

CIRCULAR No. 000014 /C/MINMAP/CAB OF 23 JUL 2025

**on the conditions for constitution, guarantee, preservation, release, restitution, and realization of guarantees in public contracts.**

The range of stakeholders in the Cameroon public contracts system was expanded in 2008 by the advent of the Deposit and Guarantee Fund (DGF). Pursuant to the provisions of Section 3 of Law No. 2008/003 of 14 April 2008 governing deposits and guarantees, which institutes it, the DGF shall be a specific type of Public Establishment in charge of providing deposits and guarantees public service. The list of amounts to be the subject of deposit and consignment includes, in particular, "bonds on public contracts".

After the law referred to above, the following subsequent instruments were signed, namely: Decree No. 2011/105 of 15 April 2011 to lay down the organization and functioning of the DGF; Decree No. 2023/08500/PM of 1 December 2023 to lay down the conditions for the transfer of funds and securities vested in the DGF; Decree No. 2024/05226/PM of 19 November 2024 to lay down the conditions for the implementation of the thirty-year deadline applicable to funds and securities held by the DGF; and Order No. 00000023/ MINFI of 1 December 2023 to lay down the rules relating to financial and accounting organisation, conditions for deposit and withdrawal, guarantee and release of funds and/or securities held by the DGF.

For a common understanding by all stakeholders in the public contracts system, bond, in accordance with the terms of Article 2 of Order of 1 December 2023 referred to above, shall be understood as the "deposit of money as a guarantee for the provision of a service or fulfilment of a prior commitment".

Based on the above instruments, public contracts regulations, and subject to international or financing agreements signed by the State with technical and financial partners, the purpose of this circular shall be to provide clarification on the conditions for the constitution, guarantee and preservation, release, restitution, and realization of guarantees in public contracts.

## **I - GENERALITIES ON THE GUARANTEES ACCEPTED IN THE CONTEXT OF PUBLIC CONTRACTS**

### **1. Guarantees accepted in the context of public contracts**

- a) The principal guarantee accepted in the context of public contracts to ensure that the bidder and the contractor fulfil their obligations shall be the bond or the retention bond as the case may be.
- b) Other guarantees that may be accepted in lieu of the deposit and under the conditions provided for by the instruments in force and this circular, shall be:
  - the guarantee from a banking establishment or an approved financial institution;
  - the personal joint and several guarantee;
  - the certified cheque;



- the bank cheque;
- the legal mortgage.

## **2. The body in charge of deposits and guarantees**

- a) The body in charge of deposits and guarantees shall receive for consignment, preservation restitution and, where applicable, make the realization in accordance with the conditions set out in this circular, the guarantees constituted in the context of public contracts.
- b) In the discharge of its duties, as specified in point (a) above, the body responsible for deposits and guarantees is vested with full powers to act on behalf of and for the account of the Project Owner or Delegated Project Owner.

## **II – CONSTITUTION OF GUARANTEES IN THE CONTEXT OF PUBLIC CONTRACTS**

### **II.1. - BOND AND RETENTION BOND**

#### **3. The bond**

- a) The bond shall be constituted by the bidder or the contract holder in accordance with the provisions of the consultation file or the terms of the contract. It shall be issued by a bank or financial institution approved by the Minister in charge of Finance.
  - b) The bond issued by an international financial institution shall only be acceptable if that institution has formally designated a local correspondent approved by the Minister in charge of Finance, accompanied by proof of acceptance of that designation by the institution concerned.
4. a) Under pain of rejection, any bond must be drawn up in accordance with the form and model contained in the consultation file and include the following information:
- bond reference;
  - designation by the Project Owner or Delegated Project Owner;
  - reference and subject of the consultation file or contract;
  - signature of the manager of the issuing bank or financial institution;
  - handwritten statement by the guarantor, in words and figures, of the maximum amount guaranteed covering the principal, interests and other ancillary costs, certifying its irrevocable commitment to subrogate the bidder or contractor upon first request in the event of the latter's default on any of its obligations covered. In the event of a discrepancy between the amount in figures and the amount in words, the bond shall be valid for the amount expressed in words;
  - the bond validity period.
- b) The failure to provide the receipt from the body in charge of deposits and guarantees, certifying that the sums required in cash as bond have been deposited in its account, shall cause the rejection of the bond and the elimination of the bidder at the contract award phase.
5. a) To protect the Project Owner or Delegated Project Owner from the risks of insolvency, default or any other breach by the guarantor when realizing the bond, the maximum amounts guaranteed shall be constituted at one hundred percent in cash and deposited in an account opened in the name of the body responsible for deposits and guarantees in accordance with the terms and conditions set out in this circular and other instruments in force, except the start-off advance bond or supply deposit, for which 40% of the related amount shall be deposited in cash in the account of the body responsible for deposits and guarantees, while the remaining 60% shall be subject to



a commitment by the issuing financial institution and shall be realized at the first request of the body responsible for deposits and guarantees in the event of default by the contract holder.

- c) At the initiative of the contract holder, the Project Owner or Delegated Project Owner may request exceptional authorisation from the Authority in charge of Public to operate directly at source on the total amount due under the start-off advance, the withdrawal of a portion corresponding to 40% of the amount in cash referred to in point b above, which he shall deposit in the account opened in the name of the body responsible for deposits and guarantees in the name and on behalf of the contracting partner, who is thereby released from the obligation arising therefrom. From then on, only the remaining 60% of the start-off advance amount shall be paid to the contractor, whereas he shall remain committed for the repayment of the full 100% of the amount corresponding to the start-off advance.
- d) The request from the Project Owner or Delegated Project Owner shall be accompanied by a reasoned request from the contract holder.
- e) In the event the authorisation is granted by the Authority in charge of public contracts, the Project Owner or Delegated Project Owner shall draw up two (2) detailed accounts, one for the body responsible for deposits and guarantees and shall correspond to the 40% of the amount of the bond to be deposited in its account, and the other in the name of the contract holder and corresponding to the remaining 60% of the start-off advance amount to be paid to him.

## **6. The retention bond**

The retention bond shall help ensure the quality of the services executed by the contracting partner and the collection of any sums that may be owed by him under the contract. It may be replaced by the performance bond.

The retention bond shall apply only to works or supply contracts and may be applied only when expressly provided for in the contract terms, which also provide for a guarantee or maintenance period.

- 7. a) The amount of bonds and retention bond accepted in public contracts shall be set as follows:
  - i. bid bond or provisional bond: a maximum of two per cent (2%) of the estimated cost of the contract, all taxes inclusive (ATI);
  - ii. start-off advance bond or supply bond: 100% of the amount all taxes inclusive of the start-off advance granted, the amount of which may not exceed 20% of the contract price for works contracts and contracts for service and intellectual services, and 40% of the contract price for supply contracts;
  - iii. final bond or deposit to guarantee the full execution of the services: a minimum of 2% and a maximum of 5% of the initial contract amount all taxes inclusive, plus any amendments, if applicable;
  - iv. performance bond or retention bond: a maximum of 10% of the initial contract amount including all taxes, plus the amount of any amendments, if applicable.
- b) The Project Owner or Delegated Project Owner shall be fully responsible for determining the amount of the bonds and the start-off advance amount, in strict compliance with the minimum and maximum amounts recalled above.



- c) Bidders as well as enterprises holders of jobbing orders may be exempted from providing the bid bond, final bond or performance bond at the initiative of the Project Owner or Delegated Project Owner. This exemption must be provided for in the consultation file.
  - d) Small and Medium-sized Enterprises (SMEs) with national share capital and managed by nationals, as defined by the provisions of Article 2(e) of Order No. 402/A/MINMAP/CAB of 21 October 2019 establishing the nature and thresholds of contracts reserved for craftsmen, national small and medium-sized enterprises, community-based organisations and civil society organisations, and the conditions for their application may, in lieu of the bid bond, provide either a legal mortgage, a certified cheque, a bank cheque or a bond from a bank or financial institution approved in accordance with the instruments in force.
8. Subject to the waivers provided for in the consultation file, bonds and the retention bond shall be constituted within the following time limits and for the following validity period:
- a) bid bond or provisional bond: this shall be included in the bidder's bid and shall be received at the closing date for the submission of bids. Its period of validity shall be linked to the period of validity of the bids, plus thirty (30) days.
  - b) start-off advance bond or supply bond: this shall be received when the contract holder requests a start-off advance and shall be attached to his request. It shall remain valid until the start-off advance has been fully paid back;
  - c) Final bond: this guarantees the full provision of the services and is constituted within twenty (20) days following the notification of the contract, in any case before the first payment. If there is a bid bond or provisional bond, the final bond must be constituted before the bid bond or provisional bond expires. Its validity period covers the entire period of execution of the services and ends thirty (30) days after provisional acceptance.
  - d) Performance bond: this is provided before payment of each detailed account. Its period of validity is linked to that of the guarantee or maintenance period and ends with the signing of the general final detailed account;
  - e) Retention bond: this is collected through deduction from the amount of the detailed accounts paid for the services executed. Its period of validity is linked to that of the guarantee or maintenance period and ends with the signing of the general and final detailed account.

## II (2) - OTHER GUARANTEES

- 9. a) Other guarantees, consisting of a legal mortgage, a guarantee from a bank or an approved financial institution, a personal joint and several guarantee from a corporate manager, a certified cheque or a bank cheque, may only be provided in lieu of bond by small and medium-sized enterprises with national share capital and managed by nationals and civil society organisations.
- b) The guarantees listed above may only be accepted when they are expressly provided for in the consultation file and shall be limited solely to contracts falling within the threshold of jobbing orders.

### 10. Legal mortgage

The legal mortgage shall be any mortgage recognised by law and consisting of the assignment of a specific or determinable property belonging to the mortgagor, who in this case is the bidder or contract holder, as security for their obligations arising from the consultation of companies or the



contract, vis-à-vis the Project Owner or Delegated Project Owner, in the event of default. It confers on the Project Owner or Delegated Project Owner a right of preference over the proceeds from the realization of the property and a resale right (droit de suite) against any third party holding the property whose title is published after the mortgage. It is constituted by a notarial deed and is entered in the mortgage register.

#### **11. Guarantee from a bank or an approved financial institution**

Issued in favour of the Project Owner or Delegated Project Owner, the guarantee from a bank or an approved financial institution is requested by the bidder or contract holder from the bank that granted them a loan. The bank acts as guarantor on behalf of the bidder or contractor and undertakes vis-à-vis the Project Owner or Delegated Project Owner to fulfil his obligations arising from the consultation or contract in the event of default.

The bond issued by a banking institution shall therefore be accepted only between a bank that grants a loan and its customer who obtains that loan.

The bond issued by a banking institution shall be subject to the same form requirements as all other deposits. However, the conditions shall vary depending on the bank and the amount borrowed, the amount of the instalments and the customer's references, which must be explicitly specified.

#### **12. Personal joint and several guarantee**

A personal joint and several guarantee by a "corporate manager" shall be the institution whereby a corporate manager or business manager, putting their personal assets at risk, undertakes vis-à-vis the Project Owner or Delegated Project Owner to fulfil the obligations of the bidder or contract holder in the event of default by the latter. The personal joint and several guarantee thus guarantees the Project Owner or Delegated Project Owner the possibility of taking direct action against the guarantor to obtain payment, without taking first legal action against the contract holder in the event of default on their part.

The personal joint and several guarantee shall take the form of a contract signed by all parties and be subject to the same conditions of form and content as all other bonds.

#### **13. The certified cheque**

The certified cheque shall be issued by the bidder or contract holder and made payable to the body responsible for deposits and guarantees, for the benefit of the Project Owner or Delegated Project Owner.

To be admissible, the certified cheque must meet the following requirements:

- its amount must be equal to the maximum amount retained as guarantee for the obligation concerned;
- its period of validity must be specified;
- the amount relating to it is frozen during its period of validity and from its date of issue.

#### **14. Bank cheque**

The bank cheque shall be issued by the bank at the request of the bidder or the contract holder. It shall be made payable to the body responsible for deposits and guarantees, for the benefit of the Project Owner or Delegated Project Owner. Its amount must correspond to the maximum amount of the obligation guaranteed and shall be debited from the bidder's or contractor's account to the account of the bank, which undertakes to pay the Project Owner or Delegated Project Owner the



amount deposited in the event of default by the bidder or contractor in respect of its obligations. Its period of validity shall be specified and the corresponding sums shall be frozen during the period of validity.

### **III - CONDITIONS FOR GUARANTEE, PRESERVATION AND RESTITUTION**

#### **OF GUARANTEES ISSUED IN THE CONTEXT OF**

#### **PUBLIC CONTRACTS**

### **III.1. GUARANTEE AND PRESERVATION OF GUARANTEES ADMITTED IN PUBLIC CONTRACTS**

#### **III.1.1 GUARANTEE AND PRESERVATION OF BONDS**

##### **III.1.1.1. GUARANTEE**

**15.** The guarantee of bonds is subject to the same rules, whether during the award or execution phase of the contract concerned.

- a) Once the bond has been obtained from the approved credit institution or financial organisation, the beneficiary or the issuing entity shall deposit the sum corresponding to the amount of the obligation guaranteed, up to the amount required by the consultation file or the contract, in an account opened for this purpose in the name of the body responsible for deposits and guarantees. The deposit of the required sum shall be certified by a credit notice issued by the financial institution or organisation, attached to the bond.
- b) On the basis of the bond accompanied by the credit notice certifying the deposit of the required sum, the body responsible for deposits and guarantees shall issue the receipt of guarantee, which shall be attached to the bond submitted to the Project Owner or Delegated Project Owner.
- c) The contract holder may request from the issuing credit institution or financial institution to convert its bid bond into a final bond.
  - i. If the parties agree, the body responsible for deposits and guarantees shall be informed thereof at the behest of the contract holder.
    - If the amount involved is above that of the bid bond, the contractor shall be required to provide proof of deposit in the dedicated account of the additional amount required for the final bond.
    - If the amount of the final bond is less than the bid bond amount, the body responsible for deposits and guarantees shall refund the additional amount deposited as a bid bond to the contractor.
  - ii. In either case, the submission of the final bond to the Project Owner or Delegated Project Owner shall constitute release of the bid bond, and the body responsible for deposits and guarantees shall remain bound by the restitution deadlines set out in point 31 of this Circular.
  - iii. In any case, the deadlines for converting the bid bond into a final bond shall not affect the deadline required for producing the final bond.



### **III.1.1.2. PRESERVATION**

16. a) The originals of bonds which admissibility is pronounced shall be sent for preservation to the body responsible for deposits and guarantees, at the behest of the Project Owner or Delegated Project Owner and in accordance with the specific deadlines indicated in the points below of this circular.  
b) bonds that are deemed admissible shall be sent to the body responsible for deposits and guarantees for preservation by the Project Owner or Delegated Project Owner within three (3) days from their date of receipt by the Project Owner or Delegated Project Owner.
17. During the bid opening phase, the originals of the bonds contained in the tenderers' bids submitted to the Tenders Board shall, after the opening of bids and verification of their compliance, be returned to the Project Owner or Delegated Project Owner within three (3) working days from the bid opening date. The latter shall make a copy which he shall preserve and send the original to the body responsible for deposits and guarantees for preservation.
18. After the contract has been awarded, and within twenty (20) days from the notification of the contract and in any case before payment of any detailed account, the Project Owner or Delegated Project Owner shall receive from the successful bidder the final bond, which he shall verify compliance with regulatory requirements. He shall make a copy which he shall file in the contractor's file and submit the original to the body responsible for deposits and guarantees for preservation.
19. When the start-off advance is requested, the relevant application shall be accompanied by the start-off advance bond, which the Project Owner or Delegated Project Owner shall verify its compliance with regulatory requirements. The Project Owner or Delegated Project Owner shall make a copy which shall be filed in the contractor's file and submit the original against receipt for preservation to the body responsible for deposits and guarantees.
20. The performance bond, guaranteeing the quality of the services carried out, shall be produced and deposited as the detailed accounts are drawn up.  
Upon receipt, the Project Owner or Delegated Project Owner shall make a copy, which he shall file in the contractor's file and send against receipt, the original to the body responsible for deposits and guarantees for preservation.

### **III.1.2. GUARANTEE AND PRESERVATION OF THE RETENTION BOND**

21. (1) Where provided for in the contract, the retention bond shall be applied to each provisional detailed account through deduction from the detailed account amount, at the rate specified in the contract.  
(2) The retention bond shall be the subject of a separate detailed account indicating the account, opened in the name of the body responsible for deposits and guarantees, to which the amount deducted shall be transferred.

### **III.3. CONSIGNMENT AND PRESERVATION OF OTHER GUARANTEES**

22. a) Guarantees other than bonds and the retention bond, which are accepted in the context of public contracts, shall consist of a personal joint and several guarantee by a corporate manager, a certified cheque, a bank cheque and a legal mortgage.



- b) In the event a bank cheque or certified cheque is produced, it shall be made payable to the body responsible for deposits and guarantees on behalf of the Project Owner or Delegated Project Owner. The cheque shall be sent to the body responsible for deposits and guarantees by the financial institution at least seven (7) working days before the date of opening of the bids when it is produced as part of a tender. With regard to contracts execution phase, the cheque shall be sent to the body responsible for deposits and guarantees no later than five (5) working days from the date of its issue by the financial institution.
- c) In any event, guarantee receipts shall only be issued by the body responsible for deposits and guarantees after cashing the said cheque.
- d) The copy of the cheque, accompanied by the receipt from the body responsible for deposits and guarantees, shall be inserted by the bidder in his tender as the guarantee required during the bidding phase.

### **23. Personal joint and several guarantee**

- a) The personal joint and several guarantee, issued by a corporate manager, shall involve his or her personal assets. It shall be ascertained by an authentic deed drawn up before a notary and made out in favour of the Project Owner or Delegated Project Owner, indicating the assets involved and a financial assessment which the minimum amount shall be equal to the maximum amount due as a guarantee, plus any taxes and other legal charges.
- b) Once it has been drawn up and includes the assets involved, the deed shall be submitted to the body responsible for deposits and guarantees to obtain a receipt of consignment.
- c) Considering the documentation referred to in point (b) above, and after verification, the body responsible for deposits and guarantees shall issue the guarantee receipt to the applicant within three (3) working days from the date of referral.
- d) During the contract award phase, the personal deposit shall be provided no later than the deadline for the submission of bids. The Tenders Board shall then have three (3) working days from the date of opening of bids to forward the relevant deed to the Project Owner or Delegated Project Owner, who, in turn, shall have three (3) working days to make a copy and send the original to the body responsible for deposits and guarantees for preservation.
- e) During the contract execution phase, the personal guarantee document shall be provided within twenty (20) days from the contract notification date and, in any case, before the first payment. Upon receipt, the Project Owner or Delegated Project Owner has three (3) days to make a copy and send the original to the body responsible for deposits and guarantees for preservation.

### **24. Certified cheque**

The certified cheque shall be issued by the bidder or contract holder and made payable to the body responsible for deposits and guarantees for the benefit of the Project Owner or Delegated Project Owner. Its amount must correspond to the maximum amount of the obligation guaranteed and its validity period must be specified. The relevant provision is certified by the paying bank and the resulting funds are frozen for the period of validity from the date of issue, in accordance with the time limit laid down in the regulations in force.

### **25. Bank cheque**

- i. The bank cheque shall be issued by a financial institution payable to the body responsible for deposits and guarantees for the benefit of the Project Owner or Delegated Project Owner. The related copy as well as the credit notice are handed to the applicant.



- ii. On the basis of the above-mentioned copy and credit notice, the bidder or contractor shall request a certificate of guarantee from the credit agent.
- iii. Upon review of the complete file, the body responsible for deposits and guarantees shall issue within three (3) working days from the date of referral the guarantee receipt which the applicant shall attach to the copy of the bank cheque and include in the file submitted to the Project Owner or Delegated Project Owner.
- iv. Upon receipt of the copy of the bank cheque accompanied by the receipt from the body responsible for deposits and guarantees, the Project Owner or Delegated Project Owner shall verify their regularity and return the document to the body in charge of deposits and guarantees for preservation within three (3) working days from the date of receipt.

## **26. Legal mortgage**

- i. The mortgage deed, drawn up by the competent ministerial officer, together with all the relevant publicity documents, shall be submitted to the body responsible for deposits and guarantees by the bidder or the contract holder in order to obtain the guarantee receipt.
  - ii. Upon review of the complete file, the body responsible for deposits and guarantees shall issue within three (3) working days from the date of referral, the guarantee receipt, which the applicant shall attach to the file submitted to the Project Owner or Delegated Project Owner.
  - iii. After receiving the mortgage deed and verifying its regularity, the Project Owner or Delegated Project Owner shall return the related original to the body responsible for deposits and guarantees for preservation within three (3) working days from the date of referral.
- 27** In any case, where a personal guarantee or certified cheque, bank cheque or legal mortgage is accepted by the Project Owner or Delegated Project Owner, the relevant deed of incorporation shall be provided during the contract award phase, no later than the bids submission deadline. The Tenders Board shall then have three (3) working days from the date of opening of bids to forward it to the Project Owner or Delegated Project Owner, who, in turn, shall have three (3) working days to make a copy and forward the original to the body responsible for deposits and guarantees for preservation.

During the contract execution phase, the constitutive deed for each of the above guarantees shall be provided within twenty (20) days from the date of notification of the contract and, in any case, before the first payment. Upon receipt, the Project Owner or Delegated Project Owner shall have a period of three (3) working days to make a copy and forward the original to the body responsible for deposits and guarantees for preservation.

## **III.4. RESTITUTION OF GUARANTEES PROVIDED IN THE CONTEXT OF PUBLIC CONTRACTS**

### **III.4.1. COMMON CONDITIONS FOR THE RESTITUTION OF GUARANTEES**


- 28.** Guarantees provided by bidders and contract holders shall be returned to them once they have fulfilled all their obligations under the tender or contract without any default or have duly corrected any shortcomings that have been identified and brought to their attention in accordance with the procedures or means established by the instruments in force, the consultation file or the contract.

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29. In principle, guarantees shall be returned on the basis of a release issued by the Project Owner or Delegated Project Owner and brought to the knowledge of the body responsible for deposits and guarantees at the behest of the person making the request for restitution.
30. The issuance of the release order releases the Project Owner or Delegated Project Owner from any obligation relating to the guarantee vis-à-vis the bidder or contract holder.
31. a) With effect from the date of receipt of the release accompanied by all the required documents from any authorised person or beneficiary requesting the restitution of a guarantee, the body responsible for deposits and guarantees shall, within a maximum period of fifteen (15) working days from the date of referral, be required to:
- i. initiate the procedure for release and restitution of the guarantee constituent document to the bidder or contractor;
  - ii. credit the latter's account, in conjunction with the relevant bank or approved financial institution, with the amount of any sums deposited at the time the guarantee was constituted and deposited.
- b) In case of failure to comply with the above-mentioned fifteen (15) working days deadline, and after formal notice has been given at the initiative of the applicant and has remained without effect for more than seven (7) working days from the date of notification of the relevant document accompanied by all the required supporting documents, the body responsible for deposits and guarantees shall be required to pay the latter default interests, the amount of which shall be determined in accordance with the regulations in force in the public contracts sector.
- c) Considering contracts process stages during which the guarantees are constituted, their nature or purpose, or all these factors taken together, their restitution shall be subject to the specific terms and conditions applicable to each stage.

#### **III.4.2 SPECIFIC CONDITIONS FOR THE RESTITUTION OF GUARANTEES**

32. Guarantees constituted during the award phase shall be refunded to bidders at the end of the contract award process and after publication of the relevant award decision in accordance with the regulations in force, with the exception of the bidder declared as the successful bidder.
33. During the bidding phase, the publication of the award decision in the forms provided for by the regulations in force shall serve as release order. It shall release the Project Owner or Delegated Project Owner from any obligation and entitle unsuccessful bidders, within fifteen (15) working days as from the date of publication of the results, to withdraw their bids and take the necessary steps for the release and restitution the sums deposited in the accounts of the body responsible for deposits and guarantees as bid guarantee.
34. a) The successful bidder shall have a period of twenty (20) days as from the date of notification of the contract to provide the final bond or any other guarantee for the full provision of the services covered by the contract and to take the necessary steps for the withdrawal and release of the guarantee constituted during the bidding phase.
- b) If the successful bidder fails to constitute the final bond within the twenty (20) days referred to in point (a) above, and in any case before any payment is made, the Project Owner or Delegated Project Owner shall be entitled to terminate the contract automatically, subject to compliance with the formalities of formal notice established by the Public Contracts Code. 



35. a) On the basis of the services acceptance or technical validation report drawn up by the committee responsible for the acceptance or technical validation of the services, and in the absence of any reservations, the Project Owner or Delegated Project Owner shall have a period of thirty (30) calendar days as from the first working day following the date of acceptance or technical validation to provide a release order of the guarantees provided for the full provision of the services, notified against receipt to the contractor.
- b) Upon receipt of the release order, the contractor shall take the necessary steps with the body responsible for deposits and guarantees for the restitution of the guarantees for the full execution of the services in the same form and within the same time limits as those provided for the guarantees provided during the bidding phase.
- c) From the date of referral, the body responsible for deposits and guarantees shall be bound by the same time limits as those provided for in point 31 of this circular, for the restitution of the guarantees provided during the bidding phase, with all the consequences that this entails in the event of failure to comply with the prescribed time limits, in order to initiate, in conjunction with the bank or body concerned, the procedure for the restitution of the guarantees.
36. a) The restitution of the start-off advance bond shall depend on the detailed account payment pace and shall be made in the form of deductions on detailed accounts with a view to the repayment of the sums received by the contracting partner.
- The start-off advance shall be reimbursed by deducting a percentage decided on each detailed account and begin as soon as the cumulative services provided reaches or exceeds forty per cent (40%) of the contract amount and must be reimbursed in full at the latest when the initial price value of the services provided reaches eighty per cent (80%) of the contract amount.
- b) Any deduction from the payment on account for the refund of the start-off advance shall give rise to a release order by the Project Owner or Delegated Project Owner, for the amount deducted, relating to the restitution of the corresponding proportion of the start-off advance bond.
- c) On the basis of the release order given by the Project Owner or Delegated Project Owner, and after providing proof of deposit in the account of the body responsible for deposits and guarantees of the sixty per cent (60%) portion covered by the financial institution's commitment, the contracting partner shall take, with the body responsible for deposits and consignments, the necessary steps for the withdrawal and release of the corresponding proportion of the start-off advance bond and the sums deposited.
- d) Once the matter has been referred to it, the body responsible for deposits and guarantees shall have fifteen (15) working days to respond to the contractor's request.
37. a) Guarantees for the proper execution of the services covered by the contract shall be refunded following the release order given by the Project Owner or Delegated Project Owner at the end of the guarantee period provided for in the contract.
- The release order for the retention bond or performance bond shall be given within thirty (30) calendar days as from the date of final acceptance of the services.
- b) Upon receipt of the release order, the contract holder shall take the necessary steps with the body responsible for deposits and guarantees for the restitution of the performance bond in the same form and within the same time limits as those provided for in point 31 of this circular for guarantees constituted during the award phase.



- c) From the date of referral, the body responsible for deposits and guarantees shall be bound by the same time limits as those required for the restitution of guarantees provided during the bidding phase.
  - d) In case bad workmanships and hidden defects occur during the guarantee period and the Project Owner or Project Owner has repaired them after formal notice to the contract holder remained without effect, and the cost of the repairs is less than the maximum amount of the guarantees that were provided, only the unused portion of the sums provided as guarantee shall be refunded to the contractor after final acceptance of the services.
38. The guarantee granted in the form of a mortgage shall, after release by the Project Owner or Delegated Project Owner, give rise to cancellation consisting of the removal of the mortgage from the register in which it was recorded. Cancellation shall be carried out at the behest of the bidder or the contractor and in accordance with the specific terms and conditions applicable to guarantees of this nature.
39. a) At the end of the guarantee validity period, and in the absence of any first request by the Project Owner or Delegated Project Owner, any guarantee provided in connection with public contracts shall be refunded to its holder at the latter's request.
- b) In any case, upon expiry of a period of thirty (30) calendar days as from the date of final acceptance, performance guarantees shall cease to have effect and the body responsible for deposits and guarantees shall be required to refund them or release the retention bond or performance bond, upon simple request from the administration's contracting partner, unless the Project Owner or Delegated Project Owner has duly notified the issuing bank or financial institution that the contractor has not fulfilled all his obligations under the contract. In this case, the commitment of the issuing bank or financial institution may only be terminated by a release issued by the Project Owner or the Delegated Project Owner.

#### **IV - CONDITIONS FOR THE REALIZATION OF GUARANTEES PROVIDED IN THE CONTEXT OF PUBLIC CONTRACTS**

40. a) Guarantees shall be realized upon first request by the Project Owner or Delegated Project Owner, addressed to the body responsible for deposits and guarantees, with copy to the credit institution, financial institution or person issuing the guarantee, after the default of the bidder or contractor has been established in accordance with the forms laid down in the Public Contracts Code.
- b) Upon receipt of the request from the Project Owner or Delegated Project Owner, accompanied by the documents establishing the default, the body responsible for deposits and guarantees shall take the necessary steps with the credit institution, financial institution or person issuing the guarantee in a bid to collect the amount due under the guarantee or to realize the mortgage.
- c) The accounts into which the sums resulting from the realization of guarantees provided in the context of public contracts are deposited shall be specified in the model bond provided for in the appendix to the consultation file.
41. a) The sums collected from the realization of guarantees and preserved in the accounts of the body responsible for deposits and guarantees shall be made available to the Project Owner or Delegated Project Owner by being deposited in the accounts opened for this purpose, within a



maximum period of fifteen (15) days following the date of their collection and in accordance with the terms and conditions defined by the body responsible for deposits and guarantees.

- b) The sums received by the Project Owners or Delegated Project Owners in connection with the enforcement of guarantees shall be used exclusively for the purpose for which the guarantees were established.
42. The specific realization of the guarantee granted in the form of a mortgage shall be carried out in accordance with the regulations in force. It entitles the Project Owner or Delegated Project Owner either to take possession of the property given as guarantee or to sell it in order to collect the sums generated and remedy the breaches of the bidder or the contract holder.

## **V - MISCELLANEOUS CONDITIONS**

43. a) Any guarantee shall be verified for authenticity by the body responsible for deposits and consignments before they are guaranteed and preserved.
- b) Without prejudice to criminal proceedings, any guarantee declared to be non-authentic or marked as false shall be forwarded at the behest of the body responsible for deposits and consignments to the Authority in charge of Public Contracts, together with evidence of its inauthenticity or falsification, with a view to imposing appropriate penalties on its holder and any accomplices.
44. a) Any guarantee provided in the context of public contracts, that has not recorded a restitution or realization transaction at the end of the legal limitation period, shall fall under the usucapion principle and shall therefore be put in the public funds by the body responsible for deposits and consignments.
- b) However, the body responsible for deposits and guarantees shall be required to have first published an annual list of all guarantees in this situation and to have given formal notice to any holders or beneficiaries to make their claims within a fixed period of thirty (30) calendar days. It is only when the formal notice period has elapsed and after it has been established that no claims have been made or that any claims made are unfounded that the guarantee shall be put in the public funds and realized for the benefit of the State.
45. a) This circular applies to both physical and dematerialised public contracts procedures.
- b) For dematerialised procedures, it is the responsibility of the stakeholders involved in the guarantees chain to put in place the necessary means to increase their capacities and achieve the interoperability of their information systems.
46. a) A consultation framework shall be established to monitor the management of guarantees provided in the context of public procurement and to draw up a half-yearly report on this matter.
- b) Under the supervision of the Authority in charge of Public Contracts, the consultation framework referred to in point (a) above shall bring together representatives of the administrations or structures responsible for public contracts, public investment, finance, public works, urban development, decentralisation, public health, transport, state property and land tenure, higher education, post and telecommunications, deposits and guarantees, etc. Its composition may be extended to credit institutions and financial organisations authorised to issue the guarantees required in the context of public contracts.
  - c) An instrument from the Authority in charge of Public Contracts shall organise and specify the functioning of the consultation framework referred to in point (a) above.



- d) At the discretion of the Authority in charge of Public Contracts, some administrations and structures not included in the list referred to above may be invited to take part in the proceedings depending on the items on the agenda.
47. Circular letter No. 00019/LC/MINMAP of 5 June 2024 on the conditions for constitution, guarantee, preservation, restitution and release of bonds on public contracts in its provisions repugnant hereto is hereby revoked.
48. I urge all stakeholders concerned in the public contracts system to strictly comply with the provisions of this circular. /-

Yaounde,

23 JUL 2025



**IBRAHIM TALBA MALLA**

**MINISTER DELEGATE AT THE PRESIDENCY OF THE  
REPUBLIC IN CHARGE OF PUBLIC CONTRACTS,  
AUTHORITY IN CHARGE OF PUBLIC CONTRACTS,**