ECONOMIC AND MONETARY COMMUNITY – DIRECTIVE No. {0 . f11-UEAC-190-CM-22 OF CENTRAL AFRICA nnanmnnnnmnnne on Finance Acts.— CENTRAL AFRICAN ECONOMIC UNION THE COUNCIL OF MINISTERS HAVING REGARD TO the Treaty establishing the Economic and Monetary Community of Central Africa of 16 March 1994 and its Addenda dated 5 July 1996 and 25 April 2007; HAVING REGARD TO the Convention governing the Economic Union of Central Africa (UEAC) and in particular Article 54 thereof, which provides for the harmonisation of budgetary legislation, national accounts and macroeconomic data of Member States; HAVING REGARD TO Directive No. 01/08-UEAC-190-CM-17 of 20 June 2008 on finance laws; HAVING REGARD TO Regulation No. 05/10-UEAC-190-CM-21 of 28 October 2010 establishing the Committee of Experts on Public Finance Management, setting out its remit and operating procedures; HAVING REGARD TO the reports on the work of the Committee of Experts on Public Finance Management dated 25 February 2011 and 29 April 2011 respectively; CONVINCED of the need to further improve transparency in the management of public finances in Member States; ” DESIRING to align Community directives with international standards and best practice in the field of public finance management; UPON a proposal from the CEMAC Commission; AFTER consulting the Inter-State Committee; AT its meeting on 19 December 2011 ADOPTS THE FOLLOWING DIRECTIVE: TITLE I: GENERAL PROVISIONS Chapter 1: PURPOSE AND SCOPE Article 1: This Directive lays down, for the Member States of the Economic and Monetary Community of Central Africa: + The conditions under which the medium-term budgetary policy is determined for public finances as a whole; ° The rules relating to the nature, content, presentation, drafting and adoption of finance laws;

+ The principles relating to the management of the State budget, public accounting and the responsibilities of public officials involved in the implementation of those principles. Article 2: The provisions of this Directive shall apply to the State budget, with the exception of the provisions of Title |, which apply to the budgets of all public administrations. National legislation governing the budgets of public administrations other than the State, in particular the budgets of public bodies and those of local authorities, must be based on the principles and rules laid down in this Directive. Funding granted to the State or to any other public administration by international donors, foreign States or international financial institutions shall be regarded as public funds subject to the rules laid down in this Directive, regardless of their purpose or nature. | Chapter 2: BUDGETARY AND FISCAL PRINCIPLES Article 3: The budgets of public administrations shall set out for each year, in a single document for each administration, the totality of their revenue and expenditure, presented as gross amounts. Expenditure is classified according to its economic nature and, where applicable, according to the purposes it serves.All the resources of each public authority are allocated to financing all its expenditure. The full amount of revenue is recorded, with no offsetting between revenue and expenditure. The budgets of public administrations shall present a true and fair view of all their revenue and expenditure. Their accuracy shall be assessed in the light of the information available at the time of their preparation and the forecasts that may reasonably be derived therefrom. Article 4: The basis, rate and methods of collection of compulsory levies may only be established, abolished or amended by a Finance Act. Unless expressly provided otherwise, they are valid indefinitely and may not have retroactive effect. The revenue from compulsory levies is allocated to the State. However, a Finance Act may, by way of exception, allocate these proceeds, in whole or in part, directly to another public authority. In such cases, the Finance Act may also delegate to the recipient local authorities the power to set the rate of such levies within limits determined by the Act. Article 5: International donors are required to inform the Minister responsible for finance of any funding provided to public authorities or for the implementation of projects and activities in the public interest. No Minister or public official may agree to the arrangement of such funding without the relevant documents having first been approved by the Minister responsible for finance. ? * Where granted to the State, funding from international donors, including that granted for specific investment projects or programmes, shall be incorporated as revenue and expenditure in the general budget. An annex to the Finance Acts sets out details of the source and use of these funds. (ee)

Article 6: The conditions for the application of the principles set out in this chapter and, where applicable, any derogations therefrom, are laid down in this Directive. Chapter 3: FISCAL POLICY Article 7: The budgets of public administrations, in particular that of the State, must be drawn up and financed under conditions that ensure the sustainability of public finances as a whole. In accordance with the international commitments entered into within the framework of the Central African Economic and Monetary Community, fiscal policy must avoid any excessive public deficit and comply with the fiscal discipline required by the common currency. To this end, the Government shall define a medium-term fiscal policy in accordance with the criteria laid down by the conventions governing the Central African Economic and Monetary Community and shall ensure its proper implementation and comply with the obligations of multilateral surveillance. Article 8: Each year, the Government shall establish a medium-term budgetary framework setting out, on the basis of realistic economic assumptions, the trends over a period of at least three years: : + Total expenditure and revenue of the public administrations, including contributions from international donors e) The resulting financing needs or capacity of public administrations, the sources of financing, and the overall level of financial debt of public administrations. On the basis of this medium-term budgetary framework and within the limits it sets, the Government shall draw up medium-term expenditure frameworks setting out, over a period of at least three years, the main categories of public expenditure, by type and by function and, where appropriate, by ministry. These medium-term framework documents shall be made public. Article 9: Each year, before 1 August, the Government shall submit to Parliament the medium-term framework documents defined in the above article, accompanied by a report on the macroeconomic situation and a report on the implementation of the budget for the current financial year. On the basis of these documents and reports, Parliament shall hold a budgetary policy debate in public session, but without a vote. Annual Finance Acts must be consistent with the first year of the medium-term framework documents, which are finally adopted following the budgetary policy debate. TITLE II: THE STATE BUDGET Article 10: The State budget sets out, for a financial year, the nature, amount and allocation of its revenue and expenditure, as well as the resulting budget balance and the arrangements for its financing. It is adopted as a Finance Act. The financial year covers one calendar year. Article 11: The State's revenue and expenditure comprise budgetary revenue and expenditure, as well as cash and financing resources and liabilities.

w Chapter 1: BUDGETARY REVENUE AND EXPENDITURE Article 12: The State's budgetary revenue is set out as follows by title: e Title | Tax revenue comprising taxes, duties, levies and other compulsory transfers other than social security contributions; e Title II Donations, bequests and grants; ° Title III: Social contributions; ° Title IV: Other revenue, comprising income from property, sales of goods and services, fines, penalties and confiscations, voluntary transfers other than donations, and miscellaneous revenue. Article 13: Fees for services rendered by the State may be established and collected on the basis of decrees issued following a report by the Minister responsible for finance and the Minister concerned. Such decrees shall lapse unless ratified in the next Finance Act relating to the year in question. Article 14: Budgetary expenditure may only be authorised by a Finance Act. Where a law, decree, order or contract contains provisions that may lead to the creation or increase of State expenditure, such expenditure shall only become certain and definitive once the corresponding appropriations have been authorised by a Finance Act. Article 15: The State's budgetary expenditure is grouped into the following titles: Title I: Financial charges on the debt; Title II: Staff costs; Title III: Expenditure on goods and services; * Title IV: Transfer expenditure; e Title V: Capital expenditure; e Title VI: Other expenditure. The appropriations for each programme or allocation, as defined in Articles 17 and 18 of this Directive respectively, are allocated, according to the economic nature of the expenditure, amongst the six titles defined above. A ë # Chapter 2: THE NATURE AND SCOPE OF BUDGETARY AUTHORISATIONS Article 16: A budgetary appropriation is the maximum amount of expenditure which the Government is authorised by Parliament to commit and pay, for a specific purpose, during the financial year. Budgetary appropriations are set out in the budget adopted as the Finance Act and made available to Ministers, with the exception of appropriations for constitutional institutions, which are made available to the High Authorities responsible for those institutions. Article 17: The appropriations allocated in the State budget to cover each of its expenditures are, with the exception of the appropriations referred to in Article 18 of this directive, grouped by programme falling within the remit of a single ministry.

Only a provision in a Finance Act may establish a programme. A programme brings together the appropriations intended to implement a measure or a coherent set of measures falling within the remit of a single ministry, and is associated with specific objectives, defined in accordance with aims of general interest, as well as expected outcomes. The objectives of each programme are accompanied by performance indicators. Placed under the responsibility of a programme manager appointed pursuant to Article 60 of this Directive, programmes are subject to an assessment of their effectiveness, economy and efficiency by the supervisory bodies and institutions, as well as by the Court of Auditors. Programmes within the same ministry form part of a ministerial strategy document consistent with the medium-term framework documents defined in Article 8 of this Directive. These documents are made public. Article 18: Appropriations shall be grouped to cover: (1) The expenditure of constitutional institutions, with a specific allocation for each of them; + 2) Contingency expenditure, intended to meet urgent and unforeseeable needs; + 3) Risks relating to the call on guarantees and sureties provided by the State pursuant to Article 41 of this Directive. i Article 19: SDpi appropriations earmarked by programme or by allocation. Within each programme or allocation, the breakdown of appropriations by item is indicative and is not binding on either authorising officers or accounting officers in budget implementation operations. However, within a programme, the appropriations made available: + under the heading of staff expenditure may not be increased; + under the heading of capital expenditure may not be reduced. Article 20: Appropriations allocated under the heading of staff expenditure are subject to ceilings on the authorisation of posts remunerated by the State. These ceilings are allocated by ministry. The number and distribution of authorised posts for each ministry may only be amended by a Finance Act. Article 21: Appropriations allocated to capital expenditure are divided into commitment authorisations and payment appropriations. Commitment authorisations constitute the upper limit on expenditure that may be committed, the payment of which may, where appropriate, extend over a period of several years. For each investment project carried out directly by the State, the commitment authorisation covers a tranche constituting an individualised unit forming a coherent whole and capable of being commissioned or completed without any additions. The commitment authorisation relating to investment projects carried out under public-private partnership contracts, whereby the State entrusts a third party with the

i the financing, implementation, maintenance or operation of investment projects in the public interest, covers the full amount of the legal commitment from the year in which the contract is concluded. Payment appropriations constitute the upper limit on expenditure that may be paid during the year to cover commitments entered into under commitment appropriations. This distinction between ‘commitment appropriations’ and ‘payment appropriations’ may also be applied, under conditions laid down by national legislation, to appropriations relating to certain major items of expenditure extending over several years. Article 22: Subject to the provisions of Article 23 of this Directive, appropriations are exhaustive and expenditure may only be committed and paid within the limits of the appropriations made available. Article 23: Appropriations relating to the State’s debt service are of an estimated nature. [They are provided for under a specific programme. Expenditure to which these estimated appropriations apply shall, where necessary, be charged in excess of the appropriations provided for. J’ | Parliament shall be informed immediately of any overspending of estimated appropriations. Such overspending shall be the subject of proposals for the allocation of appropriations in the next draft Finance Bill relating to the year in question. Estimated appropriations may not be subject to any of the transfers of appropriations provided for in Articles 24 to 28 of this Directive. Article 24: Where necessary, the appropriations allocated from the provision for contingencies shall be distributed amongst the other programmes by decree issued on the basis of a report from the Minister responsible for finance. Article 25: Transfers may alter the allocation of appropriations between programmes within the same ministry or between allocations. The cumulative amount, during any one year, of appropriations that have been subject to transfers may not exceed 2 per cent of the appropriations authorised by the Finance Act for that year for each of the programmes or allocations concerned. Transfers of payment appropriations to investment expenditure may not result in: an increase in commitment authorisations. Transfers may alter the allocation of appropriations between programmes of different ministries or between allocations, provided that the use of the appropriations thus transferred, for a specific purpose, corresponds to actions under the original programme or allocation. Transfers and reallocations shall be effected by decree issued on the basis of a report by the Minister responsible for finance, following the opinion of the Minister or Ministers concerned. They shall be immediately communicated to Parliament for information. Article 26: In cases of emergency, decrees issued on the basis of a report by the Minister responsible for finance, following consultation with the Minister or Ministers concerned, may authorise additional appropriations, provided that this does not undermine the budgetary balance defined by the Finance Act. To this end, advance decrees shall cancel appropriations or recognise additional revenue. The cumulative amount of the appropriations thus authorised may not exceed 1 per cent of the appropriations set by the Finance Act for the year. They shall be immediately communicated, for information, to Parliament. | U Parliament is required to ratify the amendments thus made to the appropriations authorised by the Finance Act in the next Finance Bill relating to the year in question.

In the event of an emergency and where there is a pressing need in the national interest, additional appropriations which would undermine the budgetary balance set out in the Finance Act may be authorised by an advance decree adopted by the Council of Ministers or by a text of equivalent status. A draft Finance Bill ratifying these appropriations shall be tabled immediately before Parliament. ‘ Article 27: An appropriation must be cancelled when it has ceased to be relevant. The cumulative amount of appropriations cancelled on this basis may not exceed 1.5 per cent of the appropriations authorised by the Finance Act for the current year. The cancellation shall be decided by an interministerial order signed by the Minister responsible for finance and the Minister concerned. This order shall be immediately forwarded to Parliament for information. Furthermore, an appropriation may be cancelled pursuant to the provisions of Article 58 of this directive on budgetary regulation. Article 28: Subject to the provisions concerning commitment authorisations, the appropriations authorised and the ceilings on expenditure authorisations set for a given year do not create any entitlement for subsequent years Commitment authorisations not used by the end of the year may not be carried over. Payment appropriations relating to investment expenditure available under a programme at the end of the year may be carried over to the same programme or the same allocation, within the limit of the commitment appropriations actually used but which have not yet given rise to payment. Such carry-overs shall be effected by decree of the Council of Ministers or an instrument of equivalent status, as an increase in payment appropriations for the following year’s investments, subject to the availability of the corresponding funding. This decree, which may only be issued after the accounts for the previous financial year have been finalised, follows a report from the Minister responsible for finance, which assesses and justifies the revenue required to cover the financing of the carry-overs, without adversely affecting the authorised budget balance for the current year. This decree shall be communicated immediately to Parliament for information. Î Chapter 3: ALLOCATION OF REVENUE Article 29: Certain ‘revenue may be directly earmarked for specific’ expenditure, : in particular where a genuine economic link exists between a given item of revenue and the expenditure it finances, or where a donor wishes to allocate funding to a specific purpose. Such earmarkings take the form of supplementary budgets, special accounts or specific procedures within the general budget, a supplementary budget or a special account. Article 30: Supplementary budgets may set out, under the conditions laid down by a Finance Act, the operations of State departments without legal personality arising from their activity of producing goods or providing services giving rise to the payment of fees, where such activities are carried out as their principal function by the said departments. The creation of a supplementary budget and the allocation of revenue to a supplementary budget may only result from a provision in a Finance Act. ü Subject to the specific rules set out in this article, transactions relating to supplementary budgets shall be planned, authorised and executed under the same conditions as those for the [#

general budget. & Revenue estimates and expenditure forecasts for a supplementary budget are indicative. Supplementary budgets must be presented and implemented on a balanced basis. However, the Finance Act may authorise a deficit in a supplementary budget for a limited period, subject to the conditions and limits it specifies. Unless otherwise provided for by a Finance Act, the balance of each supplementary budget is carried forward to the following year. Supplementary budgets are presented in two sections: + The current operations section sets out revenue and expenditure relating to day-to-day management. The capital operations section sets out revenue and expenditure relating to investment operations and changes in debt. Their budgetary classification is based on the general chart of accounts. Supplementary budgets may comprise one or more programmes. None of the transfers of appropriations provided for in Articles 24 to 28 of this Directive may be made between the general budget and a supplementary budget. Article 31: Special accounts may be established by a Finance Act. The special accounts comprise special-purpose GAMES and trading accounts. The allocation of revenue to a special account may only result from a provision in a Finance Act. Article 32: With the exception of the case referred to in Article 37 of this Directive, it is prohibited to charge expenditure on wages, salaries, allowances and benefits of any kind for staff directly to a special account. Article 33: Subject to the specific rules laid down in Articles 34 and 35 of this Directive, transactions relating to special accounts shall be planned, authorised and carried out under the same conditions as those applicable to the general budget. Unless otherwise provided for in a Finance Act, the balance of each special account shall be carried forward to the following year. None of the transfers of appropriations provided for in Articles 24 to 28 of this Directive may be made between the general budget and a special account. Article 34: Special-purpose accounts record, in accordance with the conditions laid down by: a Finance Act, budgetary transactions financed by specific revenue which, by their nature, are directly related to the expenditure concerned. The revenue of an earmarked account may be supplemented by transfers from the general budget, up to a limit of 10 per cent of the initial appropriations for each account. Unless expressly provided for by a Finance Act, no payment to the general budget, an ancillary budget or a special account may be made from an earmarked account. During the financial year, the total expenditure paid from a special-purpose account

A: e may not exceed the total revenue recorded. If, during the financial year, actual revenue exceeds the estimates set out in the Finance Acts, additional appropriations may be authorised by order of the Minister responsible for finance, up to the amount of that surplus. Payment appropriations available at the end of the year in a special-purpose account may be carried over to the following year up to the amount of any surplus recorded, where applicable, at the end of the financial year in the relevant special-purpose account. Article 35: The trading accounts record industrial and commercial transactions carried out on an ancillary basis by State departments without legal personality. The revenue estimates and expenditure forecasts for these accounts are indicative. Commercial accounts must be presented and maintained in balance. However, the Finance Act may authorise an overdraft on a commercial account for a limited period, subject to the conditions and limits it specifies. Article 36: The specific procedures for ensuring the direct allocation of revenue to expenditure are: the support fund, the allocation of proceeds and the reinstatement of appropriations. Support funds consist, on the one hand, of non-tax revenue paid by natural or legal persons, in particular international donors, to contribute towards expenditure in the public interest and, on the other hand, by the proceeds of bequests and donations allocated to the State. Support funds are entered directly as revenue in the general budget, the supplementary budget or the relevant special account. A supplementary appropriation of the same amount is authorised by order of the Minister responsible for finance in respect of the relevant programme or allocation . Revenue from supplementary funds is provided for, estimated and authorised by the Finance Act. The use of the funds must be in accordance with the intention of the contributing party. To this end, a decree issued on the basis of a report by the Minister responsible for finance shall lay down the rules governing the use of appropriations made available through supplementary funds. Revenue derived from payment for services duly provided by a government department may, by decree issued on the basis of a report by the Minister responsible for finance, be subject to a revenue allocation procedure. The rules relating to supplementary funds shall apply to such revenue. Appropriations made available under this procedure shall be allocated to the relevant department. The following may give rise to the reinstatement of appropriations under conditions laid down by order of the Minister responsible for finance: 1. Revenue arising from the repayment to the State of sums paid unduly or on a provisional basis against budgetary appropriations; 2. Revenue arising from transfers between State departments which have given rise to payments against budgetary appropriations. Article 37: Funding provided in the form of grants by international donors which, by way of exception to Article 2 of this directive and on a transitional basis, cannot be credited to the general budget, shall be managed: 1. Or, in the case of regular funding, in special-purpose accounts set up by group of investment projects, bringing together funding from one or, where applicable, several international donors. By way of exception to the provisions of:

+ Pursuant to Article 32 of this Directive, expenditure on wages, salaries, allowances and benefits of any kind payable to staff may be charged to these special-purpose accounts + Pursuant to Article 34 of this Directive, these special-purpose accounts may . be topped up without limit by a budgetary appropriation entered in the State budget as the national counterpart. Each of these special-purpose accounts constitutes a programme within the meaning of Article 17 of this Directive. They are attached to the Minister responsible for the implementation of the project or projects. 2. Or, in the case of one-off operations, through the allocation of support funds. Chapter 4: TREASURY AND FINANCING RESOURCES AND EXPENSES Article 38: The State's treasury and financing resources and expenses arise from the following transactions: 1. Movements in the State's available funds; 2. The discounting and collection of bills of any kind issued in favour of the State; 3. The management of funds deposited by Treasury correspondents: The issue, conversion, management and repayment of loans and other State debts, including Treasury bills and bonds. The cash revenue and expenditure relating to these transactions shall not include premium or discount on issue; The collection of proceeds from the disposal of assets: 6. The management of loans and advances granted by the State. Article 39: The transactions provided for in paragraphs 1 to 5 of Article 38 of this Directive shall be carried out in accordance with the following provisions: 1. The investment of the State's liquid assets shall be carried out in accordance with the annual authorisations granted by the Finance Act for the year; 2. No overdraft may be granted to Treasury correspondents; Unless expressly provided for in a Finance Act, State-owned enterprises, local authorities and their public bodies are required to deposit all their available funds with the State; 4. The issue, conversion and management of loans shall be carried out in accordance with the annual authorisations granted by the Finance Act for the year. Unless otherwise expressly provided for in a Finance Act, loans issued by the State shall be denominated in CFA francs."Loan repayments shall be made in accordance with the issuance agreement: 5. Disposals of assets shall be carried out in accordance with the annual authorisations granted by the Finance Act for the year. Article 40: The management of State loans and advances shall be carried out in accordance with the following provisions: 1. Loans and advances may be granted by the Minister for Finance to local authorities or public-law bodies, subject to the limits set out in the authorisation granted

each year for this purpose in the Finance Act: and for a fixed term not exceeding five years. 2. These transactions shall be recorded in a loan account. A separate account must be opened for each debtor or category of debtors. 3. Loans and advances shall bear an interest rate which may not be lower than that paid by the State on government borrowings and bond market securities with the same maturity or, failing that, the nearest maturity. The amount of capital repayment on loans and advances is recorded as revenue in the relevant account. Interest received is recorded as revenue in the general budget 4. Any payment due on the scheduled date that is not met shall, depending on the debtor's circumstances: a. Either be subject to a decision for immediate recovery, or, if recovery is not achieved, to effective legal proceedings initiated within six months; b. Either a decision to reschedule the debt, to be published in the Official Journal; c. Or the recognition of a probable loss, subject to a specific provision of the Finance Act and charged to the profit or loss for the financial year. Any subsequent repayments recognised shall be credited to revenue in the general budget. Article 41: Within the limits and subject to the conditions laid down in the Finance Act, the State may grant its financial guarantee or endorsement to loans with a maturity of less than five years issued by a local authority or a legal person governed by public law. This five-year limit does not apply to guarantees provided by the State for loans granted by international lenders. These guarantee and endorsement transactions are recorded in a guarantee account. A separate account must be opened for each beneficiary or category of beneficiary. As soon as there is a serious risk that the guarantee or endorsement may be called upon, appropriations are made up to the amount of that risk from the allocation provided for in Article 18 of this Directive. Expenditure arising from the calling in of guarantees and endorsements constitutes budgetary transactions. Guarantees and endorsements are granted by decree on the recommendation of the Minister responsible for finance. i TITLE II: FINANCE ACTS Article 42: The purpose of Finance Acts is to determine the revenue and expenditure of the State, to define the conditions for budgetary and financial balance, to adopt the State budget and to report on its implementation. They may also include any provision of a legislative nature relating to the determination of the State's revenue and expenditure or to the procedures for their implementation and monitoring. The following are classified as finance laws: 4. The initial finance law; 2. Amending finance acts; 3. The settlement act.

The Minister for Finance prepares the draft Finance Acts, which are adopted by the Council of Ministers. +: Chapter 1: THE INITIAL FINANCE ACT Article 43: The initial Finance Act comprises two distinct parts. |. - In the first part, the initial Finance Act: ul 1. Contains provisions relating to State revenue that affect the budgetary balance for the year . . # Contains an estimate of each item of budgetary revenue; Includes all provisions relating to the allocation of revenue within the State budget; Sets the expenditure ceilings for the general budget and each supplementary budget, the expenditure ceilings for each category of special accounts, and the ceiling on the authorisation of posts remunerated by the State; Sets out the general figures for the budget balance presented in a balance sheet showing: a. the overall budget balance resulting from the difference between revenue and budgetary expenditure as defined in Articles 12 and 15 respectively of this Directive; b. the State's financing requirement or capacity, within the meaning of international standards on public finance statistics * ©. "the primary budget balance as defined within the framework of the treaties and conventions governing the Central African Economic and Monetary Community Includes authorisations relating to asset disposals, borrowing and the State's cash position, and assesses cash and financing resources and expenditure, presented in a projected cash flow statement Sets the ceiling on the State's financial debt II. – In the second part, the initial Finance Act: 1" 2: Sets, for the general budget, by programme or by allocation, the detailed amount of the appropriations Sets the amount of revenue and expenditure for each supplementary budget and special account and, where applicable, the amount of authorised overdrafts 3. Authorises the granting of State guarantees and sets out the terms governing them; Approves all loan agreements with international, bilateral or multilateral lenders Approves loans and guarantees granted by the State pursuant to Articles 40 and 41 of this Directive May: a. Include provisions relating to the basis, rate and methods of collection of compulsory levies which do not affect the budgetary balance for the year, provided that such provisions do not lead to

ee | . s: #4 to reduce the overall volume of tax revenue below the level set by the medium-term budgetary framework b. To include provisions directly affecting budgetary expenditure for the year; c. Set out the arrangements for the allocation of State grants to local authorities; d. Include all provisions relating to information on the management of public finances and the oversight thereof; e. Include all provisions relating to the procedures for implementing the State budget, its accounting system and the rules on accountability and sanctions for State officials in budgetary, accounting and financial matters. Î Article 44: A report on the nation's economic, social and financial situation and outlook shall be appended to the draft initial Finance Bill. It shall include, in particular, a presentation of the assumptions, methods and results of the projections on the basis of which the draft Finance Bill for the year is drawn up. It shall also set out the final documents relating to the medium-term budgetary framework as defined in Article 8 of this Directive. Article 45: The following annexes shall be attached to the draft initial

Finance Bill: 1. 10. EL 12: An analysis of changes to the budget presentation compared with the previous financial year, showing their impact on revenue, expenditure and the budgetary balances for the year in question; An analysis of the forecasts for each item of budget revenue, assessing the revenue losses arising from tax exemptions; the budget revenue forecast for the year in question shall be accompanied by an indicative forecast of the amounts expected for the following two years; A comprehensive and detailed statement of projected debt at the end of the financial year, accompanied by the debt strategy; A table of the State's financial transactions setting out all financial flows within the public sector; An annual cash-flow plan broken down by month, including, in particular, a commitment plan; Explanatory annexes setting out, by programme, the amount of appropriations presented by title for the year in question and, for information purposes, for the following two years. These annexes are accompanied by the annual draft performance plan for each programme, setting out the objectives pursued and the expected results, measured using activity and outcome indicators; The schedule of payment appropriations associated with commitment authorisations; The breakdown by ministry of posts remunerated by the State; Explanatory annexes detailing the content of the supplementary budgets, special accounts, loan accounts and guarantee accounts; A detailed summary of all donor funds envisaged for the 'upcoming' financial year, specifying their amount, purpose and' method of integration into the national budget and its management procedures; Attached to this summary are copies of the relevant funding agreements; A report identifying and assessing the main budgetary risks; A note describing the main expenditure and revenue measures, specifying x

their contribution to economic policy objectives and their consistency with major public policies. The list of annexes referred to in this article may be amended by: Finance Acts. Chapter 2: AMENDING FINANCE ACTS Article 46: Without prejudice to the provisions of Articles 23 to 28 of this Directive, amending Finance Acts may, during the course of the year, amend the provisions of the Finance Act for that year. Where applicable, they shall ratify the amendments made by decree in advance to the appropriations authorised by the most recent Finance Act. Amending Finance Acts shall be presented in the same form as the Finance Act for the year, as defined in Article 43 of this Directive. However, in the case of the second part of amending Finance Acts, they may contain only those provisions amending the second part of the initial Finance Act. Article 47: During the financial year, a draft amending Finance Act must be tabled by the Government: ° If the broad outlines of the budgetary balance set out in the Finance Act for the year are significantly disrupted, in particular due to changes in economic conditions, or the issuance of decrees authorising advance payments or orders cancelling appropriations; ° If actual revenue significantly exceeds the forecasts in the Finance Act for the year; + If legislative measures or other events have occurred that substantially affect the implementation of the budget. Article 48: The following shall be attached to any draft amending Finance Bill: 1. A report setting out developments in the economic and budgetary situation justifying the provisions included in this draft amending Finance Bill; 2. An explanatory annex detailing and justifying the proposed changes to appropriations; 3. A table summarising the movements in appropriations that have taken place since the initial Finance Act pursuant to Articles 23 to 28 of this Directive; The list of documents referred to in this Article may be amended by Finance Acts. Chapter 3: THE SETTLEMENT ACT Article 49: The Settlement Act: 1. Approves the results of the budgetary accounts and the general accounts for the financial year in question and grants discharge to the Government; 2. Makes any amendments to appropriations that may prove necessary, in particular by: ratifying the appropriations authorised by advance decree subsequent to the last Finance Act relating to that year; - by making available, for each programme concerned, the appropriations necessary to regularise the overspends recorded against the estimated appropriations;

e _ cancelling any appropriations that have not been utilised; ° increasing the authorised overdraft limit to the level of the overdraft recorded in a supplementary budget or a trading account. The Appropriation Act may also contain any provisions relating to the oversight of public finance management, as well as to the State's accounts and the rules governing the liability of officials responsible for implementing the budget. . Article 50: The following shall be attached to the draft settlement bill: 1. A statement summarising and justifying all movements in appropriations that have taken place during the year Explanatory annexes, setting out, by programme, the final amount of appropriations authorised and expenditure recorded, as well as the final breakdown of appropriations by title compared with their initial breakdown. They shall also set out the difference between estimates and actual figures in respect of matching funds; Annual performance reports setting out, in the same format as the annual plans: for each programme, the results achieved compared with the targets set, the actions undertaken and the resources used, accompanied by activity and outcome indicators as well as an estimate of the costs of the activities or services provided; Explanatory annexes setting out, for each supplementary budget and each special account, the final amount of revenue and expenditure recorded, the appropriations authorised or the authorised overdraft, as well as any requested changes to the overdraft; Explanatory annexes setting out, for each loan and guarantee account, the transactions carried out; The State accounts, which comprise: a) The results of budgetary accounting, setting out in detail the budgetary revenue and expenditure of the general budget, the supplementary budgets and the special accounts of the Treasury; and b) The State's general account, comprising the general balance sheet for the financial year and the financial statements: balance sheet, profit and loss account, cash flow statement and supplementary statement, in accordance with the conditions set out in the directive on the General Regulations for Public Accounting A detailed statement of the State's outstanding payments and receivables, accompanied by a report setting out the measures envisaged to bring these outstanding payments and receivables under control; The table of the State's financial transactions; A report by the Court of Auditors on the implementation of the Finance Act, accompanied by a certification of the regularity, accuracy and fairness of the State's accounts. With the exception of points 6 and 9, the list of documents referred to in this article may be amended by Finance Acts. TITLE IV: PREPARATION AND ADOPTION OF THE STATE BUDGET Chapter 1: PREPARATION OF THE DRAFT BUDGET

Article 51: The Minister responsible for finance shall, under the authority of the Head of the Executive, oversee the procedure for preparing the annual State budget and draft finance bills. Article 52: Each year, the procedure for preparing the draft initial Finance Bill is initiated by the Council of Ministers, which, on the proposal of the Minister responsible for finance: + Sets the macroeconomic framework on the basis of prudent and credible assumptions and in accordance with the overall levels of revenue and expenditure set out in the medium-term budgetary framework defined in Article 8 of this Directive; + Determines the budgetary priorities and expenditure standards for ministries' requests for appropriations, in accordance with the medium-term expenditure frameworks set out in Article 8 of this Directive; + Defines the procedure for the submission and arbitration of requests for appropriations, as well as the timetable for these. This Council of Ministers must be held no later than six months before the start of the financial year covered by the draft Finance Bill. The Head of the Executive, on the basis of a report from the Minister responsible for finance, shall make decisions on expenditure and revenue items on which the Ministers have been unable to reach agreement. Chapter 2: ADOPTION OF THE BUDGET Article 53: The initial draft Finance Bill, including the report and explanatory annexes provided for in Articles 44 and 45 of this Directive, shall be tabled in the Parliament of the Member State fifteen days before the opening of the budgetary session, unless otherwise provided for in the Constitution provides otherwise. The draft Finance Bill shall be presented, on behalf of the Head of the Executive and in consultation with all sectoral Ministers, by the Minister responsible for finance. Parliament must decide on this draft Finance Bill no later than the date of closure of the budgetary session. Failing that, it may be brought into force by order. However, where the draft Finance Bill has not been tabled by the date specified in the first paragraph of this article, the budgetary session shall immediately and automatically be followed by an extraordinary session, the duration of which shall not exceed the difference between the date specified in the firstparagraph of this article and the actual date of tabling. If, at the expiry of this period, Parliament has not taken a decision, the draft Finance Bill may be brought into force by order. Insofar as, having regard to the procedure set out in the preceding sub-paragraph, the draft Finance Bill could not be passed before the start of the financial year, the Government is authorised to . continue to collect revenue and to implement, on a provisional basis month by month, up to one twelfth per month, expenditure on the basis of the appropriations authorised by the last Finance Act relating to the previous financial year. Article 54: No supplementary article or amendment to a Finance Bill may be proposed by a Member of Parliament, unless it is intended to abolish or effectively reduce an item of expenditure, to create or increase revenue, or to strengthen the procedures for monitoring the budget and public accounts.

Any additional clause or amendment must be justified and accompanied by a detailed statement of the grounds on which it is based. Additional clauses or amendments that contravene the provisions of this Article shall be automatically excluded. Article 55: The second part of the initial Finance Act and, where applicable, of draft amended Finance Acts, may not be debated in Parliament until the first part has been voted on. Article 56: Revenue estimates shall be subject to a single vote for the general budget, the supplementary budgets and the special accounts. Estimates of cash flow and financing resources and liabilities shall be subject to a single vote. However, each loan or guarantee account shall be subject to a separate vote. The debate on appropriations for the general budget gives rise to a vote by programme. Votes cover, where applicable, both commitment authorisations and payment appropriations. Authorisation ceilings for posts are subject to a vote by ministry. Appropriations for supplementary budgets and special accounts are voted on by supplementary budget or by special account. Article 57: Draft amending finance bills are tabled in Parliament as soon as they are adopted by the Council of Ministers. The draft settlement bill shall be tabled and distributed to Parliament before the tabling of the draft Finance Bill for the coming financial year. Parliament shall commence consideration of the draft settlement bill at the first sitting following its tabling. Î TITLE V: PRINCIPLES RELATING TO THE IMPLEMENTATION OF THE STATE BUDGET Chapter 1: EXECUTION Article 58: Upon promulgation of the initial Finance Act, the appropriations from the approved budget shall be made available to the sectoral Ministers and the High Authorities responsible for constitutional institutions, by orders of the Minister responsible for finance. The Minister responsible for finance is responsible, in conjunction with the sectoral ministers, for the implementation of the Finance Act and for ensuring compliance with the budgetary balances defined pursuant to Article 43 of this Directive. In this regard, in order to prevent a deterioration in these balances, the Minister has budgetary regulatory powers enabling him to schedule the pace at which appropriations are utilised in accordance with the State’s cash position. If the cash position or cash flow outlook so requires, the Minister may, during the financial year: Î *__Temporarily suspend the use of certain appropriations, by issuing an instruction to the Financial Controller, a copy of which shall be sent to the authorising officer, + Cancel certain appropriations by order, a copy of which shall be sent immediately to Parliament. Article 59: The Minister responsible for finance is the sole chief authorising officer for State revenue. He may delegate this power. “we

The principal authorising officers for expenditure under the State budget are the Ministers and the senior authorities responsible for constitutional institutions, who may delegate this power to officials under their direct hierarchical authority. é The Minister responsible for finance is responsible for centralising the budgetary operations of the authorising officers, with a view to rendering accounts relating to the implementation of the Finance Acts. Article 60: The programme manager is appointed by the sectoral Minister to whom he or she reports. The instrument of appointment specifies the conditions under which the powers of authorising officer are delegated to him, as well as the arrangements for managing the programme. This instrument is forwarded to the Minister responsible for finance for information. On the basis of the general objectives set by the Minister, the programme manager determines the specific objectives, allocates resources and monitors the performance 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. Where he or she alters the allocation of appropriations between the various titles within a programme, pursuant to the provisions of Article 19 of this Directive, the authorising officer by delegation responsible for that programme shall immediately inform the Minister responsible for finance, after seeking the opinion of the financial controller. Article 61: The Minister responsible for Finance shall appoint, within each sectoral Ministry, a financial controller responsible for ensuring budgetary compliance and the regularity of commitment proposals. In this capacity, he or she shall carry out ex ante checks, by affixing a prior endorsement, on the proposed expenditure acts forwarded to him or her by the Minister or his or her authorising officers by delegation in accordance with procedures laid down by the Minister responsible for finance. A refusal to grant approval may only be overridden with the written authorisation of the Minister responsible for finance. In such cases, the Minister responsible for finance assumes responsibility in place of the Financial Controller. The Financial Controller shall, on behalf of the Minister responsible for finance, centralise the budgetary accounts of the sectoral Ministry to which he is attached. Î He may also assess the quality and effectiveness of internal control and of the management control implemented by the authorising officers and delegated authorising officers. Fe When preparing the draft budget of the sectoral Ministry to which he is attached, the Financial Controller verifies the accuracy of the expenditure and revenue forecasts, and their compatibility with public finance management objectives. Article 62: The payment of State expenditure is the exclusive responsibility of the public accountant or an official specifically designated by him, acting under his supervision and under his direct responsibility. Prior to payment, the public accountant shall verify the validity of the claim and the settling effect of the payment. Failing this, he may not proceed with the payment. The State's public accountants are appointed by the Minister responsible for finance or on his recommendation. All public revenue must be collected by a public accountant, who is required to take all necessary steps to recover the revenue receipts issued by PIERRE. ah; , to

The roles of authorising officer and public accountant are incompatible. Article 63: The checks carried out by the Financial Controller and the Public Accountant may, in the case of low-risk expenditure, be subject to adjustments under conditions laid down for each ministry by decree on the proposal of the Minister responsible for finance. Î The roles of Financial Controller and Public Accountant may be held concurrently. Chapter 2: ACCOUNTING Article 64: The State maintains budgetary accounts designed to verify the Government's compliance with parliamentary authorisation, and general accounts designed to measure changes in the State's assets. The State's accounts comprise the results of the budgetary accounts and those of the general accounts: they must be in order, truthful and give a true and fair view of the implementation of the budget and changes in the State's assets. In addition, the State maintains accounts designed to analyse the costs of the various initiatives undertaken or services provided within the framework of programmes, and accounts for materials, assets and securities. Î Article 65: Budgetary accounts are kept on a single-entry basis, in accordance with the budgetary regulations set out in the Finance Act for the year in question. The triggering event for entries in the budgetary accounts is determined as follows: 1. Revenue is recognised in the budget for the year in which it is received by a public accountant; furthermore, the States may maintain auxiliary budgetary accounts for the finalisation and collection of revenue. 2. Expenditure is recognised, successively at the time of its commitment and then at the time of its payment, against the budget for the year in which it is committed by authorising officers and then paid by public accountants; furthermore, Member States may maintain auxiliary budgetary accounts for the settlement and authorisation of expenditure. All expenditure must be charged to the appropriations for the financial year in question, regardless of the date of the claim. 0 However, budgetary expenditure committed and authorised during the financial year may be paid after the end of that financial year, during an additional period the duration of which may not exceed thirty days. Furthermore, where an amending Finance Act is enacted during the last month of the calendar year, the revenue and expenditure transactions provided for therein may be carried out during this additional period. Article 66: The general accounts are based on the principle of the recognition of entitlements and obligations. Transactions are recorded in the financial year to which they relate, irrespective of their date of payment or receipt. It is maintained on a double-entry basis in accordance with the general chart of accounts. The rules applicable to the State's general accounts are modelled on internationally recognised accounting standards. They must enable the production of a balance sheet, a statement of net assets or balance sheet, or, until this is achieved, a statement summarising the State's financial assets and liabilities, an income statement, and a 19

a cash flow statement, a statement of the State's financial transactions and the accompanying statement. The Minister responsible for finance shall make available to the line Ministers all the accounting information relevant to them to help them manage their budgets and improve their management. Public accountants are responsible for maintaining the State's accounts in accordance with the principles and rules of the accounting profession. In particular, they ensure the accuracy of accounting entries and compliance with procedures. Chapter 3: TREASURY Article 67: Public resources are all funds, regardless of their nature and the recipient, are collected and managed by public accountants appointed by the Minister responsible for Finance and placed under his authority. They are paid into and held in a single account opened in the name of the Treasury at the Bank of Central African States. No account may be opened by a public authority with a commercial bank except in the cases and under the conditions laid down by decree issued on the basis of a report by the Minister responsible for Finance. This single account, which may be divided into sub-accounts, may not show a debit balance. Public expenditure shall be paid from this single account on the instructions of the public accountants. | Funds held by public accountants are managed in accordance with the cash basis principle. Article 68: A monthly cash flow plan, including in particular a commitment plan, shall be adopted and annexed to the Finance Act for the year. It is regularly updated by the Minister responsible for finance, who publishes a report on the cash position and budget implementation every three months. Chapter 4: OVERSIGHT Article 69: Transactions relating to the implementation of Finance Acts are subject to three-tiered oversight: parliamentary, administrative and judicial. Article 70: Without prejudice to Parliament's general powers of oversight, parliamentary oversight is exercised during the scrutiny of draft finance bills in accordance with Articles 53 to 57 of this Directive and is also intended to ensure the proper implementation of finance laws. Parliamentary committees shall have full authority to undertake any investigation or inquiry relating to the implementation of finance acts. Any information or on-site investigations requested by these committees shall not be withheld from them. They may hear evidence from senior officials in charge of constitutional institutions, Ministers and their subordinates, in accordance with the conditions laid down by national Constitutions. Any person heard by these committees is, with regard to budgetary, financial and accounting matters, released from professional secrecy. we

The Government submits quarterly reports to Parliament, for information and for the purposes of scrutiny, on the implementation of the budget—covering both revenue and expenditure—and on the implementation of the Finance Act. These reports are made available to the public. Parliament may call upon the Court of Auditors to assist in the exercise of parliamentary oversight. To this end, the parliamentary committees responsible for finance may request the Court of Auditors to carry out any investigation into the management of the departments or bodies over which they exercise oversight. L Article 71: Administrative oversight comprises: * Hierarchical oversight by the administration over its staff, which, where appropriate, may be exercised within a disciplinary framework: + Internal control, which encompasses all the procedures and methods enabling the head of a department to ensure its proper functioning and, in particular, effective risk management; + Oversight exercised by inspectorates and supervisory bodies, including that of the Finance Inspectorate, which may be exercised over the budgetary and financial departments of all ministries: * Financial and accounting control as defined in Articles 61 to 63 of this Directive. Article 72: Judicial review of the budgetary and accounting operations of public administrations is carried out by a Court of Auditors, which must be established in each Member State. This Court of Auditors is a judicial body and its members have the status of judges. It is independent of the Government and Parliament and autonomous from any other judicial body. It alone decides on the publication of its opinions, decisions and reports. It is the supreme audit institution of each State. Î Article 73: With regard to the State, the functions of the Court of Auditors shall include, in particular, the following: sal: à je 1. To assist Parliament in monitoring the implementation of finance laws. To certify the regularity, accuracy and truthfulness of the State's general accounts. To adjudicate on authorising officers, financial controllers and public accountants in accordance with the conditions laid down in Articles 74 to 78 of this Directive. 4. To audit the financial legality and budgetary compliance of all the State's expenditure and revenue transactions. In this capacity, it identifies irregularities and mismanagement on the part of public officials and, where appropriate, determines the amount of loss thereby incurred by the State. It may also impose sanctions. 5. To assess the economy, effectiveness and efficiency of the use of public funds in relation to the objectives set, the resources used and the results achieved, as well as the relevance and reliability of the methods, indicators and data used to measure the performance of public policies and administrations. It may, furthermore, at the request of the Government or Parliament, carry out investigations and analyses on any budgetary, accounting or financial matter.

In carrying out its duties, the Court of Auditors of each Member State may, where necessary, seek the assistance of the Court of Auditors of the Central African Economic and Monetary Community in accordance with Community treaties and conventions. Chapter 5: RESPONSIBILITIES AND SANCTIONS Article 74: In the event of mismanagement as defined in Article 75 of this Directive, all authorising officers shall, by virtue of the exercise of their powers, the liabilities provided for in the Constitution of each State, without prejudice to any sanctions imposed by the Court of Auditors. Financial controllers may also be prosecuted and sanctioned if the offences committed by the authorising officer to whom they are attached were made possible by a failure of the controls for which they are responsible. Any person belonging to the private office of a member of the Government, any civil servant or employee of a public body, any representative, director or agent of bodies subject in any capacity to the supervision of the Court of Auditors, and any person accused of any of the offences listed in Article 75 of this Directive, may be sanctioned for mismanagement. : Article 75: The following acts constitute misconduct: 1. Breach of the rules governing the collection of revenue by the State and other public bodies; 2. Serious and repeated breaches of the rules governing the accounting of income and expenditure applicable to the State and other public bodies; 3. Breaches of the rules relating to the management of assets belonging to the State and other public bodies; 4. Any person, in the performance of their duties or functions, seriously or repeatedly contravening national legislative or regulatory provisions designed to guarantee freedom of access and equality of candidates in public procurement contracts; 5. Causing a legal person governed by public law or a private-law entity responsible for the management of a public service to be convicted, on the grounds of the total or partial failure to comply with, or the delayed compliance with, a court decision; 6. The act, by any person in the course of their duties or responsibilities, of causing serious harm to the State or a public body, through actions manifestly incompatible with the interests of the State or the body, through serious failings in the controls for which they were responsible, or through repeated omissions or negligence in their managerial role; 7. Serious or repeated negligence in budget management, the monitoring of appropriations, the execution of expenditure and the collection of revenue; 8. 'Gross' lack of foresight resulting from the use of appropriations for expenditure of secondary importance to the detriment of the department's essential and priority expenditure; 9. The pursuit of objectives manifestly unrelated to the department's missions and remit; 10. The deployment of resources that are manifestly disproportionate or unsuitable for the objectives pursued by the department.

This list may be supplemented by national legislation where appropriate. Article 76: Without prejudice to penalties imposed by other courts, mismanagement shall be penalised, in particular by fines, by the Court of Auditors. The amount of the fines is determined on the basis of the loss caused to the State or to other public authorities, as well as the seriousness of the misconduct committed and any repeat offences involving prohibited practices. It may not exceed the equivalent of one year's salary of the person concerned. ë The rules governing sanctions other than fines are laid down by national legislation. _ All sanctions imposed by the Court of Auditors are determined on a case-by-case basis for each of the persons referred to in Article 74 above, whilst respecting the rights of the defence. Reasons must be given for any sanction. Lo The limitation period for mismanagement expires at the end of the fifth year following the alleged acts. Article 77: Public accountants are personally liable for the management of the funds and assets in their custody. Each year, they shall report to the Court of Auditors on the proper keeping of their accounts and the proper safeguarding of these funds and assets. Should this rendering of accounts reveal any irregularities or shortfalls in funds, the Court of Auditors, after hearing the accountant concerned, shall issue a ruling setting the amount that the accountant must pay to the State or to the relevant public authority, taking into account the amount of the loss suffered by: the local authority, as well as the circumstances of the offence. It may also, depending on the seriousness of the offence committed, impose a fine on the accountant at fault, subject to the dual limits of the amount referred to in the preceding paragraph and one year's salary of the accountant concerned. Irregularities and shortcomings identified in the management of the funds and assets referred to in the first paragraph of this Article shall be time-barred at the end of the fifth year following the alleged acts. Article 78: Judicial decisions of the Court of Auditors taken pursuant to Articles 74 to 77 of this Directive shall, subject to the exhaustion of all legal remedies, be enforceable by operation of law. No authority may prevent their enforcement. Î Chapter 6: MANAGEMENT OF DONOR FUNDS Article 79: The rules governing the implementation, accounting, cash management and control donor funds, whether from international organisations or foreign states, as well as the rules on liability and sanctions for the officials responsible for them, shall be those laid down in this Directive. Article 80: However, where, by way of exception to Article 2 of this Directive and on a transitional basis, a Finance Act creates a special-purpose account for the management of donors' funds or establishes a support fund, that Finance Act may provide for the following derogations: 2)

1. The commitment and authorisation of expenditure financed by these funds may be entrusted to one or more persons specifically designated by agreement between the Minister responsible for the special-purpose account, the Minister for Finance and the relevant donor(s): these persons are subject to the same obligations regarding periodic financial reporting as officials responsible for the implementation of the national budget 2. Collection and payment transactions, carried out by a public accountant, may be subject to countersigning by representatives of the donor or donors concerned 3. Funds provided by donors may be managed in a sub-account of the single Treasury account at the Bank of Central African States, opened in the name of the public accountant referred to above. The operating conditions for this sub-account shall be laid down by a decision of the Minister responsible for finance, taken in agreement with the donor or donors concerned." | 4. The transactions, activities and accounts of these funds may be subject to a specific audit commissioned by the relevant donor(s), carried out jointly with the audit institutions referred to in Chapter 4 of Title V of this Directive. The procedures for implementing this Article shall be laid down in the financing agreements negotiated and signed with the international donors and annexed to the Finance Acts. TITLE VI: TRANSITIONAL AND FINAL PROVISIONS Article 81: The directives on: + The General Regulations on Public Accounting * The State Chart of Accounts. | F2 . The State Budget Classification + The Table of State Financial Transactions shall, where necessary, supplement and clarify the procedures for implementing this Directive. Article 82: National laws and regulations must be brought into line with the provisions of this Directive within twenty-four months of its adoption by the Central African Economic and Monetary Community. At the end of this period, the requirements of the Directive must be effectively applied by the Member States, with the exception of the following provisions, the effective application of which may be deferred until the end of a period of eight years: + Donor funds (Article 2(2); Article 3(2); Articles 79 and 80); °__ Medium-term framework documents (Articles 8 and 9: ° Authorising officers (Article 59(2)): " + + Programmes and allocations (Articles 17, 18 and 19; Article 43(1): Article 45(6); Article 50(2) and (3): Article 60); + __ Staffing allocations (Article 20);

e Commitment authorisations and payment appropriations (Article 21; Article 45, paragraph 7); + Cost analysis accounting (Article 64, paragraph 3); … ° The adjustment of controls (Article 63); + Sanctions for mismanagement (Article 76). During the periods set out above, the national rules currently in force shall continue to apply to matters relating to the provisions set out above, the application of which is deferred. With regard to the provisions relating to general accounting (Article 50, paragraphs 6 and 9; Article 66), the period for effective implementation may be extended to ten years. The Court of Auditors, during this period, shall continue to assess the conformity of the general account of the State with the management accounts of the principal public accountants and the administrative accounts of the principal authorising officers. Article 83: Member States shall submit to the Commission of the Central African Economic and Monetary Community, for its opinion, the draft national legislation transposing the provisions of this Directive prior to its adoption. They shall subsequently forward to the Commission the text of the provisions of domestic law adopted in the areas governed by this Directive. These provisions of domestic law must cite the reference to this Directive. Article 84: Directive 2/08-UFAC-190-CM 17 of 20 June 2008 on finance laws is repealed. Article 85: This Directive, which shall enter into force on the date of its signature, shall be published in the Official Bulletin of the Community and, at the request of the national authorities, in the Official Journals of the Member States. BRAZZAVILLE, 19 DEC 2011 THE PRESIDENT t-3 One