amicable settlement provided for in Section 37 (2) above shall have no incidence on the ordinary law procedure except otherwise provided for by the partnership contract.

(4) Conditions for amicable settlement shall be determined by the partnership contract which may in this respect provide for the resort to arbitration.

Section 38: (1) Any candidate who considers that the partnership contract has been unfairly or illegally awarded shall seek remedy with the contracting authority.

(2) Appeal by the candidate who thinks he/she shall be lodged 3 (three) days, as from the date of publication and notification of the results of each of the phase of the partnership award contract. Such an appeal shall only bear on compliance with the competitiveness regulations.

Section 39: The partnership contract may be terminated by:

- the competent judge at the request of the sub-contractor of the public entity;
- the conceding public entity, either for gross error by the subcontractor or for general interest. In this last case, an allowance covering the investment costs shall be paid to the subcontractor.

Section 40: In the event of termination of contract, the public entity shall take measures to ensure the continuity of public service or works. It may in this respect resort to the best candidate in the list of the pre-qualification or ensure the continuity of direct labour.

MISCELLANEOUS AND FINAL PROVISIONS

Section 41: (1) Members of the Special Partnership Contracts Board shall be bound to professional secrecy for information, facts and acts he/she shall receive in the performance of his/her duties.

(2) Failure to comply with this obligation shall constitute a gross error leading to the exclusion of the defaulter from the Board, without prejudice to disciplinary and/or judicial prosecution.

Section 42: The provisions of this decree may be supplemented and specified as and where necessary by procedural specifications prepared by the expert body and made public by Order of the Prime Minister.

Section 43: This decree shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaounde, 24 January 2008.

(signed) Inoni Ephraim

**Prime Minister, Head
of Government**

Law no 2GZG / 010 of 20 July to regulate statistical activity in Cameroon

CHAPTER I

GENERAL PROVISIONS

SECTION 1: This law regulates statistical activity in Cameroon.

It lays down the basic principles for producing official statistical data, rules of professional conduct, the institutional framework for statistical production and the terms and conditions for coordinating statistical activity.

SECTION 2: Within the meaning of this law, the following definitions shall apply:

Statistical activity: all tasks whereby statistical data or statistical information relating to gender, governance and economic, political, demographic, social and environmental phenomena, etc. are obtainable using a rigorous methodology;

Data collection: operation consisting in gathering required data using various collection methods and loading them in the appropriate storage medium;

Statistical dissemination: placing at the disposal of the public statistical data produced by the National Statistical Information System in all the forms authorized by the regulations in force and with due respect for the privacy of the natural and legal persons having provided the information used to produce such data;

Individual data: any information relating to an identified natural or legal person that can be identified directly or indirectly by reference to an identification code or to one or more elements specific thereto;

Statistical data or statistics: quantified information relating to the life of a Nation obtained through appropriate processing using statistical methods;

Statistical information: any organized quantitative and/or qualitative information obtained from statistical data;

Microdata: immediate results obtained from observing statistical characteristics and variables collected through an observation unit and that have not been processed statistically;

Statistical production: a process consisting in producing statistical information through the determination of needs, the design of collection methodology, data collection, data entry, data processing, the production of results, dissemination and archiving;

Statistical secrecy: measure helping to ensure that natural or legal persons providing information to be used for statistical purposes enjoy the respect for the confidentiality of information on their personal and family life, or commercial secrecy for businesses;

Statistical service: any statistical entity and/or body responsible for producing and

disseminating public statistics at the national, regional and continental levels;

Official statistics: statistical data produced by services under the National Statistical Information System;

Data processing: operation consisting in cleansing data obtained from statistical and non-statistical sources alike in order to organize them in such a way as to have a clean file.

CHAPTER II

ORGANIZATION OF OF OFFICIAL STATISTICS PRODUCTION

SECTION 3: Official statistics shall be produced under programmes contained in the National Statistics Development Strategy.

SECTION 4: Any national or regional statistical survey requiring the collection of information from natural and legal persons shall be subject to obtaining a statistical visa issued under conditions laid down by order of the Minister in charge of statistics.

SECTION 5: Notwithstanding the provisions of Section 4 above, the internal statistical work of a government service not involving non-staff of such service shall not be subject to prior approval.

SECTION 6: (1) Official statistics producing services and bodies may, under their responsibility, entrust the collection, processing and analysis of specific information to private enterprises, bodies or establishments.

(2) The statistical data collection operations conducted within such framework shall be subject to prior approval.

SECTION 7: Entities responsible for producing statistics shall enjoy scientific independence and perform their functions in accordance with the fundamental principles of official statistics of the United Nations and the African Charter on Statistics.

SECTION 8: Official or public statistics must be produced in total transparency, objectivity and impartiality, and according to criteria allowing their practical use and making them available and accessible to all citizens, in accordance with the principles of the African Charter on Statistics.

SECTION 9: (1) Natural and legal persons subject to statistical data collection operations must be informed through appropriate means of the legal and institutional framework for statistical data production, in accordance with the fundamental principles of official statistics of the United Nations and the African Charter on Statistics.

(2) They must also be informed of the objectives of statistical surveys and censuses or other operations conducted, the purpose of data collected, data collection and processing methods, the mediums and schedule of dissemination of data collected as well as measures taken to ensure and guarantee the confidentiality and protection of individual information.

SECTION 10: (1) Access to official statistics shall be open and free for all

users, subject to respect for the privacy of natural and legal persons whose information is used to prepare such statistics.

(2) The use of official statistics shall be free, provided the source is indicated.

SECTION 11: The integrity of official statistical data must be preserved. Any manipulation for unlawful ends shall be prohibited.

CHAPTER II

INDIVIDUAL DATA PROTECTION

SECTION 12: Any natural or legal person involved in the conduct of any statistical data collection operation shall be bound by statistical secrecy.

SECTION 13: Individual data collected within the framework of statistical data collection operations may not be disclosed in any way whatsoever, unless explicitly authorized by the natural or legal persons concerned, in accordance with the principles of the African Charter on Statistics.

SECTION 14: (1) The nominative information relating to a natural or legal person entered in questionnaires during statistical data collection operations may not be used outside the services responsible for such statistical operations.

(2) Under no circumstances may the individual data collected be used for purposes other than those for which they were collected.

(3) However, microdata concerning individual statistical units may, on the written authorization of the head of the official statistics service or body concerned, be disseminated in the form of an anonymous file for public use, in accordance with the conditions of use to be specified in the data transfer protocol.

(4) In any case, statistical data may not be used for the purposes of fiscal or criminal prosecution or repression.

CHAPTER IV

OBLIGATION OF RESPONDENTS IN STATISTICAL DATA COLLECTION OPERATIONS

SECTION 15: Natural or legal persons subject to statistical surveys and censuses shall be bound to respond accurately and within the time-limits set by the instruments instituting such operations, in accordance with the principles of the African Charter on Statistics.

SECTION 16: The legal persons called upon to place administrative files at the disposal of the relevant statistical services of the National Statistical Information System for statistical exploration purposes shall be bound to provide such files to the said services within 15 (fifteen) days from the date of acknowledgement of receipt of the request submitted by the statistical service.

SECTION 17: (1) Where the natural or legal person subject to the statistics collection operations fails to respond or provides an inaccurate response, a report shall be drawn up. The same shall apply to legal persons that refused to provide their administrative files to statistical services to be exploited for statistical purposes.

(2) In the absence of an accurate and timely response, the competent authority of the statistical operation shall formally notify the defaulting natural or legal person by a registered letter with acknowledgement of receipt of an additional time-limit for a response. Such time limit may not exceed 10 (ten).

CHAPTER IV **PENALTIES**

SECTION 18: (1) whoever violates statistical secrecy shall be liable to the penalties provided for in the Criminal Code regarding professional secrecy, without prejudice to administrative sanctions.

(2) In like manner, any natural or legal person that has received protected data and that violates the data transfer protocol shall be liable to a fine of from 100 000 (one hundred thousand) CFA francs to 1 000 000 (one million) CFA francs for a natural person and 0.01% of the turnover or wage bill for a legal person, without prejudice to other penalties provided for by the laws in force.

SECTION 19: Whoever refuses to participate in statistical surveys and censuses or makes false statements shall be liable to the following fines:

- between 10 000 CFA francs and 50 000 **CFA** francs for a natural person;
- 1% of the turnover of the previous year for a private company or 0.01% of the wage bill of the previous year for a legal entity with no turnover or a semi-public entity.

CHAPTER V **NATIONAL STATISTICAL INFORMATION SYSTEM**

SECTION 20: The National Statistical Information System shall comprise all the national public and semi-public services and bodies that produce, provide and disseminate statistical data.

SECTION 21: The National Statistical Information System shall be responsible for the collection, processing and dissemination of official statistical data for public purposes.

SECTION 22: The National Statistical Information System shall be financed by the State budget and various contributions.

CHAPTER VI
PROVISIONS

SECTION 23: The conditions for implementing this law shall, as and when necessary, be laid down by regulation.

SECTION 24: All previous provisions repugnant hereto, particularly those of Law No. 91/23 of 16 December 1991 relating to censuses and statistical surveys, are hereby repealed.

SECTION 25: This law shall be registered, published according to the procedure of urgency, and inserted in the Official Gazette in English and French./-

Yaounde, 20 July 2020

(signed) Paul Biya

President of the Republic

Decree No.2013/7987/PM of 13 September 2013
to Set up, Organise and Regulate the Functioning of Follow-up
Committees for Physical and Financial Execution of Public Investment

The Prime Minister, Head of Government,

Mindful of the Constitution;

Mindful of Law No. 2007/6 of 26 December 2007 to Lay down the State Financial Regime;

Mindful of Law No. 2009/11 of 10 July 2009 to Lay down the Financial Regime for Local and Regional Authorities in the Republic of Cameroon;

Mindful of Law No. 2012/14 of 21 December 2012 to Lay down the Finance Law of the Republic of Cameroon for the 2013 Financial Year;

Mindful of Decree No.2011/48 of 23 February 2011 to Set up, Organise and Regulate the Functioning of the Public Contracts Regulatory Agency, as amended and supplemented by Decree No.2012/76 of 8 March 2012;

Mindful of Decree No.2008/220 of 4 July 2008 to Organise the Ministry of the Economy, Planning and Regional Development;

Mindful of Decree No.2008/376 of 12 November 2008 to Lay Down the Administrative Organisation of the Republic of Cameroon;

Mindful of Decree No.2011/408 of 9 December 2011 to Organise the Government; Mindful of Decree No. 2011/409 of 9 December 2011 to Appoint the Prime Minister, Head of Government;

Mindful of Decree No. 2012/75 of 8 March 2012 to Organise the Ministry of Public Contracts;

HEREBY DECREES AS FOLLOWS:

CHAPTER I

GENERAL PROVISIONS

Section 1: (1) A National Committee for the Follow-up of the Physical and Financial Execution of the Public Investment, a Divisional Committee for the Follow-up of the Physical and Financial Execution of the Public Investment and a Technical Council Committee for Follow-up of the Physical and Financial Execution of the Public Investment are hereby set up at national, regional, divisional and council level respectively in the Republic of Cameroon.

(2) The Committees referred to in Section 1(1) above shall have powers to follow up the execution of public investments, all sources of funding combined in their areas of jurisdiction.

Section 2: (1) Placed under the supervision of the Minister in charge of public investments, these Committees shall have as mandate to promote transparency through a participatory follow-up approach to public investment management integrating the Performance-Based Management rules.

(2) To this end, they shall be responsible for:

- informing the population on all public investment projects programmed in their localities for each financial year;
- internalizing and ensuring compliance with the projects logbook by vote holders;

- ensuring compliance of the public contracts programming logbook;
 - gathering the observations relating to the quality and effective realization of the projects executed in the course of the ongoing financial year or previous financial years;
 - ensuring the effectiveness of physical realisations and providing supporting documents of the gaps between projections and realisations;
 - contributing to the preparation of performance reports of administrations by providing information on the state of performance relating to projects of their sphere;
 - preparing data on public investment execution for the preparation of State budget assessment reports;
- assessing the level of satisfaction of the needs of projects' beneficiaries;
- improving civil society information on the level of execution of projects.

Section 3: At the operational level, each Committee for the Follow-up of public investment at national, regional and divisional level shall have a Technical Sub-Committee composed mainly of officials of administrations. The said Sub-Committee shall be charged with:

- providing the secretariat for Committee meetings;
 - preparing the meetings of the Follow-up Committee of the Physical and Financial Execution of Public Investment.

CHAPTER 11

COMPOSITION AND FUNCTIONING OF FOLLOW-UP COMMITTEES

I

NATIONAL COMMITTEE FOR THE FOLLOW-UP OF THE PHYSICAL AND FINANCIAL EXECUTION OF PUBLIC INVESTMENT

Section 4: The National Committee for the Follow-up of the Physical and Financial Execution of Public Investment shall comprise:

Chair: Chairperson of the Finance and Budget Committee of the National Assembly.

Vice-Chair: a representative of civil society.

Rapporteur: the Director General of the Economy and Public Investment Programming of the Ministry of the Economy, Planning and Regional Development (MINEPAT).

Members:

- a representative of the Ministry of Territorial Administration and Decentralisation;
- the Director General of the Budget in the Ministry of Finance (MINFI);
- the Director General of Public Contracts Control in the Ministry of Public Contracts (MINMAP);
- the General Manager of the Public Contract Regulatory Agency;
- Chairpersons and Vice-Chairpersons of Regional Committees;
- one Mayor per Region, member of the Regional Committee;
- a representative of village communities per Region, member of the Regional Committee;
- representatives of Government departments and bodies concerned;
- national managers of co-funded projects;
 - Chairpersons of the competent Central and Ministerial Tender Boards;

Section 5: A decision of the Minister in charge of public investments shall designate the Vice-chair and ascertain the composition of the National Committee for the Follow-up of the Physical and Financial Execution of Public Investment.

Section 6: The National Technical Sub-Committee shall comprise:

Chair: The Director General of the Economy and Public Investments Programming in the

Ministry in charge of public investments;

Vice-chair: The Director General of Public Contracts Control in the Ministry in charge of public contracts.

Members:

- the Director General of the Budget in the Ministry in charge of Finance;
 - the Director General of the Treasury, Financial and Monetary Cooperation in the Ministry in charge of Finance;
- managers of projects under central vote holding;
 - the territorially competent Regional Delegate of the Economy, Planning and Regional Development;
- the territorially competent regional delegate of public contracts;
- control engineers, representing the technical ministries concerned;
- national technical managers of co-funded projects;
 - secretaries of the competent Regional and Internal Tender Boards;
- representatives of the beneficiary administrations.

Section 7: The National Technical Sub-Committee shall be ascertained by decision of the Minister in charge of public investments, on the proposal of the Director General of the Economy and Public Investments Programming.

Section 8: (1) Reports of the National Technical Sub-Committee shall be submitted to the National Committee for the Physical and Financial Execution of Public Investment at the behest of its Chairperson.

(2) Reports of the National Committee for the Follow-up of the Physical and Financial Execution of Public Investment shall be submitted to the Prime Minister, Head of Government, to the Minister in charge of public investments, the Minister in charge of public contracts, the Supreme State Audit Services (CONSUPE) and the National Anti-Corruption Commission (CONAC), at the behest of its Chairperson.

II

REGIONAL COMMITTEE FOR THE FOLLOW-UP OF THE PHYSICAL AND FINANCIAL EXECUTION OF PUBLIC INVESTMENT

Section 9: The Regional Committee for the Follow-up of the Physical and Financial Execution of Public Investment shall comprise:

Chair: 1 (one) member of Parliament

Vice-Chair: a representative of civil society.

Secretary: the territorially competent Regional Delegate of the Economy, Planning and Regional Development.

Members:

- a representative of the territorially competent Governor's Office;
- the territorially competent regional delegate of public contracts;
 - the Head of the Regional Brigade for Public Contract Control at the territorially competent Divisional Delegation for Public Contracts;
- the territorially competent Regional Controller of Finance;
 - two (2) representatives of civil society (Development Committees, NGO, associations);
- two (2) Members of Parliament;
- two (2) Mayors;

- two (2) representatives of village communities benefiting from regional investment projects;
- officials of ministries and bodies concerned (regional vote holders, control engineers and users), local managers of co-funded projects;
- the Head of the competent Regional Branch of the Public Contracts Regulatory Agency;
- Chairpersons of competent Regional and Internal Public Contracts Boards.

Section 10: A decision of the Governor of the Region shall designate the Chair and Vice-chair, and ascertain the composition of Regional Committees for the Follow-up of the Physical and Financial Execution of Public Investment.

Section 11: The Regional Technical Sub-Committee shall comprise:

Chairperson: the territorially competent Regional Delegate of the Economy, Planning and Regional Development.

Vice-chairperson: the territorially competent Regional Delegate of public contracts.

Members:

- the territorially competent Regional Controller of Finance;
 - the Head of the Regional Brigade for the Control of the Execution of Public Contracts at the territorially competent Regional Delegation for Public Contracts;
- the territorially competent Paymaster General;
- regional investment vote holders;
 - the territorially competent Divisional Delegate of the Economy, Planning and Regional Development;
- the territorially competent Divisional Delegate of public contracts;
- control engineers;
- national technical managers of co-funded projects;
 - secretaries of the competent Regional and Internal Tender Boards;
- representatives of the beneficiary administrations.

Section 12: The composition of the Regional Technical Sub-Committee shall be ascertained by decision of the Governor of the Region, on the proposal of the Regional Delegate of the Economy, Planning and Regional Development.

Section 13: (1) Reports of the Regional Technical Sub-Committee shall be submitted to the territorially competent Regional Committee at the behest of its Chairperson.

(2) The relevant Chairperson of the Regional Follow-up Committee of the Physical and Financial Execution of Public Investment shall have the reports of the said Committee forwarded to the Prime Minister, Head of Government, as well as to the Minister in charge of the Economy, the Minister in charge of Public Contracts, the Minister in charge of the Supreme State Audit and the National Anti-Corruption Commission.

III
DIVISIONAL COMMITTEE FOR THE FOLLOW-UP OF THE
PHYSICAL AND FINANCIAL EXECUTION OF PUBLIC
INVESTMENT

Section 14: The Divisional Committee for the Follow-up of the Physical and Financial Execution of Public Investment shall comprise:

Chairperson: 1 (one) member of Parliament.

Vice-Chair: a representative of the civil society.

Secretary: the territorially competent Divisional Delegate of the Economy; Planning and Regional Development.

Members:

- a representative of the territorially competent Senior Divisional Office;
- the territorially competent Divisional Delegate of public contracts;
 - the Head of the Divisional Brigade for the Control of the Execution of Public Contracts at the territorially competent Divisional Delegation for Public Contracts;
- the territorially competent Divisional Controller of Finance;
- 2 (two) representatives of civil society (Development Committees, NGO, associations);
- 3 (three) locally elected officials (Member of Parliament and Mayors);
- heads of villages that have benefited from investment projects;
 - officials of ministries and bodies concerned (investment vote holders, control engineers, users);
 - the local representative of the competent Public Contracts Regulatory Agency.
 - the Chairperson of the Divisional Tender Boards.

Section 15: A decision of the Senior Divisional Officer of the Region shall designate the Chair and Vice-chair, and ascertain the composition of Regional Committees for the Follow-up of the Physical and Financial Execution of Public Investment.

Section 16: The Divisional Technical Sub-Committee shall comprise:

Chairperson: the territorially competent Divisional Delegate of the Economy, Planning and Regional Development;

Vice-chairperson: the territorially competent Divisional Delegate of public contracts.

Members:

- the Head of the Divisional Brigade for the Control of the Execution of Public Contracts at the territorially competent Divisional Delegation for Public Contracts;
- the territorially competent Divisional Controller of Finance;
- the territorially competent Divisional Treasurer of Finance;
- regional investment vote holders;
- competent stores-accountants;
- control engineers;
- The Secretary of the competent Divisional Tender Boards;
- representatives of the beneficiary administrations.

Section 17: The composition of the Divisional Technical Sub-Committee shall be ascertained by decision of the SDO, on the proposal of the Divisional Delegate for the Economy, Planning and Regional Development.

Section 18: (1) Reports of the Divisional Technical Sub-Committee shall be submitted to the Divisional Committee for the Follow-up of the Physical and Financial Execution of Public Investment at the behest of its chairperson.

(2) The reports of the Divisional Committee for the Follow-up of the Physical and Financial Execution of Public Investment shall be forwarded to the Regional Committee for the Follow-up of the Physical and Financial Execution of Public Investment, at the behest of its Chairperson.

IV
TECHNICAL COUNCIL COMMITTEE FOR THE FOLLOW-UP OF
THE PHYSICAL AND FINANCIAL EXECUTION OF PUBLIC
INVESTMENT

Section 19: (1) A Council Technical Committee for the Follow-up of the Physical and Financial Execution of Public Investment under council vote holding, all sources of funding combined, shall be set up at the council level.

This Committee shall be charged with:

- pooling data on the physical and financial execution of all public investment projects carried out in the council concerned, on the basis of information provided by Control Engineers, certified in writing and written down in project fact sheets designed for this purpose;
- ascertaining the implementation of the programming of public investment contracts of the Council;
- giving a statement on the performance of projects of the Council;
 - forwarding the report of the Technical Committee to the Divisional Technical Committee at the behest of its Chairperson.

The Council Technical Committee for the Follow-up of the Physical and Financial Execution of Public Investment shall comprise:

Chairperson: the Mayor or his/her representative.

Secretary: the Secretary General of the Council.

Members:

- a representative of the competent Divisional Officer;
- a representative of the competent Divisional Delegate of the Economy, Planning. Development;
 - a representative of the competent Divisional Delegate for Public Contracts;
 - the Head of the Divisional Brigade for the Control of Public Contracts at the competent Divisional Delegation for Public Contracts;
- the territorially competent Divisional Treasurer;
 - a representative of the council technical staff designated by the competent Mayor of the Council;
- Engineers involved in the execution and in the management of council projects.
- The composition of the Council Technical Committee for the Follow-up of the Physical and Financial Execution of Public Investment shall be ascertained by decision of the SDO.

V.
PERIODICITY OF THE MEETINGS OF THE VARIOUS COMMITTEES

Section 20: The periodicity of meetings of the different Committees shall be fixed as follows:

At national level:

- The National Technical Sub-Committee shall meet every six months before the holding of the session of the National Committee for the Follow-up of the Physical and Financial Execution of the Public Investment.
- The National Committee for the Follow-up of the Physical and Financial Execution of Public Investment shall meet during the fourth week following the end of each six months, that is 2 (two) annual sessions.

- The Regional Technical Sub-Committee shall meet every quarter before the holding of the session of the Regional Committee for the Follow-up of the Physical and Financial Execution of Public Investment.
- The Regional Committee for the Follow-up of the Physical and Financial Execution of Public Investment shall meet during the week following the end of each six months, that is 2 (two) annual sessions.

At the divisional level:

- The Divisional Technical Sub-Committee shall meet every quarter before the holding of the session of the Regional Committee for the Follow-up of the Physical and Financial Execution of Public Investment.
- The Divisional Delegation for the Follow-up of the Physical and Financial Execution of Public Investment shall meet the second week following the end of each quarter, that is 4 (four) annual sessions.

At the council level:

The Council Technical Committee shall meet during the first week following the end of each quarter, that is 4 (four) annual sessions.

Section 21: Follow-up Committee and Technical Sub-committee sessions shall be valid only where:

(1) At national level:

- The National Committee for the Follow-up of Physical and Financial Execution of Public Investment deliberates in presence of its Chairperson or representative, its Secretary and half of its external members.
- The National Technical Sub-Committee deliberates in the presence of its Chairperson, Control Engineers, the Regional Delegate of the Economy, Planning and Regional Development, and the Regional Delegate of Public Contracts and two thirds (2/3) of the other members.

(2) At regional level:

- The Committee for the Follow-up of the Physical and Financial Execution of Public Investment deliberates in presence of its Chairperson, its Secretary and half of its external members.
- The National Technical Sub-Committee deliberates in the presence of its Chairperson, Control Engineers, the Regional Delegate of the Economy, Planning and Regional Development, the Regional Delegate of Public Contracts and 2/3 (two thirds) of the other members.

(3) At the divisional level:

- The Divisional Committee for the Follow-Up of the Physical and Financial Execution of Public Investment deliberates in presence of its Chairperson, its Secretary and half of its external members.
- The Divisional Technical Sub-committee deliberates in the presence of its Chairperson or Vice-Chairperson, Control Engineers and 2/3 (two thirds) of its other members.

(4) At the council level:

- The Council Technical Committee for the Follow-up of the Physical and Financial Execution of Public Investment deliberates in the presence of its Chairperson, its Secretary or half of its other members.

CHAPTER III.
MISCELLANEOUS AND FINAL
PROVISIONS

Section 22: Civil society representatives (at national, regional or divisional level) shall be

designated among officials of the most representative associations, renowned for their moral integrity, intellectual honesty, neutrality and impartiality.

Section 23: Vote holders and Control Engineers shall be those provided for in the contracts or expenditure authorizations.

Section 24: Designation of locally elected officials shall take into account the national, regional or divisional political configuration as the case may be.

Section 25: (1) Committee meetings shall be chaired by their Chairperson. Where the Chairperson is unable to perform his/her duties, the Vice-Chairpersons shall automatically deputize.

Section 26: Control Engineers and vote holders shall be represented by their duly authorized representatives, bearer of written contributions of the substantives where they are unavoidably absent.

Section 27: Chairpersons of Committees and Technical Sub-Committees at all levels, may, as and where necessary, invite any natural or legal person to take part in the proceedings of the Committee in advisory capacity, by virtue of their expertise.

Section 28: (1) The function of members of Follow-up Committees and Technical Sub-Committees shall be free.

- However, they may be entitled to the reimbursement of their travel charges within the means available.

Section 29: The recurrent charges of Committees shall be borne by the budget of the Ministry of the Economy, Planning and Regional Development.

Section 30: The Minister of the Economy, Planning and Regional Development and the Minister Delegate at the Presidency in charge of Public Contracts shall each in their sphere of competence, be charged with the implementation of this decree which shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaounde, 13 September 2013

The Prime Minister, Head of Government

Decree No.2011/2414/PM of 17 August 2011
To Set up, Organize and Regulate the Functioning of the Inter-ministerial
Committee for the Review of Programmes

The Prime Minister, Head of Government,

Mindful of the Constitution;
 Mindful of Law No. 2007/6 of 26 December 2007 to Lay Down the State Financial Regime;
 Mindful of Decree No.92/89 of 4 May 1992 to Specify the Rights and Duties of the Prime Minister, as amended and supplemented by Decree No.95/145-a of 4 August 1995;
 Mindful of Decree No.2004/320 of 8 December 2004 to Organise the Government, as amended and supplemented by Decree No.2007/268 of 7 September 2007;
 Mindful of Decree No.2009/222 of 30 June 2009 to Appoint a Prime Minister, Head of Government,

HEREBY DECREES AS FOLLOWS:

CHAPTER I
GENERAL PROVISIONS

Section 1: This decree sets up, organizes and regulates the functioning of the Inter-Ministerial Programme Review Committee, abbreviated “CIEP”, hereinafter referred to as “the Committee”.

Section 2: (1) The Committee shall be placed under the authority of the Minister in charge of Finance. It shall have as missions to ensure consistency of the programmes with public policies and major strategic instruments of the State, in particular the Growth and Employment Strategy Paper (GESp) and the Medium-Term Expenditure Framework (MTEF) on the one hand, and compliance of programmes with the principles laid down by Law No2007/6 of 26 December 2007 to lay down the Financial Regime of the State on the other hand, based on a reference programme validation document.

To this end, it shall be responsible for:

- ensuring programme compliance with the principles laid down by Law No.2007/6 referred to above;
- ensuring the coherence of ministerial programme areas;
 - ensuring the reliability of programme indicators, and appropriate formulation of the objectives set to programmes in the light of their actions;
 - overseeing the designation of operational managers of programmes by sector ministries.

(2) The Committee shall perform any other task assigned to it by the Government.

CHAPTER II
ORGANISATION AND FUNCTIONING

Section 3 (1) The Committee shall comprise:

a Chairperson: the Minister in charge of Finance or his/her representative;

a Vice-Chair: the Minister in charge of the Economy or his/her representative.

Members:

~~- a representative of the Presidency of the Republic;~~

- a representative of the Prime Minister's Office;
- Secretaries General of Ministries;
- the Permanent Secretary for Administrative Reform;
- the Head of the "PROMAGAR" Coordination Unit;
- the President of the Technical Committee for the Monitoring of Economic Programmes (CTS).

(2) Committee members shall be designated ex-officio, by the administrations or bodies they represent.

(3) The Composition of the Committee shall be ascertained by decision of the Minister of Finance.

Section 4: The Chairperson of the Committee may invite any natural or legal person, by virtue of their expertise, to take part in the proceedings of the Committee in an advisory capacity.

Section 5: The secretariat for meetings of the Committee shall be provided by the Technical Secretariat.

Section 6: (1) The Committee shall meet no later than 14 (fourteen) days after the preliminary budget conferences, for a period that shall not exceed two weeks. However, the Committee may meet, as and when necessary, when convened by its Chairperson.

(2) Convening notices and working documents shall be forwarded to Committee members at least 7 (seven) days before the session date except for urgency cases.

Section 7: The Committee may set up sector sub-committees charged with specific activities.

Section 8: (1) For the discharge of its duties, the Committee shall have a Technical Secretariat placed under the coordination of the Director General of the Budget, assisted by the Director General of the Economy and Public Investment Programming.

Section 9: (1) The Technical Secretariat shall be responsible for:

- preparing files to be submitted to the Committee;
- preparation of a reference base or guide for the validation of programmes;
- drafting proceedings, reports and minutes of Committee meetings;
- keeping Committee documents;

(2) It shall perform any other tasks assigned to it by the Committee.

Section 10: (1) In addition to the Coordinator and its deputy, the Technical Secretariat shall comprise:

- Head of the Budget Preparation Division;
- Head of the Budget Reform Division;
- Head of the Shares and Contributions Division;
- Director of Personnel and Pensions Expenditure;
- Director of Planning in the Ministry in charge of Public Investments;
- Director of Public Investment Programming;
 - The Head of the Forecast and Programmes and Projects Preparation Division in the Ministry in charge of Public Investments.

(2) The Composition of the Technical Secretariat shall be ascertained by decision of the Minister of Finance.

Section 11: The Coordinator of the Technical Secretariat may invite any natural or legal person, by virtue of their expertise or competence, to take part in the proceedings of the Technical Secretariat.

CHAPTER III.
MISCELLANEOUS AND FINAL
PROVISIONS

Section 13: (1) The function of Chairperson, Vice-Chairperson, member of the Committee and that of Coordinator, Deputy Coordinator and member of the Technical Secretariat shall be free of charge.

(2) However, the persons concerned and those invited in an advisory capacity may be entitled to session allowances.

Section 14: The recurrent charges of the Committee shall be borne by the budget of the Ministry of Finance.

Section 15: The Chairperson of the Committee shall send a report of the sessions to the Prime Minister, Head of Government, no later than 4 (four) days after the end of deliberations. This report shall highlight the main lessons learnt overall from each programme review session, together with its proposals concerning the means to be implemented in order to improve the quality of information provided to back draft finance bills.

Section 16: This decree shall be registered and published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaounde, 17 August 2011

(signed) Philemon Yang

Prime minister, Head of Government

Decree No.2014/2343/PM of 31 July 2014
to amend and supplement certain provisions of Decree No.2008/115/PM of 24 January 2008 to specify the conditions for the implementation of Law No.2006/12 of 29 December 2006 to lay down the General Regime for Partnership Contracts.

The Prime Minister, Head of Government,

Mindful of the Constitution;

Mindful of Law No.2006/12 of 29 December 2006 to lay down the general regime for partnership contracts; Mindful of Decree No.92/89 of 4 May 1992 to specify the Rights and Duties of the Prime Minister, as amended and supplemented by Decree No.95/145-a of 4 August 1995;

Mindful of Decree No. 2008/35 of 23 January 2008 to Organise and Regulate the Functioning of the Support Council for the Realisation of Partnership Contracts, as amended and supplemented by Decree No. 2012/148 of 21 March 2012;

Mindful of Decree No.2011/408 of 9 December 2011 to organise the government;

Mindful of Decree No.2008/115/PM of 24 January 2008 to specify the Conditions for the Implementation of Law No.2006/12 of 29 December 2006 to lay down the General Regime for Partnership Contracts;

HEREBY DECREES AS FOLLOWS:

Section 1: The provisions of articles 8, 13, 23, 24, 27, 31, 36 and 42 of Decree No.2008/15/PM of 24 January 2008 referred to above shall be amended and supplemented as follows:

Section 8 (new): (1) The opinion of the Minister in charge of Finance shall bear on the budget sustainability of the project.

(2) Budget sustainability shall consist in assessing the State or its entities' ability to assume the medium and long-term financial commitments brought by the project. The related opinion shall highlight the following elements:

- The maximum investment level;
 - The financing structure, in particular the share in equity fund expected from the private partner, the maximum loan amount, the maximum amount of investment ratio of the public entity, the form of this share (subsidy, direct loan, retroceded loan);
 - The loan conditions, including interest rates, grace period and the reimbursement duration;
 - The possible share of the public entity in the operation costs or other commitments pertaining to the period of operation; possible relations between the public entity and creditors (guarantees).

(3) Once the request for opinion is sent to the Minister in charge of Finance, the latter shall set up a Committee composed of officials in charge of the budget, taxation, customs and treasury in his Ministry and an official of the Ministry in charge of the Economy. The modalities for the functioning of this Committee shall be laid down by the Minister in charge of Finance.

(4) Where the project is submitted by a Local and Regional Authority for an amount equal or inferior to CFAF 100 (one hundred) million, the Minister in charge of Finance may assign the

assessment of its budget sustainability to a working group whose composition and functioning shall be fixed by a Decision. A regional official of the Ministry in charge of the Economy shall be a member of this working group as of right.

(5) The Minister in charge of Finance shall have a period of thirty (30) days as from the date of reception of the file to forward his/her opinion to the public entity initiating the project.

Section 13 (new) (1): The selection of the subcontractor of the public entity as part of the projects eligible for the partnership contracts shall be based on the following steps:

- 1- Call for expression of interest;
- 2- restricted invitation to tender;
- 3- pre-qualification dialogue;
- 4- award;
- 5- signing of the contract;
- 6- notification of the contract to the subcontractor.

(2) When the circumstances so require, the Prime Minister may, after the opinion of the expert body, authorize the public entity initiating the project to engage the pre-qualification dialogue directly with the candidate as part of the selection procedure of a subcontractor.

Section 23 (new): (1) The special partnership contract board shall open and assess the bids.

(2) At the stage of call for expression of interest, the assessment report of the Special Board shall comprise a list of no more than 5 (five) candidates that have to go through the restricted invitation to tender. The report shall be sent to the public entity initiating the project, with copies to the Prime Minister and to the Minister in charge of the Economy.

(3) At the stage of restricted invitation to tender, the pre-selection report of the Special Board shall comprise a list of no more than 3 (three) candidates that have to go through the pre-qualification dialogue. The pre-selection report shall be sent to the public entity initiating the project with copies to the Prime Minister and to the Minister in charge of the Economy.

Section 24 (new) (1) Upon reception of the assessment report, the public entity initiating the project shall have 30 (thirty) days to publish the restricted invitation to tender after the opinion of the expert body.

(2) Upon reception of the pre-selection report, the public entity initiating the project shall have 15 (fifteen) days to notify the short-listed candidates to start the pre-qualification dialogue which has to be completed within 20 (twenty) days.

(3) The non-short-listed candidates shall be informed by letter with an acknowledgement of receipt within the same time limits.

Section 27 (new) (1) At the end of the pre-qualification dialogue with each candidate, the public entity initiating the project shall produce the minutes of the deliberations. Minutes of the pre-qualification dialogue shall be signed by the public entity, the candidate and the expert body.

(2) At the end of the dialogue with all candidates, the public entity initiating the project shall invite the candidates to submit their final bids on the basis of the solutions presented and specified during the pre-qualification dialogue, within a time limit that shall not exceed 20 (twenty) days.

(3) Bids received within the time limit shall be submitted to the Special Partnership

Contract Boards.

Section 31 (new) (1) The public entity initiating the project shall invite the successful bidder to the negotiation of the terms of the partnership contract within 10 (ten) days as from the date of publication of the results.

(2) The public entity shall be assisted in the negotiation by the expert body.

(3) The end of negotiations shall be crowned by a report. The said report and the draft contract shall be submitted to the expert body for appraisal.

(4) The signing of the contract shall take place after the no-objection notice of the expert body. It shall be followed by an official notification to the beneficiary under the conditions provided for by law.

Section 36 (new) (1): At the end of each year, the public entity and its subcontractor shall obligatorily assess the performance of the partnership contract. The modalities for this assessment shall be written down in the partnership contract. Each assessment shall be crowned by a report signed by the public entity, the private partner and the expert body.

(2) The assessment report shall specify the performance status of the contract, observance of the commitments of each party, difficulties encountered, solutions agreed by mutual consent, the party in charge of the implementation of each solution and the time limit thereto.

Section 42 (new): ‘1) The provisions of this decree may be specified as and where necessary by procedural specifications prepared by the expert body and made public by Order of the Minister in charge of the Economy. ‘

Section 2: This decree shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaounde, 31 July 2014

(signed) Philemon Yang

Prime Minister, Head of Government

**Decree No. 2013/299 of 9 September 2013
to Set up, Organise and Regulate the Functioning of the Joint Committee Charged with
Monitoring the Stability of Private Investment Incentives in
Cameroon**

The President of the Republic,

Mindful of the Constitution;
Mindful of Law No.2002/4 of 19 April 2002 to Institute the Investment Charter of the Republic of Cameroon, and its subsequent amendments;
Mindful of Law No.2013/4 of 18 April 2013 to lay down Private Investment Incentives in the Republic of Cameroon;
Mindful of Decree No.2011/408 of 9 December 2011 to organise the Government;
Mindful of Decree No.2004/266 of 22 September 2004 to organise and regulate the functioning of the Regulation and Competitiveness Council,

HEREBY DECREES AS FOLLOWS:

CHAPTER I
GENERAL PROVISIONS

Section 1: This Decree sets up, organises and regulates the functioning of the Joint Monitory Committee charged with Monitoring the Stability of Private investment incentives in Cameroon provided for by Law No. 2013/4 to lay down Private Investment Incentives in the Republic of Cameroon hereinafter referred to as the “Committee”.

Section 2: The Committee shall be an advisory body placed under the authority of the Prime Minister, Head of Government.

Section 3: The Committee shall be responsible for, in conjunction with the Regulation and Competitiveness Committee, guaranteeing and ensuring the stability of incentives granted to investors under the Law referred to in Section 1 above.

CHAPTER II
ORGANISATION AND FUNCTIONING

Section 4: (1) The Committee shall comprise:

a) Chairperson: The Secretary-General at the Prime Minister's Office.

b) Members representing the public sector:

- 1 (one) representative of the Prime Minister's Office;
- 2 (two) representatives of the Minister in charge of private investments;
- 2 (two) representatives of the Minister in charge of Finance (DGD, DGI);
- 1(one) representative of the Ministry in charge of the Economy;
- 1 (one) representative of the Ministry in charge of Small and Medium-sized Enterprises;

c) Members representing the Private sector:

- 1 (one) representative of the Chamber of Commerce, Industry, Mines and Handicrafts (CCIMA);
- 1 (one) representative of the Chamber of Agriculture, Fisheries, Livestock and Forests

(CAPEF);

- 1 (one) representative of Cameroon Employers' Association (GICAM);
- 1 (one) representative of the Movement of Cameroonian Entrepreneurs (MECAM);
- 1 (one) representation of "Entreprises du Cameroun" (ECAM);
- 1 (one) representative of the Cameroon Industrial Union (SYNDUSTRICAM);
 - 1 (one) representative of the Association of Professionals of Credit Establishments in Cameroon (APECAM);

(2) Members of the Committee shall be designated by the entities and structures they are representing.

(2) The Composition of the Committee shall be ascertained by decision of the Prime Minister, Head of Government.

Section 5: The Chairperson of the Committee may invite any natural or legal person, by virtue of their expertise on an agenda item, to take part in the proceedings of the Committee in an advisory capacity.

Section 6: The Committee shall be contacted by sending a simple written request or by any other means leaving written track by any natural or legal person for all matters related to their area of expertise.

Section 7 (1): The Committee shall meet twice a year and when convened by its Chairperson as needed. Substantive minutes shall be sent to the Prime Minister, Head of Government at the end of each meeting.

(2) Convening notices along with the draft agenda and working documents shall be sent to members at least fifteen (14) days before the date of the meeting.

(3) The Committee cannot validly discuss items on the agenda unless at least 2/3 (two-thirds) of its members are present or represented.

(4) Committee decisions shall be taken by a simple majority of members present or represented. In the event of a tie, the Chairperson shall have the casting vote.

(5) The Committee shall send an annual report of its activities to the Prime Minister, Head of Government.

Section 8 (1): A Permanent Secretariat shall assist the Committee for the discharge of its duties.

(2) The Permanent Secretariat of the Regulation and Competitiveness Council shall perform the duties of the Permanent Secretariat.

Section 9: The Permanent Secretariat referred to in section 8 above shall be responsible for:

- organising meetings, drafting minutes and implementing the directives of the Committee;
- collecting, pooling and archiving working documents, monitoring the resolutions of the Committee;
- examining and submitting any measures likely to constitute a threat to the stability of the law to the Committee;
- monitoring and participating in the preparation of all instruments having an impact on private investment incentives in Cameroon;
- preparing the draft budget to be submitted to the Committee;
- performing any other tasks assigned to it by the Committee.

CHAPTER III
MISCELLANEAOUS AND FINAL
PROVISIONS

Section 10: The function of Chairperson and members of the Committee shall be free of charge. However, they may be entitled to a session allowance including persons invited in an advisory capacity; the amount shall be fixed by a decision of the Prime Minister, Head of Government.

Section 11: The recurrent charges of the Committee shall be included in the budget of the Prime Minister's Office.

Section 12: This decree shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaounde, 9 September 2013

(signed) Paul Biya

President of the Republic

**Decree No.2014/210/PM of 29 September 2014
to lay down the Conditions for Granting Leases and the Modalities for
the Payment of the Public Property Use Fee in Economic Zones**

The Prime Minister, Head of Government

Mindful of the Constitution;

Mindful of Law No.2016/11 of 16 December 2013 to regulate Economic Zones in Cameroon;

Mindful of Ordinance No.74/1 of 6 July 1974 to lay down the Land Regime along with its Subsequent Amending Instruments;

Mindful of Ordinance No.74/2 of 6 July 1974 to lay down the Land System, along with its Subsequent Amending Instruments;

Mindful of Decree No.76/166 of 27 April 1976 to lay down the Terms and Conditions for the Management of National Land;

Mindful of Decree No.176/67 of 27 April 1976 to lay down the Terms and Conditions for the Management of the Private Property of the State;

Mindful of Decree No.92/89 of 4 May 1992 to specify the Duties of the Prime Minister, as amended by Decree No.95/145-a of 4 August 1995;

Mindful of Decree No. 2011/409 of 9 December 2011 to organise the Government;

Mindful of Decree No. 2011/409 of 9 December 2011 to appoint the Prime Minister,

HEREBY DECREES AS FOLLOWS:

CHAPTER I
GENERAL PROVISIONS

Section 1: This Decree lays down the conditions for granting leases and the modalities for the payment of the public property use fee in economic zones.

Section 2: The following may be considered to be economic zones: agricultural zones, handicrafts zones, trade zones, free zones, industrial zones, logistics zones, business, service and technological zones, scientific and technological centres, competitiveness poles, tourist complexes, agropoles and technopoles.

Section 3: For the purpose of this Decree, the following definitions shall apply:

- **Emphyteutic lease:** Long-term lease of land for a period between 18 (eighteen) and 99 (ninety-nine) years;
- **ordinary lease:** lease of land for a period not exceeding 18 (eighteen) years;
- **Public property use tax:** money received by the Administration for services rendered or for property sold by entities in exchange of the use of land on which the latter are established to produce goods and services;
- **Promoter:** legal person willing to establish an economic zone to produce goods and services. The following can be developers of an economic zone: the State and its entities, Local and Regional Authorities, Consular Chambers, employers organisations, State Universities and private higher education establishments, foreign investors organized in an Economic Interest Group;

Economic zone: a space comprising one or several serviced and developed geographical areas equipped with the required infrastructure to enable entities established therein to produce goods and services under the optimal conditions.

Section 4: (1) The site of the economic zone shall fall under the private property of the State or national domain.

(2) As the case may be, the State shall, either through an ordinary lease or a long-term lease, and in accordance with the relevant laws and regulations in force, cede the site of the economic zone to the promoter to carry out the necessary development and infrastructure works.

(3) The promoter of the economic zone shall have the obligation to bear any charge relating to land in particular payment of public property use tax and ancillary taxes.

Section 5: Activities carried out in economic zones shall be investment projects that help achieve priority objectives.

CHAPTER 2

MODALITIES FOR ACCESS TO LAND RESERVED FOR ECONOMIC ZONES

1

PROCEDURE OF LAND PROVISION

Section 6: The establishment of an economic zone shall be subject to the prior identification by the promoter, in conjunction with the Administrations concerned, of land free of any occupancy likely to host enterprises.

Section 7: Any promoter who wants to establish an economic zone on a portion of the private property of the State or national land shall send a request to the Minister in charge of the Economy and Regional Development in order to seek a lease on the land identified in this respect.

Section 8 (1): The file for the request of the lease shall comprise:

- A stamped application addressed to the Minister in charge of State Property;
- An identification form of the promoter in particular the articles of association or instrument of incorporation or any document in lieu thereof;
- A drawing of the land in 4 (four) copies;
- An evidence of a portfolio comprising at least 5 (five) enterprises having expressed the desire to establish in the economic zone;
- A development and enhancement programme highlighting the steps of realisation;
- evidence of financial capacity to fund site development works;
- commitment to pay, where applicable, the fee intended to cover the promoter's contribution to the development works of the site concerned.

(2) A receipt shall be issued to the promoter upon reception of the file.

Section 9: The Minister in charge of the Economy and Regional Development shall submit the file referred to in Section 8 above along with his opinion, to the Minister in charge of land. He shall inform the promoter.

Section 10 (1): When the requirements are met, the Minister in charge of land shall contact the

The Senior Divisional Officer of the place of location of the land in view of the setting up of a committee charged with choosing and delineating the site concerned.

(2) He shall inform the Minister in charge of Territorial Administration.

Section 11 (1): The Committee set up by an Order of the Senior Divisional Officer shall comprise:

- Chairperson: the Senior Divisional Officer of the place of location of the land or his representative; Members:
- The Head of the Divisional Service for Surveys of the Ministry in charge of Surveys;
- A local representative of the Ministry in charge of Urban Development;
- A local representative of the Ministry in charge of Rural Development;
- A local representative of the Ministry in charge of Forestry and Wildlife;
- A local representative of the Ministry whose competence relates with the project;
- The Mayor of the place of location of the land or his representative;
- The Chief and 2 (two) elders of the village or the locality where the land is located.

The Secretariat of the Committee shall be performed by the Head of the Divisional Service of land or state property depending on the type of land concerned.

(2) The Committee shall be charged with:

- Choosing and ensuring the delineation of the land concerned to the charge of the promoter;
- Drafting minutes and producing the boundary map of the land concerned drawn up by the Surveyor.

(3) At the end of deliberations, the Committee shall produce an administrative and technical file comprising:

- The SDO's Order designating the members of the Committee;
- Minutes of the boundary delineation and the plot plan of the land retained in 4 (four) copies established and signed by all Committee members;
- Minutes of Committee deliberations signed by all members.

(4) The whole file shall be sent to the Minister in charge of State Property in 4 (four) copies for the next steps of the procedure.

(5) The promoter of the economic zone shall ensure Committee Coverage according to the modalities laid down by an Order of the Minister in charge of State Property.

(6) Where further consideration shall not be given to the promoter's request, the latter shall be served a substantiate notification of the rejection.

Section 12: Where development operations can be carried out on the land, the incorporation procedure into the private property of the State shall be resorted to.

Section 13: Upon reception of the file, the Minister in charge of State Property shall verify the regularity of the constituent elements of the file.

Section 14 (1) When all the conditions shall be met, the Minister in charge of State Property shall send the administrative and technical file of the lease granted on the land concerned to the Minister in charge of the Economy and Regional Development, along with a favourable opinion.

(2) He shall notify the promoter in this respect.

Section 15: The decree creating the economic zone shall endorse the authorization of conclusion of the lease.

Section 16 (1) Upon publication of the decree referred to in section 15 above, the payment of the public property use fee to the property collector of the area of location of the land

shall be made by the promoter no later than 15 (fifteen) days.

(2) Subject to the payment of the public property use tax, the signing of the lease and specifications shall be made 30 (thirty) days after the publication of the decree.

(3) This annual fee shall be paid on an annual basis, revisable every 5 (five) years and payable in advance no later than the 30th of March every year.

(4) Under no circumstances shall the promoter amend the purpose of the lease.

Section 17: Ordinary leases or emphyteutic leases granted on the national land or private property of the State shall be subject to the general rules applicable to leases on State land.

Section 18: Except for lease, the land concerned shall be, depending on the case, reintegrated in the national land or private property of the State, with possible performance of the right of pre-emption on all developments, constructions and installations it comprises, by the State.

2

MODALITIES FOR SUB-LEASE

Section 19: The manager of the economic zone may be authorised to sub-lease all or part of the building.

Section 20 (1) In this respect, he shall table the request for sub-lease to the prior endorsement of the Minister in charge of State Property along with the survey plan of the section of the building to be sub-leased.

(2) If the amount of sub-lease exceeds 50 (fifty) per cent of the lease, the excess amount shall be paid to the property collector of the area of location of the land.

(3) The property collector shall issue a receipt for payment to the promoter.

3

CONDITIONS FOR TERMINATION OF LEASE AND WAIVE

Section 21 (1): The lease may be terminated in the following cases:

- Non-performance of obligations by the promoter;
- Non-payment of public property use tax within the prescribed time limits;
- Withdrawal of the approval by the Economic Zones Promotion Agency.

(2) In the event of withdrawal of the approval, the Economic Zones Promotion Agency shall inform the Minister in charge of State Property within fifteen days.

(3) Termination shall be pronounced by the Minister in charge of State Property 3 (three) months after a notice served through registered letter or an ineffective bailiff's summons.

Section 22 (1): The promoter may waive the lease. In this case, he shall inform the State and the Economic Zones Promotion Agency at least 6 (six) months ahead.

(2) Where the promoter waives the lease, the public property use fee shall not be reimbursed.

CHAPTER 3
PUBLIC PROPERTY USE FEE RELATED TO THE PROVISION OF LAND RESERVED
FOR ECONOMIC ZONES

1
FEES ON NATIONAL LAND

Section 23: The amounts of annual public property use fee on national land constituted into economic zones shall be set as follows:

Economic zones	Urban land (price in CFA F/sq m)	Rural land (price in CFA F/sq m)
handicrafts	120	60
trade	900	400
industrial	300	160
logistics	300	160
specialized	300	160
Agropoles	150	55
technopoles	200	80
Competitiveness poles	30	15
tourist complexes	300	160
scientific and technological centres	30	15
Technological activities	24	10
service activities	900	400
University free zones	24	15
Industrial free zones	240	120

Section 24: The amounts of annual public property use fee on national land constituted into agricultural economic zones shall be set as follows:

1) For land situated in urban areas:

- 20 francs per square metre for surface areas equal or inferior to 50 (fifty) hectares;
- 15 francs per any additional square metre for surface areas superior to 50 (fifty) hectares and equal or inferior to 500 (five hundred) hectares;

2) For land situated in rural areas:

- 15 francs per square metre for surface areas equal or inferior to 50 (fifty) hectares;
- 10 francs per square metre for surface areas superior to 50 (fifty) hectares and equal or inferior to 1 000 (one thousand) hectares, the first fifty hectares of this tranche assessed at 15 francs per square metre;
- 5 francs per square metre for surface areas superior to 1000 (one thousand) hectares, the first fifty hectares of this tranche assessed at 10 francs per square metre.

11
FEES ON THE PRIVATE PROPERTY OF THE STATE

Section 25: The amounts of annual public property use fee on the private property of the State and constituted into economic zones shall be set as follows:

Economic zones	Urban land (price in CFA F/sq m)	Rural land (price in CFA F/sq m)
handicrafts	150	75
trade	1125	500
industrial	375	200
logistics	375	200
specialized	375	200
Agropoles	190	70
technopoles	250	100
Competitiveness poles	40	20
tourist complexes	375	200
scientific and technological centres	40	20
Technological activities	30	15
service activities	1125	500
University free zones	40	20
Industrial free zones	300	150

Section 26: The amounts of annual public property use fee on national land constituted into agricultural economic zones shall be set as follows:

1) For land situated in urban areas:

- 25 francs per square metre for surface areas equal or inferior to 10 (ten) hectares;
- 20 francs per additional square metre for surface areas superior to 10 (ten) hectares;

2) For land situated in rural areas:

- 20 francs per square metre for surface areas equal or inferior to 20 (fifty) hectares;
- 15 francs per any additional square metre for surface areas superior to 20 (twenty) hectares and equal or inferior to 50 (fifty) hectares;
- 10 francs per square metre for surface areas superior to 50 (fifty) hectares, the first fifty hectares of this tranche assessed at 15 francs per square metre.

Section 27: Where necessary, preferential rates may be granted to promoters for access to land intended for the establishment of economic zones.

II

MODALITIES FOR ELIGIBILITY TO PREFERENTIAL RATES

Section 28: The promoters who meet the conditions below shall be eligible to preferential rates:

- Have at least 10 (ten) approved enterprises established in the economic zone;
- Agree a lease on a surface area of over 50 (fifty) hectares;
- Prove the creation of more than 1,500 (one thousand and five hundred) jobs;
- Be a holder of an approval for the benefits provided for by Law No. 2013/4 of 18 April 2013 to lay down private investment incentives and undertake to carry out investments of an amount equal or superior to CFA F 1 (one) billion in the priority sectors defined in the said law;
- carry out a strategic investment as part of overarching projects for an amount equal or superior to CFA F 5 (five) billion and meet one of the following criteria:

- Create at least 1 (one) job during the operational phase per tranche of twenty million of investment in the industrial, tourist, handicrafts, cultural, sport, health, educative, energetic, agricultural, livestock and fishing, low-cost housing and urban transport;
- Generate an activity whose annual exports account for at least 20 (twenty) per cent of the turn over excluding taxes during the first 5 (five) years of production in one of the industry sectors referred to above;
- Use national natural resources up to at least 25 (twenty-five) per cent of the value of inputs in the industry sectors referred to above, except for manpower, water, electricity and telecommunications;
- Generate an increased added value of at least 25 (twenty-five) per cent in the industry sectors referred to above.

Section 29: The promoter who meets one of the conditions laid down in section 28 shall be granted a rebate of 10 (ten) per cent on the amount of the core lease calculated at the rates set above.

CHAPTER IV **CONTROL AND MONITORING OF THE PERFORMANCE OF LEASES**

Section 30: The Ministry in charge of State Property, in collaboration with the Economic Zones Promotion Agency shall ensure compliance with the commitments and obligations contained in the specifications of the promoter, in conjunction with the Administrations whose competence relates to the project.

Section 31 (1): The promoter shall guarantee the access of the Agents of the Economic Zones Promotion Agency to the site for the oversight of the performance of his obligations.
(2) This oversight shall be done once a year and in the fourth quarter of the year.
(3) Unannounced oversight operations can be carried out where necessary.

Section 32: Control shall be done by a joint committee set up by a decision of the Minister in charge of State Property.

Section 33 (1): The Committee referred in Section 30 above shall be composed as follows:

- **Chairperson:** The Director in charge of State property or land tenure depending on the type of land concerned;
- **Members:**
 - The Director of Surveys;
 - A local representative of the Ministry whose competence relates with the project;
 - The promoter or his representative;
 - A representative of the Economic Zones Promotion Agency;
 - The Secretariat of the Committee shall be performed by the Divisional Delegate of state property or land tenure depending on the type of land concerned.

- (2)** The Committee shall be charged with monitoring of:
 - The performance of the obligations and commitments contained in the lease;
 - The effective payment of public property use tax;
 - Conditions for amending the lease.
- (3)** At the end of deliberations, the Committee shall produce a report signed by all members.
- (4)** This report shall be forwarded to the Minister in charge of State Property within one month, with a copy to the Minister whose competence relates with the project and to the Economic Zones Promotion Agency.

(5) The Economic Zones Promotion Agency shall ensure Committee Coverage according to the modalities laid down by an Order of the Minister in charge of State Property.

Section 34: Monitoring of lease performance shall be ensured by the competent Divisional Delegate at the end of each six-month period.

CHAPTER V
MISCELLANEOUS AND FINAL
PROVISIONS

Section 35: The amendment of the lease can be authorized in accordance with the regulations in force.

Section 36: Any dispute arising from the performance of the lease shall fall under Cameroonian law jurisdictions.

Section 37: This decree shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaounde, 29 September 2014

(signed) Philemon Yang

Prime Minister,
Head of Government

Order No.24/MINFI of 7 April 2014 to lay down the Terms and Conditions for Referral before the National Public Debt Committee

The Minister of Finance,

Mindful of the Constitution;

Mindful of Regulation No.12/7-UEAC-186-CM-15 of 19 March 2017 to lay down the Reference Framework for the Public Debt Policy and Public Debt Management in the CEMAC Member States;

Mindful of Law No. 2007/6 of 26 December 2007 to Lay Down the State Financial Regime;

Mindful of Law No. 2013/07 of 16 December 2013 to lay down the Finance Law of the Republic of Cameroon for the 2014 Financial Year;

Mindful of Decree No.2011/408 of 9 December 2011 to organise the Government;

Mindful of Decree No.2013/66 of 28 February 2013 to organise the Ministry of Finance;

Mindful of Decree No.2011/410 of 9 December 2011 to form the Government;

Mindful of Decree No.2008/2370/PM of 4 August 2008 to set up, organise and regulate the functioning of the National Public Debt Committee.

HEREBY ORDERS AS FOLLOWS:

**CHAPTER ONE
GENERAL PROVISIONS**

Section 1 (1) This Order sets out the conditions and procedures for referral before the National Public Debt Committee abbreviated NPDC hereinafter referred to as the "Committee".

(2) It shall determine operations and the procedure before the Committee and shall apply to:

- domestic and external loans directly contracted by the State;
- domestic and external loans contracted by the State entities;
- loans from the public and private sector guaranteed by the State or its entities;
- guarantee and re-assignment requests addressed to the State;
- issue of bonds by the State, its entities and public corporations and parastatals;
- any other issue within its ambit.

Section 2: Private sector loans not guaranteed by the State or its entities, grants and foreign direct investments shall not be subject to the provisions of this Order. However, any funding offer by grant to the State or any of its entities shall be first notified to the Committee.

Section 3: Any funding offer or request concerning the State, its entities, public corporations and parastatals, as well as any request for guarantee or re-assignment shall be subject to the prior and compulsory opinion of the Committee.

Section 4: The Committee can be referred to by the Government, administrations and State entities for any issues within its competence. To this end, the Committee shall be referred to for:

- funding requests and offers of interest to the State or its entities;

- public domestic and external loans or loans guaranteed by the State;
- annual debt ceiling proposals to the State;
- re-adjustment, reconversion or re-assignment of public debt;
- any other issue within its ambit.

Section 5 (1): The Committee shall be referred to for issues related to:

- external loans by the Minister in charge of economic and technical cooperation or the technical supervisory authorities for State entities;
- domestic loans either by the Minister in charge of finance, or technical supervisory authorities of public corporations or parastatals and local and regional authorities.

(2) For issues referred in section 1 above, the Committee shall be referred to according to the terms and conditions spelled out in chapters II, III and IV.

Section 6: The Committee can be referred to for any issue within its ambit. In such case, it shall give its opinion to the competent authority as the case may be.

CHAPTER II

CONDITIONS FOR REFERRAL TO THE NATIONAL PUBLIC DEBT COMMITTEE

Section 7: The Committee shall be referred to by correspondence addressed to its Chairperson before any negotiation of a loan convention or any resort to bonds.

The request for opinion shall be addressed to the Chairperson of the Committee along with a technical file in accordance with the provision of chapters III and IV below.

Section 8: Any new loan file submitted to the Committee shall comprise apart from the request duly filled in by the Project Owner according to the model in the annex, a technical file.

Section 9: The request form and the technical file referred to in section 8 above shall be deposited at the Permanent Secretariat of the Committee against a receipt.

Section 10: Any file that does not meet the conditions spelled out by the provisions of chapters III and IV shall not be accepted for submission. However, the Committee may authorize the acceptance of an incomplete file upon submission, subject to the subsequent presentation of the missing documents.

Section 11: Referral to the Committee for the annual debt ceiling proposal to the State or restructuring of the debt shall be done by the Minister in charge of Finance.

CHAPTER III

COMPOSITION OF THE TECHNICAL FILE

Section 12: Any new loan file submitted to the Committee shall comprise the following documents:

- The referral form to the Committee duly filled in by the Project Owner;
- The feasibility study of the project, purpose of the funding sought;
- The amount of the loan, funding conditions and the repayment schedule;
- The project assessment report.

Section 13: Any direct loan file submitted to the Committee by the competent authority in accordance with the provisions of section 5 of this Order shall comprise, apart from the documents provided in section 12 above, the following documents:

- The copy of the funding request or funding offer;
- The identification form of the donor body and presentation sheet of its financial conditions;
- The draft commercial contract between the entity initiating the loan project and the technical partner where applicable;
- The report of compliance of the project with the economic, social and financial strategies and programmes in force, established by the Minister in charge of public investments;
- The financial offer assessment report ensuing from the consultation between the Project Owner, the Minister in charge of public investments, the Minister in charge of public contracts, the Minister in charge of finance, the National Sinking Fund and technical and financial partners;
- The draft funding convention or Term sheet where applicable, validated by the technical partner and the Minister in charge of economic and technical cooperation for external loans or the Minister in charge of finance for domestic loans;
- Any other document likely to inform on the file assessment.

Section 14: Any file for public loan by State bonds submitted to the Committee by the competent authority referred to in section 5 of this Order shall comprise, apart from the documents provided in section 12 above, the following documents:

- The attestation of inclusion of the project to be funded in the public investment budget issued by the Minister in charge of public investments;
- Plans for the execution of the project to be funded by the Project Owner in conjunction with the Minister in charge of public investments;
- The schedule for the award of contracts prepared by the Project Owner and validated by the Minister in charge of public contracts;
- The disbursement schedule of the project to be funded prepared by the Project Owner in conjunction with the Minister in charge of public investments and the Minister of public contracts.

Section 15: Any file of request for State guarantee or re-assignment to a State entity, public corporations or parastatals, and private enterprises submitted to the Committee by the competent authority referred to in section 5 shall comprise, apart from the documents cited in section 12 above, the following documents:

- The financial offer assessment report initialled by the Minister in charge of economic and technical cooperation, the Minister in charge of finance, the Minister exercising the technical supervisory authority, the National Sinking Fund, the Project Owner, and technical and financial partners, where applicable;
- The draft funding convention;
- The draft re-assignment agreement or the draft approval convention;
- The draft schedule of debt repayment to the creditor in the case of the guarantee or the draft reimbursement to the State in the case of re-assignment;
- The technical note on the debt situation comprising the list of loans including outstanding debt as at 31 December of the previous year or at any more recent date, as well as projections on the debt servicing on the next 5 (five) years.

Section 16: Any file for public loan by bonds from a State entity, a public corporation or parastatal submitted to the Committee by the competent authority referred to in section 5, shall comprise, apart from the documents cited in section 12 above:

- The attestation of inclusion of the projects to be funded in the programme-budget of the body, issued by the deliberating organ of the latter;
- Execution schedule of projects to be funded fixed by the deliberating organ and validated by the supervisory authority Ministry and the Ministry in charge of public contracts;
- Contract award schedule of projects to be funded duly signed and endorsed by the Ministry in charge of public contracts;
- The report of validation of contract award schedules of projects issued by the Ministry in charge of public contracts;
- The technical note on the debt situation comprising the list of loans including outstanding debt as at 31 December of the previous year or at any more recent date, as well as projections on the debt servicing in the next 5 (five) years.

CHAPTER IV

PROCEDURE FOR REFERRAL TO THE NATIONAL PUBLIC DEBT COMMITTEE

Section 17 (1): The Committee shall give its opinion within a period of 30 (thirty) calendar days as from the date of referral to the Committee.

(2) However, the Chairperson shall notify the entity requiring the opinion of the Committee in writing no later than 7 (seven) calendar days, after the holding of the session on the review of the request.

(3) The substantiate opinion of the Committee signed by its Chairperson shall be forwarded to the administration charged with conducting the negotiation of the loan on behalf of the State, with copies to the Project Owner and to the Prime Minister's Office.

Section 18: Where the Committee shall be referred to for opinion either on loan offers, loan request or requests for guarantee or re-assignment, the opinion given shall highlight:

- The socio-economic impact of the project;
- Consistency between the nature of the project and its mode of funding;
- The interest of the funding to the country or the structure requesting the guarantee or re-assignment;
- compatibility of the loan with the national debt strategy;
- The nature and amount of State commitments in relation to the project;
- the impact of the debt on debt servicing and sustainability of the public guaranteed debt;
- duration and grace period of the loan,
- The currency of the loan and the interest rate;
- The grant component of the loan;
- The beneficiary economic and social sector;
- Allocation of the loan proceeds according to the different components of the project;
- Conditions for application and disbursement of the loan.

CHAPTER V

MISCELLANEOUS AND FINAL PROVISIONS

Section 19: Public loan files and in particular current loan negotiation requests which have not yet been given authorization by the date of signature of this Order shall be returned to the National Debt Committee for opinion.

Section 20: In any case, any beneficiary of a debt instrument either public administration or State entity shall be compelled to so inform the CNDP within 30 days as from the date of signature of this Order for its consideration in the analysis of the debt viability.

Section 21: This Order which repeals any previous provision repugnant hereto notably those of Order No.22/MINFI of 8 October 2008 to lay down the conditions for referral to the National Public Debt Committee shall be registered and published according to the procedure of urgency and inserted in the Official Gazette in English and French.

Yaounde, 7 April 2014

The Minister of Finance

Circular No. 3/PM of 6 July 2015
Pertaining to Management Audit as part of the Preparation and
Execution of the State Budget

The Prime Minister, Head of Government,

To

Principal Authorizing Officers of the State Budget

1. The legal foundations for performance-based management in our Administration were laid down through the adoption of Law No.2007/6 of 26 December 2007 to lay down the Financial regime of the State and the Directives of the Central African Economic and Monetary Community (CEMAC) of 19 December 2011 in the financial and budget domain.
2. All ministries, constitutional organs and other institutions have adjusted themselves according to this new momentum since the 2013 financial year. They now prepare and execute their budget according to this new managerial approach underpinned by the programme-based budgeting.
3. However, I have noticed that the programmes prepared and implemented in the various administrations still lack the technical quality required: the objectives and indicators often lack accuracy, the steering of programmes needs to be improved while the multi-annuality indispensable for the programme-budget is sometimes overlooked.
4. To address these shortcomings, it is vital to put in place the management audit as a mechanism for the steering of the performance of Administration.
5. In advance of the introduction of a specific legal mechanism, this Circular shall fix the conditions for the organisation of management audit within the framework of the preparation and follow-up of the execution of the State budget.

**I. THE GENERAL FRAMEWORK FOR PERFORMANCE-BASED
MANAGEMENT IN THE BUDGET REFORM CONTEXT**

6. The spirit of the law to lay down the financial regime of the State suggests an organisation centred on officials who prepare and execute the programmes included in the State budget.
7. As principal authorizing officers of the State budget, Ministers or Heads of institutions are responsible for the smooth execution of programmes, and production of the Annual Performance Report (APR). In this respect, they are accountable for the achievement of the results which entails personal commitment from them in the coordination of the entire management chain within the structures they are heading.
8. At the operational level, Ministers and Heads of institutions have collaborators designated programme managers. They are public managers who execute and give an account of the public policy component assigned to them.
9. Programme managers are responsible for the achievement of the objectives assigned to them within the prescribed time lines. To this end, they have budget resources and steering tools. They oversee the work of other stakeholders in programme performance namely action, activities and administrative units managers.
10. Other links in the expenditure chain, in particular financial controllers and accountants also contribute to the achievement of the results though they carry out a back-up function.
11. As part of performance-based steering, I draw your attention on the absolute necessity to institute and conduct continued management dialogue between the different stakeholders in the management chain, from the ministers and heads of institutions right to operational structures. The modalities for this dialogue are determined through two documents: the ministerial management charter for the ministry or institution and the management protocol

for each programme.

12. The satisfactory execution of the State budget as per the results-based approach calls for the effectiveness of management audit.

II. DEFINITIONS AND PRINCIPLES OF MANAGEMENT AUDIT

13. In the programme approach, management audit is a steering system implemented in a ministry or administration in order to improve the ratio between the resources (human, material and financial) committed and the results obtained as part of the execution of a given programme based on objectives set before hand after a strategic planning approach.

14. Steering here refers to the ability of a programme manager or action manager to take an initial or corrective decision, hinging on the knowledge of costs, activities and results.

15. The management auditor is neither a management controller nor an auditor. He is not vested with the power to impose sanctions and does not audit the accounts. Driven by the quest for performance, he ensures the rigorous follow-up of indicators in view of achieving set out objectives.

16. Management audit is a decision-making tool whose activities are carried out throughout the budget cycle which itself is centred around the Planning-Programming-Budgeting and Follow-up/Evaluation (PPPBS) process. It seeks, in the implementation of programmes, to guarantee performance which is assessed from the economic, effectiveness and efficiency perspective.

17. "Economy" refers to the control of costs in squarely line with the objectives set out. It comes into play when the cost of the inputs of an activity can be considerably reduced for a given level of realisations or results. Economy deficit generally results from:

- Waste that is the use of unnecessary resources to obtain the realisations or results expected;
- Overpayments, that is acquisition of the means that are used but whose cost could have been lower;
- Lavish expenditure which consist in acquiring inputs whose quality is higher than what is required to obtain realisations or results expected.

18. "Efficiency" consists in making the best use of the resources available to optimize productivity. It seeks the best ratio between the goods produced or the services rendered and the resources used. It comes into play when the volume or quality of the realisations or results of an activity carried out can be increased without an increase of the means used.

19. "Effectiveness" refers to the attainment of the purpose or objectives set out whether strategic or operational. It seeks the realisation of the specific objectives set out and the attainment of the results expected. It entails assessing how the realisations expected have been produced and whether the public intervention has had clear or positive results for the different beneficiaries.

20. The organisation and performance of management audit must follow the following principles:

- Objectivity: the management auditor assumes his duty by showing neutrality and impartiality;
- Comprehensiveness: management control must focus on all the programmes included in the project performance of the administration in which it is carried out but also on the other strategic or operational instruments;
- Pro-activity: the management auditor ensures permanent oversight and warns programme, actions or activity managers on the attainment or non-attainment of the results;
- Incompatibility: within a programme, the function of management auditor is not compatible with that of programme or action manager. It is also incompatible with that of financial

controller or accountant.

III. MISSIONS OF MANAGEMENT AUDITOR

21. The management auditor has as main mission to support the programme manager in the attainment of the objectives assigned to him for the execution of the finance law.

22. He comes in upstream and downstream of the process of preparation of the finance law, as part of the PPBS system existing in each ministry. He provides elements that help animate and conduct management dialogue in an objective manner.

23. In the phase of preparation of the finance law, the management auditor:

- Ensures consistency of the objectives contained in the strategic planning and financial programming instruments and contributes to their preparation;
- Provides objective and quantified elements for cost and activity results analysis;
- Participates in the preparation of the programmes included in the Performance Plan of Administrations;
- Contributes to the spelling out of objectives and definition of indicators;
- Assesses the realism and ambition of the targets of the results proposed by the managers of actions and activities and ensures that their aggregation helps to achieve the targets of the programme.

24. In the phase of execution of the finance law, the management auditor:

- Collects and analyses management information;
- Makes sure that the strategy and objectives of the programme are communicated to the central and devolved services;
- Coordinates the delineation of the objectives and indicators associated to actions and activities falling under central and devolved services;
- Ensures the dissemination and ownership of the step and performance-based management tools by all stakeholders.

25. The management auditor is responsible for monitoring and evaluation of the programme.

To this end,

- He devises and provides input in the performance chart of the programme manager;
- He prepares and monitors actions set forth in the executive dialogue sessions and proposes measures for redress;
- He gathers and disseminates good practices on the steering of the programme for officials; he prepares the APR of the programme under the supervision of the programme manager.

IV. DEPLOYMENT AND ANIMATION OF MANAGEMENT AUDIT

26. The task of management control is performed and coordinated by the structures in charge of follow-up in each ministry or institution. They are in charge of the organisation and animation of the internal network of management auditors, description of procedures of management dialogue and steering of performance, synthesis of data relating to the implementation of each programme.

27. Ministers and Heads of institutions designate a management auditor with each programme manager. The management auditor designated works in synergy and close collaboration with the unit in charge of follow-up in the ministry or institution concerned. Each month, he prepares a report on the state of implementation of the programme, which he submits to the follow-up unit in charge of coordination of management audit.

28. The Minister in charge of finance is responsible for the deployment of management auditor. In this respect, he is responsible for defining the methodological tools required for

the dissemination of this managerial approach in administrations. He will also strive to develop data collection, processing and analysis instruments relating to programme performance. Besides, he will ensure monitoring and coordination of ministerial projects on the development of management audit, and he will ensure the establishment of an inter-ministerial network of management auditors in order to facilitate peer exchange and promote good practices.

29. The provisions of this circular apply mutatis mutandis to public administrative establishments and local and regional authorities subject to the specificities inherent to their organisation and management mode.

30. I attach importance to the strict respect of the provisions of this circular.

Yaounde, 6 July 2015

The Prime Minister,
Head of Government

Circular No. /PM/ of
Bearing on General Clauses Applicable to Foreign Investors.

The Prime Minister, Head of Government,

To

- The Vice-Prime Minister;
- Ministers of State;
- Ministers and Ministers Delegate;
- Secretaries of State;
- Madam General Manager of the Investment Promotion Agency (IPA);

It has been brought to my notice that within the framework of their powers, ministers in these sector ministries regularly sign various contractual documents (memorandum of understanding, framework agreements, etc.) with potential foreign investors.

A review of these documents show some discrepancies both in their form and content. As a matter of fact, some provisions contained therein are sometimes in contrast with the laws and regulations in force in the sector concerned.

Moreover, a number of obligations and other exemptions are often provided for in these instruments to the full responsibility of the State generally without consultation with the competent ministries and without a substantial compensation; this causes a considerable financial damage to our country.

Thus, in order to harmonize the legal instruments governing contractual relations between our country and foreign investors, it has become necessary to reiterate the general clauses applicable to foreign investors.

Such is the purpose of this circular notably to harmonize the various contractual instruments binding the Government to foreign investors having a proven technical and financial standing.

I. GENERAL PROVISIONS

1. In this circular, foreign investor shall mean any individual or corporate body of foreign nationality, resident or non-resident, whose activity involves acquiring assets with a view to earning interest.

2 Any foreign investor undertakes to comply with the laws and regulations in force in Cameroon in the different steps of his project.

He shall therefore get in touch with the competent technical administration in order to initiate negotiations on the specific aspects of his activity.

In this respect, his investment request shall be complemented by a feasibility study and a summary plan, otherwise it shall not be accepted.

3. The provisions of this circular or any other subsequent agreement deriving there from shall be governed by the general principles of international law, the laws and regulations in force in Cameroon and the practices in the business sector concerned.

4. To carry out his activities, any foreign investor shall be bound to incorporate an enterprise under Cameroonian law with its own head office in Cameroon.

5. The State can negotiate shares without counterpart and which shall be non-

contributive and non-transferable and shall not exceed 10 per cent of the capital of the new legal entity. Beyond this threshold,

the State shall subscribe and release the additional share of capital.

A share in the capital of the new legal entity shall be reserved for private national operators according to the regulation in force.

6. The State undertakes to facilitate, to the profit of foreign investors, the grant of agreements, licences, authorizations, and approvals required for the conduct of their activities in keeping with the laws and regulations in force in the domain.

7. Any foreign investor who produces goods and services in Cameroon shall be compelled to consider satisfying local demand in priority except for enterprises admitted to the Industrial Free Zones Regime, in accordance with the provisions of Ordinance No.90/001 of 29 January 1990 to lay down this regime.

8. Any foreign investor initiating a development project likely to result in the destruction of vulnerable resources shall first refer to the administration (s) concerned for the prior recovery of these resources in accordance with the regulation in force.

II. JOBS AND MANPOWER

9. Notwithstanding the provisions of the Labour Code pertaining to the endorsement of contracts of foreign workers, labourers, workmen, employers or supervisors, jobs shall be occupied in priority by national workers.

In any case, jobs shall be filled by qualified and skilled nationals where applicable up to a maximum of:

- At least 50% for managerial posts;
- At least 60% for supervisory positions;
- At least 85 % for junior positions;

10. The recruitment of member staff of the foreign investor shall be done in accordance with the Labour Code, the collective agreement of the business sector concerned and the special provisions of this circular.

11. The foreign investor shall undertake to implement training programmes for national staff in the sector concerned including in all areas of his activities and his business development sector for the gradual "cameroonization" of duty posts and transfer of technologies.

12. The Government shall undertake, through the competent services of the Ministry in charge of Employment to facilitate the issuance of residence permits to expatriate personnel of the foreign investor, his subsidiary undertakings and sub-contractors, in keeping with the laws and regulations in force in the domain.

III. SUBSIDIARY UNDERTAKINGS AND SUBCONTRACTORS

13. Any foreign investor established in Cameroon shall, as much as possible, subcontract part of his activities to Cameroonian small and medium-sized enterprises, in keeping with the regulation in force.

IV. SUPPLY OF GOODS AND SERVICES. COMPLIANCE WITH STANDARDS AND QUALITY

14. The foreign investor shall undertake to comply with the standards applicable in Cameroon with regard to production and marketing, and to subject these products

to quality control before their placing on the market.

However, where there is no Cameroonian standard in the domain concerned, or where the Cameroonian standard is below the international standard, the latter shall prevail.

V. SOCIAL RESPONSIBILITY

15. Notwithstanding any other action by the State in the area, any foreign investor shall promote:

- In the health sector, awareness raising campaigns against any pandemic, in order to inform its employees and their relatives of hazards and help them to implement preventive measures;

- In the domain of sports and culture:

- Promotion of sports through funding, supportive action, promotion and sponsorship of athletes, sports clubs, national sports committees, national leagues and federations;

- Development of sport sponsorship and leisure;

- In the area of training, continuing training, and staff development in the specialities of the sector concerned. In this respect, the enterprise:

- shall support secondary and advanced training programme in the professions of the industry concerned through any material, **financial... input**;

- promote research-development in his industry;

16. In agriculture, livestock, fisheries and aquaculture, the foreign investor shall undertake to promote agro-pastoral and fisheries activities with the riparian population, in conjunction with the technical ministries concerned, as well as economic partnerships for the development of the activity targeted.

VI. PROTECTION OF THE ENVIRONMENT

17. Any foreign investor shall comply with environmental laws and regulations as well as international conventions and protocols ratified by Cameroon.

18. The foreign investor shall undertake to carry out an environmental assessment and implement the Environmental Management Plan ensuing there from, in accordance with the texts in force in the area.

19. Any foreign investor shall implement an ecological policy that enables him to position himself as a green business.

VII- ACCESS TO LAND OWNERSHIP

20. Land shall be granted to a foreign investor on national land or private property of the State through the following procedures:

- concession;
- ordinary lease;
- emphyteutic lease.

He shall be strictly prohibited from definitively acquiring these lands.

21. Lands that are part of the public domain shall be inalienable, imprescriptible, unattachable and unlikely to be subject to private ownership.

However, an occupancy permit may be issued as and when necessary, by the Minister in charge of State Property to the investor who shall request it, against a compensation to be determined by mutual consent.

22. The payment of the charges associated with the choice and delineation of the site, compensation and any other costs relating to the land allocation procedure shall be exclusively borne by the investor. These charges shall be first assessed by the Ministry in

charge of State Property on a proposal from the competent administrative committee or the administration concerned if applicable.

23. Mineral deposits, as well as forest and fishery resources existing on the land to be made available shall be the exclusive property of the Cameroonian State that shall freely dispose of it.

VIII. INFRASTRUCTURE

24. While considering the general interest concerns, the Government shall agree to grant the foreign investor the right to design, build and operate all industrial, physical and social infrastructure required for the functioning of the Project he intends to carry out.

25. The practical and operational arrangements for the realisation of this infrastructure and their extension shall be built in accordance with the standards and regulations in force.

26. The Government shall guarantee peaceful occupancy and serene enjoyment of this infrastructure without interfering in the Project.

27. The Government shall recognize the private character of the infrastructure built by the foreign investor.

However, for public interest purposes and on the request addressed by the State or any third party, the foreign investor shall undertake to put this infrastructure at the disposal of a third party, but he shall retain the right to use and operate the facilities for his own purposes and for third parties.

IX. DISMANTLING - SUBDIVISION

28. Where the foreign investor intends to dispose of his assets, or to dismantle industrial site (s), or proceed to a subdivision of the organisation of the industry which questions the major objectives pursued in the conventions, the State shall first be informed of the identity of third parties or potential buyers and shall reserve to exercise the right of pre-emption for the acquisition of these assets.

X. ASSESSMENT OF SPECIFICATIONS

29. In a view to rebalance mutual benefits... Any convention signed between the Government and an investor shall be assessed every 5 (five) years where necessary.

XI. NOTIFICATIONS

30. To be considered valid, notifications shall be served in writing to the contracting parties and deemed as such:

- When they will have been delivered in person or by express mail to the appropriate address;
- When they will have been delivered by facsimile or in general when they will have been delivered by any other means in writing.

XII. CLAUSE OF THE MOST-FAVoured OPERATOR

31. To ensure fairness and balance in the development of the industry concerned, the State shall reserve the right to grant the same benefits to all foreign investors who shall make the request and who shall fulfil the requirements.

XIII. PROJECT FOLLOW-UP AND CONTROL COMMITTEE

32. A Project Follow-up and Control Committee shall be set up as and when necessary to facilitate dialogue between the parties on core decisions to be taken, and guarantee their progress and smooth execution through assistance and coordination of the different inputs ensuing from decision-making and government authorities involved in the development of the project.

33. Without prejudice to the prerogatives of competent administrations, the Committee shall ensure follow-up of the implementation of commitments made under conventions. It shall identify the difficulties or possible shortcomings noticed in the implementation of this circular and shall propose appropriate corrective measures to the competent authorities.

34. The Committee shall also ensure the assessment of the conventions signed under the project to be carried out based on a frequency agreed on a mutual basis.

XIV. CONFIDENTIALITY PROVISION

35. The provisions of any convention signed between the Government and a foreign investor, as well as any annexed document shall be treated as confidential.

XV. MISCELLANEOUS PROVISIONS

36. The foreign investor shall refrain, for any reason whatsoever, from engaging in or assisting in money laundering, corruption, fraud or counterfeiting, tax evasion, drug or sex trade operations.

From now on, I urge you to ensure compliance with the guidelines contained in this circular, to which I attach utmost importance.

Yaounde,

Philemon Yang
Prime Minister, Head of
Government,

**Order No.004263/MINMIDT of 3 July 2014
to determine the composition of the application for approval to
the incentives provided for by Law No. 2013/004 of 18 April
2013 to lay down Private Investment Incentives in the
Republic of Cameroon**

**The Minister of Mines, Industry and Technological Development, after the
opinion of the Regulatory and Competitiveness Committee,**

HEREBY ORDERS AS FOLLOWS:

Section 1: This Order determines the composition of the application file for approval to the incentives provided for by Law No. 2013/004 of 18 April 2013 to lay down Private Investment Incentives in the Republic of Cameroon.

Section 2: Any investor applying for approval shall compile a file containing the following documents:

(1) an application in three copies, including the original bearing a CFA F 1,000 fiscal stamp and indicating:

a) concerning a natural person:

- his/her full name, status, residence, nationality and address;
- A certified true copy of his/her national identity card or any other official identification document.

b) For a legal person:

- its legal status, corporate name, head office and address, including the names, position and nationality of the key managers of the company;
- a notarial copy of the company's articles of association;
- a list of the partners or shareholders specifying the ratio of shares held by each of them, as well as their nationality;

(2) a certificate of registration of the company or the Trade and Personal Property Credit Register or any equivalent document;

(3) for existing undertakings, in addition to the documents referred to in paragraphs 1 and 2, they shall provide the following documents:

- a copy of the tax payer card;
- a copy of the business licence;
- a debt clearance certificate;

(4) a feasibility study of the project including:

a) a description of activities;

b) the market study;

c) a technical study indicating:

- the amount of investment;
- the list of equipment and raw materials to import;
- the raw materials to use;
- the production process;
- the investment programme and the different phases of the project;
- the organizational chart of the enterprise, jobs to be created per category and salaries;
- the schedule of implementation of the programme;

d) an economic and financial study indicating:

- forecast profit-and-loss account over 5 (five) years;

- profitability of the project;
- the depreciation plan for fixed assets and any loans;
- the financing plan completed either by a financing agreement, a letter of intent or any other document in lieu thereof.

Section 3: The applications for approval referred to in Section 2 above shall be submitted against a receipt to the One-stop-shop set up within the body charge with:

- promoting Small and Medium-sized Enterprises (SMEs), for local SMEs;
- promoting investments, for foreign investors and other local investors.

Section 4: This Order, which repeals the provisions of Order No. 005140/CAB/MINMIDT/SG/DAJ of 10 September 2013 to determine the composition of the application for approval to the incentives provided for by Law No. 2013/004 of 18 April 2013 to lay down private investment incentives in the Republic of Cameroon, shall be registered, published according to the emergency procedure, then inserted in the Official Gazette in English and French.

Yaounde, 3 July 2014

(Signed) Emmanuel BONDE

Minister of Mines, Industry and
Technological Development

Order No.00000366//MINFI/SG/DG/DGD of 19 November 2013 to specify the modalities for the implementation of the fiscal and customs benefits provided for under Law No.2013/004 of 18 April 2013 to lay down private investment incentives in the Republic of Cameroon

The Minister of Finance,

Mindful of the Constitution;
 Mindful of the Customs Code;
 Mindful of the General Tax Code;
 Mindful of Law No.2013/004 of 18 April 2013 to lay down Private Investment Incentives in the Republic of Cameroon;
 Mindful of Decree No. 2011/408 of 9 December 2011 to organise the Government;
 Mindful of Decree No. 2011/409 of 9 December 2011 to form the Government; Mindful of Decree No.2013/006 of 28 February 2013 to organise the Ministry of Finance;
 Mindful of Decree No.2013/296 of 9 September 2013 to amend and supplement certain provisions of Decree No.2005/310 of 1st September 2005 to organise and regulate the Functioning of the Investment Promotion Agency;
 Mindful of Decree No.2013/297 of 9 September 2013 to amend and supplement certain provisions of Decree No.2013/092 of 3 April 2013 to set up, organise and regulate the functioning of the Small and Medium-sized Enterprise Promotion Agency;
 Mindful of Decree No.2013/298 of 9 September 2013 to set up, organise and regulate the functioning of the Investment Effectiveness Control Committee;
 Mindful of Decree No.2013/299 of 9 September 2013 to set up, organise and regulate the Functioning of the Joint Committee charged with Monitoring the Stability of Private Investment Incentives in Cameroon;

HEREBY ORDERS AS FOLLOWS:

PART I
GENERAL PROVISIONS

Section 1: This Order specifies the modalities for the application of tax and customs incentives provided for by Law No. 2013/007 of 18 April 2013 to lay down Private Investment Incentives in the Republic of Cameroon.

Section 2: The tax and customs incentives provided for by Law No.2013/004 of 18 April 2013 to lay down private investment incentives shall depend on the grant of an approval issued by the competent authorities.

Section 3: (1) A Committee set up by a Decision of the Minister in charge of Finance composed of representatives of the Directorate General of Taxation who shall chair this Committee, and the Directorate General of Customs charged with the report of deliberations shall examine the request for approval.

(2) The Committee referred to in paragraph 1 above shall have 15 (fifteen) working days, as from the date of reception of the request for approval submitted by the One-Stop-Shop to start the examination.

PART II
TAX AND CUSTOMS INCENTIVES GRANTED UNDER
COMMON INCENTIVES

CHAPTER I
TAX AND CUSTOMS INCENTIVES GRANTED NEW
ENTERPRISES

A. In phase of establishment

Section 4: Newly approved enterprises in the common incentives regime of the law to lay down private investment incentives in the Republic of Cameroon shall be granted the following tax and customs incentives in the phase of establishment:

1) In the area of domestic taxation:

a) Under registration duties:

- Exemption from stamp duty on the lease of immovable property used exclusively for professional purposes that form an integral part of the investment programme;
- Exemption from transfer taxes on the acquisition of immovable property, land and buildings essential for the implementation of the investment programme;
- Exemption from buildings and installations necessary for the implementation of the investment programme;
- Exemption from registration duty on concession contracts;
- Exemption from registration duty on establishment or capital increase.

b) Under value added tax (VAT):

- Exemption from VAT on the provision of services related to the execution of the project and obtained from abroad;
- exemption from VAT on imports of equipment and materials for the investment programme.

c) As part of local taxation: exemption from business licence throughout the establishment phase.

2) In the area of entry taxes:

- Exemption from taxes and duties on all equipment and material related to the investment programme;
- Immediate removal of equipment and material related to the investment programme during clearance operations.

B. In phase of operation

Section 5: Newly approved enterprises in the common incentives regime of the law to lay down private investment incentives in the Republic of Cameroon shall be granted the following tax and customs incentives in the phase of operation:

1) Category A:

a) Eligibility criteria:

Any enterprise that undertakes to carry out investments over a period of 5 (five) years at most for an amount equal or inferior to CFA F 1 (one) billion and that undertakes to meet at least one of the following criteria:

- Create at least 1 (one) job during the operational phase per tranche of 20 (twenty) million of

investments in the industrial, tourist, handicrafts, agricultural, livestock and fisheries sectors;

- generate an activity whose annual exports account for at least 25 per cent of the turn over excluding taxes during the first five financial years of production in the industry sectors referred to above;
- use national natural resources up to at least 20 per cent of the value of inputs in the industry sectors referred to above, except for manpower, water, electricity and telecommunications;
- generate an increased added value of at least 30 per cent in the industry sectors referred to above.

b) Incentives granted:

1. In the area of domestic taxation:

- 50 per cent reduction in corporate taxes or taxes on industrial and commercial profits for 5 (five) years;
- exemption from registration duties associated with loans, borrowings, current account advances and guarantees for 5 (five) years;
- registration free of charge without payment of a graduated stamp on deeds relating to the increase, reduction, repayment and liquidation of the share capital for a period of 5 (five) years;
- 50% reduction of registration duties on deeds of transfer of ownership or use of real estate and leases for 5 (five) years;
- 50% reduction of tax on income from movable assets when distributing income for (5 five) years;
- deferral of deficits up to the fifth financial year following their occurrence for 5 (five) years;

II. In the area of entry taxes:

5 per cent reduction of customs duties on the importation of equipment, tools, spare parts, intermediate products, supplies and consumables which do not have locally manufactured equivalents, save for duties, taxes and other non-tax fees deemed to be a service fee.

2) Category B:

a) Eligibility criteria:

Any enterprise that undertakes to carry out investments over a period of 5 (five) years at most for an amount superior to CFA F 1 (one) million and equal or inferior to CFA F 5 (five) billion and that undertakes to meet at least one of the following criteria:

- create at least 1 (one) job during the operational phase per tranche of twenty (20) million of investments in the industrial, tourist, handicrafts, agricultural, livestock, fisheries, low-cost housing, sports, health and education sectors;
- generate an activity whose annual exports account for at least 25 per cent of the turn over excluding taxes during the first five financial years of production in the industry sectors referred to above;
- use national natural resources or raw materials up to at least 25 per cent of the value of inputs in the industry sectors referred to above, except for manpower, water, electricity and telecommunications;
- generate an increased added value of at least 25 per cent in the industry sectors referred to above.

b) Incentives granted:**I- In the area of domestic taxation:**

- 50 per cent reduction in corporate taxes or taxes on industrial and commercial profits for 5 (five) years;
- 25 per cent reduction in corporate taxes or taxes on industrial and commercial profits for 5 (five) years;
- exemption from registration duties associated with loans, borrowings, current account advances and guarantees for 5 (five) years;
- registration free of charge without payment of a graduated stamp on deeds relating to the increase, reduction, repayment and liquidation of the share capital for a period of 10 (ten) years;
- 50 per cent reduction of registration duties on deeds of transfer of ownership or use of real estate and leases for 5 (five) years;
- 50% reduction of tax on income from movable assets when distributing income for (5 five) years;
- deferral of deficits up to the fifth financial year following their occurrence for 5 (five) years;

II- In the area of entry taxes:

5 per cent reduction of customs duties on the importation of equipment, tools, spare parts, intermediate products, supplies and consumables which do not have locally manufactured equivalents, save for duties, taxes and other non-tax fees deemed to be a service fee.

2) Category C:**a) Eligibility criteria:**

Any enterprise that undertakes to carry out investments over a period of 5 (five) years at most for an amount superior to CFA F 1 (one) million and equal or inferior to CFA F 5 (five) billion and that undertakes to meet at least one of the following criteria:

- create at least 1 (one) job during the operational phase per tranche of twenty (20) million of investments in the industrial, tourist, handicrafts, agricultural, livestock, fisheries, low-cost housing, sports, health and education sectors;
- generate an activity whose annual exports account for at least 25 per cent of the turn over excluding taxes during the first five financial years of production in the industry sectors referred to above;
- use national natural resources or raw materials up to at least 25 per cent of the value of inputs in the industry sectors referred to above, except for manpower, water, electricity and telecommunications;
- generate an increased added value of at least 25 per cent in the industry sectors referred to above.

b) Incentives granted:**I- In the area of domestic taxation:**

- 75 per cent reduction in corporate taxes or taxes on industrial and commercial profits for 5 (five) years;
- 50 per cent reduction in corporate taxes or taxes on industrial and commercial profits from the sixth year to the tenth year;

- exemption from registration duties associated with loans, borrowings, current account advances and guarantees for 10 (ten) years;
- registration free of charge without payment of a graduated stamp on deeds relating to the increase, reduction, repayment and liquidation of the share capital for a period of 10 (ten) years;
- 50 per cent reduction of duties on deeds of transfer of ownership or use of real estate and leases for 5 (five) years;
- 50 per cent reduction of tax on income from movable assets when distributing income for (5 five) years;
- 25 per cent reduction of tax on income from movable assets when distributing income from the sixth to the tenth year;
- deferral of deficits up to the fifth financial year following their occurrence for 5 (five) years;

II- In the area of entry taxes:

5 per cent reduction of customs duties on the importation of equipment, tools, spare parts, intermediate products, supplies and consumables which do not have locally manufactured equivalents, save for duties, taxes and other non-tax fees deemed to be a service fee.

Section 6: Tax and customs incentives for new enterprises provided for in this Order can only be granted to existing enterprises that have changed their legal status or corporate name, even where they have been newly registered with the trade and real asset registry.

CHAPTER II

TAX AND CUSTOMS INCENTIVES GRANTED TO EXISTING ENTERPRISES

Section 7: Existing enterprises that apply for an approval for the common incentive regime under the law to lay down private investment incentives in the Republic of Cameroon to carry out investments as part of the extension of their production capacities, renewal of their production tools, shall be granted tax and customs incentives in the sectors when their new investments seek to:

- either increase the production of goods and services by at least 20 per cent compared to the production of the preceding financial year;
- or an increase of Cameroonian staff strength by at least 20 per cent of staff strength employed before the establishment of the project.

Section 8: The following tax and customs incentives shall be granted to the enterprises referred to in Section 7 above for a period that shall not exceed 5 (five) years as from the issuance of the approval:

1) In the area of domestic taxation:

Enterprises that apply for an approval, undertake to carry out over a period of 5 (five) years at most, new investments in their activities in the industrial, tourist, handicraft, cultural sport, health, education, energy, agricultural, livestock, fisheries, low-cost housing and urban transport sectors shall be benefit from a reduction of corporate taxes or tax on industrial and commercial profits on the basis of 25 per cent of the amount of investments without exceeding half of the benefit returned in the course of the financial year considered.

In the event of any gaps in a financial year, deferral shall be authorized on the following financial years within four ended financial years.

2) In the area of entry taxes:

5 per cent reduction of customs duties on the importation of equipment associated with the project extension, except for duties, taxes and other non-tax fees deemed to be a service fee.

Part III

TAX AND CUSTOMS INCENTIVES GRANTED UNDER SPECIFIC INCENTIVES

CHAPTER I

**INCENTIVES GRANTED BY VIRTUE OF THE REALISATION OF CERTAIN
SPECIFIC ACTIVITIES**

Section 9: (1) New and existing enterprises referred to in Sections 4, 5 and 7 of this Order shall be granted an income tax credit for the operations carried out in Cameroon when they meet at least one of the following criteria:

- funding of sporting, cultural or social infrastructure;
- funding of public interest activities in rural areas;
- employs at least 5 (five) young higher education graduates each year;
- acquisition and installation on the investment site of material and specialized equipment for solid, liquid or gas industrial waste treatment meant to avoid the discharge of effluents, gas or other substances toxic to health in to nature.

(2) Public interest activities in rural areas referred to above shall entail the construction or installation of development infrastructure such as schools, health centres, markets, collective spaces developed for social, cultural and sports activities, administrative infrastructure, roads, water points, power generation or power transportation equipment for village electrification.

(3) However, credit referred to in paragraph 1 above can only be granted to enterprises whose activities even subsidiary, shall consist in carrying out operations referred to in paragraphs 1 and 2 of this section.

Section 10: The amount of tax credit referred to in Section 9 of this Order shall be equivalent to:

a) 25 per cent of the tax corresponding to the amount of investments carried out for the funding of sport, cultural or social infrastructure and public interest activities in rural areas or pollution control.

b) To the amount of management charges paid by the enterprise during the financial year for recruited university graduates.

(2) The assignment of the credit referred to in paragraph 1 above shall be done according to the normal deduction mechanism.

CHAPTER II
INCENTIVES GRANTED BY VIRTUE OF THE ATTAINMENT OF
CERTAIN SPECIFIC OBJECTIVES

Section 11: Apart from the common incentives referred to in paragraphs 5, 7 and 10 of this Order, enterprises eligible to any of the categories referred to in the common provisions which made investments in the following priority sectors shall be granted specific tax and customs incentives:

- agriculture, fisheries or livestock sectors;
- agro-industry sector;
- tourist, leisure and handicraft sector;
- housing and low-cost housing sector;
- manufacturing industry sector;
- heavy building material manufacturing and steel industry sector;
- pharmaceutical industry sector;
- energy and water sector.

Section 12: enterprises referred to in section 11 of this Order shall be granted the following tax and customs incentives for the period of installation which shall not exceed 5 (five) years:

- exemption from VAT on interest on local and external loans related to the investment programme;
- exemption from land tax on built-on and non-built-on estates on the site dedicated to the processing plant and of all immovable property extensions by use thereof;
- direct goods clearance at the request of the investor of equipment or material meant for the realisation of the investment specific to the priority objective;
- special temporary admission of industrial equipment and material likely to be re-exported specifically in relation to the priority objective.

Section 13: Apart from the common and specific incentives referred to in sections 5, 10 and 12 of this Order, enterprises that exports to the tune of at least 50 per cent of their annual turnover excluding taxes shall be granted the following tax incentives for a period that shall not exceed 5 (five) years:

- exemption from export duties on locally manufactured products;
- the inward-processing regime provided for by the Customs Code.

PART VI
TRANSITIONAL, MISCELLANEOUS AND FINAL PROVISIONS

Section 14: (1) The tax and customs incentives provided for by this Order shall not be cumulated with those of:

- conventional regimes,
- The Mining Code regime;
- The Oil Code regime;
- The Gas Code regime;
- The re-investment regime of the General Code of Taxation;
- And any other special regime granting tax and/or customs related benefits.

(2) They shall on no account be used beyond the period of the initial approval, except express extension granted by the Ministry in charge of Private Investments, after the formal assent of the Minister in charge of Finance in the event of a case of force majeure or economic hardships duly ascertained by the competent bodies.

Section 15: (1) To benefit from exemptions on Value Added Tax (VAT) granted under this Order, enterprises approved by the Directorate General of Taxation shall submit for the issuance of exemption attestations:

- pro forma invoices for the provision of services related to the execution of the project and obtained from abroad;
- import declaration for importers.

(2) Competent taxation departments shall have 5 (five) working days as from the deposit of the complete file as referred to in paragraph 1 above to examine or notify the rejection where applicable.

(3) Exemption from the tax on VAT for enterprises approved shall not influence the ratio of deduction of their suppliers and service providers. When calculating this ratio, exempted operations shall be put forth both at the numerator and denominator.

Section 16: Where the enterprise approved is an existing enterprise, it shall keep two separate books of account: one concerning old activities and the other relating to the new investment programme.

Section 17: After reception of the annual report relating to the implementation of the investment programme of the enterprise benefiting from incentives, tax and customs services shall, in tandem with the body charged with the promotion of investments or small and medium-sized enterprises, proceed to the control of criteria of eligibility and appropriate use of incentives no later than 30 October each year.

Section 18: When in the normal performance of their missions, the tax and customs services notice cases of fraud or gaps in the tax and customs benefits granted, these benefits shall be immediately suspended and a reminder of the rights according to the modalities provided for by the General Code of Taxation or General Code of Customs, without prejudice to other sanctions provided for by the regulation in force.

Section 19: Without prejudice to other sanctions provided for by laws, tax and customs administrations shall recall the arrears of taxes, customs and duties granted to an enterprise approved as per the modalities provided for by the General Code of Taxation and the Customs Code, when commitments made are not realised or when it ceases its activities:

- For the period under which it benefits from tax and customs incentives provided for the establishment;
- Before a period of 10 (ten) years as from the end of the period during which it benefits from tax and customs incentives provided for the phase of operation.

Section 20: The Director of Taxes and the Director of Customs shall be responsible, each within his own sphere of competence, for the implementation of this Order which shall be registered and published where ever necessary.

Yaounde, 19 November 2013

(Signed) Alamine Ousmane Mey

Minister of Finance

