**NATIONAL ASSEMBLY**
**10th Legislative Period**
2023 Legislative Year
**3rd Ordinary Session**
(**November 2023**)
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**REPUBLIC OF CAMEROON**
**Peace - Work - Fatherland**
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**No. 84/R/AN/10**

# REPORT

**On Bill No.2042/PJL/AN**

**Settlement Bill of the Republic of Cameroon for the 2022 Financial Year**

**Presented**

**On behalf of the Committee on Finance and the Budget**

**By**

**Honourable NDONGO ETEME Edgard, General Rapporteur**

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**Right Honourable Speaker,**

**Fellow Members of the National Assembly,**

At its sitting of 11 November 2023, the Chairmen's Conference deemed admissible Bill No.2042/PJL/AN: Settlement Bill of the Republic of Cameroon for the 2022 Financial Year and, pursuant to the provisions of Articles 24 and 38 of the Standing Orders of the National Assembly, entrusted the said bill to the Committee on Finance and the Budget for a substantive study.

In order to discharge its task, your Committee on Finance and the Budget met on 15 November 2023.

The Bill was defended by the Minister of Finance who was assisted by the Minister Delegate to the Minister of Finance, in the presence of the Minister Delegate at the Presidency of the Republic in charge of Relations with the Assemblies.

In her opening remarks, the Chairperson of the Committee on Finance and the Budget was keen to warmly welcome the Government Bench.

Thereafter, she made it clear that the consideration of the 2022 Settlement Bill paves the way for the consideration of the Finance Bill for the 2024 Financial Year and accordingly initiates discussions on public finances, in general, and implementation of public policies in our country in particular, during the ongoing November 2023 Ordinary Session of the National Assembly.

She went on to stress that the quality of documents submitted by Government are a clear indication that Government is determined to exude transparency in budget execution. That notwithstanding, she deplored Government's belated tabling of such documents.

Meanwhile, even though initially set targets had not been achieved, the Committee commended Government's efforts to pursue implementation of economic and financial reforms in spite of the adverse economic environment characterised at the international level by a general slump in economic activities resulting from the Russo-Ukrainian War and at the national level by persistent security concerns.

The Committee Chair was also keen to express satisfaction with receipts collected and expenditure made by Government.

She went on to note the good posture of revenue collection as Government collected more than the revenue projected.

As concerns expenditure per budget head (Section 2), the Committee Chair deplored under-utilisation of the budget allocated to the Ministry in charge of Decentralisation, especially the budget allocated to the Ministry's Programme 100 dubbed "Promotion of Local Development" which is a top priority programme whose cardinal objective is to expedite decentralisation.

With regard to implemented programmes whose performance was determined through performance indicators, she deprecated the low implementation rate of programmes in many sectors.

Conversely, the Committee Chairperson still pondered on some of the programmes that were presumably well implemented, especially in sectors where such implementation had not yielded satisfactory results. She went on to cite a number of sectors:

- development of the country's civil protection system: 100%;
- improved management of human resources of the State: 100%;
- road construction and provision of other infrastructure: 94.44%.

Before rounding off her statement, she decried the fact that the under-utilisation of budgets earmarked for certain Special Appropriation Accounts is persistently substantial-a state of affairs that raises questions on the relevance of such accounts and on their modus operandi.

It emerged from the explanatory statement that this Settlement bill is tabled before Parliament for consideration pursuant to the provisions of

Sections 20 and 57 of Law No. 2018/012 of 11 July 2018 relating to the Financial Regime of the State and Other Public Entities. It shows the actual implementation of Law No. 2021/26 of 16 December 2021: Financial Law of the Republic of Cameroon for the 2022 Financial Year, as amended and supplemented by Ordinance No. 2022/001 of 2 June 2022.

## I- BACKGROUND TO THE IMPLEMENTATION OF THE 2022 FINANCIAL LAW

The 2022 Finance Law was implemented in a rather difficult environment characterised mainly by the following.

- **Internationally,** the outbreak of the Russo-Ukrainian War which greatly disrupted food and energy markets, particularly in many developing countries. The war caused an overall economic slowdown globally, with economic growth rate falling from 6.0% in 2021 to 3.4% in 2022. Global inflation almost doubled from 4.7% in 2021 to 8.8% in 2022;
- **At sub-regional level,** discussions between the IMF and CEMAC member States are held every year to review the common policies of member countries. The 2022 sub-regional growth rate was 3.4% as against 4.7% in 2021; and
- **Domestically,** the GDP growth rate was 4.0% compared to 3.4% in 2021, even though security concerns continued to persist in the Far-North, North-West and South-West Regions and were compounded by the strike action by primary and secondary school teachers. Unemployment rate fell from 6.1% in 2021 to 4.0% in 2022.

## II- OVERALL EXECUTION OF THE STATE BUDGET FOR THE 2022 FINANCIAL YEAR

Resources allocated to the State budget for the 2022 financial year totalled 4 191.9 billion CFA francs while expenditure authorised was 4 739.8 billion CFA francs, representing a projected budget deficit of 567.9 billion CFA francs (2.0% of GDP).

### (A) General Budget

Revenue collected under the general budget was 4 587.9 billion CFA francs compared to amended projections of 4 124.2 billion CFA francs, representing a 111.2% execution rate.

Expenditure was executed to the tune of 4 616.2 billion CFA francs as against amended projections of 4 637.1 billion francs, representing a 99.5% execution rate.

### (B) Special Appropriation Accounts (SAAs)

The sum of 68.2 billion CFA francs was injected into SAAs as against amended projections of 67.7 billion CFA francs, that is a 100.7% execution rate.

However, the 40.7% expenditure rate remained below average. The expenditure carried out was 41.8 billion CFA francs as against the projected expenditure of 102.7 billion CFA francs.

## III- BUDGET BALANCE AND DEFICIT FOR THE 2022 FINANCIAL YEAR

The State budget balance for the 2022 financial year was 4.0 billion CFA francs or 0.0% GDP. It represents the difference between budget revenue (4 656.2 billion CFA francs) and budget expenditure (4 660.2 billion CFA francs, including net loans of 2.2 billion CFA francs).

It is worth noting that the deficit is well below initial projections (-567.9 billion), owing to good performance in domestic revenue collection and thanks to financial grants received.

Revenue collected in the country amounted to 4 474.2 billion CFA francs as against projections of 4 080.9 billion CFA francs, representing an increase of 393.3 billion CFA francs.

Financial grants totalled 219.5 billion CFA francs as against projections of 142.3 billion CFA francs, or an increase of FCFA 77.2 billion in absolute terms and 54% in relative terms.

Budget expenditure was carried out as projected, that is the sum of 4 739.8 billion CFA francs was to be spent as against the sum of 4 657.9 billion CFA francs that was actually spent or 98.2%.

The above situation engendered an overall financial shortfall of 1 831.9 billion CFA francs.

## IV. FINANCING BUDGET DEFICIT AND GETTING A BALANCED BUDGET

To make up for the overall financing shortfall of 1 831.9 billion CFA francs referred to above, the State, as in the past, had recourse to different mechanisms to procure funds, namely: **(i)** project disbursements, comprising mainly project loans of 776.4 billion CFA francs; **(ii)** issuance of government securities amounting to 495.2 billion CFA francs, consisting of fungible treasury bonds (FTBs) (260.2 billion CFA francs) and electronic consignment notes (eCMRs) (235.0 billion CFA francs); **(iii)** bank financing which generated 166.3 billion CFA francs; **(iv)** budget support totalling 280.2 billion CFA francs, including support from the AfDB (53.1 billion CFA francs), the IMF (114.6 billion CFA francs), IDA (66.1 billion CFA francs) and FDA (46.4

billion CFA francs); and **(v)** exceptional financing which was 113.8 billion CFA francs and consisted of SDRs.

Taking the floor to furnish additional explanations, the Minister of Finance began by respecting the rules of decorum and proceeded with his additional explanations which revolved around 3 salient points, to wit:

- the socio-economic background in which the State budget for the 2022 Financial Year was executed from the point of view of collecting revenue and carrying out expenditure;
- presentation of the 2022 Settlement Bill whose revenue and expenditure was balanced at the sum of 5 977.7 billion CFA francs;
- the macroeconomic framework under which the 2022 Settlement Bill was drafted.

As concerns the socio-economic background, the Minister of Finance maintained that:

- the execution of the 2022 State budget in Cameroon was characterised by:
  - an increase in our country's gross domestic product (GDP) which hit the 4.0% threshold in 2022 as against the 3.4% threshold in 2021;
  - sustained efforts to implement the 2021 – 2024 Economic and Financial Programme resulted in the disbursement of the sum of 114.6 billion CFA francs and the sum of 46.4 billion by the IMF and France respectively through the extended credit facility and the extended credit programme;
  - publication of Decree No.2022/52 of 25 January 2022 which authorised the Minister of Finance to issue securities amounting to 350 billion during the 2022 financial year;

- continuation of investment projects, especially under NDS30 as well as still-to-be completed projects of AFCON Total Energies;
- an audit of the floating debt of the State and that of its subdivisions (regional and local authorities, public establishments and public corporations) was carried out during the period from 1st January 2000 to 31st December 2019;
- teachers' protest in the first quarter of the 2022 financial year and measures taken to pay the dues of secondary school teachers (70 billion CFA francs) and those of primary school teachers (54.5 billion CFA francs) restored their confidence;
- enactment of Law No.2022/1 of 2 June 2022 to amend the 2022 Financial Law following an increase in fuel prices which engendered a significant increase in budget revenue;
- an increase in the debt ceiling from 1 635.5 billion CFA francs to 1 749.5 CFA francs in absolute terms and 6.9% in relative terms;
- persistent security concerns in the Far-North, North-West and South-West Regions;
- acceleration of decentralisation by rendering regional councils operational.

- The execution of the 2022 State budget was characterised at the international level by:
  - the outbreak of the Russo-Ukrainian War which disrupted food and energy supply chains in many developing countries;
  - a high inflation, that is 8.8% in 2022 as against 4.7% in 2021;
  - an increase in fuel prices from 70 dollars per barrel in 2021 to 98.2 dollars per barrel in 2022, that is a 40.3% increase in relative terms;
  - the slump in global economic activities and projections that there would be an economic recession in 2023;

- global economic growth that fell from 6% in 2021 to 3.4% in 2022;
- the shortfall in employment was about 473 million CFA francs in 2022 while the estimated rate of the working population and that of disparity between men’s and women’s jobs was 12.3%.

- The execution of the 2022 State budget was characterised at the sub-regional level by:
  - the large-scale shocks that impacted the proper functioning of CEMAC, especially the sharp fall in oil prices, civil strife in some countries, influx of refugees and drought;
  - a decrease in GDP growth rate from 4.7% in 2021 to 3.4% in 2022 in the CEMAC sub-region;
  - a 5.6% rise in inflation rate which was largely above the threshold of 3% of GDP set by CEMAC as part of multilateral surveillance;
  - an increase in outstanding government securities issued by CEMAC countries (+12.9%), that is 5 314.7 billion CFA francs in 2022 as against 4 708.3 billion CFA francs in 2021;
  - annual discussions held between the International Monetary Fund (IMF) and the Economic and Monetary Community of Central Africa (CEMAC) as part of the review process of member countries’ common policies and support to CEMAC countries’ reform programmes.

In his presentation of the Settlement Bill under scrutiny, the Minister of Finance averred that 168 Programmes were budgeted in the Bill and all the Programmes were subdivided into actions while the objectives of the Programmes were quantified through performance indicators. He went on to give an account of expenditure carried out with commitment appropriations and the implementation rate of programmes through performance indicators.

He then disclosed that data on the execution of the State budget is obtained from two overheads, namely the General Budget and Special Appropriation Accounts (SAAs).

As concerns the general budget which is used to finance activities under ministerial budget heads and activities of institutions provided for in the Constitution, the revenue collected was 4 588 billion CFA francs as against amended projections of revenue collection of 4 124.2 billion CFA francs. This represented a revenue collection rate of 111.2%.

According to the Minister, such a revenue collection rate was driven by good results in the collection of non oil revenue, that is the sum of 3 458.5 billion in absolute terms and 105.6% in relative terms which largely exceeds the amended projected revenue collection of 3 274.9 billion CFA francs.

He went on to give details on non oil revenue collection as follows: revenue from taxes and duties amounted to 2 298.9 billion CFA francs (104.3%) and non tax revenue amounted to 258.4 billion CFA francs (114.2%).

On its part, expenditure carried out with the General Budget amounted to 4 616.2 billion CFA francs as against amended projections of expenditure amounting to 4 637.1 billion CFA francs, that is an expenditure rate of 99.5%.

Meanwhile, capital expenditure was carried out to the tune of 1 417.4 billion CFA francs as against amended projections of capital expenditure amounting to1 419 billion CFA francs, that is a capital expenditure rate of 99.9%.

As for Special Appropriation Accounts, the Minister of Finance averred that the sum of 68.2 billion CFA francs was injected into them as against the projected sum of 102.7 billion CFA francs, that is a 66.4% rate of financial outlay.

Meanwhile, expenditure carried out with funds from Special Appropriation Accounts was about 41.8 billion CFA francs as against amended projections of expenditure amounting to 102.7 billion CFA francs, that is an expenditure rate of 40.7%.

He further stressed that all the revenue from the General Budget and Special Appropriation Accounts and all the expenditure carried out with funds from the General Budget and Special Appropriation Accounts presented in the foregoing resulted in the 4 billion CFA francs budget deficit mentioned in the explanatory statement.

The resulting budget deficit of 4 billion CFA francs and the need to provide the sum of 1 827.9 billion CFA francs increased the financing needs of the State to the sum of 1 831.9 billion CFA francs. The above financing needs of the State were met by procuring the same amount of funds as had been provided for in the Finance Law for the 2022 Financial Year.

With respect to the format of the 2022 Finance Law, the Minister of Finance reiterated that the 2022 Finance Law which was drafted in pursuance of the provisions of Section 20 of the Law relating to the Financial Regime of the State and Other Public Entities has 10 (ten) Sections which give a general account of the execution of the State budget during the 2022 financial year and 14 (fourteen) appendixes.

The Minister went on to present the appendixes as follows:

- Appendix 1: detailed State budget execution and getting a balanced budget;

- Appendix 2: discrepancies between projected revenue, revenue actually harvested, real spending, outstanding receivables and outstanding payables;
- Appendix 3: detailed execution of the budgets of Special Appropriation Accounts;
- Appendix 4: General Accounts of the State;
- Appendix 5: implementation of accounting reforms;
- Appendix 6: consolidating State accounts and accounting quality;
- Appendix 7: management accounts of the State, including its financial operations;
- Appendix 8: financial support from the State to regional and local authorities;
- Appendix 9: State shares in companies;
- Appendix 10: real execution of the public investment budget;
- Appendix 11: implementation of externally funded projects;
- Appendix 12: deposits and grants paid by the State;
- Appendix 13: instruments to authorise the amendment of budget appropriations;
- Appendix 14: report of the Audit Bench on the implementation of the Finance Law and certification report on State accounts.

As regards the preparation of the 2022 State budget under scrutiny, the Minister maintained that his ministry usually prepares the budget with contrasting inputs from the Audit Bench. He added that the decision to do so is the result of an institutional consensus to constantly share experiences and to sincerely provide budget execution reports, budget accounts and Government's use of funds to Parliament.

This is to say that two reports are appended to the 2022 Settlement Bill, that is the report on the execution of the 2022 State budget and the report on the certification of the General Accounts of the State.

Talking about the content of the Audit Bench's report on the execution of the State budget for the 2022 financial year, the Minister of Finance averred that the batch of recommendations formulated by the Audit Bench would, without undue delay, be incorporated in the multi-year strategy paper to better execute the State budget in the coming years. The recommendations are, but not limited to:

- inclusion of outstanding payments in the initial finance bill;
- the need to systematically sign decrees and transfer orders when budget appropriations are amended prior to budget execution;
- the need to comply with thresholds set for debt sustainability vis-à-vis the ratios of external debt to exports and external debt to the country's earnings;
- the need to increase the overall budget allocated to decentralisation through the investment component of the public investment budget (PIB);
- the need to pursue the reform process in order to make accurate budget forecasts

On the need to certify State accounts as warranted by accounting reforms, the Minister of Finance averred that the provisions of Section 92 of the Law relating to the Financial Regime of the State and Other Public Entities which had set 1st January 2022 as the date for switching to asset accounting and the switch culminated to the first certification report on the General Accounts of the State that has been submitted, for the first time, to Parliament for consideration during the ongoing November Ordinary Session of Parliament whose cornerstone is to pass finance bills.

That is why, according to the Minister of Finance, the Audit Bench has for the first time and based on certain issues that have not been addressed as part of the accounting reform process, not certified the accounts.

The Minister went on to disclose that the issues that account for reservations expressed by the Audit Bench mainly revolve around:

- stock taking and valuation of outstanding assets and liabilities of the State are still to be finalised;
- stipulations on amortisation, depreciation and reserves are not respected while keeping and producing accounts;
- inventory accounting has not yet been initiated by Government;
- the information system which is still to be updated to enable it to be tune with asset accounting requirements.

While commending the Audit Bench for its stance, especially as it seeks to motivate government to do better by fully embarking on accounting reforms, the Minister of Finance was keen to point out that such a stance is normal even in countries that preceded our country in effecting accounting reforms in accrual accounting since accounting reforms are generally progressive.

The international accounting standards, the standards of the International Public Sector Accounting Standard (IPSAS) provide for a minimum period of 5 (five) years for the creation of the State's opening balance sheet.

In cognisance of reservations expressed in the certification report, the Minister of Finance stressed that Government is determined, more than ever before to work in synergy with the Audit Bench in order to address, as its finances will allow, one issue after the other.

In actual fact, it has become necessary, nay imperative, to take cognisance of funding difficulties that bedevil implementation of public finance reforms even as activities that Government has to finance keep increasing amid limited finances.

To buttress his point, the Minister of Finance pointed out that to take stock of just tangible assets in order to incorporate them in State accounts will mean that workers have to be deployed to the field in the 10 Regions, 58 Divisions and 360 Subdivisions of the country in order to take stock of unbuilt privately and publicly owned land of the State, Government buildings and rolling stock. Some workers will also have to go on mission to Cameroon's embassies abroad.

Owing to financial constraints, our country's low budget and the huge financial resources that are necessary to take stock of such assets in just a few years, Government really needs the involvement of all and sundry in the lofty quest to embark on such an enterprise and complete the stock taking exercise of tangible assets.

Before rounding off his presentation, the Minister averred that effecting accounting reforms is worthwhile because accounting reforms will significantly contribute to better governance, especially as accounts are crucial in showing how well the Government executed the budget and are above all, performance indicators for accessing the rate at which public policy objectives have been achieved.

During the ensuing general discussion, your Committee members commended Government for efforts made in respecting the deadline for tabling the bill under scrutiny and for the quality of documents appended to the Bill.

They also commended Government for taking cognisance of reservations expressed by the Audit Bench of the Supreme Court in its certification report on State accounts in light of the accounting reforms process, especially as Government has, by doing so, demonstrated its determination to infuse transparency and accountability in public finance management.

They, however, raised concerns on:

- mismatch between the real amount of outstanding payments and the amount of outstanding payments in the 2022 Settlement Bill and in the General Account of the State;
- status report on implementation of the integrated system for collecting information on revenue and expenditure structures;
- reasons why government is perpetuating the practice of transfers and permutations of funds from one Programme to another and, therefore, altering the Finance Law in force without prior authorisation by Parliament;
- the relevance of Government's decision to cut the budget of some ministries such as those operating in the infrastructure sector and with regard to public internal debt amid concerns on the financial standing of businesses and the ever-growing needs of constituents in these sectors;
- the exact amount of salary arrears owed to teachers and possible solutions for complete payment of such arrears. In this wise, they questioned the use being made of additional budgets allocated to the

ministries of basic education and secondary education for the benefits of their teachers;

- possibility of government to come up with a comprehensive document that gives an account of the execution of the State budget and the budget of regional and local authorities (RLA) in order to make a better appraisal of the management of revenue collected at local level;
- the importance of still having certain SAAs which do not improve performance in the sectors concerned;
- measures being taken by government to stave off the possibility of accumulating outstanding debts substantially;
- the need to identify sectors in which performance was pretty good as well as performance indicators;
- assurances that 15% of the State budget is actually allocated to regional and local authorities (RLAs) in order to expedite decentralisation;
- reasons adduced for the inequitable distribution of funds allocated to RLAs and from one Region to another;
- constraints to drafting enabling instruments for the Deposit and Savings Funds which has been operational since 20 January 2023;
- rationale for systematically using debt mechanisms to finance projects in disregard of the huge amounts of committed and disbursed balances;
- mobilisation of limited financial resources to finance universal health care delivery;
- the need to digitalise public services of the State;
- the veracity of information that the Cameroon Football Federation has been notified and requested to return funds that were disbursed

by the State for the participation of the Indomitable Lions in the 2022 World Cup in Qatar;

- the fate reserved for the State's majority shares in Commercial Bank of Cameroon (CBC) after it was successfully restructured;
- the financial and managerial situation of the Bank for Small and Medium-sized Enterprises (BSMSE);
- reasons why the competitiveness of Cameroon Telecommunications (CAMTEL) is low amid the glaring vitality of the sector;
- measures to be taken by Government to significantly improve the performance of public corporations and establishments;
- the latitude of the State to defray the cost of routine goods and services through the Autonomous Sinking Fund (ASF);
- progress made in having a single Treasury Account and in capping the financial resources of some public entities;
- the fate of savings made from the execution of the State budget.

Taking the floor anew to address the concerns raised by your Committee members, the Minister of Finance explained, as concerns the mismatch between the real amount of outstanding payments and the amount of outstanding payments in the 2022 Settlement Bill and in the General Accounts of the State, that outstanding payments during the 2022 Financial year include outstanding payments for the 2021 Financial Year and for the 2022 Financial Year.

He, however, disclosed that special measures will be taken during the 2024 Financial Year to significantly reduce the amount of outstanding payments.

As for reasons why government is perpetuating the practice of transfer and permutations of funds from one Programme to another and, therefore, altering the Finance Law in force without prior authorisation by Parliament, the Minister averred that such transfers and permutations are carried out in accordance with legal provisions that duly authorise the Head of State to sign an ordinance to amend the initial Finance Law and are also in accordance with Decree No. 2014/1961/PM of 8 July 2014 to transfer funds from one budget head to another.

Concerning the relevance of government's decision to cut the budgets of ministries operating in the infrastructure sector in spite of the ever-growing needs of constituents in the sector, the Minister reiterated that Government deemed it necessary to readjust the budgets allocated to ministries, excluding ministries in the social sector as agreed with the International Monetary Fund and in order to bring socioeconomic repercussions of the Russo-Ukrainian War and the rise in fuel prices under control.

While acknowledging that our country is grappling with acute problems of road infrastructure, the Minister disclosed that measures are being taken by Government to better source funds in order to solve the problems.

Regarding the exact amount of salary arrears owed to teachers and possible solutions for complete payments of such arrears, the Minister averred that presidential instructions to address the concerns of teachers have, to date, been fully carried out by Government.

For example, a schedule to complete payment of the arrears in September 2025 latest has been drawn up. The problem is that some teachers' trade unions who consider the 2025 deadline long are averse to it.

Meanwhile, the sum of 96 billion CFA francs has been allocated in the 2024 Finance Bill to partially pay salary arrears owed to teachers.

The Minister also maintained that a new cash flow plan has, owing to the demands persistently made by the teachers, been drawn up to shorten the above deadline.

On the possibility of Government coming up with a comprehensive document that gives an account of the execution of the State budget and the budget of regional and local authorities, the Minister posited that measures would be taken to produce such a document in future.

Talking about the importance of still having certain SAAs that do not improve performance in the sectors concerned, the Minister made it clear that in spite of glaring dysfunctions, strides have been made in managing funds allocated to Special Appropriation Accounts.

That notwithstanding, in order to improve on the management of funds earmarked for SAAs, it would be necessary to revamp their mode of financing by giving them the latitude to source funds and helping authorising officers of SAAs funds to increasingly use funds put at their disposal.

As for assurances that 15% of the State budget is actually allocated to regional and local authorities (RLAs) in order to better decentralise, the Minister reiterated that decentralisation is essentially progressive and so Government is decentralising progressively amid high expectations by constituents in that regard.

The Minister went on to disclose that due to the structure of the budget and contrary to the widely held belief, the 15% cannot be applied to all the general resources of the State. Resources from external support to finance specific projects and those earmarked for carrying out the statutory duties of the State fall within the ambit of the State.

Before rounding off his statement on your Committee's concern, the Minister pointed out that the devolution of powers needs to be accelerated since it precedes the transfer of resources.

Regarding reasons that account for inequitable distribution of funds allocated to RLAs and from one Region to another, in particular, the Minister reiterated that Government is keen to see that all Regions are developed harmoniously.

He went on to explain that resources are transferred to RLAs by taking into account the funds available and the rate at which funds allocated to them during preceding financial years are used.

Meanwhile, economically distressed Regions like the North-West, South-West and Far-North receive special attention from government through the Presidential Plan for Reconstruction.

As concerns constraints to drafting enabling instruments for the Deposit and Savings Fund, the Minister reiterated that the Deposit and Savings Fund has been operational since the beginning of 2023 following the appointment of its executive officers while its enabling instruments have been drafted already and forwarded to hierarchy for appraisal and signature by appropriate authorities.

The Minister also disclosed that the personnel of the central government would be on secondment at the Deposit and Savings Fund to enable the Fund to operate sustainably.

Addressing the concern on the rationale for systematically using debt mechanisms to finance projects in disregard of huge amounts of committed and disbursed balances, the Minster made it clear that Government is determined to reduce the amount of balances by laying emphasis on project maturity.

As for the mobilisation of limited financial resources to finance universal health care delivery (UHD), the Minister averred that UHD which seeks to make it possible for Cameroonians to have equitable access to quality health care is in its pilot phase. To this end, the first healthcare package is in place and is administered to pregnant women and children below 5 years.

Concluding his statement on your Committee's concern, the Minister posited that Government has opted to provide healthcare delivery progressively on account of its complexity and the huge amount of finances required.

On the need to digitalise public services of the State, the Minister averred that the reform process to digitalise public services has, in collaboration with development partners, been initiated already by Government.

To buttress his point, he averred that the services of the Ministry of the Public Service and Administrative Reform, the General Directorate of Customs, the General Directorate of Taxes have been digitalised while those in charge of drawing up civil status documents and issuing National Identity Cards have been digitalised under the auspices of the World Bank.

Concerning the veracity of information that the Cameroon Football Federation has been notified and requested to return funds that were disbursed by the State for the participation of the national team in the 2022 World Cup, the Minister of Finance buttressed the veracity of such information by averring that the State has requested FECAFOOT to return the funds initially disbursed to FECAFOOT.

As for the fate reserved for the State's majority shares in Commercial Bank of Cameroon (CBC), the Minister made it clear that since CBC had been successfully restructured, Government intends, with the consent of the President of the Republic, to transfer in part its shares which account for 98% of shares. To this end, 53% of Government's shares could be transferred to a strategic partner while 30% of the shares would be listed in the Central African Stock Exchange while 17% of the shares will remain in the State's portfolio.

On reasons why the competitiveness of Cameroon Telecommunications (CAMTEL) remains low amid the glaring vitality of the sector, the Minister acknowledged that the performance of CAMTEL is below expectations. That is why an inter-ministerial committee is exploring ways and means of restructuring CAMTEL and Government is still brainstorming on possibilities of improving the performance of CAMTEL.

He went on to disclose that there are prospects for CAMTEL to become a holding comprising three entities.

Regarding measures to be taken by Government to significantly improve the performance of public corporations and establishments, the Minister maintained that it is necessary for Government to redefine criteria for appointing managers and boards of directors by ensuring such criteria gives priority to the competitiveness and performance of public corporations and establishments. Similarly, ministries that have supervisory authority over such public corporations and establishments need to carry out their functions and ensure that managers of public entities placed under their supervisory authority have a degree of autonomy.

With respect to the latitude of the State to defray the cost of routine goods and services through the Autonomous Sinking Fund (ASF), the Minister averred that funds lodged with the Autonomous Sinking Fund are exclusively used to finance projects for which partnership agreements have been signed.

He, however, added that the State budget would, when the need arise, be readjusted in accordance with legal provisions in force.

As for progress made in having a single Treasury Account, the Minister underlined the importance of government's decision to have a single Treasury Account. In practice, having a single Treasury Account would enable the State to have a clear picture of available funds and to plan and use them better.

That is why Government will continue to sensitise and attribute a banking identity to RLAs, in particular, to enable it to have a clear picture of funds available in the single Treasury Account.

Talking about the fate of savings made from the execution of the State budget, the Minister averred, as concerns savings resulting from games that savings could be made from the budget during the implementation of projects, but it is obvious that the implementation of some of the projects make it necessary to have recourse to riders to initial contracts. All these then generate savings or additional funds.

Your Committee members went on to formulate recommendations on:

- the need to use the personnel of devolved services to take stock of tangible assets of the State and expedite the reform process of State asset accounting;
- the need to draw up a schedule for the certification process of State accounts by respecting set standards and stipulated deadlines;
- the need to consolidate the policy of having the State to own shares and scrupulously appoint qualified persons to sit on boards of

directors of public corporations and, ipso facto, infuse transparency in the provision of information on dividends to be paid to the State by public entities.

At the end of the general discussion, your Committee members went on to scrutinise Sections of the Bill.

Sections 1 to 10 were adopted without amendment.

Having come to the end of its deliberations, your Committee on Finance and the Budget adopted, without amendment, each of the Sections as well as the entire Bill No. 2042/PJL/AN: Settlement Bill of the Republic of Cameroon for the 2022 Financial Year.

It now prays the entire House Chamber to kindly endorse its conclusions.