

LAW N^o 2017/010 OF 12 JUIL 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 – SUBJECT, SCOPE OF APPLICATION AND DEFINITIONS

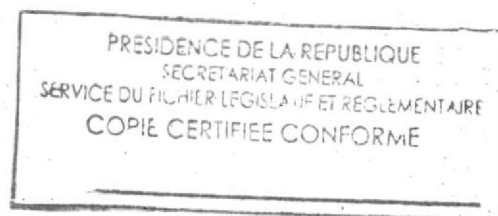
Section 1: (1) This law lays down the general rules and regulations governing public establishments.

(2) It sets out the terms and conditions for the setting-up, organization 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 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 organization 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 therefrom, 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 preset 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.

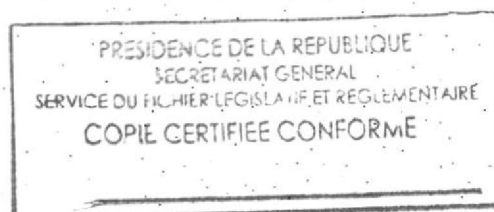
II - ESTABLISHMENT

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 bodies in charge of its management, the rules of procedure of such bodies, the scope of their powers and the 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.

(2) 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.

(3) 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 to 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.

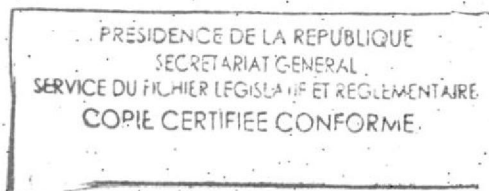
(2) Public establishments set up by a Public Establishment shall be under the technical and financial supervision of the executive body of the Public Establishment concerned.

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 up 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.

(i) BOARD OF DIRECTORS

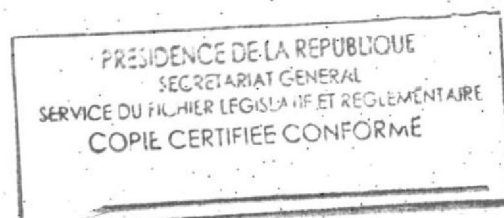
Section 16: (1) The Board of Directors of a public establishment shall comprise no less than 5 (five) and no more than 12 (twelve) members.

(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.



(2) 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.

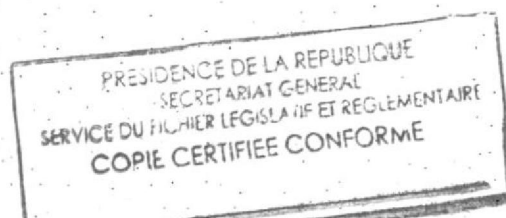
(2) Board members of public establishments set up jointly by the State and other corporate bodies governed by public law shall be appointed under the conditions laid down in the instruments setting them up.

(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 instruments 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 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 ministry 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 duties, 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.

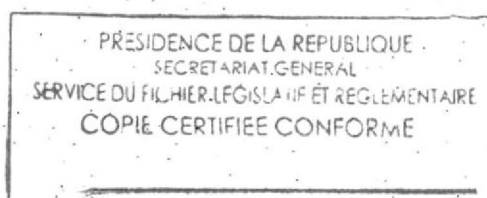
(2) Board members shall receive sitting allowances fixed by resolution of the Board of Directors, within the ceiling limits set by the regulations in force. They may claim reimbursement of expenses arising from board meetings upon presentation of supporting documents.

(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 authorization 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 objectives 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 organization 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 and all other agreements, including loans, prepared by the Director General and having budgetary implications;
- authorize all transfers of movable or immovable, tangible or intangible property, in accordance with 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 compliance 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.

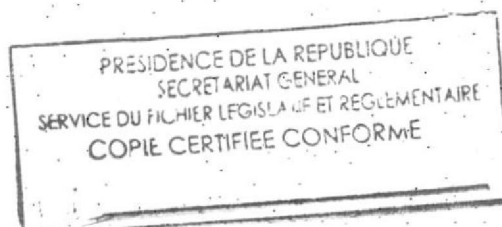
(2) The minutes of board sessions shall be entered in a special minutes book kept at the head office, and signed by the chairperson and secretary of the session. They shall mention the members present or represented. They shall be read and adopted by the Board of Directors at its next meeting.

Section 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.

(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 26 (1) above, 2/3 (two-thirds) of the board members shall contact the financial supervisory ministry which shall convene the board meeting.



(4) The provisions of Section 26 (3) above shall also apply in case of no response from the board 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 board members.

Section 29: (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 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 may be reduced to 5 (five) days.

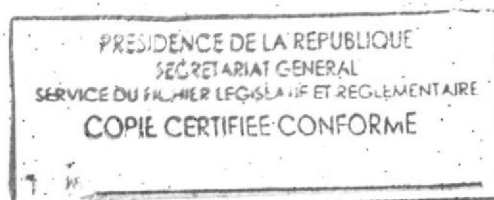
(4) The Board of Directors shall discuss all items included in the agenda either by the chairperson or at the request of board members.

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 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 or commissions shall be entitled to working facilities and allowances within the ceiling limits laid down by the regulations in force.

II – GENERAL MANAGEMENT

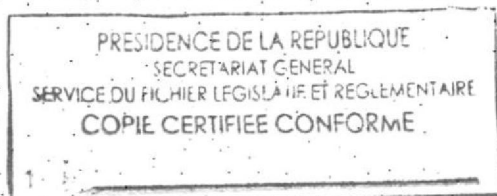
Section 35: (1) The General Management of a public establishment shall be under the authority of a Director General and, where applicable, an Assistant Director General.

(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 terms and conditions laid down by 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 by 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 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 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 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.

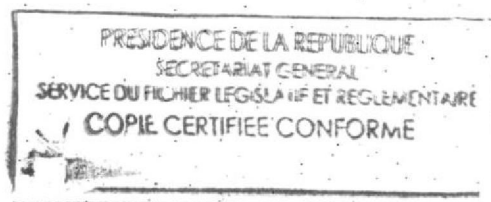
(3) In case of vacancy of the post of Director General as a result of death, resignation or expiry of term of office, and pending the appointment of a new Director General by the appointing authority, the Board of Directors shall take the necessary measures to ensure the smooth running of the public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

II – 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.

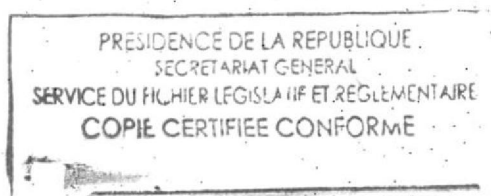
(2) Budgets shall be presented in the form of consistent sub-programmes, with national or local public policy objectives.

Section 49: The accounts of public establishments must be regular and accurate and give a true and fair view 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 the 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 establishments must be balanced.

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

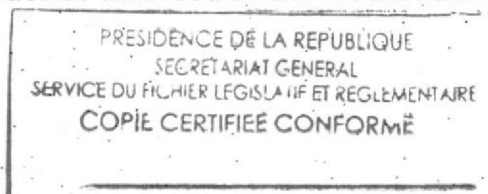
Section 55: (1) The Director General shall, within 6 (six) months of the close of the financial year, present to the Board of Directors and, as the case may be, the minister in charge of finance and the technical supervisory ministry, the administrative and management accounts and annual performance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

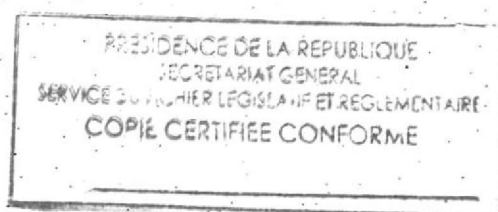
(2) In case of occurrence of the situation referred to in Section 60(1) above, the vacancy conditions laid down in this law shall automatically apply.

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.

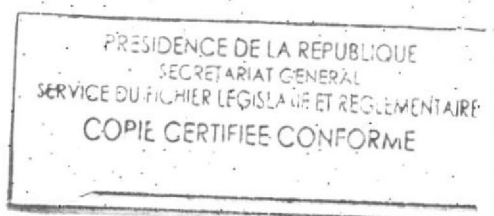
CHAPTER VII MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS

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, 19 JUIN 2017

