

REPUBLIC OF GUINEA



MINISTRY OF THE BUDGET MINISTRY
OF THE ECONOMY AND FINANCE

PROCEDURAL MANUAL FOR THE EXECUTION OF PUBLIC EXPENDITURE



Acronyms and abbreviations

ACGP	Administration and Control of Major Projects
ACCT	Central Treasury Accounting Agency / Central Treasury Accounting Officer
AE	Commitment authorisation
AN	National Assembly
ANO	Notice of no objection
ARMP	Public Procurement Regulatory Authority
BCRG	Central Bank of the Republic of Guinea
BSD	Strategy and Development Office
CF	Financial Controller
CNT	National Transition Council
CP	Payment appropriation
CUT	Single Treasury Account
DAF	Financial Affairs Division
DAO	Tender documentation
DGD	Directorate-General for Customs
DNB	National Budget Directorate
DNCF	National Financial Control Directorate
DNCMM	National Directorate for Stock and Equipment Accounting
DND-APD	National Directorate for Debt and Official Development Assistance
DNI	National Tax Directorate
DNIP	National Directorate for Public Investment
DNMP	National Directorate for Public Procurement
DNPEIP	National Directorate for State Assets and Private Investment
DNSI	National Directorate for Information Systems
DNTCP	National Directorate for the Treasury and Public Accounts
DRH	Human Resources Division
EPA	Public Administrative Body
GNF	Guinean franc
LORF	Organic Law on Finance Acts
MB	Ministry of the Budget
MEF	Ministry of the Economy and Finance
MPEDP	Manual of Procedures for the Execution of Public Expenditure
MSFP	Public Finance Statistics Manual
N/A	Not Applied
OP	Payment Order
PGT	General Treasury Paymaster / General Treasury Pay Office
PIP	Public Investment Programme
PJ	Supporting documents
PNDES	National Economic and Social Development Plan
PPP	Public-private partnership
PRG	Presidency of the Republic of Guinea
OV	Funds transfer order
PAP	Annual Performance Plan

PPM	Procurement Plan
RAP	Annual Performance Report
RGGBCP	General Regulations on Budgetary Management and Public Accounting
SGG	General Secretariat of the Government
TdB/FP	Public Finance Dashboard
TOFE	Table of Government Financial Transactions
TPP	Provisional Payment Order

Table of Contents

1.	General overview of the manual	8
1.1.	Background.....	8
1.2.	Objectives	8
1.3.	Scope	9
1.4.	Users	9
1.5.	Structure of the manual	10
2.	Overview of the key players involved in the implementation of public expenditure	11
2.1.	Authorising officers	11
2.1.1.	Principal authorising officers.....	11
2.1.2.	Authorising officers by delegation	11
2.1.3.	Secondary authorising officers.....	12
2.1.4.	The authorising officer's support services.....	12
2.1.5.	Programme managers.....	15
2.1.6.	Public procurement stakeholders	16
2.1.6.1.	Mapping the stakeholders in public procurement.....	16
2.1.6.2.	Contracting authorities	17
2.1.6.3.	The relevant technical departments of the contracting authority	17
2.1.6.4.	The National Directorate for the Supervision of Public Procurement and Public Service Delegations	17
2.1.6.5.	The public procurement approval authority	18
2.1.6.6.	The Public Procurement Regulatory Authority.....	18
2.2.	Financial Controllers	18
2.3.	Public Accountants	20
2.4.	State-run public administrative bodies.....	21
2.5.	The Central Bank of the Republic of Guinea	21
3.	Preparatory measures for the implementation of public expenditure	22
3.1.	Decree on the allocation and notification of appropriations	22
3.2.	Loading or allocating appropriations into the expenditure chain.....	23
3.3.	Accreditation of those involved in the execution of public expenditure	23
3.4.	Allocation and/or updating of access codes for the expenditure chain.....	24
3.5.	Drawing up the commitment plan.....	24
3.6.	Ministerial circular on budget implementation.....	24
3.7.	Notification of appropriations to decentralised departments by principal authorising officers	24
3.8.	Carry-overs of appropriations	25

3.9. Movements of appropriations	26
3.9.1. Transfers of appropriations in connection with the implementation of the operating budget.....	26
3.9.2. Changes in appropriations in the context of the implementation of the programme budget.....	27
4. Supporting documents and tools for the implementation of public expenditure	public 29
4.1. Support tools for the implementation of public expenditure	29
4.1.1. Regulatory frameworks	29
4.1.2. Standard forms for the management of public expenditure	33
4.2. Budgetary control tools	33
4.2.1. Public procurement plan.....	33
4.2.2. Commitment Plan	34
4.2.3. Cash flow plan.....	36
4.2.4. Cancellation of appropriations.....	37
4.3. Tools for monitoring budget implementation	37
4.3.1. Budget monitoring reports	37
4.3.2. Weekly and monthly budget implementation monitoring reports	38
4.3.3. Public Finance Dashboard (TdB/FP).....	38
4.3.4. Table of the State's Financial Transactions (TOFE)	39
4.3.5. Report on processing times	39
4.3.6. Quarterly budget implementation reports	39
4.3.7. Programme performance documents (PAP/RAP)	40
5. Stages of public expenditure implementation.....	41
5.1. Commitment.....	41
5.2. Settlement.....	42
5.3. Scheduling	43
5.4. Payment.....	43
6. General procedures for the implementation of public expenditure.....	44
6.1. Standard procedure for the execution of public expenditure: (commitment – validation – authorisation – payment)	44
6.1.1. Description	44
6.1.2. Diagram	49
6.2. Adapted standard procedure: commitment–authorisation–payment	51
6.2.1. Description	51
6.2.2. Diagram	53
6.3. Specific features relating to public procurement	55

6.3.1. Stages leading up to public expenditure: planning, awarding, signing and registration of public contracts	55
6.3.2. Thresholds for the award of public contracts	56
6.3.3. Applications for derogations from public procurement procedures	57
6.3.4. Allocation of funds for public procurement	58
6.3.5. The disbursement of expenditure in respect of instalments on public contracts	58
6.4. Procedure for the execution of public investment expenditure and PPP expenditure under the AE/CP model	59
6.4.1. Description	59
6.4.2. Diagrams.....	59
6.5. Procedure for the execution of expenditure financed from external resources.....	62
6.6. Procedure for the execution of public expenditure in favour of decentralised services	63
6.6.1. Definition of decentralised services	63
6.6.2. Delegation of appropriations	63
6.6.3. Transfer of funds.....	64
6.6.4. Implementation of public expenditure at the decentralised level	64
6.6.5. Reporting on budgetary and accounting positions	65
6.7. Payment Request Procedure.....	65
7. Derogation procedures.....	67
7.1. Interest on the debt	67
7.1.1. Description (payment request letter – payment – adjustment)	67
7.1.2. Diagram	68
7.2. Staff costs	69
7.2.1. Two-tier management of staff expenditure: total wage bill and posts	69
7.2.2. Financial control measures relating to actions affecting the total wage bill and posts	70
7.2.3. Key stages	70
7.2.4 Procedures for remuneration in kind	72
7.3. Expenditure accounts.....	73
7.3.1. The renewable expenditure authorisation.....	73
7.3.2. The single, exceptional expenditure scheme.....	74
7.4. The overall reserve of appropriations	74
8. Special procedures	76
8.1. Special funds, sovereign actions and expenditure by constitutional institutions: commitment-payment-settlement procedure.....	76
8.1.1. Stages of expenditure execution: commitment–payment.....	76
8.1.2. Settlement of expenditure	77

List of boxes

Box 1: Responsibilities of the Head of the Financial Affairs Division Box 2: Responsibilities of the person in charge of public procurement Box 3: Responsibilities of the Chief Accountant for Supplies and Equipment
Box 4: Scope of contracting authorities Box 5: Responsibilities of the DNMP
Box 6: Responsibilities of financial controllers
Box 7: Responsibilities of public accountants Box 8: Main characteristics of the State's EPAs Box 9: Carry-overs of appropriations
Box 10: Rule on the capping of budget transfers Box 11: Key budget monitoring statements
Box 12: Checks carried out by the public accountant to validate expenditure Box 13: Exhaustive list of expenditure eligible for the modified standard procedure Box 14: Transfer expenditure
Box 15: Rules governing the withdrawal of commitment authorisations Box 16: Management of donor funds under the special-purpose budget system Box 17: Acts affecting staff expenditure
Box 18: Cases where the CF refuses to approve decisions on payroll appropriations or posts Box 19: Cases involving special remuneration
Box 20: Exhaustive list of expenditure eligible for direct expenditure management

Appendix: List of key legislative and regulatory texts

1. GENERAL OVERVIEW OF THE MANUAL

MANUAL OF PROCEDURES FOR THE EXECUTION OF PUBLIC EXPENDITURE		REF MPEDP-01
GENERAL OVERVIEW OF THE MANUAL		
	DRAFTED	AUGUST 2017
	UPDATED	JULY 2019
	Edition/version	01
	PAGES	08 – 10

1.1. Background

Since 2012, the Guinean Government has been engaged in a far-reaching reform of its public finance management system. As part of this transformation, three key pieces of financial legislation have been drafted and adopted: Organic Law No. L/2012/012/CNT of 6 August 2012 on Finance Acts (LORF), Decree No. D/2013/015/PRG/SGG of 15 January 2013 laying down the General Regulations on Budgetary Management and Public Accounting (RGGBCP); and Decree No. D/2014/222/PRG/SGG of 31 October 2014 establishing the public finance governance framework; the latter two being the main implementing regulations of the Organic Law

These key pieces of legislation call for the gradual development of a comprehensive regulatory framework for public finance management, which is essential for the coordinated and successful implementation of the reform. In this context, several key pieces of legislation have been adopted, notably Decree No. A/2014/5262/MEF/SGG of 9 October 2014 on the State budget classification, Decree No. 2015/965/MEEF/SGG/15 of 2 April 2015 on the State's chart of accounts; and Decree No. A/2017/5487/MEF/MB/SGG of 6 October 2017 establishing the classification of supporting documents for public expenditure. The drafting of a manual of procedures for the execution of public expenditure forms part of this regulatory framework, taking into account the innovations introduced by the LORF with a view to bringing current budgetary and accounting procedures into line with best practice and ensuring the efficient execution of public expenditure.

1.2. Objectives

The overall objective of this manual is to contribute to improving the execution of public expenditure by providing those involved in the decision-making and expenditure management process with a reference guide that describes, in an educational and instructive manner, the general and specific procedures governing public expenditure.

Its specific objectives are to:

- provide those involved in public expenditure with a reference guide to public expenditure implementation procedures;
- to explain, using fact sheets and diagrams, the provisions of the Organic Law on Finance Acts and the General Regulations on Budgetary Management and Public Accounting relating to the execution of public expenditure;
- to serve as functional specifications for the work to update the IT expenditure system resulting from the new procedures

1.3. Scope

This manual covers the execution of public expenditure from the State budget and that of public administrative bodies subject to public accounting rules, subject to the specific provisions of the financial regulations governing the latter.

1.4. Users

This manual is intended for all those involved in public expenditure, in both the administrative and accounting phases. These include:

- **Authorising officers and their support departments**
 - Principal authorising officers, secondary authorising officers and delegated authorising officers;
 - Heads and staff of authorising officers' support departments:
 - Heads of financial affairs divisions;
 - Heads of administrative and financial departments;
 - Persons responsible for public procurement;
 - Stock accountants.
- **Financial controllers**
 - Central-level financial controllers;
 - Financial controllers attached to ministers;
 - Financial controllers attached to public administrative bodies;
 - Financial controllers in the regions, prefectures and municipalities of Conakry.
- **Public accountants**
 - Principal and assistant public accountants;
 - Expenditure managers.
- **Internal and external audit bodies**
 - The General Inspectorate of Finance;
 - The General State Inspectorate;
 - The Court of Auditors;
 - The Finance Committee of the National Assembly.

1.5. Structure of the handbook

Following *the introduction*, which describes the context in which the handbook was drawn up, its objectives, the scope covered and its intended users, the handbook **presents the main actors involved in the execution of public expenditure**, so as to enable the various stakeholders to understand their place within a chain of which they form the links. Indeed, the actions of each party are interdependent and have an impact on the execution of the budget as a whole. **The preparatory stages for the execution of public expenditure** following the enactment of the annual Finance Act are also covered. Understanding these stages helps to clarify the roles and responsibilities of those involved in public expenditure, as well as the processing times involved in the implementation of public policy. It **describes the resources and tools used in the execution of public expenditure** before **providing a schematic overview of the public expenditure execution chain**, supplemented

by a description of the various phases of this chain. Having set out these preliminary points, which users must familiarise themselves with, the handbook **sets out the general procedure as well as the exceptional and specific procedures** for processing public expenditure.

2. OVERVIEW OF THE PARTIES INVOLVED IN THE EXECUTION OF PUBLIC EXPENDITURE

PROCEDURAL MANUAL FOR THE EXECUTION OF PUBLIC EXPENDITURE		REF MPEDP-02
STAKEHOLDERS IN THE IMPLEMENTATION OF PUBLIC EXPENDITURE		
	DRAFTED	AUGUST 2017
	UPDATED	JULY 2019
	Edition/version	01
	PAGES	11 – 21

2.1. The authorising officers

Reference:
Article 79 of the RGGBCP.

2.1.1. Chief authorising officers

The authorising officers for expenditure under the State budget are the Ministers and the senior authorities responsible for constitutional institutions. They may formally delegate this power to officials under their direct hierarchical authority (**Article 62 of the LORF**). The principal authorising officers of public economic agencies (EPAs) are the administrative heads of these public bodies (hospital directors, university vice-chancellors, etc.)

The Minister for the Budget, in addition to his role as chief authorising officer for the Budget Ministry's appropriations, is the chief authorising officer for common expenditure, excluding financial charges on the public debt.

The Minister for the Economy and Finance, in addition to his role as chief authorising officer for his department's appropriations, is the chief authorising officer for expenditure relating to the financial costs of public debt.

2.1.2. Delegated authorising officers

Delegated authorising officers are officials subject to the direct hierarchical authority of an authorising officer (principal or secondary) to whom the latter may formally delegate authorising powers in whole or in part.

The National Director of Debt and Official Development Assistance is the delegated authorising officer for expenditure relating to the financial costs of the debt. (See Chapter 8.1.)

The National Director of the Budget is the delegated authorising officer for block grants other than those relating to debt service costs (general expenditure, public consumption, etc.). He is also the delegated authorising officer for provisional revenue arising from deductions from public expenditure transactions (payroll deductions, rent deductions on state-owned property occupied by civil servants, and levies on local purchases made within the Expenditure Chain).

The National Director of the Treasury and Public Accounts is the delegated authorising officer of the Minister responsible for finance for automatic debits made from of the Treasury in respect of agios, account-holding fees and various commissions, in accordance with the agreements between the Public Treasury and the Central Bank of the Republic of Guinea or any other partner banking or financial institution.

2.1.3. Secondary authorising officers

Secondary authorising officers are officials who exercise the function of authorising officer within the framework of administrative decentralisation. They may also delegate the function of secondary authorising officer to officials under their direct hierarchical authority. (**Article 80 of the RGGBCP**)

The following are secondary authorising officers for expenditure from the State budget: **governors, prefects and heads of diplomatic and consular missions.**

2.1.4. The authorising officer's support services

To assist them in their management duties and in preparing their decisions, principal and secondary authorising officers have at their disposal financial departments under their direct authority, regardless of the status and ministry of origin of the staff comprising these departments (**Article 81 of the RGGBCP**).

- The Head of the Financial Affairs Division

In terms of budgetary management support, the Head of the Financial Affairs Division is responsible for financial functions within the ministry or institution to which they are attached. In this capacity, they coordinate the activities of the financial departments and organise management dialogue with other key figures within the financial departments (the person responsible for public procurement and the stock accountant), whilst ensuring complementarity and respect for each party's remit.

Box 1: Responsibilities of the Head of the Financial Affairs Division

The Head of the Financial Affairs Division is responsible, in particular, for:

- coordinating, in collaboration with the relevant technical departments (BSD, directorates, decentralised departments, HR Department, Financial Controller, programme managers and project managers) the work involved in drawing up the annual and multi-annual budget forecasts for the ministry or institution; preparing the ministry's draft commitment plans, in line with the ceilings set by the Ministry of the Budget, proposals from directorates and departments, and procurement plans;
- physically prepare the files relating to budgetary commitment, settlement and authorisation of expenditure, for submission to the authorising officer;
- organise the work of the acceptance committee, assist with the acceptance of orders and compile the necessary documents to enable the authorising officer to issue the required certifications;
- prepare periodic reports, in particular the quarterly report on the implementation of expenditure, drawing on expenditure chain reports and information on the activities of directorates and departments.

To this end, in order to improve the efficiency of the financial services within ministries and institutions,

- the Person Responsible for Public Procurement is required to provide the Head of the Financial Affairs Division with the approved procurement plan, as well as any updates thereto. The Head of the Financial Affairs Division will thus ensure that the procurement documents are consistent with the budgetary planning of the ministry's activities and that they are taken into account in the ministry's or institution's commitment plan;
- the stock accountant is required to provide the Head of the Financial Affairs Division with the stock status of equipment, duly approved by the authorising officer.

- **The person responsible for public procurement**

In terms of support for the implementation of public procurement procedures, authorising officers, in their capacity as contracting authorities, have access to technical services, including the person responsible for public procurement, the procurement unit and the public procurement committee.

Box 2: Responsibilities of the person responsible for public procurement

The person responsible for public procurement is tasked, in particular, with:

- drafting and submitting for the authorising officer's approval the public procurement documents: the public procurement plan and the tender documents, prior to their submission to the body responsible for their validation;
- keeping the authorising officer informed of the outcome of the documents submitted to the body responsible for their validation and of the public procurement dossiers that have completed the process;
- forwarding to the Head of the Financial Affairs Division the procurement plans duly validated by the competent body, for processing and inclusion in the commitment plan;
- forward to the Head of the Financial Affairs Division the files relating to public procurement procedures that have been finalised, to enable him to prepare the budgetary commitment and submit the relevant document to the authorising officer for signature.

In carrying out their duties, the person responsible for public procurement must work in close collaboration with the Head of the Financial Affairs Division, who assists the authorising officer in managing the budgetary appropriations of the ministry or institution.

- **The Stock Accountant**

To assist the authorising officer in carrying out his or her role of authorising movements affecting State assets, the Minister for the Budget has assigned stock accountants to work alongside the authorising officers.

Box 3: Responsibilities of the stock accountant

The stock accountant is responsible, in particular, for:

- assisting the authorising officer in the management of the ministry's or institution's materials and equipment by regularly providing information on stock levels and the technical condition of the equipment (equipment requiring replacement, repair or refurbishment);
- participating in committees responsible for accepting goods acquired by the ministry or institution and ensuring that they are recorded as part of the State's assets;
- maintaining, on behalf of the authorising officer, the stock records;
- ensure the safekeeping and preservation of goods in stock;
- record any movements of these assets authorised by the authorising officer;
- carry out inventories of acquired assets and draw up, under the responsibility of the authorising officer, the documents relating to these inventories.

In this capacity, he or she assists with the receipt of acquired assets and ensures their storage and/or distribution to the departments of the ministry or institution. He or she also ensures

the supply of goods to user departments and carries out stock-takes. The procedures they carry out to update the stock records must under no circumstances hold up the expenditure process.

He is required to inform the authorising officer and the head of the financial affairs division of the status of assets acquired, deployed within departments and held in stock, so as to enable the latter to prepare, on the basis of available budgetary appropriations, the purchase orders to be submitted to the authorising officer for approval and to take them into account in the next update of the commitment plan.

2.1.5. Programme managers

Programme-based budget implementation introduces a new role: that of the programme manager, who is supported in the performance of their duties by operational programme units responsible for managing the programme's operational budget and supporting the implementation of actions and activities.

Programme managers are appointed by the Minister to whom they report. The appointment document specifies the conditions under which **authorising officer powers may be delegated to them**, as well as the arrangements for managing the programme. On the basis of the general objectives set by the Minister, the programme manager determines the specific objectives, allocates resources and monitors the results of the departments responsible, under his or her supervision, for implementing the programme. He or she ensures compliance with internal control and management control mechanisms (**Article 63 of the LORF**).

The recommended number of programmes, in line with sub-regional standards, is limited to six per ministry, including one programme dedicated to steering, administration and support.

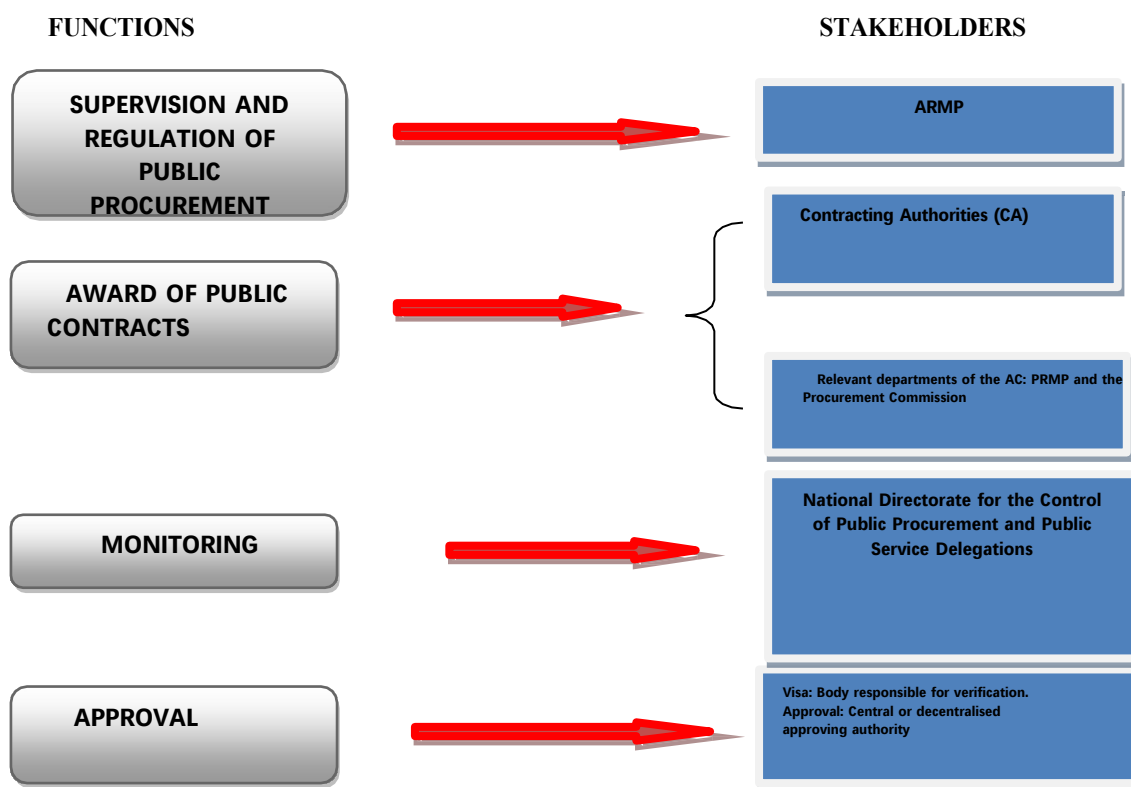
A programme consists of actions broken down into activities. The number of actions and the number of activities are set out in the guidelines for drawing up the programme budget. Outcomes must be set for each programme, along with carefully selected quantitative and qualitative indicators to enable the programme's performance to be assessed.

Each year, the programme manager prepares:

- **An annual performance plan:** this document accompanies the draft initial Finance Bill and must set out the programme's objectives, the planned activities, their costs, the expected outcomes and the relevant to measuring them.
- **An annual performance report:** this document is drawn up in the same format as the annual performance plan and sets out the activities carried out, the resources used and the results achieved, supported by relevant indicators compared with the objectives set out in the annual performance plan to which it relates.

2.1.6. Stakeholders in public procurement

2.1.6.1. Mapping of public procurement stakeholders



2.1.6.2. Contracting authorities

In relation to the implementation of the State budget, the principal authorising officers act as contracting authorities for contracts for which budgetary appropriations are allocated in the relevant budget sections.

Box 4: Scope of contracting authorities

The contracting authorities are:

- the State (ministries and institutions), public administrative bodies, and local authorities;
- public companies, mixed-ownership companies, bodies, agencies or offices established by the State or decentralised authorities; associations formed by one or more of these legal persons governed by public law (public administrative bodies, public and mixed-ownership companies, local authorities);
- legal entities governed by private law acting on behalf of the State or one of the legal entities governed by public law;
- legal entities governed by private law and semi-public companies for contracts benefiting from financial support or a guarantee from the State or one of the legal entities governed by public law.

2.1.6.3. The competent technical departments of the contracting authority

The competent technical departments of the contracting authority are responsible for the process of awarding and managing public contracts and public service delegations. They comprise the Public Procurement Officer (PRMP), the Procurement Unit under the authority of the PRMP, and the Procurement Committee.

2.1.6.4. The National Directorate for the Oversight of Public Procurement and Public Service Delegations

The National Directorate for the Oversight of Public Procurement and Public Service Delegations (DNCMP/DSP) is the body responsible for the ex ante and ex post oversight of public procurement and public service delegation procedures implemented by contracting authorities. This oversight is carried out, in accordance with the procedures and thresholds laid down by regulation, either by the Directorate itself or by the public procurement oversight committees, which are its decentralised bodies operating within the contracting authorities.

Box 5: Responsibilities of the DNCMP/DSP

The DNCMP/DSP carries out the following tasks in particular:

- approving the annual plans for public procurement and the delegation of public services;
- issuing notices of no objection regarding the various procedural steps in public procurement subject to such notices;
- ensuring that, in each financial year, the total value of negotiated contracts awarded by each contracting authority does not exceed the set thresholds;
- forwarding signed draft public procurement contracts and public service delegation agreements to the competent approving authority;
- forward the files, opinions and audit reports to the public procurement regulatory authority;
- register approved and recorded public procurement contracts and public service delegations.

2.1.6.5. The approving authority for public contracts

Depending on the nature of the contracting authority, and in accordance with the applicable rules on the authorisation of expenditure, public contracts are forwarded for approval to the body responsible for scrutiny. They are then forwarded, within the validity periods of the tenders, to an approving authority – whether central or decentralised – which must be distinct from the signing authority, by the body responsible for the audit of public contracts.

2.1.6.6. The Public Procurement Regulatory Authority

The Public Procurement Regulatory Authority is an independent administrative body responsible for regulating the system of public procurement and the delegation of public services, comprising representatives from the public administration, the private sector and civil society. These representatives sit on an equal footing on a committee responsible for settling disputes arising from the award of public contracts. The ARMP produces an annual report on the effectiveness and reliability of the system for the award, execution and oversight of public procurement and public service delegations, which it submits to the President of the Republic, the President of the National Assembly and the Minister for Finance.

Point of note

Act L/2018/028/AN of 5 July 2018 amending Act L/2012/020/CNT of 11 October 2012 laying down the rules governing the award, oversight and regulation of public procurement and public service delegations introduced the following changes regarding the actors involved in public procurement:

- *the function of awarding and managing public contracts is entrusted to the relevant technical departments of the contracting authority benefiting from the procurement, which comprise the public procurement unit under the authority of the person responsible for public procurement and the procurement committee.*
- *The function of supervising public procurement is now vested in the National Directorate for the Supervision of Public Procurement and Public Service Delegations, which has decentralised units within the departments and decentralised bodies responsible for supervising public procurement within the limits of the thresholds set.*

Pending the establishment of these new organisational structures and the adoption of the implementing regulations for this Act, the bodies responsible for the award, oversight and regulation of public procurement shall continue to carry out their duties. Once the new regulations governing this restructuring have been adopted, sections 2.1.6 and 2.6, which deal with public procurement stakeholders, will be updated.

2.2. Financial Controllers

The Minister responsible for finance appoints, to work alongside the Ministers in their capacity as chief authorising officers for expenditure, a financial controller who is under the Minister's hierarchical and administrative authority and reports to him.

Box 6: Responsibilities of Financial Controllers

Financial Controllers are generally responsible for:

- ensuring budgetary compliance, in terms of both appropriations and expenditure;
- ensuring the regularity of commitment proposals;
- ensuring compliance with the ceilings on posts remunerated by the State;
- to countersign all acts of the authorising officer having financial implications;
- assessing the quality and effectiveness of the internal control and management control systems implemented by authorising officers;
- to assess the performance of programmes;
- to maintain, on behalf of the authorising officer, the budgetary accounts of expenditure;
- to carry out documentary and on-site checks on the assets, property and stocks held by the authorising officer to whom they are assigned.

As regards public administrative bodies, they are also responsible for:

- to provide their opinions (comments and observations) on the draft initial budgets prepared by the authorising officers of public administrative bodies and submitted to the board of directors for deliberation;
- to give a prior opinion on decisions to make amendments within the chapters of the initial budget of public administrative bodies;
- to maintain the budgetary accounts, in conjunction with the accounting officer.

With regard to ex ante control, they carry out:

- a check on budgetary compliance in respect of both appropriations and expenditure;
- control over the regularity of decisions and draft commitments

This ex ante control may be scaled back and adjusted depending on the level of risk management and the performance of the internal control system put in place by the authorising officer.

With regard to management control, they assess the quality and effectiveness of the internal control and management control systems implemented by authorising officers and delegated authorising officers. They may carry out checks on inventories and material usage accounts, as well as documentary and on-site checks on assets, property and stocks held in the custody of the authorising officers to whom they are assigned.

In the area of ex-post control, they assess the performance of programmes, as well as the outcomes and performance of actions undertaken by programme managers in relation to public policy objectives and the performance indicators set.

With regard to the keeping of budgetary accounts, they maintain the budgetary accounts on behalf of the authorising officers to whom they are assigned. In this capacity, they monitor the utilisation of appropriations and determine the availability of funds for new expenditure commitments, taking into account the earmarking of funds for public procurement contracts.

With regard to the sustainability of expenditure planning, they review draft budgetary commitment plans and ensure that authorising officers comply with their implementation.

2.3. Public Accountants

In the execution of expenditure, public accountants are civil servants appointed by the Minister of Finance who are solely authorised, on behalf of the State and other public bodies, to carry out the following operations:

- the verification, approval, accounting entry and payment of expenditure, either on the instructions of an authorised authorising officer, or on presentation of documents by creditors, or on their own initiative, as well as the follow-up to objections and other notifications;
- the safekeeping of supporting documents for transactions and accounting records;

Payments of expenditure fall within the remit of the following accountants:

- the Central Treasury Accounting Officer (ACCT) for expenditure in foreign currency and movements of funds;
- the General Paymaster of the Treasury (PGT) for expenditure from the State budget in local currency by central government ministries and institutions;
- the Regional Treasurers (TR) for State budget expenditure in regional capitals and the movement of funds for the accounting offices within their administrative districts;
- the Chief Treasurer of the City of Conakry;
- the Prefectural Treasurers for expenditure by decentralised prefectural services;
- Municipal Collectors for State expenditure in the municipalities;
- the General Paymaster Abroad for the payment of expenditure by diplomatic missions, embassies and consulates.

The public accountants responsible for implementing the budgets of local authorities are municipal revenue officers.

Public accountants responsible for implementing the budgets of public administrative bodies are known as accounting officers.

Box 7: Responsibilities of public accountants

Public accountants are exclusively responsible for the following operations, and anyone carrying them out without the requisite authority or title is liable to penalties:

- the recording and authorisation of expenditure and revenue: this involves the comprehensive accounting recording of the information contained in the documents forwarded by the authorising officer. This approval entails personal and financial liability. It is therefore necessarily accompanied by a series of checks which the accountant carries out entirely independently, in particular regarding the authorising officer's authority, the regularity of the expenditure and the presence of the required supporting documents;
- the payment of expenditure and the collection of revenue;
- the retention of supporting documents (for revenue and expenditure);
- the production of a management account (general statements and annexes), which must be accompanied by supporting documents.

2.4. State administrative public bodies

State public administrative bodies (EPAs) are autonomous entities to which the State has delegated a public service mandate to carry out a task in the public interest. They contribute to the implementation of the public policies of the ministries to which they are attached.

Box 8: Main characteristics of State EPAs

EPAs have the following main characteristics:

- they have a legal personality distinct from that of the State, but carry out their tasks and manage their finances under the State's supervision;
- they carry out a public service mission entrusted to them by the State;
- they receive public subsidies to fulfil their missions;
- a financial controller and an accounting officer are assigned to them.

2.5. The Central Bank of the Republic of Guinea

Legal framework:

Articles 71 and 72 of the LORF.

Pursuant to these provisions, relations between the Central Bank of the Republic of Guinea and the Ministry of Finance are governed by an agreement which implements the provisions of the LORF, the RGGBCP and Law L/2011/002/CNT of 29 March 2011 on the general principles governing the management by the Public Treasury of funds belonging to public bodies other than the State.

3. PREPARATORY STEPS FOR THE EXECUTION OF PUBLIC EXPENDITURE

PROCEDURAL MANUAL FOR THE EXECUTION OF PUBLIC EXPENDITURE		REF MPEDP-03
PREPARATORY ACTIONS FOR THE EXECUTION OF PUBLIC EXPENDITURE		
	DRAFTED	AUGUST 2017
	UPDATED	JULY 2019
	Edition/version	01
	PAGES	22–28

Immediately following the adoption and promulgation of the Finance Act, the following steps must be taken before public expenditure can be implemented:

- The preparation, signing and notification of the Decree on the allocation of appropriations;
- Loading the budget into the expenditure system;
- The accreditation of stakeholders;
- The allocation and/or updating of access codes for the expenditure system;
- The implementation of the annual commitment plan and budgetary adjustments;
- The ministerial circular setting out the procedures for budget implementation;
- Notification of appropriations to decentralised departments by the principal authorising officers;
- Carry-overs of appropriations.

3.1. Decree on the allocation and notification of appropriations

Reference:

Article 2 of the RGGBCP.

Following the enactment of the Finance Act, the National Budget Directorate, in accordance with parliamentary authorisation, prepares the draft decree on the allocation of appropriations, which the Minister responsible for the budget submits to the Council of Ministers for adoption and signature. This decree enables the appropriations allocated to each principal authorising officer under the Finance Act to be assigned to them in accordance with the administrative organisation in force, parliamentary authorisation and the earmarking of appropriations. This

allocation is made by budget line or by programme for the general budget and special-purpose budgets, depending on whether the budget is managed on a 'means' basis or a 'programme' basis.

For resource-based budgets, the allocation decree breaks down the authorised appropriation ceilings by budget lines (sections, sub-sections, titles, chapters, articles, paragraphs, sub-paragraphs).

For programme-based budgets, the allocation decree breaks down the appropriations by programme and sets ceilings or floors for certain categories of expenditure, in order to regulate the fungibility of appropriations.

3.2. Loading or entering appropriations into the expenditure chain Once the Finance Act

has been enacted and the decree allocating appropriations has been signed, the National Budget Directorate proceeds to load the appropriations authorised for the financial year into the expenditure chain. This operation is carried out under the responsibility of the DNB by transferring the contents of the Finance Act from the Budget Preparation Software (LEB) or the Excel spreadsheets used for budget preparation into the Expenditure Chain database.

The integrity of the system and the quality of the 'expenditure chain' service are guaranteed by the DNSI.

The National Budget Directorate has the obligation and responsibility to formally ensure that the budget entered into the information system strictly corresponds to that voted by the National Assembly and promulgated by the President of the Republic, prior to its implementation.

3.3. Accreditation of those involved in the execution of public expenditure

Reference:

Article 2 of the RGGBCP.

Once the appropriations have been notified to the chief authorising officers, those responsible for public expenditure are required to undergo the accreditation procedure as follows:

The chief authorising officer must provide the financial controller assigned to their ministry and the accounting officer responsible for their expenditure with their letter of appointment and a specimen of their signature. This procedure is mandatory upon taking up the post. It is not required in the event of continuity in the post.

This obligation also applies to delegated authorising officers, programme managers to whom authorising officer functions have been delegated, and secondary authorising officers. In the case of delegated authorising officers, the delegation orders must specify the scope of the delegation and the delegation thresholds, where applicable.

The financial controller and the designated public accountant are required to submit their letters of appointment to the chief authorising officer.

3.4. Allocation and/or updating of access codes for the Expenditure Chain

Once the accreditation procedure has been completed, the National Directorate for Information Systems (DNSI) assigns access codes to the Expenditure Chain information system to all relevant parties at the request of the relevant technical supervisory departments (DNB, DNCF, DNMP, DNTCP, DNDAPD), as appropriate. They are thus authorised to use the system within the scope of their respective responsibilities (chief authorising officers, delegated and secondary authorising officers, heads of the Finance and Accounting Department, programme managers, project managers, those responsible for public procurement, financial controllers and designated public accountants).

The DNSI is required to secure the codes at the start of each financial year. Where, during the course of the year, changes are made to the personnel responsible for budget implementation, the DNSI blocks the codes of the replaced personnel and assigns new codes to the new personnel.

3.5. Drawing up the commitment plan

At the start of the financial year, the Minister for the Budget notifies the principal authorising officers of the phased release of appropriations via a decree setting out the annual commitment plan broken down by quarter, the first quarter of which is automatically binding on chief authorising officers and financial controllers. This plan takes into account mandatory and unavoidable expenditure, procurement plans, the seasonal nature of expenditure, the scheduling of payments for contracts currently being executed, and the priorities of the ministries.

3.6. Ministerial circular on budget implementation

At the start of each financial year, the Minister for the Budget issues a circular setting out measures for budget implementation, which reiterates the basic rules governing budget implementation in respect of both revenue and expenditure.

This circular specifies, for certain categories of expenditure, the measures taken for their implementation, in accordance with budgetary policy and the objectives set out in the Finance Act, in particular any innovations introduced in the area of budget implementation.

It is a tool that enables the Minister for the Budget to provide guidance on the management of budget implementation during the year by the various actors involved in budget implementation.

3.7. Notification of appropriations to decentralised departments by principal authorising officers

At the start of the financial year, before any expenditure is committed at central level, the principal authorising officers are required to notify the decentralised departments under their supervision of the appropriations voted and earmarked for their operation. This notification must be made by means of an information letter addressed to the departments concerned, with a copy to the Minister for the Budget. These appropriations will be implemented under the delegated appropriations system.

3.8. Carry-overs of appropriations

In accordance with Article 33 of the LORF, appropriations made available for a financial year and authorised staffing ceilings do not create any entitlement for subsequent years, with the exception of commitment authorisations for capital expenditure and special-purpose budgets.

Commitment authorisations that are available or unused at the end of the year may not be carried forward.

Payment appropriations relating to investment expenditure available at the end of the year may be carried forward to the same chapter or programme, up to the limit of the commitment authorisations actually used but not yet paid out.

Such carry-overs shall be effected by decree of the Council of Ministers, accompanied by a report from the Minister for the Budget assessing and justifying the resources available to cover the financing without adversely affecting the authorised budget balance for the current year. This decree shall be communicated immediately, for information, to the relevant committees of the National Assembly.

Payment appropriations for expenditure other than capital expenditure that are available or unused at the end of the year lapse and may not be carried over to the following financial year.

Box 9: Carry-overs of appropriations

Payment appropriations for investment expenditure available at the end of the year may be carried over to the following financial year. Such a carry-over may only take place under the following conditions:

- *The carry-over must be made to the same chapter or the same programme, within the limits of the commitment appropriations actually used but which have not given rise to payment by the end of the supplementary period at the latest, i.e. by 31 January of the following year at the latest;*
- *The authorising officer making the request submits it to the Minister responsible for the Budget, who, following examination, assesses and justifies the resources required to cover the payment appropriations for which the carry-over is sought, without adversely affecting the balance of the budget for the financial year in which these carried-over appropriations are to be borne;*
- *In the event of a favourable opinion, the Minister responsible for the Budget submits a draft decree for adoption by the Council of Ministers before the end of March of the current financial year. To this end, the commitment plan updated at the end of March must take account of the aforementioned carry-over decree.*

3.9. Funds transfers

Reference provisions:

Section 24 of the LORF for movements of appropriations under the programme-based budgeting system. Section 29 of the LORF for the exclusion of appropriations for debt servicing costs.

Section 30 of the LORF for transfers and reallocations of appropriations.

Section 31 of the LORF concerning advance decrees. Section 33 of the LORF concerning the carry-over of appropriations.

Articles 13, 18 and 19 of the Decree establishing the public finance governance framework.

During the financial year, movements of appropriations may be carried out to alter the allocation of appropriations in the general budget in the form of **transfers of appropriations, reallocations of appropriations or carry-overs of appropriations**, or through **asymmetric fungibility** under programme-based management.

Any request for movements of appropriations in the form of a transfer or reallocation must be subject to the opinion of the Financial Controller before being forwarded to the Minister responsible for the budget for consideration.

Should the Minister responsible for the budget give their approval, the National Budget Directorate shall prepare, as appropriate, a draft decree to be submitted for an advisory opinion to the relevant committees of the National Assembly, or a joint order. **These committees have a period of one week, after which a favourable opinion is deemed to have been given.**

The Minister for the Budget is obliged to regularly provide the National Assembly with all instruments (decrees and interministerial orders) authorising the reallocation of appropriations.

3.9.1. *Transfers of appropriations in the context of the implementation of the operating budget*

A. Transfers of appropriations

Where the proposed transfer of appropriations does not alter either the nature or the purpose of the appropriations:

in such cases, transfers of appropriations are used. These

transfers may take place:

- **between ministries:** in this case, they are authorised by a decree issued by the Council of Ministers on the basis of a joint report by the Minister responsible for the Budget and the ministers concerned, and following consultation with the relevant committees of the National Assembly;

- **between directorates and departments within the same ministry:** in this case, they are authorised by an interministerial order issued by the relevant Minister and the Minister responsible for the Budget.

B. Transfers of appropriations

Where the proposed movement of appropriations alters the nature and purpose of the appropriations: **appropriations are transferred**. Such transfers may be made:

- **between budget titles:** in this case, they are authorised by a decree adopted by the Council of Ministers on the joint report of the Minister responsible for the Budget and the relevant Minister, **following consultation with the relevant committees of the National Assembly;**
- **between budget chapters:** in this case, they are authorised by an interministerial order issued by the Minister responsible for the Budget and the Minister concerned.

The decree or interministerial order authorising transfers or reallocations of appropriations is forwarded to the National Budget Directorate, which is responsible for implementing, under its own authority, the changes resulting from these acts and for validating them in the Expenditure Chain information system. Once this operation has been completed, the National Budget Directorate reports to the Minister responsible for the Budget, who forwards the said decree or order to the National Assembly.

Box 10: Rule on the cap on movements of appropriations

*The cumulative annual amount of appropriations transfers and reallocations **may not exceed ten per cent (10 per cent) of the budget for the current financial year.** To this end, prior to the signing of any decree or interministerial order amending appropriations, this verification must be carried out on the initiative of the National Budget Directorate, which is responsible for examining requests for appropriations movements.*

Appropriation movements may not be made in respect of debt servicing costs.

3.9.2. Appropriation movements in the context of programme budget implementation

Reference:

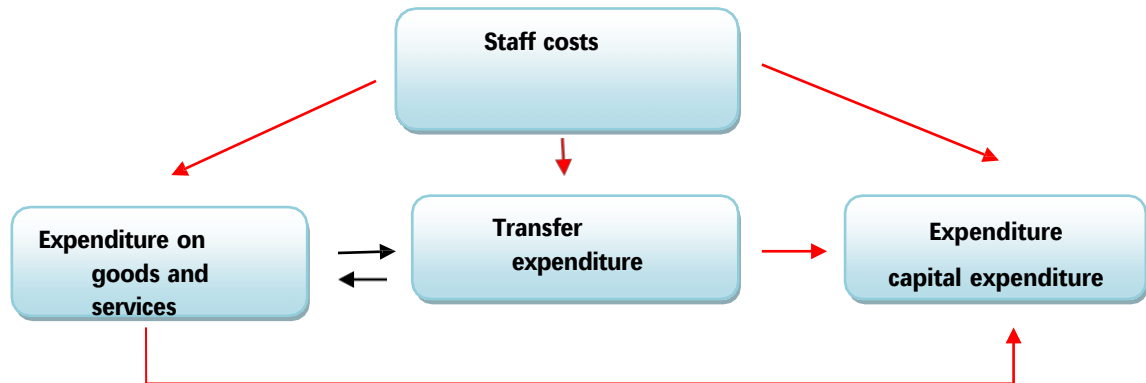
Article 24 of the LORF.

Appropriation movements in programme-based budget management are governed by **the rules of asymmetric fungibility**. The level of authorisation is the programme, whilst the level of budgetary detail is the title or broad category.

As the appropriations allocated for debt servicing costs are estimated figures, they are not subject to transfers of appropriations. Expenditure relating to these costs is charged, where necessary, in excess of the appropriations allocated. Consequently, the rules of asymmetric fungibility apply to the appropriations allocated to the following titles:

- II Staff costs
- III Expenditure on goods and services
- IV Transfer expenditure
- V Capital expenditure

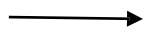
Outline of the rules governing asymmetric fungibility



Key:



Asymmetric movements



Symmetrical movements

4. SUPPORTS AND TOOLS FOR THE IMPLEMENTATION OF PUBLIC SPENDING

PROCEDURAL MANUAL FOR THE IMPLEMENTATION OF PUBLIC SPENDING		REF MPEDP-04
SUPPORT MATERIALS AND TOOLS FOR THE IMPLEMENTATION OF PUBLIC SPENDING		
	DRAFTED	AUGUST 2017
	UPDATED	JULY 2019
	Edition/version	01
	PAGES	29 – 40

4.1. Frameworks for the implementation of public expenditure

4.1.1. Regulatory frameworks

A. State Budget Classification

Regulatory frameworks:
Sections 19, 21, 23 and 24 of the LORF and Order A/2014/5262/MEF/SGG of 8 October 2014 establishing the State Budget Classification.

The State budget classification system is the framework for identifying or classifying budgetary transactions comprising public revenue and expenditure.

Public expenditure is identified and presented according to the ministry or institution, the department and the economic nature to which it is allocated.

The budget classification system establishes the framework for the preparation, implementation and reporting of budgetary transactions.

With regard to the economic nature of public expenditure, the State Budget Classification identifies public expenditure by distinguishing between five budgetary titles corresponding to the broad economic categories, which are further subdivided into chapters, articles, paragraphs and sub-paragraphs. The earmarking of appropriations takes place at the level of chapters and articles for the operating budget. **The voting level is the title, and the authorisation level is the chapter.**

Under the programme-based approach, **the voting level is the programme and the allocation of funds is at the title level, subject to the rule of asymmetric fungibility with regard to staff costs (Title II) and capital expenditure (Title V).**

- Title I Interest on debt - Title II Staff costs - Title III Expenditure on goods and services - Title IV Transfer payments - Title V Capital expenditure -	}	Main categories of expenditure
---	---	---------------------------------------

The economic classification is broken down according to the economic nature of expenditure into titles, chapters, articles, paragraphs and sub-paragraphs. The breakdown into articles is indicative, unlike the title and chapter, which are binding on authorising officers, programme managers and public accountants.

STRUCTURE OF THE ECONOMIC CLASSIFICATION					
NATURE OF THE FLOW	TITLE	CHAPTER	ARTICLE	PARAG	SUB-PARAGRAPH
1 character	1 character	1 character	1 character	2 characters	2 characters

With regard to the departments receiving the appropriations, the State's budgetary classification breaks these down by ministries or institutions referred to as 'sections', within which a distinction is made between the various departments or directorates, which may be grouped according to the degree of decentralisation (central departments, decentralised departments, etc.) or according to their geographical location (special zone of Conakry, regions, prefectures, sub-prefectures). These various subdivisions are identified in the administrative classification under the heading 'sub-section'.

The table below illustrates the **administrative classification**.

STRUCTURE OF THE ADMINISTRATIVE CLASSIFICATION						
SECTION	PROG	SUBSECTION				
		DEPARTMENT	LOCATION			
			Geographical area	Region	Prefecture	Sub-prefecture
2 characters	3 characters	5 characters	1 character	2 characters	2 characters	2 characters

In relation to the major functions of the State, public expenditure is classified into 10 broad divisions, subdivided into groups and classes. **This is the functional classification of general government.**

Overview of the 10 major functions of public administrations according to the IMF's 2014 MSFP

Codes	Major functions	Codes	Major functions
01	General services of public administrations public	06	Housing and community facilities
02	Defence	07	Health
03	Public order and safety	08	Leisure, culture and religion
04	Economic affairs	09	Education
05	Environmental protection	10	Social protection

STRUCTURE OF THE FUNCTIONAL CLASSIFICATION		
DIVISION	GROUP	CLASS
3 characters	1 character	1 character

The **programme-based classification** breaks down public expenditure by programme. Each programme is broken down into initiatives and activities. The number of programmes per ministry must not exceed six (6), including one programme dedicated to management, administration and support.

B. Government Chart of Accounts

References:

Articles 69 and 70 of the LORF.

Articles 56 to 64 of the RGBCP.

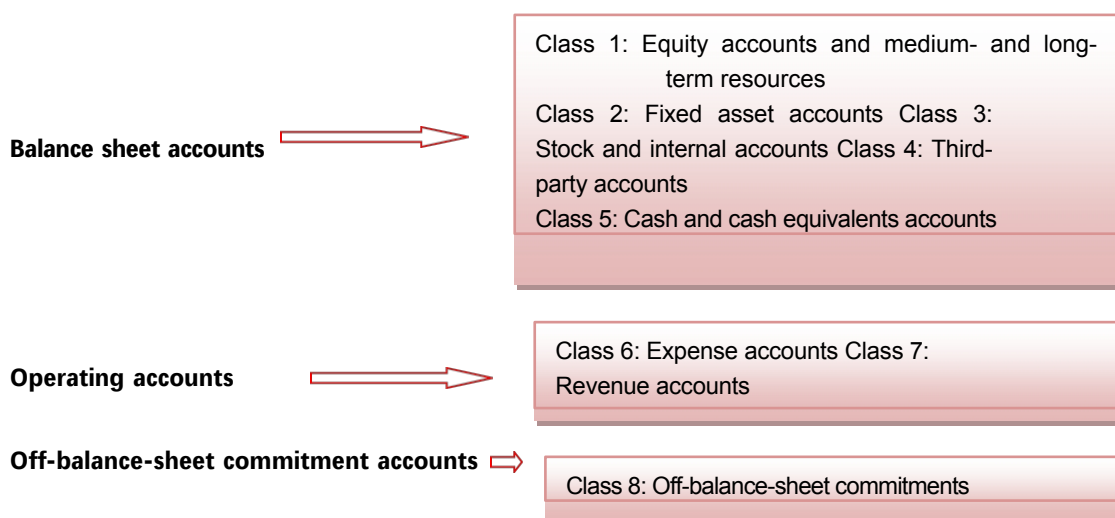
Decree No. 2015/965/MEEF/SGG/15 of 2 April 2015 on the State Chart of Accounts. Decree No. 2015/966/MEF/SGG/15 of 2 April 2015 on State accounting standards.

The purpose of the State's general accounts is to provide an accurate and true picture of the State's assets and liabilities and of the transactions carried out by the administration, in accordance with the rights and obligations recognised in its favour. To this end, it records transactions that have an impact on the State's financial position, in particular changes in stock levels, transactions with third parties, budgetary transactions and cash flow transactions.

Under Decree No. 2015/965/MEEF/SGG/15 of 2 April 2015 on the State's chart of accounts and specific provisions for its full implementation, the State's general accounts are based on the principle of recognising rights and obligations. Consequently, transactions are recognised in the financial year to which they relate, regardless of their date of payment or receipt.

In summary, the regulatory framework for the State's general accounts sets out the accounting principles, the accounting information system, the accounting and financial statements, the methods for applying depreciation and provisions, and the rules for valuing assets and liabilities and determining the result.

The chart of accounts is structured as follows:



Each class is subdivided into main accounts (2 characters), sub-accounts (3 characters) and basic allocation accounts (4 or 5 characters).

C. Classification of supporting documents for public expenditure

Reference documents:

Articles 47 and 48 of the RGGBCP.

Joint Order No. A/2017/5487/MEF/MB/SGG of 6 October 2017 establishing the nomenclature of supporting documents for public expenditure.

Supporting documents for expenditure are physical records that enable authorising officers and public accountants to carry out expenditure transactions; and enable financial controllers and audit bodies (the Court of Auditors, the General State Inspectorate and the General Inspectorate of Finance) to carry out the various forms of audit prescribed by laws and regulations.

These supporting documents are produced by the authorising officer, the public accountant or the creditor at the various stages of the public expenditure execution procedure. At each of these stages in the execution of public expenditure, the documents are produced or attached to the expenditure file at the initiative of either the authorising officer or their delegate, or the public accountant.

Supporting documents must be retained for ten (10) years from the first day of the year following that in which the accounts are submitted to the Court of Auditors.

In the event of the loss, theft, destruction or damage of supporting documents, a certificate of loss drawn up by the public accountant shall be forwarded to the Minister responsible for finance, who may authorise the public accountant to arrange for the replacement of the documents in the form of certified copies drawn up by the person who produced the original.

4.1.2. *Standard forms for the execution of public expenditure*

Those involved in the execution of public expenditure use a range of forms, including:

- Commitment voucher;
- Adjustment voucher;
- Settlement voucher;
- Certificate of service rendered or any document serving the same purpose (certified acceptance report, certificate of completion, etc.);
- Transmission schedule;
- Rejection slip;
- Payment order;
- Adjustment order;
- Credit note for payment orders to be paid by bank transfer;
- Cash voucher for payment orders to be paid at the public accountant's cash office;
- Transfer order;
- Payment order;
- Provisional payment order.

4.2. Budgetary control tools

Budgetary regulation involves using a set of tools to maintain the budgetary balance defined in finance acts. During budget implementation, it aims to monitor trends and maintain the pace of commitments in line with revenue collection.

This takes the form of a series of operations which, depending on cash flow difficulties, involve regulating the rate at which appropriations are spent or, where necessary, cancelling the relevant appropriations.

Effective budgetary regulation requires the coordinated use of a range of forecasting and management tools, in particular:

- The procurement plan
- The cash flow plan
- The commitment plan
- Cancellations of appropriations

4.2.1. *Public procurement plan*

Reference:

Article 9 of Law No. L/2012/020/CNT of 11 October 2012 laying down the rules governing the award, supervision and regulation of public contracts and public service delegations, as amended by Law L/2018/028/AN of 5 July 2018.

Public procurement plans are provisional estimates of purchases of goods and services that public authorities draw up each year on the basis of the budgetary appropriations allocated to them by the Finance Acts. They are drawn up by the contracting authorities (public purchasers) with the support of those responsible for public procurement.

Procurement plans are drawn up in accordance with standard templates set by the Public Procurement Regulatory Authority. They are submitted by the relevant departments of the contracting authorities to the National Directorate for the Control of Public Procurement and Public Service Delegations (DNCMP/DSP) for approval.

The annual procurement plans for ministries and institutions are prepared by the Public Procurement Officers (PRMP) as soon as the draft Finance Act is adopted by the government. This enables the annual commitment plan to be informed at an early stage, with the possibility of adjustments once the Finance Act is enacted.

4.2.2. *Commitment Plan*

References:

Article 19 of the RGGBCP.

Article 54(4) of the RGGBCP.

Decree No. 2017/1384/MB/CAB/SGG of 13 April 2017 on the establishment, composition, powers and functioning of the Commitment Committee.

A Commitment Committee is established to examine and approve commitment plans, ensure their consistency with the cash flow plan, and submit them to the Minister responsible for the Budget for signature before the start of the relevant quarter. Once the decree setting out the quarterly commitment plan has been issued by the Minister responsible for the Budget, it becomes binding on the principal authorising officers and financial controllers.

At the start of the year, an annual commitment plan broken down by quarter is drawn up to enable the principal authorising officers to initiate expenditure commitments in line with the State's payment capacity. This commitment plan is updated at the end of each quarter to take account of the actual utilisation of appropriations in the previous quarter and the resources available for the following quarter.

To this end, the Treasury Committee is required to notify the Commitment Committee, no later than the 15th of the last month preceding the reference quarter, of the total budgetary resources available to the DNI, the DGD, the DNTCP, as well as the cash and financing resources that may result from budgetary support or Treasury interventions in the financial market in various forms, notably through Treasury bills or bonds or through bond issues.

Coordination of the drafting of draft ministerial commitment plans is carried out by the heads of the financial affairs divisions, who are responsible for organising management dialogue with the directorates and departments of their respective ministries. These draft commitment plans are submitted to the financial controller for endorsement, who ensures their consistency. They are then presented to the authorising officer for approval. Once approved by the authorising officer, the draft commitment plans are forwarded by the heads of the financial affairs divisions to the National Budget Directorate (DNB) no later than five (5) working days before the end of the month preceding the reference quarter. The draft commitment plans validated by the financial controllers are forwarded to the Technical Secretariat of the Commitment Committee, which is managed by the DNB, for consolidation prior to submission to the Commitment Committee for approval. A decree issued by the Minister responsible for the budget makes the quarterly commitment plan enforceable.

During the year, the commitment plan is updated at the end of each quarter to guide the commitment decisions of the principal authorising officers on the basis of expenditure execution data, the pace of mobilisation of public resources and the economic climate.

On the basis **of the resources available** during the reference quarter, as set out in the corresponding cash flow plan, **monthly allocations by budget title** – determined according to the budget structure and the take-up of appropriations in the previous period – are communicated to the chief authorising officers for allocation amongst the various budget titles, categories of expenditure and administrative subdivisions of their respective ministries or institutions. This allocation takes account of:

- duly approved procurement plans;
- compulsory or unavoidable expenditure;
- priority and seasonal expenditure;
- the scheduling of capital expenditure;
- the scheduling of start-up advances, instalments and final payments for contracts currently being executed;
- groupings by regulatory codes existing in the information system.

During the quarter, the commitment plan may be revised if the conditions that prevailed at the time of its preparation were to change fundamentally to the extent of jeopardising the budgetary objectives. To this end, the National Budget Directorate, which monitors budget implementation, and the secretariat of the Commitment Committee draw up a reasoned report for the attention of the Minister for the Budget, who convenes the Commitment Committee to decide on the matter.

The Commitment Committee may propose:

- either a freeze on certain budgetary appropriations or their cancellation if there is a compelling need. In this case, a report is prepared for the Minister for the Budget for presentation to the Council of Ministers. Once adopted by the Council

of Ministers of the proposal to freeze or cancel the appropriations, the Expenditure Chain is updated at the DNB's initiative.

- or an adjustment to the quarterly commitment plan currently being implemented. In this case, a draft order adjusting the commitment plan is prepared for the signature of the Minister for the Budget and, once signed, communicated to the authorising officers via the heads of the DAF and to the financial controllers. It is immediately incorporated, at the initiative of the DNB, into the Expenditure Chain to regulate future commitments for the period.

Changes to the commitment plan ceilings during the quarter are made on the express instruction of the Minister responsible for the Budget, following a prior submission by the requesting authorising officers and after deliberation on the report prepared by the DNB assessing the impact on the budgetary objectives for the period. The DNB is obliged to ensure that this express instruction is reflected in the Expenditure Chain's information system database, whilst taking care to keep the requesting authorising officers informed via the Head of the DAF and the relevant financial controller. Changes affecting the quarter's ceilings are brought to the attention of the Commitment Committee, which takes them into account when planning commitments for the following quarter.

The 'Commitment Plan' IT application must enable built-in checks on the availability of appropriations up to the ceiling for the expenditure title and in accordance with the regulatory codes. As the breakdown of appropriations by item is merely indicative, this leaves some room for manoeuvre for authorising officers, subject to the expenditure title ceiling. To this end, principal authorising officers may accompany their requests with regulatory appropriations transfer documents where necessary and in accordance with the prescribed procedure (see Chapter 3. §3.9).

The deadline for committing budgetary expenditure is set at 30 November, unless the Finance Act for the year provides otherwise for certain categories of expenditure (Article 54 of the RGGBCP).

4.2.3. *Cash flow plan*

Reference documents:

Article 44 of the RGGBCP

Decree No. 0932/PM/SGG/aod/2010 of 13 April 2010 establishing the Cash Flow Committee, its powers and composition.

Decree No. 2017/060/MEF/SGG of 18 January 2017 establishing a technical support unit for the cash flow committee

The Treasury Committee is required to prepare an annual cash flow plan broken down by month, to be attached as an annex to the draft Finance Bill for the year.

The Treasury Committee shall forward the annual cash flow plan, broken down by month, to the Commitments Committee to enable it to draw up the annual commitments plan, broken down by quarter, in good time.

During the implementation of the budget, the cash flow plan is updated monthly, taking into account its implementation for the previous month(s) and the new forecasts for the following months.

No later than the fifteenth day of the month preceding the reference quarter, the Cash Flow Committee shall provide the Commitment Committee with a statement of available resources, from all sources combined, to enable it to draw up a commitment plan consistent with the cash flow plan.

4.2.4. *Cancellation of credits*

References:
Section 32 of the LORF Section
61 of the LORF

The cancellation of appropriations may be initiated either by the chief authorising officer or by the Minister responsible for the budget.

On the initiative of the chief authorising officer

A cancellation of appropriations may be initiated by the chief authorising officer where, during the implementation of the budget, he or she identifies appropriations that have become redundant for various reasons arising after the passage of the Finance Act. In this case, a joint order signed by the relevant minister and the Minister responsible for the budget is issued to cancel these appropriations.

On the initiative of the Minister responsible for the budget

As part of his or her remit to ensure the proper implementation of the budget, the Minister responsible for the budget may initiate the cancellation of appropriations to prevent a deterioration in budgetary balances, in particular a deterioration in the budget balance targets set out in the Finance Act. In this case, he draws up a report clearly setting out the appropriations proposed for cancellation, on which the opinions of the ministers concerned will be sought and deliberated upon by the Council of Ministers, prior to the signing of the cancellation decree.

4.3. Tools for monitoring budget implementation

4.3.1. *Budget monitoring reports*

Reference documents:
Joint Instruction No. 0003/MB/MEF/2017 of 12 April 2017 setting deadlines in the expenditure execution chain and organising the production of budget monitoring reports.

The Expenditure Chain software contains several reports that provide an overview of budget implementation in terms of expenditure. It also allows for the development, on request, of

for the appropriate monitoring of budget execution by the various stakeholders in public expenditure.

Box 11: Key budget monitoring reports

The main budget monitoring reports used to prepare the quarterly report on budget implementation are as follows:

1. Summary of budget implementation (commitment, validation, authorisation and payment);
2. Breakdown of budget implementation by PNDES pillars;
3. Summary statement of investment implementation by PNDES pillar;
4. Report on overall implementation by broad categories and phases of public expenditure;
5. Overall implementation statement by expenditure phase and by administrative body;
6. Overall implementation statement by administrative body and by broad economic categories;
7. Breakdown of expenditure by public administration functions
8. Statement of movements in appropriations.

4.3.2. *Weekly and monthly budget implementation monitoring reports*

The budget implementation monitoring note, produced by the National Budget Directorate, is a tool that provides a periodic (weekly or monthly) a summary, presented in figures and illustrated with graphs, of trends in the key indicators of budget implementation, notably the budget balance and revenue – with a particular focus on trends in mining revenue – as well as expenditure on staff, goods and services, transfers and investment, and even certain sensitive sectors (education, health, non-contributory social safety nets, etc.).

This report, intended for the Minister for the Budget to guide budget implementation and presented to the Minister for the Budget's Cabinet Committee, is forwarded to the Minister for the Economy and Finance for information.

4.3.3. *Public Finance Dashboard (TdB/FP)*

The Public Finance Dashboard, produced by the National Directorate of the Treasury and Public Accounting, is a document used to monitor the implementation of the State budget, drawn up on a monthly basis. It consists of several statements compiled from the trial balances and their accompanying annexes.

These statements include tables showing:

- monthly cash flow trends;
- the actual revenue and expenditure figures compared with the annual forecasts, showing the level of implementation in terms of issuance and collection for revenue, and in terms of commitment, validation, authorisation and payment for expenditure (as monthly and cumulative flows);
- the reconciliation table used to ensure consistency between the monthly cash flow statement and the revenue and expenditure performance statement.

4.3.4. *Table of State Financial Transactions (TOFE)*

Prepared by the National Budget Directorate, the TOFE is a statistical table providing an overview of the financial transactions of all public administrations, including social security bodies, as well as their subordinate bodies.

It classifies the operations carried out by public administrations in the form of financial transactions into revenue, expenditure, acquisitions and disposals of non-financial and financial assets, and increases and decreases in liabilities, whether in kind or in cash.

It clearly distinguishes between budgetary and financing operations and highlights the various relevant balances, as well as how these balances are financed. The financial information is presented in monetary terms and, for certain figures, as a percentage of GDP.

4.3.5. *Report on execution delays*

At the end of each month, the National Budget Directorate produces a report on delays in the expenditure execution chain, in accordance with Joint Instruction No. 0003/MB/MEF/2017 of 12 April 2017 setting out the deadlines in the public expenditure execution chain and organising the production of budget monitoring reports. The efficiency statistics contained in this report enable the line managers of staff involved in the expenditure process to draw their attention to any abnormal delays that need to be rectified, in order to promote diligence in budget execution.

These benchmark timeframes are set out in Chapter 6 of this manual, which provides a schematic description of the public expenditure execution process.

4.3.6. *Quarterly budget implementation reports*

Legal basis:

Article 77 of the LORF

Article 17 of the Decree establishing the public finance governance framework

No later than thirty (30) days after the end of the reference quarter, the Ministry responsible for the Budget shall produce the quarterly budget implementation report, which sets out how the Finance Act is being implemented. This report analyses the rate at which resources are mobilised and appropriations are utilised in comparison with parliamentary authorisations, and the changes in the balance of the State's financial operations.

It is produced under the coordination of the National Budget Directorate (DNB) in collaboration with all the directorates involved in budget implementation, notably the National Tax Directorate (DNI), the Directorate-General of Customs (DGD), the National Treasury and Public Accounts Directorate (DNTCP), the National Directorate for Debt and Official Development Assistance (DND-APD), the

National Directorate of Public Investment (DNIP), the National Directorate of Information Systems (DNSI) and the National Directorate of State Assets and Private Investment (DNPEIP).

This report, forwarded to the National Assembly and the Court of Auditors, is made public and published on the website of the Ministry responsible for the Budget (<http://www.mbudget.gov.gn>).

4.3.7. *Programme performance documents (PAP/RAP)*

The annual performance plan (PAP) is drawn up by each programme manager whose budget is managed on a programme basis. It must set out, for each programme, the objectives pursued, the activities envisaged, their costs and the expected results for the coming years. The PAP must be attached as an annex to the draft Finance Bill

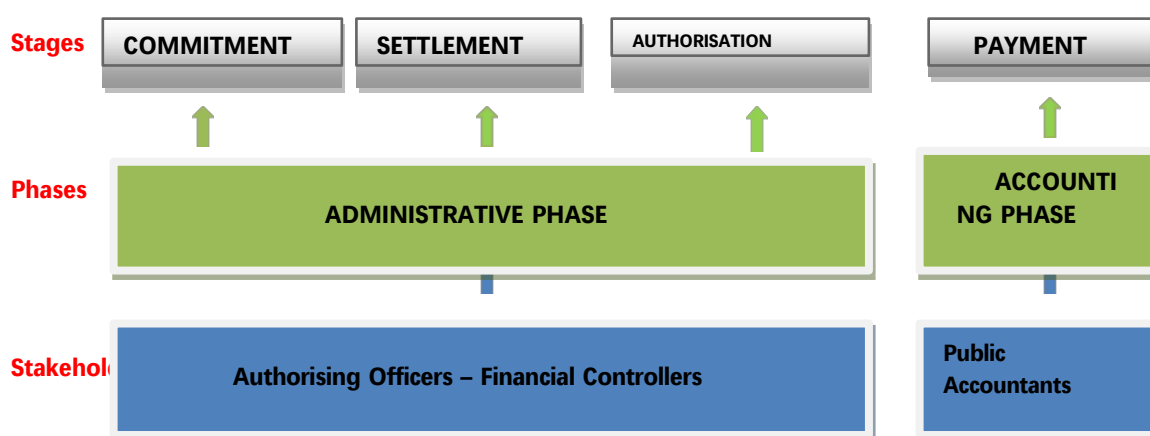
The Annual Performance Report (RAP) is drawn up in the same format as the Annual Performance Plan (PAP). It sets out the activities carried out by programme, the resources used and the results achieved, supported by relevant indicators, in comparison with the objectives set out in the Annual Performance Plan (PAP) to which it relates. The RAP must be attached to the draft Appropriation Bill.

5. STAGES OF PUBLIC EXPENDITURE IMPLEMENTATION

PROCEDURAL MANUAL FOR THE EXECUTION OF PUBLIC EXPENDITURE		REF MPEDP-06
SCHEMATIC OVERVIEW OF THE PUBLIC EXPENDITURE IMPLEMENTATION CHAIN		
	DRAFTED	AUGUST 2017
	UPDATED	JULY 2019
	Edition/version	01
	PAGES	41–43

Once the appropriations have been notified, public expenditure is committed, validated and authorised before being paid. The execution of public expenditure takes place in two phases: an administrative phase, comprising three stages – **commitment**, **validation** and **authorisation** – and an accounting phase, which culminates in **payment**.

Phases, stages and stakeholders in public expenditure



5.1. Commitment

Reference framework:
Article 18 of the RGGBCP

The expenditure commitment stage comprises an accounting component which must always precede the legal component. Indeed, the budgetary commitment of public expenditure consists of setting aside the funds that will be required to pay for the

expenditure. As for the legal commitment of public expenditure, this is the act by which the State creates or acknowledges an obligation against itself which will result in a charge.

The total amount of commitments may not exceed the amount of commitment appropriations available for capital expenditure and the amount of appropriations available for all other expenditure.

5.2. Settlement

References:

Article 20 of the RGGBCP Article

70(1) of the RGGBCP

The purpose of settlement is, on the one hand, to verify the existence of the debt and, on the other hand, to determine the exact amount of the expenditure.

Verification of the existence of the debt is carried out through the certification of services rendered. The certification of services rendered comprises two distinct phases:

- **The confirmation that the service has been performed**, or the certificate of acceptance, which enables the reality of the State's obligation to be verified by checking the physical completion of the operations and their compliance with the request. This is carried out by an acceptance committee comprising, as full members, the successful tenderer/service provider/supplier, the Head of the Financial Affairs Division, the person responsible for public procurement, the stock accountant, and the representative of the National Directorate for the Control of Public Procurement and Public Service Delegations, as applicable. The confirmation of service rendered is formalised by the signing of the delivery note, the statement of works or the acceptance report.
- **Certification of the service rendered**, or final settlement, involves verifying that the service has been accepted and ensuring that no additional factors (such as a penalty for late delivery) need to be taken into account in relation to the delivery amount, in order to determine the State's liability to the supplier or the contract holder.

Settlement itself involves determining the exact amount of the expenditure.

The authorising officer is responsible for certifying the service rendered. Once they have certified the service

, they proceed with the settlement itself after verifying the settlement calculations, determining and certifying the amount of the debt or the service provided in accordance with the terms of the purchase order or contract.

The financial controller, on the basis of supporting documents for the service provided (delivery note, certificate of acceptance, final invoice, etc.), including the certification issued by the authorising officer, carries out a check on the regularity and conformity of the service actually provided. During the regularity and compliance check, if the financial controller establishes that the certifications issued by the authorising officer are inaccurate, they may refuse to endorse the document.

Once the expenditure has been settled, the 90-day payment period begins. The DNTCP is obliged to monitor outstanding payments as part of its payment schedule, in order to control the accumulation of payment arrears. Indeed, **as long as duly settled claims remain unpaid, they constitute outstanding payments**. Outstanding payments consist of payment requests and payment arrears

Payment requests are defined as outstanding payment files that are 90 days old or less, counting from the date of settlement.

Payments in arrears are defined as outstanding payment cases that are more than 90 days old, counting from the date of settlement.

5.3. Scheduling

Reference:

Article 21 of the RGGBCP

Authorisation is the administrative act by which, in accordance with the results of the settlement, the authorising officer instructs the designated accountant to pay the State's debt. This administrative act takes the form of a payment order, which must be signed and sent to the public accountant immediately and without delay following the settlement.

Payment orders signed by authorising officers must specify the budget heading to which the expenditure is to be charged. They are drawn on the cash account of a public accountant responsible for the relevant item of State expenditure.

5.4. Payment

Reference:

Article 22 of the RGGBCP

Payment is the act by which the State discharges its debt. Subject to any advance payments on contracts for works, goods and services that may be provided for under the Public Procurement Code, payments may only be made when the debt falls due, following the performance of the service or the supply of the goods.

Without prejudice to the additional period expiring on 31 January of the following year, payment must be made before the end of the financial year in which the expenditure was incurred. However, in the case of capital expenditure, payment may be made beyond this deadline.

6. GENERAL PROCEDURES FOR THE EXECUTION OF PUBLIC EXPENDITURE

MANUAL OF PROCEDURES FOR THE EXECUTION OF PUBLIC EXPENDITURE		REF MPEDP-07
GENERAL PROCEDURE FOR THE EXECUTION OF PUBLIC EXPENDITURE		
	DRAFTED	AUGUST 2017
	UPDATED	JULY 2019
	Edition/version	01
	PAGES	44 – 66

6.1. Standard procedure for the execution of public expenditure: (commitment – validation – authorisation – payment)

6.1.1. *Description*

This is the standard procedure covering all stages of public expenditure management, from the administrative phase to the accounting phase. The administrative phase is initiated by the Authorising Officer (principal, secondary or delegated). The stages of the administrative phase fall under the responsibility of the authorising officer and the financial controller. In carrying out their duties, the authorising officer relies on the financial and administrative services made available to their department. These services assist in preparing the commitment file, overseeing the validation phase and preparing the file leading to the issue of the payment order.

A. Commitment of public expenditure

Role of the authorising officer (principal/secondary/delegated)

Following a decision by the authorising officer, their supporting financial services prepare the draft commitment: identifying the nature of the expenditure, identifying the budgetary appropriations, selecting the procedure to be used, and compiling the necessary supporting documents to underpin the commitment decision, as prescribed in the list of supporting documents for public expenditure (quotations, pro forma invoices, contract letters, etc.).

Once the draft commitment has been entered into the Expenditure Chain by the Head of the Finance Department, it must be submitted to the Financial Controller for prior review, for approval or rejection.

The file, approved by a letter of authorisation to commit expenditure from the Financial Controller, is forwarded with a cover sheet to the authorising officer via the Head of the Finance Department to enable the authorising officer to initiate the expenditure settlement stage. In the event of rejection by the Financial Controller, the file, containing the reason for rejection, is returned to the Head of the Finance Department's department, who informs the authorising officer.

Any proposed legal commitment must be subject to the prior approval of the Financial Controller before being signed by the Chief Authorising Officer. Indeed, ***'no commitment may be submitted to the Chief Authorising Officer for signature until it has first been approved by the Financial Controller.'***

Role of the Financial Controller

Following the electronic transmission of the file and upon receipt of the physical sets of documents, the Financial Controller carries out the following checks:

- whether the commitment file is eligible for the requested procedure;
- the correct budgetary allocation of the expenditure and the availability of appropriations;
- the regularity of the physical set of documents submitted by the authorising officer and its conformity with the electronic draft commitment;
- the authorising officer's capacity;
- the application of and compliance with the financial provisions set out in laws and regulations, and their conformity with parliamentary authorisations;
- the impact that the proposed measures may have on the balance and sustainability of the State budget.

The Financial Controller then validates the commitment decision electronically; this enables them to issue, as appropriate, **a validated commitment slip** or **a rejection slip**.

In the event of validation, the validated commitment decision and the entire physical set of documents are then forwarded to the authorising officer who initiated the commitment, via the head of the Financial Affairs Division, for settlement and authorisation.

In the event of a rejection, the financial controller returns the commitment file to the authorising officer who initiated it, by means of a transmission slip, together with their reasoned decision to reject it and the accompanying physical bundles.

B. Settlement of public expenditure: Role

of the authorising officer

Upon receipt of the commitment file duly validated by the Financial Controller (validated set of documents and commitment form), the authorising officer invites the relevant service provider or supplier to proceed with delivery in accordance with the deadlines and technical specifications set out in the purchase order or the contract.

The authorising officer calls upon the acceptance committee, including its support services, to organise the acceptance of the goods and services delivered. Acceptance must be confirmed by an acceptance report or any other document serving the same purpose.

Upon presentation of the compliant acceptance report or any other document serving the same purpose, the authorising officer certifies that the service has been rendered and proceeds with the actual settlement of the expenditure.

During this stage, stock accounting officers take part in the acceptance process to obtain copies of the necessary documents justifying the inclusion of the acquired goods in the State's assets, for the purpose of recording them in the stock records. This recording will show the date of acquisition and the value to facilitate physical inventories and year-end operations (depreciation and other items).

Inventory records must be maintained at the level of each authorising officer and forwarded to the National Directorate of Inventory and Equipment for centralisation.

The Head of the Financial Affairs Division compiles all the supporting documents to create a settlement file on behalf of the authorising officer in the expenditure chain and submits the entire file, in both electronic and paper formats, to the Financial Controller for approval.

Role of the Financial Controller

In accordance with Articles 68, 69 and 70 of the RGGBCP, the Financial Controller checks and approves the draft settlement.

To this end, the Financial Controller must ensure that:

- the settlement file complies with the previously approved commitment decision;
- the amount determined on the basis of the service provided is the same as that invoiced and included in the settlement;
- the amount settled does not exceed the amount committed; if this is not the case, a supplementary commitment must be required;
- the work carried out is attested to and certified by the authorising officer;
- the service certified by the authorising officer corresponds to the delivery of the orders or the provision of the service;
- the supporting documents attached to the file comply with the list of supporting documents relating to public expenditure.

Risks that may affect the settlement file include, in particular:

- the absence and/or insufficiency of supporting documents;
- incorrect calculations;
- the status of the authorising officer: an unauthorised person or a lack of technical expertise on the part of the acceptance committee;

- failure by the authorising officer's department to enter the settlement file into the information system;
- incorrect certification of the work carried out;
- the absence of an opinion on draft legal acts or administrative decisions relating to the recruitment of staff.

C. Authorisation

Under the sole responsibility of the authorising officer

Once the payment file has been validated by the Financial Controller, the authorising officer proceeds with authorisation. To this end, he issues the payment order, which specifies, in particular, in addition to the mandatory details that must appear therein—such as the budgetary allocation of the expenditure, the designated accountant, the method of payment and the beneficiary— The payment order is sent electronically to the designated accountant (the General Paymaster of the Treasury or the Central Accounting Officer of the Treasury, as appropriate), accompanied by the complete physical file containing a transmission slip for the payment order as well as all documents evidencing all previous stages from the start of the commitment and the supporting documents.

The Head of the Financial Affairs Division is responsible for ensuring that the relevant departments of the National Budget Directorate issue revenue orders for the deductions made from expenditure relating to local purchases, which must accompany the complete physical file for the payment order.

D. Payment of public expenditure

Under the sole responsibility of public accountants

Payment constitutes the accounting phase of the execution of public expenditure. This phase is the sole responsibility of public accountants.

The General Paymaster of the Treasury is the public accountant responsible for all expenditure in national currency from the State budget for central government departments.

As regards decentralised services, this function is carried out, in accordance with their respective territorial jurisdictions, by the Chief Treasurer of the City of Conakry, the regional treasurers, the prefectural treasurers and the overseas paymasters.

The Central Treasury Accounting Officer is the public accountant responsible for all expenditure in foreign currency. He processes fund transfers to other public accountants to enable the decentralised services to incur expenditure.

Upon receipt of payment orders issued by the authorising officer, the designated public accountant, before issuing payment orders to their own cashier's office or to the BCRG (by bank transfer or cheque), verifies the documents and records them in the accounts or, where necessary, rejects them if the verification is inconclusive.

Role of the public accountant

▪ Recording in the accounts

The designated public accountant's department begins by carrying out **off-balance-sheet processing**, which involves ensuring that all the physical files listed on the payment order transmission slip have actually been received. This pre-accounting acceptance process results in the classification of payment orders that are to follow their normal course and those that require further information from the authorising officer.

The accounting process involves recording the amounts of the payment orders accepted following the regularity check in the expense account.

Box 12: Checks carried out by the public accountant to validate an expenditure In accordance with Article 71 of the RGGBCP, these checks carried out by the public accountant relate in particular to:

- the status of the authorising officer or their delegate;
- the authorisation of the expenditure, i.e. whether the authorising officer is effectively authorised to incur this expenditure;
- the correct allocation of the expenditure;
- the availability of appropriations;
- the validity of the debt, which relates to the justification of the service rendered as evidenced by the certification issued by the authorising officer, as well as the supporting documents produced;
- the accuracy of the settlement calculations: the accountant verifies that the settlement amount equals the amount committed in the draft commitment by reconciling the commitment schedule with the settlement schedule;
- the prior completion of the checks, authorisations, approvals or regulatory endorsements required by the regulations: the accountant verifies that all endorsements and approvals have been correctly recorded on the physical documents throughout the expenditure chain;
- the application of the rules on limitation periods and forfeiture;
- the discharging effect of the payment.

Accepted or rejected files are then submitted to the designated accountant to confirm or reject the proposed decisions of their department.

If the rejection is confirmed, the payment order is returned to the authorising officer together with the accompanying documents via a transmission slip. The reason for rejection is communicated to the authorising officer.

If the acceptance and validation are confirmed, the designated accounting officer carries out the electronic receipt, validates the payment authorisation in the Expenditure Chain and processes the payment.

Where a decision is taken to abandon payment orders at the designated accountant's stage after they have been recorded in the accounts, the designated accountant is required to make the appropriate accounting entries, to inform the authorising officer concerned and the competent financial controller so that the necessary measures can be taken, in particular to update the accounts of commitments. In this case, the cancelled payment order, the related payment authorisation or provisional payment order, together with the supporting documents, shall be forwarded by means of a cover sheet to the authorising officer via the competent financial controller.

▪ **Settlement**

Settlement involves the issuance of settlement instruments, namely a transfer order (TO) or a payment order (PO), to cover the payment mandate or the provisional payment instrument¹. This is carried out in accordance with the cash flow plan.

The settlement instruments thus issued are assigned to the cash office of the designated public accountant or to their account at the Central Bank of the Republic of Guinea (BCRG) for settlement. They are accompanied by a schedule of the instruments transmitted and duly acknowledged by the BCRG.

Upon receipt of the debit notices from the Central Bank of the Republic of Guinea, the payments are entered and validated in the Expenditure System.

6.1.2. *Diagram*

The flowchart illustrating all these stages is shown in the table below.

No.	Procedural steps	Parties involved	Reference timeframes
Stage 1. Commitment of public expenditure			
01	Preparation of supporting documents for the commitment decision	CFO	5 days
02	Submission of the draft commitment decision to the authorising officer	CFO	
03	Commitment decision by the authorising officer	Authorising Officer	
04	Entry of the commitment decision	CFO	
05	Forwarding of the commitment file to the CF (electronically and hard copy)	CFO	
Check and approval of the entry form by the CF			
01	Receipt of the application by the CF's services	CF	1 day
02	Case assigned for review	CF	4 days
03	Review of the application (proposal for acceptance, rejection or postponement)	CF	
04	Approval (acceptance, rejection or deferral) or rejection	CF	
05	Forwarding of the accepted commitment file to the DAF (electronic and hard copy)	CF	
06	Forwarding of the rejected application to the DAF, stating the reason for rejection (electronic and hard copy)	CF	
No.	Procedural steps	Parties involved	Reference timeframes
Stage 2. Settlement of public expenditure			

¹ The provisional payment order is used in the 'commitment-payment' procedure described in Chapter 8 of this manual.

01	Receipt of the commitment file approved by the CF (electronic and hard copy)	DAF	1 day
Actions carried out outside the computerised expenditure chain			
02	Invitation to the supplier to deliver, or awaiting delivery in accordance with the deadlines set out in the contract	DAF	1 day (from receipt of the approved commitment file by the CF)
03	Delivery/service provision by the supplier or service provider	Supplier/Service Provider	Within the contractual deadlines
04	Convening of the acceptance committee	DAF	1 day after delivery or service
05	Acceptance of the service or supplies	Acceptance committee in the presence of the Finance Director, the stock controller and the Supplier/Service Provider	2 days from the date of acceptance
06	Drawing up of the compliant acceptance report	Acceptance Committee	
07	Compilation of the acceptance file and forwarding to the authorising officer for certification of the work carried out	DAF	1 day from the date of receipt of the acceptance certificate in accordance with the requirements
08	Certification of work carried out	Authorising officer	2 days from the date the file was submitted
Actions taken by the Chief Financial Officer on behalf of the authorising officer within the computerised expenditure chain			
09	Creation of the payment file	DAF	5 days From the date of certification of the service provided
10	Entry of settlement documents	DAF	
11	Forwarding of the settlement file to the CF (electronically and hard copy)	DAF	
Review of the liquidation file by the CF			
01	Receipt of the settlement file (electronic and physical)	CF	4 days
02	Checking the settlement file	CF	
03	Approval, rejection or postponement of the liquidation file	CF	
04	Forwarding of the approved liquidation file to the Chief Financial Officer (electronically and in hard copy)	CF	
05	Submission of the rejected settlement file to the DAF with details of the reason for rejection (electronic and hard copy)	CF	
No.	Procedural documents	Parties	Reference time limits
Stage 3. Scheduling of public expenditure			
01	Receipt by the Chief Financial Officer (CFO) of the settlement file approved by the Finance Committee	DAF	1 day
02	Issue of the payment order and other statements accompanying it	DAF	5 days
03	Submission of the payment order for signature by the authorising officer	DAF	
04	Signature of the payment order	Authorising officer	
05	Forwarding of the physical payment authorisation file to the department responsible for revenue orders/DNB	DAF	
Issuing revenue orders based on expenditure files			
06	Receipt of the physical authorisation file	Department responsible for /DNB	2 days

07	Review and issue of revenue orders	Revenue/DNB Revenue Orders/DNB	
08	Forwarding of the payment authorisation file and the revenue orders to the Chief Financial Officer	Revenue/DNB Revenue Orders/DNB	
09	Receipt of the physical payment authorisation file and submission to the PGT	DAF	
No.	Procedural documents	Parties	Reference timeframes
Stage 4. Payment of public expenditure			
	Accounting entry		
01	Receipt of the payment authorisation file by the PGT or ACCT departments (off-balance-sheet processing)	PGT or ACCT staff member	1 day
02	Verification and processing of the payment mandate	PGT or ACCT	4 days
03	Approval of payment authorisation	PGT or ACCT	
	Settlement		
04	Validation and scheduling for the settlement of the payment order	PGT or ACCT	5 days
05	Issuing of OVs and settlement	PGT or ACCT	
06	Summary of issued OVs	PGT or ACCT	
07	Submission of orders to the BCRG	PGT or ACCT	
	Settlement		
08	Receipt of OV/ by the BCRG	BCRG	1 day
09	Settlement of the OV/ by BCRG	BCRG	

6.2. Modified standard procedure: commitment–instruction–payment

6.2.1. Description

The **modified standard procedure** is designed to govern public expenditure where the commitment and settlement stages occur simultaneously, either because the expenditure is definitely due and payable – and is not subject to the formality of a service verification prior to authorisation – or because the expenditure is below a de minimis threshold (minor expenditure), or because of the arrangements put in place to guarantee that the expenditure is due, such that it is not appropriate to subject it to the formality of certification or verification of service rendered.

Box 13: Exhaustive list of expenditure eligible for the modified standard procedure

For expenditure under Title III, Expenditure on Goods and Services:

- Legal costs, fees payable to court officials and bailiffs;
- Water, electricity and telephone charges, where these are audited by an approved audit firm;
- Medical expenses and medical evacuations;
- Bank charges, insurance premiums, postal charges including diplomatic pouches;
- Transport and travel costs, mission allowances, hotel and conference costs;
- Rent and related charges;
- Start-up advances for public procurement contracts;
- Fuel and lubricants;
- Various routine maintenance contracts.

For expenditure under Title IV – Transfer payments:

- Grants;
- Transfers;
- Membership fees and contributions to international organisations;
- Scholarships, supplementary grants and training allowances.

Expenditure relating to counterpart funding for externally funded projects.

The commitment decision, signed by the authorising officer and submitted to the financial controller for review, must be accompanied **by a request for the adapted standard procedure**. After verifying that the commitment is eligible for the adapted standard procedure, the financial controller validates the commitment. Once the

commitment decision has been validated by the Financial Controller, this validation constitutes settlement and the file may be submitted to the authorising officer for payment authorisation.

To this end, the documents listed in the schedule of supporting documents for expenditure under the relevant budget headings must be attached to the commitment file.

For transfer expenditure (current transfers and capital transfers), the initiative lies with the beneficiary of the budgetary appropriations set out in the Finance Act, who submits their request to the chief authorising officer of the relevant budget section (the ministry with technical oversight or simply the ministry to which the budget is attached).

Upon receipt of this request, the ministry responsible for technical oversight submits to the Minister for the Budget a request for the release of funds in respect of the grant, to which the supporting documents listed in the schedule of supporting documents for expenditure are attached.

Following examination of the request by the relevant departments of the Ministry responsible for the Budget, the Minister for the Budget signs a transfer order, which is forwarded to the relevant ministry for commitment under the standard adapted procedure.

Box 14: Transfer Expenditure

Transfer expenditure corresponds to intervention expenditure. It represents financial support granted by the State to other public or, in some cases, private bodies, to regional or local authorities, or even to individuals, and is motivated by the State's role as an economic and social regulator.

Transfers correspond to the amounts actually paid by the State to clearly identified beneficiaries, who may be republican institutions or households.

The provision for the amount of these transfers in the Finance Act does not constitute the event giving rise to the expenditure. It merely indicates the ceiling to be allocated during the year. It is the transfer order that constitutes the allocation decision, and it is this order that makes the State liable to the organisation.

This procedure does not apply to transfers for which the commitment is made at the same time as staff expenditure and for which the settlement calculations are processed in the staff member's payslip.

6.2.2. Diagram

No.	Procedural steps	Parties	Reference Reference
Stage 1. Commitment and settlement of public expenditure			
01	Preparation of supporting documents for the commitment decision	CFO	5 days
02	Submission of the draft commitment decision to the authorising officer	CFO	
03	Commitment decision by the authorising officer	Authorising Officer	
04	Entry of the commitment and payment decision	CFO	
05	Forwarding of the commitment and settlement file to the CF (electronically and in hard copy)	CFO	
06	Printing and submission of the settlement commitment statement	CFO	
Check and approval by the CF of the commitment and settlement file			
01	Receipt of the file by the CF's departments	CF	1 day
02	Case assigned for review	CF	4 days
03	Review of the application (proposal for acceptance, rejection or postponement)	CF	
04	Approval (acceptance), deferral or rejection	CF	
05	Forwarding of the commitment and settlement file to the Chief Financial Officer accepted (electronically and in hard copy)	CF	
06	Submission of the rejected file to the Chief Financial Officer, stating the reason for the rejection (electronically and in hard copy)	CF	

No.	Procedural documents	Parties	Time limits Reference
Stage 2. Authorisation of public expenditure			
01	Receipt by the Chief Financial Officer (CFO) of the commitment and payment file validated by the Finance Committee	CFO	1 day
02	Issuing of the payment order and other documents accompanying it	CFO	
03	Submission of the payment authorisation to the authorising officer for signature	CFO	

04	Signature of the payment order	Authorising Officer	5 days
05	Forwarding of the physical payment authorisation file to the department responsible for revenue orders/DNB for files eligible for the issuance of revenue orders outside Title IV	CFO	
Issue of revenue orders for expenditure files			
06	Receipt of the physical authorisation file	Head of the Revenue/DNB Revenue Orders/DNB	2 days
07	Issuing revenue orders	Head of Department Revenue Orders/DNB	
08	Forwarding of the payment authorisation file and revenue orders to the Chief Financial Officer	Head of the Revenue Orders/DNB	
09	Retrieval of the physical authorisation file and forwarding it to the PGT	CFO	

No.	Procedural documents	Parties	Time limits Reference
Stage 4. Payment of public expenditure			
	Accounting entry		
01	Receipt of the payment authorisation file by the PGT departments (off-balance-sheet processing)	PGT or ACCT staff member	1 day
02	Verification and processing of the payment mandate payment	PGT or ACCT	4 days
03	Validation of the payment mandate	PGT or ACCT	
	Settlement		
04	Validation and scheduling for settlement of the payment order	PGT or ACCT	5 days
05	Issuing of payment orders and settlement	PGT or ACCT	
06	Summary of issued OVs	PGT or ACCT	
07	Submission of orders to the BCRG	PGT or ACCT	
	Settlement		
08	Receipt of OV/ by the BCRG	BCRG	1 day
09	Settlement of the OV/ by BCRG	BCRG	

6.3. Specific provisions relating to public procurement

Reference documents:

- Law No. L/2012/020/CNT of 11 October 2012 laying down the rules governing the award, supervision and regulation of public procurement and public service delegations, as amended by Law No. L/2018/028/AN of 5 July 2018.
- Decree No. D/2012/128/PRG/SGG of 3 December 2012 establishing the Code on Public Procurement and Public Service Delegations (under review).
- Decree No. D/2014/165/PRG/SGG of 22 July 2014 on the tasks, powers, organisation and functioning of the National Public Procurement Directorate (DNMP), currently under review (DNCMP/DSP).
- Decree No. D/2014/167/PRG/SGG of 22 July 2014 on the organisation and functioning of the Public Procurement Regulatory Authority (ARMP).
- Decree No. D/2014/168/PRG/SGG of 22 July 2014 laying down general provisions governing the thresholds for the award, control and regulation of public contracts (under review).
- Decree No. D/2014/169/PRG/SGG of 22 July 2014 on the establishment, powers, organisation and functioning of the bodies responsible for the award and oversight of public contracts within contracting authorities (under review).

6.3.1. Stages leading up to public expenditure: planning – award – signing – registration of public contracts

Stages	Procedural steps	Stakeholders ²	Timeframes
Planning	Preparation of the PPM	Contracting authorities and Relevant contracting authorities (CA)	15 days
	Approval of the PPM	DNCMP/DSP	7 days
	Publication of the PPM	Contracting authorities and relevant departments AC/DNCMP/DSP	5 days
		Number of days	27 days
Contract award	Preparation of the tender documents	Contracting authorities and competent companies competent contracting authorities	7 days
	Notice of no objection (ANO) regarding the tender documentation	DNCMP/DSP	7 days
	Publication of the invitation to tender from the date of the NO	Contracting authorities and relevant AC/DNCMP/DSP	7 days
	Submission of tender documents national	Contracting authorities and relevant departments competent contracting authorities (AC)	30 days
	Submission of tender documents International	Contracting authorities and competent competent contracting authorities	45 days
	Evaluation of tenders and drafting of the evaluation report	Contracting authorities and relevant departments competent contracting authorities	10 days
	ANO on the evaluation report	DNCMP/DSP	7 days
	Notification of provisional award	Contracting /DNCMP	3 days
	Publication of final award	DNCMP	5 days
	Preparation and finalisation of the draft contract	Contracting authorities/DNMP	5 days
	ANO on the draft contract	DNMP	7 days
	Notification of final award	Contracting authorities	3 days
		Number of days	91–106 days
	First signature of the contract	Successful tenderer	2 days
	Second signing of the contract	Contracting authority	2 days

² Subject to the ongoing reform concerning public procurement stakeholders

Signature	Third signature of the contract	DNCMP/DSP approval	5 days
	Fourth signature of the contract	Central approving authority or decentralised	5 days
		Number of days	14 days
Registration	Contract registration	DNCMP/DSP	2 days
	Contract registration	National Tax Directorate	2 days
		Number of days	4 days

6.3.2. *Public procurement thresholds*

Reference documents:

- Decree No. A/2015/067/MEF/SGG of 28 January 2015 setting the thresholds for the award, scrutiny, review and approval of public contracts applicable to the State, decentralised services (Regions, prefectures) and their respective public bodies.
- Decree No. A/2016/6251/MEF/SGG of 12 October 2016 raising the thresholds for ex ante and ex post scrutiny of public procurement procedures and the delegation of public services.
- Circular No. 1062/MEF/CAB/MD/2017 of 14 August 2017 on the organisation of ex ante scrutiny for thresholds below 5 billion GNF.

Pursuant to Article 9 of Decree D/2014/168/PRG/SGG of 22 July 2014 laying down general provisions governing the thresholds for the award, scrutiny and approval of public contracts and public service delegations, contracts must be awarded in accordance with the provisions of the Code on Public Contracts and Public Service Delegations for all expenditure on works, supplies and services whose value is equal to or greater than the following thresholds:

- 250,000,000 GNF for works contracts awarded by central government departments and 100,000,000 GNF for works contracts awarded by decentralised departments;
- 100,000,000 GNF for supply contracts for central government departments and 50,000,000 GNF for supply contracts awarded by decentralised services;
- GNF 100,000,000 for service contracts awarded by central government departments and GNF 50,000,000 for service contracts awarded by decentralised departments.

For public contracts where the value is less than or equal to the thresholds set out above, the procurement procedure is conducted in accordance with the quotation request procedure. The quotation request is a simplified restricted consultation procedure involving at least three candidates—whether companies, suppliers or service providers—for the award of contracts below the threshold.

The request for quotations is prepared by the contracting authority on the basis of the standard document established by the ARMP, specifying the required technical specifications, the evaluation criteria, the obligations to which the parties are subject and the terms and conditions for the performance of the services.

The services that may be the subject of a request for quotations include, in particular:

- supplies, consumables and miscellaneous equipment;
- furniture;
- small equipment;
- IT equipment;
- building maintenance;
- accommodation;
- small-scale sanitation contracts.

The associated expenditure may be settled on presentation of an invoice or statement of account using the standard adapted procedure.

For contracts exceeding these thresholds, the procurement procedure is carried out through a national or international call for tenders, either open or restricted.

The thresholds for ex ante and ex post scrutiny of public procurement procedures and public service delegation contracts are set as follows:

Thresholds for contracts	Types of scrutiny		Competent responsible
	Ex ante	Ex post	
Amounts of 5 billion GNF or less (1)	☺		Decentralised DNCMP/DSP services
		☺	Decentralised DNCMP/DSP departments
Amount exceeding 5 billion GNF (3)	☺		DNCMP/DSP
		☺	DNCMP/DSP

6.3.3. Request for derogations from public procurement procedures

Where, during the public procurement procedure, the contracting authority requests a derogation from the public procurement rules, the DNCMP/DSP must issue a notice of no objection **within 7 days** of receiving the request. In such cases, authorisation from the Minister responsible for Finance must be granted **within 7 days** of receipt of the reasoned opinion from the DNCMP/DSP or of the contracting authority's request.

6.3.4. Allocation of funds for public procurement

Reference:

1. Article 8 of Law No. L/2012/020/CNT of 11 October 2012 laying down the rules governing the award, supervision and regulation of public procurement and public service delegations, as amended by Law L/2018/028/AN of 5 July 2018.

The reservation of funds enables funds to be set aside on a budget line for a specific future purpose, to prevent them from being used for any other purpose; this ensures that, upon the expiry of the public contract, there will be sufficient budgetary funds to cover the expenditure arising from the commitments made by the authorising officer.

Prior to launching the call for tenders, the contracting authority, in its capacity as authorising officer, creates the credit reservation, which is validated by the financial controller responsible for maintaining the accounts of commitments.

For public contracts for the supply of goods and services under Title 3, the earmarked funds are charged to payment appropriations.

For public procurement contracts relating to capital expenditure, the earmarked funds are charged to commitment appropriations.

6.3.5. The disbursement of expenditure in respect of interim payments under public procurement contracts

Reference documents:

Article 23 of the RGGBCP. Article 43 of the RGGBCP.

Once the preliminary procedures have been completed and the contract has come into effect, any payment in respect of instalments and final accounts under public procurement contracts must follow the standard procedure for the execution of public expenditure as described in section

7.1 of this manual. **They are committed to gradually utilise the appropriations previously set aside, and are authorised, ordered and paid.**

Advances on public contracts are not budgetary transactions at the time they are released. They are cash-flow transactions recorded in the general ledger. They do not constitute a budgetary expenditure at the time of their release. This release is carried out pursuant to a decision by the Minister responsible for finance (authorising officer for cash management operations) at the request of the authorising officer (contracting authority) in accordance with the provisions of the duly signed contract. The request from the authorising officer, as the contracting authority, must be countersigned by the financial controller. They become budgetary transactions when they are allocated to the various instalments for work carried out.

6.4. Procedure for the execution of public investment expenditure and PPPs under the AE/CP model

Reference framework:
Article 26 of the LORF

6.4.1. Description

The execution of capital expenditure is split into **commitment authorisations** and **payment appropriations**, enabling the simultaneous management of two types of budgetary appropriations with different purposes.

Commitment authorisations are intended to cover the legal commitments arising from the implementation of investment projects. This mechanism allows expenditure to be committed in a single transaction, with payment to be made in one or more instalments spread over a period extending beyond the financial year in which the commitment is made.

Payment appropriations are used to cover payment requirements during the year for investment expenditure that has already been committed.

The budgetary implementation of commitment appropriations may involve cases where authorisations are withdrawn, thereby reducing the level of utilisation. These include, in particular, the following cases:

- Adjustment of the legal commitment to reflect the actual expenditure;
- Termination of the commitment due to the impossibility of completing the transaction because of the service provider's failure or inability to deliver the agreed service;
- Correction of an error in the budgetary allocation of the legal commitment.

Box 15: Rules governing the withdrawal of commitment authorisations

Withdrawals made from commitment authorisations for the current year result in the restoration of available commitment authorisations for another commitment. However, withdrawals made from commitment authorisations for previous years do not result in an increase in commitment authorisations for the current year, in accordance with the principle of annuality of authorisations voted in the Finance Act.

6.4.2. Diagrams

A. General principles governing the utilisation of AE_CP

Type of budgetary appropriations Budgetary	Event triggering the utilisation of budgetary appropriations	Amount of AE and CP utilised per year
Commitment authorisations	Upon validation of the legal commitment (signing of the contract)	Year N: Commitment appropriations (CA) = Fixed amount of the total legal commitment Year N + (1 to n): AE = 0
Payment appropriations	As and when payments are made or, failing that, when payments are authorised by the designated public accountant	Year N: CP = amount of payments made Year N Year N + (1 to n): CP = amount of payments for year N+ (1 to n)

B. Rules governing the utilisation of AE_CP for public contracts with a fixed or adjustable price, and a fixed or renewable term

Type of budgetary appropriations	Trigger for the utilisation of budgetary appropriations	Amount of AE and CP utilised per year
Commitment authorisations	Upon validation of the legal commitment (signing of the contract) and subsequently in the event of a price revision or renewal	Year N: AE = Fixed amount of the total legal commitment excluding renewal Year N + (1 to n): AE = 0, plus the utilisation of commitment authorisations equivalent to the impact of the price revision or renewal, projected over the remaining term
Payment appropriations	As and when payments are made or, failing that, when payments are authorised by the designated public accountant: payment against invoices or instalment statements for works contracts	Year N: CP = amount of payments in year N Year N + (1 to n): CP = total payments for year N + (1 to n)

C. Procedures for utilising AE_CP for public contracts with fixed and conditional instalments

Type of budgetary appropriations	Trigger for the utilisation of budgetary appropriations	Amount of AE and CP utilised per year
Commitment authorisations	Upon validation of the legal commitment for the fixed tranche and the amount of the penalty clause, followed by the commitment of the conditional tranche upon its confirmation	Year N: Award of the contract Commitment authorisations (CA) = Amount of the firm tranche and amount of the penalty for withdrawal on the conditional tranche Year N + (1 to n): Confirmation of the conditional tranche AE = amount of the confirmed conditional tranche – amount of the penalty clause +, where applicable, the amount of the standby allowance
Payment appropriations	As and when payments are made or, failing that, when payments are covered by the designated public accountant: payment against invoices or instalment statements for works contracts	Year N: CP = amount of payments for year N Year N + (1 to n): CP = total payments for year N + (1 to n)

D. Rules for utilising commitment appropriations (AE_CP) for public contracts with unit prices or framework contracts

Type of appropriations Budgetary	Trigger for the utilisation of budgetary appropriations	Amount of AE and CP utilised per year
Commitment authorisations	At the time of validation of the legal commitment: signing of the contract	Per year = amount of purchase orders issued during the year or amount of subsequent contracts notified during the year under the same conditions as other contracts
Payment appropriations	As and when payments are made or, failing that, when payments are taken over by the designated public accountant: payment against invoice	Total payments for the year

E. Procedures for managing functional tranches and allocating commitment appropriations for capital expenditure

Events reserving commitment appropriations	Allocations of appropriations	Procedures for managing AE_CP
Investment project	Project year: AE#CP	Assessment of the total amount of legal commitments required to carry out the investment project
		Identification of the functional phase(s) of the investment project
		AE = allocation of the total amount of the ^{first} functional phase of the investment project
		CP = amount of payments to be made during the year for contracts that may be committed to under the tranche of the investment project
Current year	Subsequent years: AE#CP	AE = allocation of the amount for other during the start-up year of the investment project
		For the ^{1st} functional tranche: AE=0
		The reserved AE is utilised by the legal commitments under various contracts
		CP = amount of payments to be made during the year on current or forthcoming contracts

6.5. Procedure for the execution of expenditure financed from external resources

**Legal basis: Article 4
of the LORF
Article 35 of the LORF Article
36(1) of the LORF Article 38 of
the LORF Article 39 of the LORF
Article 73 of the LORF**

Investment projects funded by external resources, where the financing agreements stipulate the use of national procedures, shall be implemented in accordance with the standard public procurement procedure described in this manual.

Where donors' procedures are used for projects included in the State budget, mechanisms must be put in place to develop protocols for integrating these operations into the State's budgetary and financial operations (physical assets and financial flows, including debt flows).

Given that donor procedures are characterised by two mechanisms – namely, direct payment on the one hand, and revolving advances on the other – the protocols for incorporating expenditure financed from external sources in accordance with donor procedures must take these mechanisms into account to ensure completeness.

Box 16: Management of donor funds under the special-purpose budget system

Where such operations are not included in the general state budget and are of a recurring nature, they are governed by the special-purpose budget procedure. If they are one-off operations, they must be treated as grant funds. In both cases, the related expenditure follows the procedures described in this manual, whilst respecting the donor's wishes regarding the actions to be carried out, subject to the following exceptions:

- Transactions relating to the administrative phase of public expenditure (commitment, settlement and authorisation) may be entrusted to a person designated by agreement between the minister responsible for the BAS or the supplementary fund, the Minister of Finance and the relevant donor;
- The BAS's accounting operations, covering both revenue and expenditure, may be subject to the countersignature of a representative of the relevant donor;
- The resources of the BAS or the support fund may be held in a sub-account of the single Treasury account at the BCRG, the operating procedures for which are laid down by decision of the Minister responsible for finance in agreement with the relevant donor;
- Audits may be carried out on the transactions, activities and accounts of the BAS or the support fund at the initiative of either the Minister responsible for finance or the relevant donor, by a designated auditor who is obliged to cooperate with the Government's audit institutions.

6.6. Procedure for the execution of public expenditure in favour of decentralised services

6.6.1. *Definition of decentralised services*

Decentralised services are branches of the central government services spread across the entire national territory or outside the country, carrying out, within the territorial boundaries of their administrative districts, tasks entrusted to the central services to which they are technically subordinate. They are under the hierarchical authority of the State's territorial authorities, which are responsible for their administrative management, in particular governors, prefects, as well as ambassadors and heads of diplomatic and consular missions.

Ministers' instructions are transmitted to the decentralised services through the chain of command to the territorial authorities to which they are geographically subordinate, who then pass them on at their own level (Articles 61, 62 and 63 of Law L/2018/025/AN of 3 July 2018 on the General Organisation of the Public Administration).

6.6.2. *Delegation of appropriations*

The delegation of appropriations enables the management of a portion of budgetary appropriations to be entrusted to an authority belonging to a decentralised level of the administration. Central authorities prepare and implement the decision to delegate appropriations, whilst decentralised authorities utilise the appropriations at local level.

Delegated appropriations are funds allocated in the Finance Act to decentralised services both in Conakry and in the rest of the country. Secondary authorising officers are empowered to commit, settle and disburse the appropriations made available to them under the Finance Act. **These include Governors** for decentralised services operating at regional level, **Prefects** for services operating at prefectural level, and **Ambassadors and Heads of Diplomatic and Consular Missions** for embassies and diplomatic and consular missions abroad.

To this end, on the basis of the appropriations set out in the Finance Act, the principal authorising officers, at the start of the year, allocate the appropriations using an appropriation delegation form which sets out, on a quarterly basis in accordance with the commitment plan, by administrative region and by recipient department, the appropriations delegated to a department by type of expenditure (title, chapter and article).

This appropriation delegation form, prepared by the relevant departments of the authorising officer and circulated through the expenditure chain, duly signed by the sectoral minister—who is the principal authorising officer for his or her department's expenditure—and countersigned by the relevant financial controller, is drawn up in nine (9) copies intended for:

At central level:

- To the chief authorising officer;
- To the financial controller attached to the chief authorising officer;
- To the National Directorate of the Treasury and Public Accounts.

At the decentralised level:

- To the secondary authorising officer;
- To the Prefectural Financial Controller;
- To the Budget Section of the Prefectures, City and Municipalities of Conakry;
- To the Regional Treasury;
- To the Prefectural Treasury or Revenue Office of the municipalities of Conakry;
- To the beneficiary decentralised department.

The delegation of appropriations is carried out under a modified general procedure, the distinctive feature of which is that **'the beneficiary is not a supplier or service provider, but rather a designated public accountant'**, who is, as the case may be, the Regional Treasurer, the Prefectural Treasurer, the Treasurer of diplomatic and consular missions, or the Municipal Revenue Collector.

The quarterly commitment made within the expenditure chain records the provisional budgetary charge, in order to provide the budgetary accounts with information on the provisional utilisation of budgetary appropriations under commitment and to enable funds to be transferred to the designated accounting officer through whom the actual expenditure will be incurred, in accordance with the required procedures (commitment–settlement–authorisation–payment), at the decentralised level: Conakry and the provinces.

6.6.3. *Transfer of funds*

To enable secondary authorising officers to execute public expenditure on behalf of the decentralised services within their respective jurisdictions, **'fund transfers to cover delegated appropriations covered by appropriation delegation decisions'** are periodically made by the Central Treasury Accounting Officer to the local public accountants: **the Regional Treasurer for the Regions, the Prefectural Treasurer for the Prefectures, the Paying Officers of diplomatic and consular missions for Embassies, Consulates and and the Chief Treasurer for the decentralised services of the City of Conakry.**

6.6.4. *Execution of public expenditure at the decentralised level*

At the decentralised level, expenditure implementation procedures follow the various stages as described in the standard procedure or the adapted standard procedure, including the rules governing public procurement.

These procedures are currently carried out manually pending their computerisation.

All controls over the execution of public expenditure are carried out by financial controllers. **In the absence of financial controllers, these controls are carried out by designated public accountants.** These include, in particular, the following controls:

- the status of the authorising officer or their delegate;
- compliance with the laws and regulations relating to the expenditure in question;
- the validity of the claim, such as the existence of service certificates affixed to supporting documents, the accuracy of settlement calculations, and the production of supporting documents;
- the availability of appropriations;
- the correct allocation of the expenditure to the relevant chapter according to its nature or purpose;
- compliance with the rules on limitation periods and forfeiture;
- whether payment constitutes full discharge of the debt.

6.6.5. *Reporting of budgetary and accounting positions*

The Prefectural Financial Controller and the Budget Section of the Prefectures are responsible for reporting, at the end of each quarter, to the national directorates for the budget and financial control, any information that has impacted the administrative phase of expenditure execution by the decentralised services within their jurisdiction.

Public accountants within the decentralised Treasury network are responsible for reporting accounting information to the National Directorate of the Treasury and Public Accounting, in accordance with the accounting procedures manual governing them, for centralisation by the relevant centralising accountants.

6.7. Payment request procedure

Reference: Article 72 of the RGGBCP

The designated public accountant may refuse to pay a payment order forwarded by the authorising officer if (i) it appears to him to be marred by irregularities which the authorising officer has failed to rectify despite a request made to him to do so, or (ii) if the public accountant has been able to establish that the certifications issued by the authorising officer are inaccurate.

To this end, the public accountant is required to send a formal, written and reasoned statement of refusal to pay, together with the rejected documents, to the authorising officer, with a copy to the Minister responsible for finance.

If the disagreement between the designated public accountant and the authorising officer persists, the Minister responsible for finance may, by written order, direct the public accountant to make payment of the payment order in dispute if the refusal is based solely on the omission or irregularity of the supporting documents. In this case, the public accountant shall proceed to pay the said payment order, enclosing a copy of their statement of refusal and the original of the order from the Minister responsible for finance. They must forward a copy of the entire file to the Court of Auditors. This procedure relieves the

of the public accountant to whom the payment order was assigned once the disputed payment order has been paid.

Conversely, the public accountant to whom the payment order is assigned may not comply with any requisition where their refusal to pay is based on the unavailability of funds, the lack of evidence of services rendered, or the fact that the payment does not constitute full discharge of liability.

7. DEROGATORY PROCEDURES

MANUAL OF PROCEDURES FOR THE EXECUTION OF PUBLIC EXPENDITURE		REF MPEDP-08
DEROGATORY PROCEDURES ESTABLISHED BY THE GENERAL REGULATIONS ON BUDGETARY MANAGEMENT AND PUBLIC ACCOUNTING		
	DRAFTED	AUGUST 2017
	UPDATED	JULY 2019
	Edition/version	01
	PAGES	67 – 75

7.1. Interest payments on debt

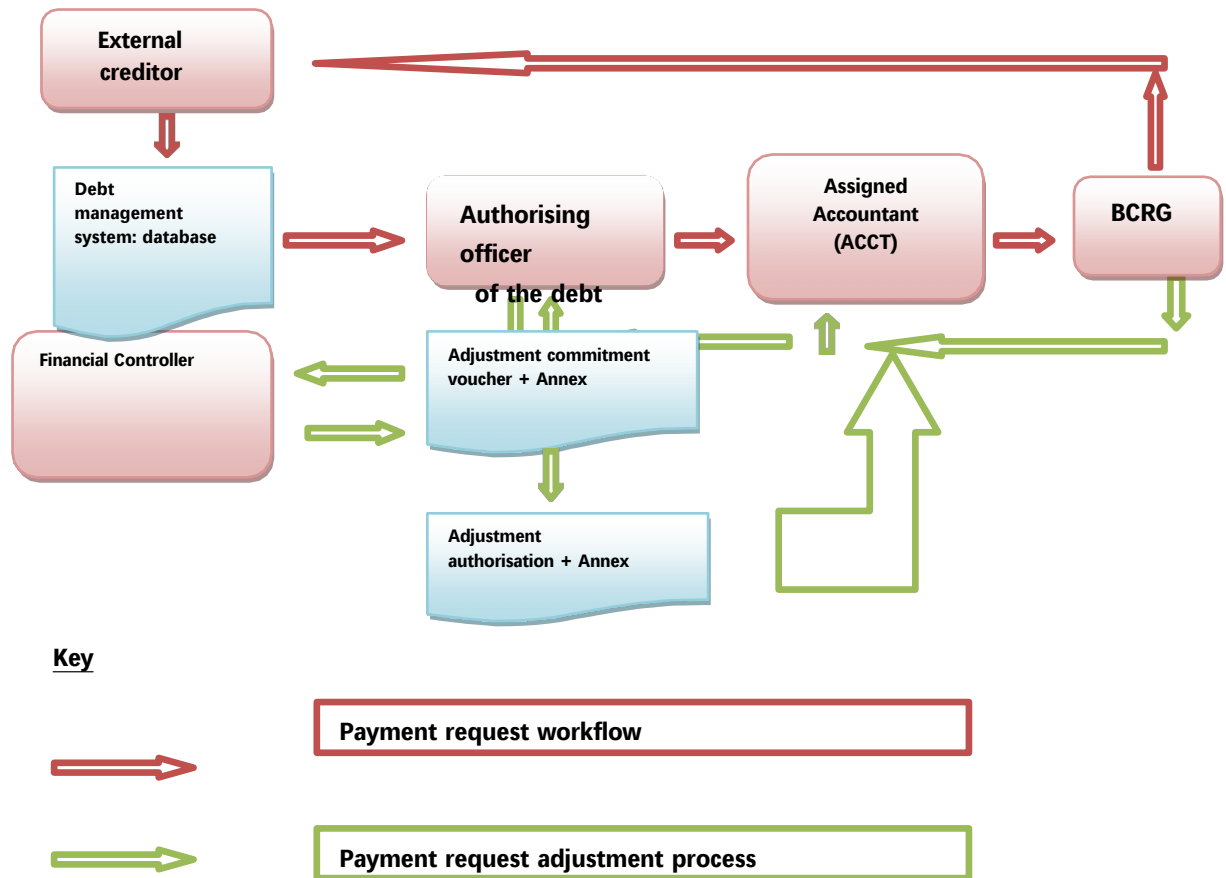
Reference: Article 25 of the RGGBCP

7.1.1. Description (payment request letter – payment – adjustment)

On the basis of the provisions of the loan agreements, the debt amortisation schedules and the creditor's due date invoice, the National Director for Debt and Official Development Assistance, in his capacity as delegated authorising officer for debt, draws up a payment request which he submits to the relevant designated accounting officer, in this case the Central Treasury Accounting Officer. Following the usual checks by the designated accountant, this request is processed for payment. Once the payment has been executed by the Central Bank of the Republic of Guinea, the designated accountant compiles the supporting documents evidencing the payment and requests a regularisation commitment from the National Director of Debt within eight (08) days of the payment date. This commitment to regularisation is endorsed by the relevant financial controller at the National Directorate of Financial Control before the regularisation order is drawn up. The two documents (commitment to regularisation vouchers and regularisation order) will enable the budget accounts to be updated and the provisional allocation accounts processed by the designated accountant to be regularised.

7.1.2. Flowchart

Flowchart for the execution and regularisation of financial charges relating to debt



7.2. Staff costs

Reference documents:

Article 25 of the LORF

Article 24 of the RGGBCP

Article 69 of the RGGBCP

Relevant articles of Law No. L/2001/028/AN of 31 December 2001 adopting and promulgating the Law on the General Status of Civil Servants, as amended by Law No. L/2018/025/AN of 3 July 2018 on the General Organisation of the Public Administration.

7.2.1. Two-tier management of staff expenditure: total wage bill and posts

Every civil servant is entitled, upon completion of service, to remuneration comprising their salary and, where applicable, benefits and allowances in cash or in kind in the form of bonuses and allowances. This salary is determined by the index assigned to the grade and step held by the civil servant, multiplied by the value of one index point set by decree.

The procedure for implementing staff expenditure covers both posts and the total wage bill. Posts are now subject to a ceiling per ministry under the Finance Act. **These are the ceilings on posts remunerated by the State.** The total wage bill is also subject to a ceiling per ministry. **These are the staff expenditure appropriations, which are exhaustive.**

Under programme-based management, the two variables (total wage bill and posts) are clearly allocated within each programme and are subject to the rule of asymmetric fungibility.

Box 17: Measures affecting staff expenditure

The following measures are intended to affect cash expenditure on staff:

- recruitment: giving rise to entitlement to remuneration;
- employment: giving rise to entitlement to remuneration;
- special leave: which suspends entitlement to remuneration unless expressly provided otherwise by decree;
- promotion to a higher grade or step: giving entitlement to remuneration;
- placement on leave without pay: which suspends entitlement to remuneration and promotion;
- secondment: suspends entitlement to remuneration;
- removal from the establishment: suspends entitlement to remuneration;
- retirement: suspends entitlement to remuneration and gives entitlement to a retirement pension;
- disciplinary measures resulting in the loss of remuneration: suspension, dismissal and removal from post;
- deductions for social security contributions and income tax payable by the civil servant.

The following measures are intended to affect staff expenditure in kind:

- meals provided as part of the civil service (foodstuffs);
- official clothing (clothing and uniforms);
- official accommodation (rent for residential properties).

7.2.2. Financial control over measures affecting the total wage bill and posts

The line ministries shall forward to the financial controllers assigned to them, prior to their signature, all draft legal acts or administrative decisions relating to the recruitment of staff or changes to their administrative status that may affect their financial position, regardless of their status, grade or terms and conditions.

Upon receipt, the financial controller shall carry out the following checks:

- Verification of compliance with the relevant laws and regulations;
- Verification that funds are available to cover the measures taken;
- Verification that the authorising officer has complied with the ceiling on posts remunerated by the State.

Box 18: Cases where the Financial Controller refuses to approve decisions on payroll appropriations or posts

'If the decisions concerning appropriations or posts submitted to him by the authorising officer appear to him to be marred by irregularities, the Financial Controller is obliged to refuse his approval.'

7.2.3. Main stages

Step 1. Provisional block commitment by ministry and finalisation

A. Actions taken at the level of sectoral ministries

Each month, the Heads of Human Resources Divisions in ministerial departments draw up statements detailing all changes during the month relating to:

- statutory posts (appointments, deaths, resignations, reinstatements, leave of absence, secondments and retirements);
- administrative posts (promotion, reclassification);
- geographical posts (transfers and postings).

These reports, accompanied by supporting documents, are countersigned by the Heads of the Finance Departments on behalf of the relevant minister and endorsed by the Financial Controller, before being forwarded to the Ministry of the Civil Service for processing, analysis, verification and centralisation.

B. Actions taken by the Ministry responsible for the Civil Service

Upon receipt of these reports, the Ministry responsible for the Civil Service, following processing, integrates them into the General Administration File (FGA).

Once all checks and adjustments have been completed, the Ministry of the Civil Service extracts data from the FGA into an electronic file containing the calculation details for the previous month's pay, as well as any changes that will affect the current month's pay. This file is forwarded to the Ministry of the Budget for processing.

C. Actions taken by the Ministry of the Budget

- Provisional overall commitment on behalf of the principal authorising officers

Upon receipt of the electronic file and the accompanying letter, the Minister responsible for the Budget forwards them to the National Budget Directorate for examination, verification and advice by the Pay Division.

Following receipt of the payroll data, the Pay Division of the National Budget Directorate (DNB) checks that the correspondence from the Minister for the Civil Service—which sets out the summary of changes for the reference month in relation to the final payroll for the previous month—is consistent with the file received.

The National Budget Directorate reports to the Minister for the Budget on the results of its compliance check. In the event of any discrepancies, the matter is referred to the Ministry for the Civil Service to make the necessary corrections.

If no discrepancies are found, the DNB, on the instructions of the Minister responsible for the Budget, uploads the electronic file into the SOLDE application for the provisional calculation of pay.

It then carries out the final calculation of salaries and transfers them to the Expenditure Chain by budgetary allocation (section, type, heading and location) and by budgetary amounts.

The Expenditure Chain:

- generates a provisional commitment-settlement corresponding to the final payroll for the month; and
- produces summary statements of the month's salaries as well as other salary components (lists, attendance sheets, transfer statements, payslips).

- Approval of the settlement statements by the Heads of the Financial and Administrative Departments (DAF), verification of the settlement by financial controllers, and printing of payment slips

Once these statements have been produced, the Payroll Division of the DNB invites the Heads of the DAFs to take charge of the summary salary statements for central services, decentralised services in Conakry and the interior, in order to submit them to the financial controllers for validation.

The financial controller carries out the necessary checks (reconciliation of the summary payroll statement, the lists and the salary components), validates the final accounts and forwards the file to the DNB.

The DNB prints the payment slips and issues revenue orders for the various deductions (deductions from salaries and wages, deductions from rent and deductions for social security contributions to be paid to the pension fund).

The Heads of the Finance Department collect the payroll lists and payslips for the central services from the Payroll Division.

The payment slips and revenue orders drawn up for central departments are forwarded to the PGT for the payment of central departments' salaries.

The payment slips and collection orders drawn up for decentralised departments are sent to the DNTCP, accompanied by the salary lists and payslips for the decentralised level.

Stage 2. Payment

The DNTCP receives from the DNB the payment slips and collection orders for both central and decentralised services, as well as the salary lists and payslips for the decentralised services; those for the central services having been distributed to the heads of the DAFs.

The PGT processes the payroll for central departments following the standard checks.

The ACCT arranges for the transfer of funds and utilises the Treasury's decentralised network to distribute payslips and process payments in Conakry and the provinces.

Box 19: Special Remuneration

The Register of Temporary Staff and Special Remuneration (members of the Government, members of republican institutions and experts) is maintained by the DNB. However, prior to this, recruitment requirements are set out by the ministerial departments and forwarded to the Ministry of the Budget for review, analysis and advice by the Pay Division of the DNB. Once a favourable opinion has been given, the 'Contract Staff' section of the Pay Division registers the individuals concerned and processes their salaries. The payment of salaries for these categories is made without prior authorisation.

The military payroll register is managed by the Ministry of Defence. Pay details are sent directly to the DNB for processing within the Expenditure Chain.

Stage 3. Final adjustment commitment

On the basis of the final amount forwarded for payment and the relevant accounting documents, the heads of the Financial and Administrative Departments (DAF) of the sectoral ministries are responsible for issuing a regularisation order to update the budgetary accounts, in particular the final overall commitment. This operation enables the provisional commitment established previously to be corrected and provides a document to serve as the basis for the provisional commitment for the following month.

7.2.4 Procedures for remuneration in kind

Remuneration in kind comprises food (foodstuffs), clothing (clothing and uniforms) and accommodation (rent for residential buildings) in accordance with the State's new budgetary classification.

The execution of related expenditure follows, as appropriate, the standard expenditure procedure (Chapter 6, §6.1: commitment–settlement–payment order–payment), the adapted standard procedure (Chapter 6, §6.2: commitment–payment order–payment), or the expenditure management procedure (Chapter 7, §7.3).

7.3. Expenditure management schemes

References:

Article 92 of the RGGBCP

Decree No. A/2017/5389/MEF/SGG of 15 October 2017 laying down the procedures for the establishment, operation and control of revenue and expenditure agencies

An expenditure agency is a financial mechanism that enables a public accountant to pay advances to an official within an administrative department, known as an expenditure manager, which may be used directly to settle certain expenditure items that, owing to their repetitive or exceptional nature, their urgency or their minor significance, are intended to be settled without prior authorisation.

Decrees establishing expenditure funds must be communicated to the relevant financial controllers.

Box 20: Exhaustive list of expenditure eligible for the expenditure office

The decree establishing an expenditure office must specify the nature of the expenditure that the office is authorised to incur in accordance with the following exhaustive list:

- expenditure on small items of equipment and operating costs, up to a limit of 250 million GNF;
- remuneration of staff paid on an hourly or casual basis, including the related social security contributions (this refers to remuneration that does not fall within the scope of Decree D/2013/015/PRG/SGG of 15 January 2013 laying down general regulations on budgetary management and public accounting;
- emergency and exceptional aid;
- mission and training expenses, including advances on such expenses and [travel costs for official missions];
- costs of organising seminars;
- costs relating to the organisation of national examinations in the education sector;
- [expenses for receptions at official celebrations and ceremonies];
- any other expenditure necessary for the proper functioning of services located abroad.

7.3.1. The renewable expenditure authorisation

The renewable expenditure account applies to recurring expenditure. Renewal of the account is subject to prior justification to the designated accountant of the use of funds previously received.

The expenditure manager is required to provide the designated accountant with supporting documents for expenditure paid from the fund at least once a month, unless expressly authorised otherwise by the Minister responsible for finance.

Upon monthly receipt of the supporting documents for expenditure incurred by the expenditure manager, the designated public accountant verifies them. If the transactions have been carried out in accordance with the rules, the public accountant requests the authorising officer, via the head of the financial affairs division

, to draw up a regularisation order allocating each expenditure to its budget line.

At the end of the financial year, the disbursing officer must close his accounts and return any available funds to the designated public accountant, together with all supporting documents in his possession.

7.3.2. Single and exceptional expenditure management

The single and exceptional expenditure account relates to one-off expenditure transactions. It is closed as soon as these transactions have been completed. The disbursing officer is required to submit all supporting documents to the designated accountant as soon as the activity for which the fund was established has been completed. This applies to expenditure to assist victims of a natural disaster or a sudden epidemic, emergency relief expenditure in the event of a disaster, expenditure relating to reciprocal ceremonies in the context of diplomatic relations, etc.

Upon receipt of the supporting documents for the expenditure incurred by the fund manager, the designated public accountant verifies them. If the transactions have been carried out in accordance with the rules, the public accountant requests the authorising officer, via the head of the financial affairs division, to issue a regularisation order which charges each item of expenditure to its corresponding budget line.

7.4. The overall reserve of appropriations

Reference:

Article 22 of the LORF

The use of the overall budget reserve must follow the steps set out below:

Step 1: Recognition that an accidental or unforeseeable event has occurred which could not have been anticipated at the time the budget was drawn up, and expression of the need for budgetary funding.

Step 2: Examination by the Minister responsible for the budget of the eligibility of the request to cover the requirement using appropriations from the overall reserve of appropriations and, in the event of a favourable decision, the signing of the order allocating (transferring) the appropriations, signed by the Minister responsible for the budget, reducing the overall reserve of appropriations on the one hand (cancellation), and to increase the appropriate and relevant budget line in the section of the requesting ministry, on the other hand (allocation).

Stage 3: Commitment of the expenditure by the relevant chief authorising officer who is the beneficiary of the transfer of appropriations, in accordance with the procedure required for the type of expenditure concerned.

In the context of programme-based budget management, contingency reserves may be explicitly provided for by the Finance Act in the allocation of appropriations across programmes. In this case, as soon as the appropriations are made available, these reserves are frozen in the expenditure programme. All or part of these reserves may also be released during the year through adjusted budgetary commitment plans, so as to avoid having unused appropriations at the end of the year which could have contributed to the achievement of the programmes' objectives.

8. SPECIFIC PROCEDURES

MANUAL OF PROCEDURES FOR THE EXECUTION OF PUBLIC EXPENDITURE		REF MPEDP-08
PROCEDURES FOR SPECIAL FUNDS AND SOVEREIGNTY INITIATIVES		
	DRAFTED	AUGUST 2017
	UPDATED	JULY 2019
	Edition/version	01
	PAGES	76 – 77

Specific procedures are expressly laid down in the General Regulations on Budgetary Management and Public Accounting to govern the execution of expenditure relating to special funds, acts of sovereignty and the expenditure of constitutional institutions.

8.1. Special funds, acts of sovereignty and expenditure by constitutional institutions: commitment–payment–settlement procedure

Reference:
Article 26 of the RGGBCP

Appropriations relating to special funds and sovereign initiatives are expressly specified in the decree allocating appropriations. These appropriations are released upon an express request from the chief authorising officer to the Minister responsible for the Budget, who takes a decision to release the funds and make payment by means of a provisional payment order. They are committed in accordance with the commitment-payment-settlement procedure.

8.1.1. Stages of expenditure implementation: commitment–payment

A. Commitment

On a quarterly basis, and in accordance with the commitment plan for the period, the chief authorising officer sends, by letter to the Minister responsible for the Budget, a request for the quarterly execution of the allocation for special funds and sovereignty-related measures.

Upon receipt, the Minister responsible for the Budget endorses the letter and then forwards it to the Head of the Finance Department (DAF) of the relevant chief authorising officer for the issue of a commitment voucher endorsed by the financial controller, with a view to maintaining the accounts of commitments on behalf of the chief authorising officer. Following endorsement by the financial controller,

a provisional payment order is generated for forwarding to the designated public accountant.

B. Payment

On the basis of the commitment documents for the expenditure forwarded by the DNCF, the DNTCP issues the payment order (OV) and forwards it, with the approval of the Minister for Finance, to the BCRG for payment. After payment, the BCRG sends the debit notice to the PGT.

8.1.2. Regularisation of the expenditure

Once payment has been confirmed and at the request of the PGT, the Head of the Finance Department draws up the expenditure regularisation authorisation, to which the BCRG's debit notice and the beneficiary organisation's confirmation of receipt of funds are attached; this is then submitted to the authorising officer for signature before being forwarded to the DNTCP/PGT.

ANNEX: List of key legislative and regulatory texts

Key legislative texts

1. Law L/2012/012/CNT of 6 August 2012 establishing the Organic Law on Finance Acts.
2. Law L/2012/020/CNT of 11 October 2012 laying down the rules governing the award, control and regulation of public procurement and public service delegations, as amended by Law L/2018/028/AN of 5 July 2018.
3. Law L/2016/075/AN of 30 December 2016 on the financial governance of public companies and institutions in the Republic of Guinea, as amended by Law L/2017/056/AN of 8 December 2017.

Key regulatory texts

1. Decree D/2012/128/PRG/SGG of 8 December 2012 on the Public Procurement Code and the delegation of public services.
2. Decree D/2013/015/PRG/SGG of 15 January 2013 on general regulations for budgetary management and public accounting.
3. Decree D/2014/222/PRG/SGG of 31 October 2014 establishing the public finance governance framework.
4. Decree D/2018/239/PRG/SGG of 28 September 2018 laying down the conditions for the implementation of Act L/2017/056/AN of 8 December 2017 amending certain provisions of Act L/2016/075/AN of 30 December 2016 on the financial governance of public companies and institutions in the Republic of Guinea.
5. Decree No. 932/PM/SGG/aod/2010 of 13 April 2010 on the establishment, powers and composition of the Treasury Committee.
6. Decree A/2014/5262/MEF/SGG of 9 October 2014 on the State budget nomenclature.
7. Decree A/2015/965/MEEF/SGG of 2 April 2015 on the State's chart of accounts.
8. Decree A/2017/1384/MB/CAB/SGG of 13 April 2017 on the establishment, powers and functioning of the Commitments Committee.
9. Decree A/2017/5487/MEF/MB/SGG of 6 October 2017 on the classification of supporting documents supporting public expenditure.
10. Decree A/2017/5389/MEF/SGG of 17 October 2017 laying down the procedures for the establishment, operation and supervision of revenue and expenditure offices.
11. Joint Instruction No. 0003/MB/MEF of 12 April 2017 setting benchmark deadlines in the expenditure chain and organising the production of budget monitoring reports.
12. Decree A/2019/4922/MEF/CAB/DNTCP of 26 July 2019 on the establishment, remit, organisation and operation of the Technical Support Unit for the Treasury Committee.