REPUBLIQUE DU CAMEROUN Paix-Travail-Patrie

SERVICES DU PREMIER MINISTRE -----SECRETARIAT GENERAL

REPUBLIC OF CAMEROON Peace-Work-Fatherland

PRIME MINISTER'S OFFICE
-----SECRETARIAT GENERAL

PRESS RELEASE FOLLOWING THE NATIONAL DECENTRALIZATION BOARD MEETING OF TUESDAY 17 SEPTEMBER 2019

The Prime Minister, Head of Government, His Excellence Joseph DION NGUTE, today Tuesday 17 September 2019, as from 9:00 a.m. in the Cabinet Meeting hall chaired the first ordinary session of the National Decentralisation Board for 2019. Apart from his close aides, the meeting was attended by Members of Government, Parliamentarians, representatives of the Economic and Social Council, representatives of Municipal Authorities and those of civil society.

Five (5) featured on the agenda namely:

- 1. The activity report of the Permanent Secretariat of the National Decentralisation Board since the last session, presented by the Permanent Secretary of the Board;
- 2. The statement of the Minister for Decentralization and Local Development on: "the implementation of projects to deepen and fast track the decentralization process during the first half of 2019";
- 3. The statement of the Minister for the Economy, Planning and Regional Development on: the physical and financial execution on 30 June 2019, of council projects financed by the General Decentralization Allocation for 2019: difficulties encountered and corrective measures prescribed or envisaged;
- 4. The report of the Minister for Basic Education on the implementation of instructions of the Prime Minister, Head of Government, following the Board session of 20 December 2018, to liaise with the Ministers of Decentralization and Local Development; Public Contracts and Finance, to set up a sustainable and reliable mechanism for making the minimum package available to all schools concerned, before the re-opening of schools;
- 5. The paper presented by the representative of the Association of United Councils and Cities of Cameroon (UCCC) on: "the assessment of the exercise of powers transferred to Councils by Law No. 2004/018 of 22 July 2004.

In his opening remarks, the **Prime Minister** pointed out that the session came a few days after the **Head of State's** message to the Nation announcing the holding of a Major National Dialogue at which one of the key themes would be decentralization. This will require the more active involvement of Members of the Board.

The Head of Government also recalled that the session came after the re-opening of schools which logically coincides with the handing over of the "minimum package" and necessary didactic materials to schools to ensure the hitch-free resumption of classes.

Lastly, since the transfer of powers to Councils by the State was completed in December 2016, he said the operation needs to be assessed with stakeholders on the field in terms of the effective transfer of the powers by the Government departments concerned and how these powers were being exercised by the beneficiary councils.

Reporting on the activities of the Permanent Secretariat of the National Decentralization Board since the last session, the **Permanent Secretary** indicated that the Board mostly followed up the implementation of the instructions of the Head of Government during the Board session of 20 December 2018, and participated in inter-ministerial and other meetings linked to decentralization.

In addition, the Permanent Secretariat contributed to the codification of the decentralization process. In particular, it updated the draft National Decentralization Strategy; drafted the decree on the establishment, organisation and functioning of the National School of Local Administration (NASLA), as part of the reform of the current Local Government Training Centre (CEFAM); and prepared draft legislative and regulatory instruments relating to Regional Councils.

In his statement, the **Minister for Decentralization and Local Development** reviewed the implementation of projects to deepen and expedite the decentralization process during the first half of 2019.

With regard to the deepening of decentralization, the Minister underscored the holding of the General Councils Forums on 6 and 7 February 2019, under the distinguished patronage of the President of the Republic, with a central theme: "Deepening decentralization for a renovated Cameroonian council".

Thanks to the Forum, which brought together the 360 local councils and 14 city councils of Cameroon, and key actors of the decentralization process, a participatory and objective diagnosis of the organization and functioning of councils was conducted. Effective strategies were also identified to enable councils to fully play their role as drivers of local development.

With regard to fast tracking decentralization, the Ministry of Decentralization strove in earnest to put in place the second echelon of local authorities, namely the Region.

In that regard, two landmark bills were defended during the March 2019 session of Parliament: the first, amended and supplemented certain provisions of Law No. 2012/001 of 19 April 2012 instituting the Electoral Code; and the second fixed the number, proportion by category and allowances of Regional Councillors. These instruments were enacted into law by the President of the Republic on 25 April 2019.

The General Decentralization Allocation for the current year has made provisions for the putting in place of Regions. All ministries concerned by the transfer of powers to regions have also been identified and contracted for preliminary consultations.

For his part, the **Minister for the Economy, Planning and Regional Development** presented the difficulties encountered and the corrective measures prescribed or envisaged during the physical and financial execution of council projects funded by the General Investment Allocation as on 30 June 2019, for the current year.

With regard to investment resources transferred to local and city councils for FY 2019, the Minister for the Economy revealed that a new method of budgeting, delivery and monitoring of public investment resources transferred to local authorities has been prepared pursuant to the instructions of the Prime Minister, Head of Government.

The new arrangement aims to involve councils in the entire process of selection and implementation of investment projects financed by transferred votes. In addition, it makes it possible to transfer more public investment votes to councils and to also enhance the transfer mechanism.

The positive forecasts of the Medium-Term Budget Framework have made it possible to increase public investment votes transferred to local authorities to CFAF 91.4 billion for FY 2019, equivalent to a 53.4% increase over 2018. The resource breakdown is as follows: i) CFAF 36 billion distributed equally to 360 Councils, or CFAF 100 million to each, under the General Allocation for investment; and ii) CFAF 55.4 billion transferred as endowment to local and city councils, by sector ministries having transferred powers.

With regard to the mid-term review of the delivery of public investment votes transferred to councils in 2019, MINEPAT indicated that such transferred resources are placed at the disposal of Municipal authorities in the form of expenditure authorizations, in line with the provisions of Circular No. 001/C/MINFI of 28 December 2018, on the implementation of the budget of the State and other public entities in FY 2019.

Summary data collected on 30 June 2019, after the holding of Local Follow-up Committees on the physical/financial execution of public investments indicate that the rate of physical execution of projects is **18.50%**, against 14.57% at the same period last year; corresponding to a 3.93% increase. Financial execution is estimated at **9.71%**, against 6.20% at the same time last year, corresponding to a 3.51% increase.

Although on the increase, these results however remain unsatisfactory compared to FY 2018.

To address persistent difficulties, MINEPAT prescribed a number of corrective measures, including accompanying local authorities in the preparation of council development plans through PNDP; the signing by MINEPAT and MINDDEVEL of a circular letter outlining the conditions and methods of execution, monitoring and control of projects financed by the investment window of the General Decentralization Allocation, to avoid blockage of the projects concerned; the appointment by the Minister-Delegate at the Presidency of the Republic in charge of Public Contracts, of the chairpersons and members of internal tenders boards in all local authorities concerned; organization in collaboration with MINDDEVEL and MINFI, of capacity-building workshops for mayors, sector ministries and devolved State Services for more effective use of the mechanism for budgeting, delivery and monitoring of transferred resources.

In his statement, the **Minister for Finance** pointed out that **CFAF 2.5 billion and CFAF 7.160 billion** were paid under the General Allocation for Investment and Functioning in FY 2016 and 2017 respectively. He recalled in passing that the constant audit of arrears under the General Allocation for Functioning has enabled the regular payment of salaries of municipal authorities to date.

To improve the disbursement of resources to local authorities especially for investment, he suggested that an evaluation be done to identify votes having been delivered based on supporting documents and to cancel those for which no action was initiated for their consumption.

The Secretary of State in the Ministry of Basic Education spoke next on the establishment of a sustainable and reliable mechanism for placing the minimum package at the disposal of all schools concerned, before the resumption of schools. Despite the procurement-related difficulties encountered by local authorities, he said, 99 councils discharged this legal obligation. With the measures taken, all other councils will be served in the coming days.

In his presentation, the representative of UCCC presented an assessment of the exercise of powers transferred to councils by Law No. 2004/018 of 22 July 2004.

Judging from the first three phases of transfer of powers, he noted that the failure to apply certain legal provisions inherent in the decentralization process did not allow councils to effectively take up the challenge of local development. Examples include the noncompliance with the principles of progressiveness and complementarity in the transfer of powers by some Government ministries; the non-concomitance of the transfer of powers and the corresponding resources; and the failure to determine the fraction of State receipts that reverts annually to the General Decentralization Allocation. The UCCC recommended a series of measures to remedy this situation and reiterated their commitment to support the decentralization policy initiated by the **President of the Republic, His Excellency Paul BIYA**.

At the end of deliberations and taking cognizance of the views and contributions of members of the Board, the **Prime Minister**, **Head of Government**, requested:

- 1. *the members of the National Decentralization Board*, to submit to him through the Board's Permanent Secretariat their suggestions on decentralization, ahead of the Major National Dialogue announced by the President of the Republic;
- 2. the *Secretary-General of the Prime Minister's Office*, to liaise with MINDDEVEL, MINAT and other Government departments concerned, to update the draft decree laying down the terms and conditions of collaboration between local authorities and devolved State Services;
- 3. the Minister for Decentralization and Local Development:
 - to liaise with MINMAP, MINFI and MINEPAT to expedite and finalize as soon as possible, the reflection prescribed during the NDB session of 20 December 2018, aimed at endowing local authorities with a specific public procurement system;

- to invite local State bodies to monitor the implementation of council projects and forward to FEICOM, statements and evaluation reports highlighting all completed or ongoing contracts and projects in order to prepare the transfer applications;

4. the *Minister for Finance*, to:

- liaise with sector ministries whose powers have been transferred to present the situation of financial resources effectively transferred to local authorities for the exercise of such powers in the last two fiscal years (2017 and 2018). This should be done before the next session of the National Decentralization Board, scheduled for December 2019;
- organize a reflection on the increase of financial resources dedicated to local authorities, in collaboration with MINEPAT, MINDDEVEL and the other Government departments concerned, and to submit to him the findings thereof by 29 November 2019;
- audit the General Investment Allocation based on physical/financial implementation reports presented by every entity executing the said allocation;
- 5. the *Minister of the Economy, Planning and Regional Development*, in collaboration with the Government departments concerned, to:
 - continue putting in place the Regional Investment Project Maturation Commissions of Local Authorities;
 - work closely with different stakeholders and the different investment project planning instruments of local authorities, to improve the rate of physical/financial implementation of such projects.

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FOUDA Séraphin Magloire, Secretary-General of the Prime Minister's Office