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DECENTRALIZATION AND PERFORMANCE OF COUNCILS IN CAMEROON: AN ASSESSMENT OF FINANCIAL AND CONTRACT AWARD POLICIES IN THE NORTH WEST REGION

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Abstract

The implementation of the decentralization in Cameroon has been guided by the financial and contract award policies. Despite the availability of these policies, the performance of councils in Cameroon remains unsatisfactory when viewed from the existing literature. Consequently, this study assesses the impact of financial and contract award policies on the performance of councils in the North West Region of Cameroon. The study uses the qualitative research approach through the prism of the systems theory to assess the impact that financial and contract award policies have on the performance of councils in the North West Region of Cameroon. The finding revealed that decentralization policies have impacted positively the performance of councils in the North West Region of Cameroon, though with some challenges: the inability to recover local taxes; the non-involvement of the population during budget preparation and execution; the non-respect of the standard for the presentation of stores accounts; unfavorable budgetary ratios defined by law and irregular payment of members of tender boards. Consequently, the study recommends that: more resources should be allocated to councils; councils should adopt a participatory budgetary approach to the preparation and execution of their budgets; Councils should provide training to their stores' accountants to be able to present their stores' accounts as required by law and the budgetary ratios defined by law for local authorities should be revisited to give more preference to investment budget.

Key Words: Decentralization, Policies, Financial, Contract Award, Performance

Introduction

Decentralization is one of the most used words today in less economically developed countries. It is widely used and widely misunderstood. Gemandze (1994:1) holds that there is no consensus on the exact meaning and content of decentralization either within academic or professional circles. Many a time, it is confused with other forms of State, especially deconcentration. Centralization tendencies abound in countries that have adopted decentralization (Banlilon, et al, 2012). Decentralization is seen as a driving force for development and better government performance (Myerson, 2021). Decentralized governance makes councils perform better and promotes transparency, accountability, community empowerment, and economic development while reducing poverty (Smoke, 2001). The degree of decentralization varies largely across the world with more economically developed countries tending to be more decentralized than less economically developed countries (Dupre, 2017:6-8). Decentralization in some countries exists in two forms: deconcentration and devolution. Devolution is often the form that is considered "true decentralization" (Robertson, 2002:11-12). However, all governmental systems are likely to have elements of devolution, deconcentration, and delegation

Over the past three decades, the developing world has seen increasing devolution of political and economic powers to local governments (Mimboe, 2021:1). Decentralization is considered an important element of participatory democracy around the world (Onyalo, 2022). The less economically developed countries have been found to have less fiscal decentralization practices than the more economically developed countries (Gadenne & Singhai (2014). However, since the middle of the 1980s most African countries have started to transfer powers, resources, and responsibilities to their local governments (Brosio, 2000:1). The pace of transformation is very uneven across countries in Africa.

Cameroon's decentralization is rooted in the Constitutional amendment of 1996 (law N^o 96/06 of 18 January 1996). The constitution in article 1(2) defined the country as a decentralized unitary State.

This means decentralization is practiced in a centralized State construct. Even though the 1996 constitution is often pointed to as the foundation of decentralization in Cameroon, decentralization practices can be traced back to the colonial and post-colonial periods (Ngam & Saturnin, 2020; Owona (2012). The Germans divided the country into administrative districts while the British practiced indirect rule. In 1922, in British Cameroon, the colonial authority created the Native Court capable of judging their natives. Local authorities existed in West Cameroon and the reform of 1967 gave them the following functions: to ensure the security and well-being of the natives; to ensure the economic development of the districts and to enable the smooth running of some social services. The process of decentralization started in French Cameroon with the introduction of mixed councils in 1941 (MINATD, 2005:2). The reform of 1974 provided for three categories of councils: rural councils for rural areas; urban councils for urban areas/semi-urban areas, and “delegations” for the cities.

The legal framework of decentralization in Cameroon was enriched in 2004 through the enactment of three decentralization laws: law N^o 2004/017 of 22/07/2004 on the orientation of decentralization; law N^o 2004/018 of 22/07/2004 on rules applicable to councils; and law N^o 2004/019 of 22/07/2004 on rules applicable to regions. This was further enriched in 2009 by the enactment of two laws that defined the financial policies of councils: law N^o 2009/011 of July 10th, 2009 on the financial regime of Regional and Local Authorities and law N^o 2009/019 of 15 December 2009 on the local fiscal systems. In 2018, decree N^o 2018/366 of 20 June 2018 instituted the Public Contracts Code and defined the contract award policies of councils in Cameroon. In 2019, the general code of Regional and Local Authorities was enacted bringing together the three 2004 laws on decentralization and the 2009 law on the financial regime of Regional and Local Authorities in a single document. Through these laws, the State has become a key actor in the decentralization process. These policies are aimed at building the capacities of the councils to enable them attain financial autonomy and award contracts in the most effective and efficient manner.

Statement of the Problem

Decentralization is believed to strengthen the performance of local institutions, community empowerment, and local decision-making. This can be achieved if the legal framework is supportive of the decentralization process. Cameroon has defined the financial and contract award policies associated with the operations of the councils. Law N^o 2019/024 of 24th December 2019 instituted the general code of Regional and Local Authorities in its book five (Section 372-499) has; accorded councils the financial autonomy for the management of their revenues for local interest; clearly defined the taxes and levies to be collected by councils; specifies the allocations and subsidies to be received from the State; instituted a general decentralization allocation to partially finance decentralization; defined conditions for contracting loans, and has given the conditions for receiving gifts, donations, and legacies amongst others. In the same light law N^o 2009/019 of 15th December 2009 on the local fiscal system has: laid down the taxes, levies, and royalties to be collected by councils; given councils the right to collect local taxes and embark on income-generating activities; specifies the rate of various taxes to be collected; given councils the autonomy to deliberate and adopt some rates applicable to taxes to suit local realities, and compelled taxation center to assist councils in the collection of some taxes amongst other rights.

On the part of contract award, Decree N^o 2018/366 of 20 June 2018 which instituted the Public Contracts Code has: laid down the rules applicable to the award of public contracts; defined the responsibility of each player in the contract award process; allocated internal tenders' boards to councils to enable them open, analyze and award contracts; created the possibility of forming a sub-commission for the analysis of bids; defined the functions of the internal tenders' board and those of the internal board members; defined the types of contracts and the procedures for their awards; stipulated the deadlines in the contract award chain and has put in place control and disputes resolution organs amongst other performance-boosting clauses.

Despite the availability of the financial and contract award policies, councils are still unable to attain financial autonomy (Fru, 2016:39). Muyomba, et al (2010:21) analyzed the budgets of local

governments and revealed that councils are faced with numerous challenges in the recovery of revenues, thus, highly depending on the central government for subsidies. This exposes the weaknesses of the councils in adequately generating revenues to cover their expenditures. Lontum (2021:98) stressed that the financing of decentralization is still a major cause for concern, due to the lack of resources both at local and central levels. On the award of contract, Yemmafouo & Lebga (2018: 18) highlighted limited accessibility to public contracts, Inequality in the treatment of candidates, and unscrupulous procedures as factors hindering the contract award process.

An analysis of previous research works conducted on decentralization in Cameroon revealed that most are not focused on decentralization and performance of councils. The case of Cheka (2007) who wrote on “The State of the Process of Decentralization in Cameroon”, Ngalm (2014) who wrote on “local government, infrastructure provision and sustainable development in Fako Municipalities of Cameroon's South West Region, 1866-2010”; Manyi (2007) who wrote on ”Local Governments and Rural Development: A Case Study of Buea in Cameroon”; Ndeh (2015) who wrote on “good governance in Cameroon: perceptions and practice in an emerging Cameroon by 2035” ; Etoungou (2003) who wrote on “decentralization viewed from inside: the implementation of community forests in East Cameroon” and Banlilon, et al (2012) who wrote on “the dilemmas of implementing decentralization policies in a centralized state construct: evidences from some municipalities in the North West Region of Cameroon”. These research works have either captured the impact of decentralization or the performance of councils but have failed to show the contribution of financial and contract award policies on the rate of service delivery and quality of projects in the North West Region of Cameroon.

The main worry now remains why councils are still unable to adequately generate revenues and effectively award contracts as defined by the financial and contract award policies in place. This prompts the following questions:

- a. What is the impact of fiscal policy on the rate of service delivery in the North West Region of Cameroon?
- b. What is the impact of contract award policy on the quality of projects in the North West Region of Cameroon?

To capture the impact of these two policies on the performance of councils in the North West Region of Cameroon, the research developed two specific objectives:

- a. To assess the impact of fiscal policy on the rate of service delivery in the North West Region of Cameroon.
- b. To investigate the impact of contract award policy on the quality of projects in the North West Region of Cameroon.

Theoretical Framework

The research uses the systems theory as a framework for analysis. The systems theory was first developed by biologist Ludwig Von Bertalanffy in the 1940s (Bertalanffy, 1968) and furthered by Ross Ashby in 1964 (Ashby, 1964). Ludwig Von Bertalanffy based his argument on the biological analogy which holds that the heart, lungs, and blood function as a whole. He postulated that “the whole is more than the sum of its parts” which simply meant that constitutive characteristics are not explained from the characteristics of the isolated parts that make up the whole.

David Easton gave a groundbreaking political theory in 1953 and based his theory on the assumption that the political system integrates all activities through which social policy is formulated and executed. David Easton's theory assumes that social processes are not just the sum of individuals' actions (Games 1987:4). The political system is presented as a policy-making process (Easton, 1957:394). A tremendous dimension of the system approach is the constant interaction between the system and its environment with each reciprocally influencing the other in a continuous manner (Ndefru, 2020: 97).

In integrating the System theory into our study, our concern is how the internal and external systems interact with councils to influence the way councils perform. Brosio (2000:1) opined that decentralization has transformed the structure of governance in Africa. The decentralization policies are applied to the councils which are in constant interaction with the micro and macro environments. The environment of the councils denotes the social as well as the physical environment. The social environment includes the society and its host of organizations such as the National Community Driven Development Programs (PNDP), the Council Support Fund for Mutual Assistant (FEICOM), Village Development Organizations, and Civil Society Organizations. These organizations perform some key functions amongst which are: Interest Articulation; Interest Aggregation; Policy making; Policy implementation; Policy Adjudication; Political Socialisation; Political Recruitment; Political Communication; Extraction; Regulation, and Distribution. The physical environment includes the external surrounding of the councils, natural resources, and man-made resources. For the councils to perform optimally there is therefore a need for a stronger focus on building institutional capacities and enhancing accountability, governance, and capacity of actors of the decentralization process (Litvack et al, 1998). These environments may hinder or promote the performance of councils. A council that is funded by the organizations around it or which has huge natural resources will perform better than one which lacks these opportunities, even when the policies applied to the two councils remain the same.

Councils have two different types of systems: intra-societal and extra-societal. The intra-societal environment lies within the boundaries of the council and includes the workers, the councilors, and the executive members. Extra-societal environment lies outside the society of which the councils are social subsystems. The extra-societal environment includes International Organizations; Central government; Non-Governmental Organizations and donors. It becomes difficult for the councils to achieve their goal when these structures do not provide them with favorable conditions. Takwa, et al (2020) revealed this when they stressed that councils face tremendous challenges in adequately generating finances to meet community needs due to infringement by the central government, inadequate sources of revenue, and a narrow local tax base. However, Banlilon, et al (2012) observed that the State has been devolving some of its responsibilities to local Councils. Shah (2007) uncovered that a huge amount of council revenues is collected by the central government and redistributed to councils in the form of equalization revenues. Traditional rulers constitute part of the extra-societal environment. Cheka (2008) submitted that for decentralization to boost performance, traditional authorities should be formally integrated into the institutions of the State by effectively constituting the first level of decentralized institutions of governance.

From among the variety of demands presented to the council by the internal and external environments, the council executive members select a few as the goals and objectives of the council and commit the limited resources of the council to their realization. Through this vast conversion process, the inputs of demands and support are acted upon to produce outputs that meet the demands of at least some of the actors, and retain the support of others. The solutions take the form of municipal decisions, execution of projects and delivery of services.

In policy processes such as decentralization, the systems theory may be favored because it clearly illustrates how inputs in the form of demand and supports enter councils and are processed into outputs in the form of services and projects. The theory brings out the role of the environment in the success or failure of the councils. Thus the theory helps the stakeholders of the council to know that for the councils to yield the desired results these environmental factors must be well managed; else they will negatively play on the smooth implementation of the policy. The case of socio-political unrest that is rocking the North West and South West regions of Cameroon constitutes an environmental factor that is affecting the performance of councils. Policy implementation must be done mindful of the environment.

The merits of the theory notwithstanding, the theory is limited in that it is very complicated and quite abstract. It seeks to follow the laws of biological sciences rather than the laws of political science. It has no recognition of the possibility of heterogeneity or diversity in political systems. Above all, it fails to give the steps in the policy cycle. Despite these limitations, the systems theory is still very

applicable in our society today. The impact of the environment on the performance of public and private institutions cannot be overemphasized.

Methodological Approach

The area of the study is confined within the boundaries of the North West Region (NWR) of Cameroon. The North West Region of Cameroon is one of the ten regions in Cameroon. The North West Region lies between latitudes 5 °43” and 7 °9”N and longitudes 9 °13” and 11 °13”E. The Regional capital of the NWR is Bamenda. It was formerly called the North West Province and was created in 1968 (Presidential Degree N^o 68/DF of 26th September 1968) with five divisions; Bui; Dongo-Mantung; Menchum; Mezam and Momo. Today, it has seven divisions with the addition of Boyo and Ngoketunjia divisions (Presidential Degree N^o 92/186 of 1st September 1992). The region is one of the two English speaking regions in Cameroon and it is found at the western highlands of Cameroon. It is bordered to the south west by the South West Region, to the south by the West Region, to the east by the Adamawa Region, and to the North by the Federal Republic of Nigeria. It has a surface area of seventeen thousand three hundred (17,300) square kilometers.

The research adopted a case study research design. The case study helped to limit the data to a manageable quantity. The research adopted a qualitative research approach, guided by the themes running in the research objectives. The qualitative approach is used because of the small sample size that allows for the use of interviews as a research instrument.

The study population is composed of eighty persons {twenty Mayors, twenty Secretaries General (SG), twenty Municipal Treasurers (MT), seven Senior Divisional Officers (SDO), Seven Divisional Delegates (DDs), and six representatives of Civil Society Organizations (CSOs)}. From the study population a sample size of nineteen (19) respondents was sorted as distributed in table 1 below:

Table 1: Distribution of Sample Size for the Study

| Category | SDOs | DDs | Mayors | SGs | MTs | CSOs | Total |
|-------------------|-------------|------------|---------------|------------|------------|-------------|--------------|
| Number of Persons | 3 | 3 | 3 | 3 | 3 | 4 | 19 |

Source: Field Survey (2022)

The purposive sampling technique was used to get the sample. Participants were selected based on the data they can generate for the research. Within the various categories of respondents, the researcher made use of those who have been longer in office and who has mastery of the decentralization policies.

Primary data was collected through face-to-face on-the-spot interviews. This was facilitated by an interview guide that contained opened ended questions. Secondary data was collected through content analysis of existing policies on decentralization (laws, decrees, orders, and circulars). In addition, newspaper articles were exploited.

Content analysis was used to analyze the data following themes in the research questions. The purpose of the content analysis was to make a detailed review and interpretations of the text that corresponds to the objectives of the study (Berg, 2009).

Presentation and Discussion of Results

This section presents the findings on the financial policies and contract award policies and assesses their impact on the performance of councils in the North West Region of Cameroon.

The Implication of Financial Policy and Performance of Councils in the North West Region of Cameroon

Between 2004 and 2019, councils have witnessed many reforms that have guided their operations. The year 2009 was a decisive one in the domain of fiscal decentralization as it witnessed the enactment of two very important decentralization laws. The 2009 laws centered on the financial regime

and the local fiscal system. These laws are Law N^o 2009/011 of July 10, 2009, relating to the financial regime of Regional and Local Authorities, and Law N^o 2009/019 of December 15, 2009, on the local fiscal system. The law on the financial regime laid down all the rules relating to the nature, content, presentation, preparation, adoption, execution, and control of the execution of budgets of regions, councils, city councils, council unions, regional, and council public establishments, and any other local authority set up by law. The law on the local fiscal system laid down the taxes, levies, and royalties collected for decentralized structures. These laws were followed in 2010 by the first set of transfers of powers and resources to Regional and Local Authorities. It is observed that Law N^o. 2009/11 of July 10, 2009, on the financial regime of regional and local authorities has been repealed by, under section 500 of law N^o 2019/024 of December 24, 2019, instituting the general code of Regional and Local Authorities. However, the law on the financial regime of Regional and Local Authorities is now part of the 2019 code of Regional and Local Authorities.

Policies Defining the Budgetary Principles

The council budget is a forecast of the revenue and expenditure situation of the council for a financial year. By, under Section 372 (2) of law N^o 2019/024, the provisions of the law to lay down the Cameroon Code of Transparency and Good Governance in public finance management and those of the Law relating to the fiscal regime of the State and other public entities applies to the execution of the council budget. The budget preparation, adoption, approval, and execution are governed by some budgetary principles. Some of these principles defined in law N^o 2019/024 of 24th December 2019 includes annually or annuity; totality or universality (Section 376); Unity; legality or rule of law (Section 382); specialty of appropriations; transfer of votes (Section 378.2); prior approval (Section 379); participatory budgeting (Section 381); separation of functions between authorizing officer and accounting officer (Section 433.2); sincerity and realism.

Most respondents believed that the principle of realism is a cardinal principle in the council budgetary process. This was strongly worded by Yebga (2022) who argued that council budgets are estimated based on the past three years' administrative accounts and that the estimates of revenues and expenditures are tactfully estimated to give rise to attainable figures. She emphasized that for the council budgets to be considered realistic: they must reflect the aspirations of the local population; be in line with the 2035 development vision of Cameroon and respect the provisions of the Sustainable Development Goals (SDGs). This was confirmed by Ajeande (2022) who explained that the principle of realism entails that the forecasts should neither be over nor under-estimated but done based on previous years' realizations. Even though the principle of annuity holds that the budget should be drawn and executed for one financial year (twelve months), there is a complementary period that runs from the 1st of January to the 31st of January of the following year (N+1) for the municipal treasurer to settle commitments which were liquidated, authorized and taken on charge during the year of the budget (Bumlangmi, 2022)

Budgeting within the era of Decentralization must be inclusive, participatory, and not political. The budget preparation process must include the views of the masses and must be executed in collaboration with the various stakeholders. The Reporter (2022, August 5, P.9) holds that the council budget ought to be developed and monitored in a participatory manner to take into account the needs expressed by local people but regretted that in practice this is not done by most RLAs. Councils are expected to make extensive consultations with their communities, village development organizations, and heads of ministerial delegations to come up with a realistic budget and ensure better execution (Section 386.4, law N^o 2019/024). The findings from the field turn contrary to this position of the law as respondents revealed that most council budgets are conceived by the mayors and their collaborators and pushed down the throat of councilors and the local population. Tah (2022) cried out that even the traditional rulers who are seen as the voices of the people are not consulted during budget preparation and execution. This goes contrary to Cheka (2008) who opined that for decentralization to increase the performance of local institutions, traditional authorities should be formally integrated into the institutions of the State.

Another factor that most respondents feel is hindering the performance of councils in Cameroon in general, and the North West Region, in particular, is the budgetary ratios as defined by law. By, under section 417 of the general code of Regional and Local Authorities, the budgets of municipal councils, and city councils must allocate at least 40% of the total budget to investment, at most 60% to recurrent or operation, and most 35% of operating expenditure is allocated to cover staff costs (salaries and other benefits to staff). Tongwa (2022) argued that poor definition of budgetary ratios have given preference to operating expenditures at the expense of investment expenditures and that a country that gives preferences to operating expenditures cannot achieve a speedy economic growth rate.

Policies Defining the Content of the Council Budget

The Nomenclature of the Council Budget was defined in 1998 by Prime Ministerial Decree N^o 98/266 /of 23rd August 1998, with Instruction N^o 00366/IC/MINATD/MINIFI of 15 February 2006, on council Budgeting and accounting. This was reinforced by the decentralization laws of 2004 and 2009. The general code of Regional and Local Authorities later cemented this budgetary framework. The council budget is made up of revenue and expenditure in a single document. Revenue is divided into two parts: recurrent revenue (class 7) and investment revenue (class 1). Expenditure is also divided into two parts: recurrent expenditure (class 6) and investment expenditure (class 2).

The revenue of councils is comprised of tax revenue, proceeds from the use of property and provision of services, allocations, and subsidies, and cash and financing resources (Section 390, law N^o 2019/024). Local taxes includes council taxes, additional council tax on State taxes and duties, council levies, regional taxes and duties, and any other levy provided for by the law. Proceeds from the use of council property and services on the other hand include revenue from council public property, revenue from council private property, and revenue from the provision of services. Councils receive allocations and subsidies from the State for the smooth execution of their duties. In addition to the above sources, other sources of revenues are as follows: operating reserves; bonuses and royalties granted by the State; financial proceeds; transfers received; other proceeds; and sundry profits; trade-in of depreciation; medium- and long-term loans; assistance funds; donations and legacies with investments costs; proceeds from the sale of property and the transfer of fixed assets; proceeds from the sale of impounded animals or equipment not claimed within the regulatory time limit; capital gains on the transfer of fixed assets; investment reserves; other revenue brought forward the previous financial year deemed recoverable; reserves not allocated, but maintained as quasi-money on the assets side; production of fixed assets by the local authority for itself or capital investment; dividends and other proceeds from return on investment and any resource from international or decentralized cooperation.

Regarding council tax revenues, Ngamndamue (2022) observed that the position of the law and the reality on the field are two different scenarios. The law has accorded many taxes to councils in Cameroon but in practice, the council areas faced a lot of difficulties to collect them. This is confirmed by Takwa, et al (2020) who found out that, councils face tremendous challenges to adequately generating finances to meet the daily expenditures expected to satisfy the need of their communities. The Reporter (2022:9) remarked that major urban centres may be able to generate significant revenues from property taxes and levies on businesses but that local councils may have very little to tax from. As a result, local councils depend heavily on transfers from the central government. This dependence makes the local councils less autonomous and thus hinders the execution of their development plans

The expenditure of councils comprises operating (recurrent/functional) expenditure and investment expenditure (Section 401, law N^o 2019/024). Operating expenditures are those linked to the functioning of services and are recurrent. Some operating revenues are compulsory (section 403, law N^o 2019/024) while others are optional. Compulsory expenditures are those that must be budgeted and executed and include: salaries and wages; allowances; social security contributions; taxes and duties to be paid; debts due; contributions to local authority support bodies; expenses resulting from the enforcement of final court judgments; contributions to groups or associations in which the local authority is a member; expenditure relating to the maintenance and upkeep of roads, public lighting,

health facilities, schools and all other facilities; expenses related to counterpart contributions, and devolution expenditure. Nkemteba (2022) revealed that optional expenditures are those expenditures that are not listed among the compulsory expenditures defined by law and that optional expenditures may be temporarily suspended if the financial resources of the council are insufficient. Besides compulsory and optional expenditures, some expenses are declared forbidden by law. Forbidden expenditures includes loans granted by a local authority to a private individual, subsidies to undeclared associations, and other entities that are not approved, subsidies to religious associations and congregations and subsidies to political parties. Funds spent in the domain of forbidden expenditures are during audit and control charged to their Authorizing Officer (Section 406, law N^o 2019/024).

Investment expenditures on the other hand are expenditures that have an impact on the assets of the councils and comprise: the construction and equipping of markets, parks, and slaughterhouses; the improvement of the quality of the environment, access to drinking water the management of natural resources; the implementation of development operations; the creation of council roads; development of public lighting; the electrification of needy areas; the creation of unclassified roads; the equipping of health facilities; the construction of sports and educational facilities at the local level; the procurement of equipment for the improvement of local basic services and the implementation of investment programs and projects.

Policies Defining the Preparation, Adoption and Approval of the Budget of Councils

Fofack (2022,) held that there is no specific date given for the preparation of the council budget. The draft budgets are prepared by the mayors (Section 416 sub 1, law N^o 2019/024). The mayors are either assisted by the secretary general or a team constituted by them. The voting of the budget of the councils is done by the deliberative organs latest the 15th of December of each year (Section 422.1, law N^o 2019/024). The deliberative organs are convened at least fifteen (15) days before the holding of the budgetary session. This period may be reduced to three (3) days in case of an emergency duly justified. The deliberative organs can amend the draft budget tabled by the executive (Section 424, law N^o 2019/024). The mayor has seven (7) days within which to forward to the representative of the State the adopted budget, its annexes, and the minutes of the session. The representative of the State has fifteen (15) days to approve the budget. Beyond this period, the budget is deemed to have been approved (Section 426, law N^o 2019/024).

Policies Defining the Various Accounts to be Produced by Councils

The councils have three main accounts that are produced to justify their operations (Konge, 2022,). The mayors (authorizing officers) produce the administrative accounts; the council treasurers (accounting officers) produce the management accounts, and the store accountants produce the Stores' management accounts. These accounts must be adopted by the deliberative organs on or before the 31st of March of the year following the execution of the budget, and they must be approved by the supervisory authorities on or before the 30th of April (Section 468, law N^o 2019/024). The mayors of councils are bound by the same liability regime as authorizing officers of the State budget (Section 472, law N^o 2019/024). The rules and regulations governing State stores' accounting apply to the stores' accounting of councils (Section 480, law N^o 2019/024). However, in practice, the store accounts of councils seem not to meet the standard laid down by law. Nkemteba (2022) observed that the store accounts produced by store accountants in the North West have fallen short of standards. He narrated that well-documented store account must indicate the assets, historic value, year of acquisition, depreciation rate, and net book value but lamented that this is not the case with the store accounts that are produced in councils. He observed that the assets are reported at their historic costs as if depreciation has not taken place coupled with the lack of the year of acquisition of some assets. This poor presentation hinders the assessment of the real value of assets and makes the councils unable to know the lifespan of their assets.

Policies Defining the Financial Resources of Councils

Mbuku (2022) unveiled that local taxes are issued and collected under the same conditions as those of the State and that a council can only collect a tax, levy, or royalty if such a tax, levy, or royalty has been laid down by law, voted by the deliberative organ of the said council, and approved by the competent supervisory authority. The deliberative organ also fixed the rate for the collection of the council taxes or levies. Councils are responsible for the management of the taxes and levies devolved to them, subject to those managed by taxation services (2022,) attested that despite these taxes and levies defined by law the councils in the rural area will cease to exist if they don't have subsidies from the State and equalization funds from the Mutual Support Fund for Council Assistance (FEICOM). This was confirmed by Muyomba, et al (2010:21) who revealed that councils heavily depend on the central government for funding and Shah (2007) who uncovered that in many developing countries, a huge amount of revenues is collected by the central government and redistributed to councils in the form of equalization revenues.

For the harmonious development of all municipalities, the proceeds from some local taxes and levies are subjected to equalization and redistribution based solely on population figures(Section 5, law N^o 2009/019). Furthermore, a Common Decentralization Fund had been instituted for partial financing of decentralization (23.1, Law N^o 2004/17). The Common Decentralization Fund was reiterated in the general code of Regional and Local Authorities (section 25, law N^o 2019/024). The fraction of the State budget allocated to the common Decentralization fund may not be less than fifteen per cent (Section 25.3, law N^o 2019/024)

The Implication of Council Contract Award Policy and the Performance of Councils in the North West Region of Cameroon

Nenyam (2022) revealed that the purchase of goods or services and the execution of construction works by the councils are effected through contracts awarded following methods and procedures defined by the public contracts code. Chamu (2022) remarked that the contract award policy of the councils is derived from decree N^o 2018/366 of 20 June 2018 to institute the Public Contracts Code. Before the 2018 reforms on the public contract code, the regulatory framework of the public contract was based on degree N^o 2004/275 of 24th September 2004. The reform of 2018 was guided by the need to improve transparency in the contract award sector, reduce deadlines in the award of the public contracts and make controls to be more efficient in other to guarantee the quality of the works (Yuk, 2022).

Policies on the Organs to Award Contracts

Councils have Internal Tenders' Boards to examine, open bids, analyze bids, and make award proposals to the mayors who are project owners (Samkie, 2022). With regards to the contract award policy of councils, Moulema (2022) affirmed that it is based on the principles of free access to public procurement, equal treatment of bidders, transparent procedures, efficiency, and integrity. Konge (2022) explained that all stakeholders of the public contract chain have been compelled by law to respect ethical principles or face the heavy weight of the law and that the freedom of access to public procurement entails the choosing of a reasonable duration of the contract to regularly reopen competition between the candidates; advertising as widely as possible; drafting the terms of the consultation objectively to avoid favouring certain candidates and not excluding a company that meets the required conditions. This assertion was corroborated by Samkie (2022) who held that the principle of equal treatment stems from the fact that all citizens and enterprises are equal before the law. He affirmed that a series of training to equip actors with the skills that can guarantee transparency and equal treatment of bidders have been accorded to all the actors. The equal treatment of bidders requires that a similar situation should not be treated differently and all applicants should be made to obtain the same

information and the same treatment. Transparency procedures in public contracts entail that the rules of the contracts are determined before the procedures are launched and made public. To facilitate controls, there must be the retention of all documents which led to the selection of a tender and justification for the choice of the contract holder and the reasons for the rejection of the other bidders.

The Council Internal Tenders' boards (CITB) are technical support bodies set up under Project Owners for the award of public contracts worth at least five million (5,000,000) CFA francs. Yebga (2022) explained that contracts whose values lie below five million (5,000,000) CFA francs are directly awarded by the mayors to contractors of their choice. To avoid holding the activities of the contract award process hostage when one or more of the members are absent, the absent member can be replaced. The possibility of such replacement is a welcome relief to the local actors of the decentralization process. Ngamndamue (2022) expressed that the possibility to replace key actors in the tender boards has brought about flexibility in the way the board is run and that without this possibility of replacement, some board sessions could not hold. The possibility of replacement of a member has favored the respect of deadlines in the contract award process, thus boosting performance.

A major problem hindering the performance of the Council Internal Tenders' Board as identified by Tongwa (2022) is the non-payment of the sitting allowances of members of the board in most councils. Mbuku (2022) wondered why the State cannot provide money to the councils to pay for the sitting of the board members as previously done when the boards were under the delegations of the Ministry of Public Contracts.

Policies Defining the Choice of Enterprise for the Award

The contract award process is guided by the lowest bidder principle. A contract is awarded to the bidder whose bid fulfills the required technical and financial criteria and is deemed to be the lowest (article 99, decree N^o 2018/366). The principle of awarding the contract to the lowest bidder was applauded by Sunday (2022, July 27) who argued that it has helped the council to meet up with its efficiency and economic objectives. The leftover fund that arises as a result of the lowest bidding is most often used to execute other micro-projects within the council areas concerned. The lowest bidder principle, therefore, has helped to redistribute resources to other areas in need, coupled with the merit of facilitating the decision of who gets the contract when all firms or enterprises are technically, administratively, and financially qualified.

The merits notwithstanding, the lowest bidder principle was challenged by a mayor (name withheld) who felt that the lowest bidder principle is the root of uncompleted projects in the North West Region, given that contractors reduce their bid amounts to win contracts but face financial difficulties during execution. Tah (2022) argued that the lowest bidder syndrome has seriously handicapped the contract award and execution phases of council contracts in the North West. He said in most cases the contractors that reduced their bid amounts either deliver the projects out of the deadline or simply abandoned them.

Conclusion

Financial and contract award policies have been developed within the framework of decentralization to assist the councils in their drive to accountability, financial autonomy, and speedy award of contracts to the most administratively, technically, and financially qualified enterprises. Legally, these policies are generally good but for some few constraints that are embedded in the unfavorable budgetary ratios defined by law and the principle of the award of contracts to the lowest bidder. In practice, some good provisions of the policies laid down by the State are not implemented by the councils. These lapses includes the inability to effectively recover taxes due to small taxable units, the non-involvement of the local population in the budget preparation and budgetary control operations, the non-respect of the standard for the production of store accounts, and the irregular payment of the

members of the tenders' boards. The non-implementation of these provisions has led to the preparation of council budgets that do not incorporate the aspirations of the local population, the production of store accounts that do not give the real book value of assets, and the accumulation of arrears owed members of tender boards. Despite these lapses in the legal framework and practical implementation, the financial and contract award policies have been assessed to be positively impacted the performance of councils in the North West Region of Cameroon.

Recommendations

To boost the performance of councils in Cameroon, the government should allocate more financial resources to councils in fulfilment of Section 25(3) of law no 2019/024 which fixed the fraction of allocation of funds to the Common Decentralization Fund at not less than fifteen percent (15%) of State Budget. The government should redefine the budgetary ratios to give preference to investment expenditure, rather than recurrent expenditure. In this domain, the researcher suggests at least 60% of the council budget be allocated for investment expenditure as opposed to at least 40% as spelled out in section 417 of the general code of Regional and Local Authorities. Furthermore, the State should modify the lowest bidder principle in the award of public contracts to adopt the lowest realistic bidder. In this case, those whose bids are exceptionally too low (say less than 10%) of the total amount proposed by the councils can be rejected. On the part of councils, they must adopt a participative approach in the preparation of their budgets to capture the views of the population and render the budgets more realistic. More training should be accorded to the store accountants to equip them with skills that can guarantee perfect mastering of the preparation of stores accounts.

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