

ORDER No. 1018 /PM/CAB OF 05 FEB 2026

**to establish the conditions to grant and implement the State guarantee to public institutions and public and private companies for domestic loans.**

**THE PRIME MINISTER, HEAD OF GOVERNMENT,**

- Mindful of the Constitution;
- Mindful of Regulation No. 12/07-UEAC-186-CM-15 of 19 March 2007 establishing the reference framework for public debt policy and public debt management in CEMAC member states;
- Mindful of Law No. 2018-012 of 11 July 2018 on the financial regime of the State and other public entities;
- Mindful of Law No. 2019/021 of 24 December 2019 establishing certain rules governing credit activities in the banking and microfinance sectors in Cameroon;
- Mindful of Law No. 2023/011 of 25 July 2023 governing guarantees and debt recovery by public entities benefiting from the Treasury Privilege;
- Mindful of Law No. 2025/012 of 17 December 2025 on the Finance Law of the Republic of Cameroon for the 2026 financial year;
- Mindful of Decree No. 2011/410 of 9 December 2011 to form the government;
- Mindful of Decree No. 2011/408 of 11 December 2011, as amended and supplemented by Decree No. 2018/190 of 2 March 2018 on the organisation of the Government;
- Mindful of Decree No. 2013/066 of 28 February 2013 to organise the Ministry of Finance;
- Mindful of Decree No. 2020/016 of 9 January 2020 on the reorganisation and operation of the Cameroon Debt Recovery Company (SRC);
- Mindful of Considering the need to boost domestic production,

**HEREBY ORDERS AS FOLLOWS:**

**SECTION I**

**GENERAL PROVISIONS**

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**Article 1.-** This order sets out the conditions to grant and implement the State guarantee to public institutions and public and private companies for domestic loans.

**Article 2.-** For the purposes of this order, the following definitions shall apply:

**Endorsement:** Legal commitment to guarantee the creditor against the risk of the debtor's insolvency.

**Security:** Guarantee granted to the creditor for the recovery of their debt.

**Domestic loan:** Loan issued by a debtor domiciled in Cameroon and denominated in local currency.

**Company:** An economic unit that uses human and material resources to produce or distribute wealth based on a pre-established organisation.

**Small and Medium-sized Enterprise (SME):** Any enterprise, regardless of its sector of activity, which employs no more than one hundred (100) people and whose annual turnover excluding tax does not exceed three (03) billion CFA francs.

**Large Enterprise:** Any enterprise, regardless of its sector of activity, which employs at least 100 people and whose annual turnover excluding tax exceeds three (03) billion.

**Public enterprise:** Refers to publicly owned enterprises or mixed economy enterprises as defined by Law No. 2017/011 of 12 July 2017.

**Force majeure:** An unforeseeable and insurmountable event preventing one of the parties from fulfilling its obligation.

**Amortisation:** Gradual repayment of debt through instalments.

**Loan:** Any line of credit, investment credit or cash facility.

**State guarantee:** Commitment by the State to a lender to fulfil the borrower's obligation if the borrower fails to do so within the agreed timeframe.

**Monitoring Agent:** Natural or legal person authorised to carry out, on behalf of the Guarantor, local monitoring of projects covered by State-guaranteed loans and related financial transactions.

**Debt collection agency:** Public entity responsible for debt collection.

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## SECTION II

### **TERMS AND CONDITIONS OF THE GUARANTEE**

**Article 3.-** The State of Cameroon shall grant its guarantee to support public institutions and public and private companies seeking domestic loans and meeting the conditions listed in this order.

**Article 4.- (1)** The State of Cameroon shall grant public institutions and public and private companies, a State guarantee for a total amount, the ceiling of which shall be set annually by the Finance Law.

**(2)** The guarantee amounts granted shall be deducted from the ceiling amount set by the Finance Law, until exhausted.

**(3)** The maximum coverage rate for loans under the State Guarantee shall be capped at **fifty per cent (50%)** of the principal amount of the loan due on the

date of maturity of the debt for public institutions, public enterprises and large private sector companies, and at seventy per cent (70%) for SMEs.

(4) This ceiling may be adjusted to seventy per cent (70%) for public institutions, public enterprises and large private sector companies, and to eighty per cent (80%) for SMEs operating in economically depressed areas.

(5) The Prime Minister, Head of Government, may, after consulting the Minister of Finance, grant public institutions and public and private companies a guarantee rate exceeding the ceilings set out in paragraphs 3 and 4.

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### **SECTION III**

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#### **TYPE OF LOANS ELIGIBLE FOR THE GUARANTEE**

**Article 5.- (1)** Loans eligible for the guarantee shall be those intended to finance the activities of companies operating in one of the sectors identified as a priority by the National Development Strategy 2020-2030 (NDS30).

(2) Refinancing, restructuring, repayment or repurchase of an existing loan shall not be covered.

### **SECTION IV**

#### **ELIGIBILITY CONDITIONS FOR THE GUARANTEE**

**Article 6.-** The State shall guarantee loans granted to organisations wishing to develop their activities. This shall apply to public institutions and public and private companies that meet the following conditions:

- Be a company incorporated under Cameroonian law, with majority Cameroonian capital, established within the national territory;
- Not be subject to any insolvency proceedings, including receivership or liquidation;
- Operate in one of the sectors identified as priorities by the National Development Strategy 2020-2030 (NDS30). These sectors include:

##### **a. For private companies**

###### **• Primary sector:**

Agro-pastoral and fisheries production, particularly the sectors selected by the Integrated Agro-Pastoral and Fisheries Import Substitution Plan (PIISAH). These sectors are: rice, maize, wheat and local flour, millet and sorghum, soy-bean, palm oil, fish and dairy cattle.

###### **• Secondary sector:**

- Agro-industry: mainly industries processing local produce;

- Energy industry (particularly renewable energy);
- Forestry and timber, particularly secondary and tertiary processing;
- Textiles, clothing and leather goods;
- Handicraft;
- Metal and Steel Industry;
- Chemical and pharmaceutical industries, including the production of fertilisers, packaging, cosmetics and pharmaceuticals;
- Construction and real estate;
- Recycling, water and sanitation.

• **Tertiary sector:**

- Digital, particularly e-commerce and e-learning;
- Hospitality industry;
- Tourism and leisure;
- Transport and logistics;
- Catering.

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**b. For public institutions and enterprises:** All sectors of activity shall be eligible, with the exception of companies undergoing restructuring.

## SECTION V

### PROCEDURE FOR GRANTING AND MONITORING THE GUARANTEE

**Article 7.- (1)** To benefit from state-guaranteed loans, companies or institutions shall submit loan applications to lending institutions, which shall examine the credit files in accordance with standard banking conditions and give **preliminary credit approval**.

**(2)** The preliminary loan agreement referred to in paragraph 1 above reflects the lending institution's intention to grant loans to the applicant company or institution once the State guarantee has been issued.

**(3)** Applications that have obtained the preliminary loan agreement referred to in paragraph 1 above shall be forwarded by the lending institution to the Minister of Finance for the purpose of obtaining a guarantee agreement.

**(4)** An interministerial committee in charge of examining guarantee applications shall be established under the Minister of Finance to review guarantee applications.

(5) The Minister of Finance shall grant the State guarantee after receiving the reasoned opinion of the Committee referred to in paragraph 4 above.

**Article 8.- (1)** The State guarantee granted by the Minister of Finance shall be notified to the lending institution by any means that leaves a trace (electronically and/or physically) within fifteen (15) days of the date of receipt of the guarantee application. This agreement shall be notified to the lending institution together with a draft guarantee agreement specifying, in particular, the rate of coverage of the loan by the State guarantee and the commitments of the parties.

(2) The refusal of the State guarantee by the Minister of Finance shall be notified to the lending institution within the same time limits.

**Article 9.- (1)** As soon as the guarantee agreement has been signed by the lending institution and forwarded to the Minister of Finance, a guarantee certificate confirming the State guarantee shall be issued and sent to the lending institution together with the countersigned guarantee agreement.

(2) The agreement referred to in paragraph 1 above shall be registered at the request of the Minister of Finance in accordance with the regulations in force.

(3) The transmission by the Minister of Finance of the Guarantee Certificate accompanied by the guarantee agreement referred to in paragraph 1 above shall give rise to full payment to the Public Treasury a guarantee commission calculated on the basis of the portion of the loan amount corresponding to the guarantee coverage rate, at a rate of 0.50% for public entities and 0.75% for private companies.

**Article 10.- (1)** The interministerial committee referred to in Article 7 above shall be responsible, in particular, for steering and monitoring the implementation of the State guarantee facility, for the preliminary assessment of projects to be financed by State-guaranteed loans, and for formulating technical opinions addressed to the Minister of Finance and the Prime Minister, Head of Government, with regard to guarantee requests exceeding the thresholds set out in Article 4 above.

(2) The interministerial committee provided for in Article 7 shall be assisted in its tasks by a Monitoring Officer responsible for ensuring, on behalf of the guarantor and in liaison with the competent public administrations, the physical and financial monitoring of the implementation of projects that have benefited from State-guaranteed loans.

(3) The terms and conditions of cooperation between the State and the Monitoring Agent shall be determined by mutual agreement, at the initiative of the Minister of Finance.

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## SECTION VI

### **GUARANTEE CLAIM PROCEDURE**

**Article 11.- (1)** The Minister of Finance shall open an escrow account with the Bank of Central African States (BEAC) to cover the State's commitments under the guarantees issued.

**(2)** the resources in this account shall consist of:

- provisions for guarantees provided for in the 2026 Finance Law;
- income from guarantee commissions;

**Article 12.- (1)** Any guarantee claim issued by the lending institution must satisfy all of the following conditions:

- a) Proof of the immediate enforceability of the outstanding balance, in particular notification of the legal closure of the account following the borrower's default on payment;
- b) evidence of reminder letters and formal notices sent to the debtor customer requesting payment of the sums due;
- c) the factors justifying the downgrading of the debt from "performing debt" to "non-performing debt" in accordance with the prudential rules in force within the profession in Cameroon;

**Article 13.- (1)** The lending institution may not invoke the State's guarantee until ninety (90) days have elapsed, corresponding to the end of the debt's downgrading and the legal closure of the account.

**(2)** The lending institution shall submit to MINFI, on pain of inadmissibility, a claim for compensation following the borrower's default, using the compensation claim form attached to the guarantee agreement.

**(3)** The State shall have **thirty (30) days** after receipt of the claim to verify and collect additional documents relating to the claim and to inform the lending institution of its decision (approval or rejection of the guarantee claim). If the State does not respond within the above-mentioned period, the claim shall be deemed to have been approved.

**(4)** If the amount of compensation to be paid is approved, in accordance with the conditions set out above, the State shall pay it **within thirty (30) days**.

**(5)** The payment referred to in paragraph 3 above shall be made by debiting the escrow account entitled "SPECIAL STATE GUARANTEE DEPOSIT", in accordance with the payment instructions of the Minister of Finance.

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**Article 14.- (1)** The guarantee period shall be set at one hundred and eighty (180) days from the legal closing date of the bank account holding the loan covered by the State guarantee. No claims for non-payment made after this period will be admissible.

(2) The guarantee claim shall be ineffective where the failure to pay results from the irrefutable liability of the lending institution.

**Article 15.- (1)** In the event of default and recourse to guarantee, the State shall only be liable for the repayment of its share of the debt at the time of the legal closure of the account. This debt includes the remaining principal and a maximum of three (03) months of unpaid instalments.

(2) Consequently, the State cannot be held liable for any payment of interest, penalties or other costs associated with late payment.

## SECTION VII

### **RECOVERY ACTION FOLLOWING PAYMENT**

**Article 16.- (1)** Any payment made by the State following the call for indemnity shall give rise to a claim of equal amount by the State against the borrower.

(2) Notwithstanding any payment made by the State, the lending institution undertakes to initiate legal proceedings and take the necessary steps to recover the outstanding amount owed, as well as the State's claim against the borrower, failing which the borrower shall be required to reimburse the amount paid by the State by way of compensation following the guarantee claim.

(3) The lending institution shall report to the Minister of Finance on the steps taken for the purpose of recovery.

**Article 17.- (1)** In the event of recovery, the lending institution shall promptly reimburse the State with the amounts collected, in proportion to the guarantee granted, less any costs incurred in the recovery of the funds, excluding late-payment penalties imposed by the lending institution after default.

(2) Any payment made in this context shall be transferred to the escrow account entitled "**SPECIAL STATE GUARANTEE DEPOSIT**" within thirty (30) calendar days from the date of collection.

**Article 18.-** Following payment by the Minister of Finance of the sums approved as payment of the Guarantee, the lending institution must, within thirty (30) days, issue a certificate of non-liability and return the Guarantee Certificate.

**Article 19. -(1)** The Minister of Finance may request that the lending institution, which agrees to this, assign to him the rights to all or part of its claim against the borrower.

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(2) the recovery of the debt referred to in paragraph 1 above shall be carried out by the State Recovery Agent.

## **SECTION VIII**

### **MISCELLANEOUS AND FINAL PROVISIONS**

**Article 20.-** The State guarantee shall not be called upon in the event of default by the principal debtor resulting from force majeure.

**Article 21.-** Notwithstanding the provisions of Article 15(2), the Minister of Finance may engage the services of the State Debt Collection Agent to collect, in return for remuneration, debts owed by defaulting companies.

**Article 22.-** This Order repeals all previous provisions to the contrary, in particular Order No. 0638/MINFI of 17 July 2023, which laid down the conditions for granting and the terms and conditions for implementing the State guarantee for public institutions and public and private companies in respect of domestic loans for the 2023 financial year.

**Article 23.-** This order shall enter into force upon signature and shall be registered and published according to the procedure of urgency, and inserted in the Official Gazette in English and French.

Yaounde, the 05 FEB 2026

**Joseph DION NGUTE**  
Prime Minister,  
Head of Government



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