

REPUBLIQUE DU CAMEROUN

Paix – Travail – Patrie

MINISTERE DES FINANCES

CABINET DU MINISTRE



REPUBLIC OF CAMEROON

Peace – Work – Fatherland

MINISTRY OF FINANCE

MINISTER'S CABINET

**INSTRUCTION**

No. 00000839/MINFI/CAB/OF, 16 NOV 2015 ON THE  
CODE OF ETHICS OF INTERNAL AUDITORS OF THE  
MINISTRY OF FINANCE

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# FOREWORD



The Code of ethics of internal auditors of the Ministry of Finance aims to promote a culture of ethics among the Internal Auditors of that Ministry's.

It shall apply to all the personnel of the Ministry of Finance who provide services of audit, verification and control. These notably include:

- personnel of the Inspectorate General;
- personnel of the Inspectorates of services;
- All persons involved in audit

work within the Ministry of Finance.

According to the International Institute of Internal Audit (IIA), "Internal Audit" is an independent and objective activity that gives an organization assurance on the degree of mastery of its operations, gives it advice to improve them and thus helps to create added value. It helps this organization accomplish its objectives by evaluating, through a systematic and methodical approach, its risk management, control and governance processes by making proposals on how to strengthen its effectiveness.

Given the trust placed in the internal audit to provide objective assurance on the risk management, control and governance processes of a structure, it is necessary that the profession be endowed with such an instrument. This code goes beyond the definition of internal auditing to include two essential components, namely:

- relevant basic principles for the profession and practice of internal auditing;
- rules of conduct describing the behavioural norms expected of internal auditors. These rules are an aid to the practical application of the fundamental principles and are intended to guide the ethical conduct of internal auditors.

**The Minister of Finance**

## **I. OBJECTIVES AND RESPONSIBILITIES**

### **1. Objectives**

The main objective of the ethical rules applicable to the personnel of the Inspectorate General is to help them make consistent choices and to respect the ethical principles and norms applicable to internal auditing.

### **2. Responsibilities**

- The staff of the Inspectorate General shall adhere to the values of the Ministry of Finance, and shall agree to abide by these rules of ethics;
- Each staff of the Inspectorate General is committed to denounce any activity or any event likely to prevent them from complying with these rules of ethics;
- These rules neither take into account all the actions nor those to be favoured. It is thus up to each internal auditor to act with discernment, by bringing to mind the spirit advocated by these rules and the values which they inspire.
- Each personnel of the Inspectorate General must carry out the duties of their job, as well as those entrusted to them by their superiors. They are however, not obliged to execute a manifestly unlawful order.
- The Inspector General shall ensure that the personnel of the structure under his responsibility has taken cognisance of these rules.

## **II. RULES OF CONDUCT OF INTERNAL AUDITING PERSONNEL.**

### **1. Integrity**

Internal auditors:

- must respect the law and make disclosures required by the laws and rules of the profession;
- must accomplish their mission with honesty, diligence and responsibility;
- must not knowingly engage in illegal activities or engage in acts that are discreditable to the Internal Auditing profession or the Ministry of Finance;
- must respect and contribute to the ethical and legitimate objectives of the Ministry of Finance.

## **2. Independence**

The internal audit must be independent and internal auditors must perform their work objectively.

Independence consists of acting freely, without any influence. It is an essential condition for the internal auditor to be able to make an objective and neutral judgment.

The Internal Audit personnel should ensure to remain independent in relation to the controlled sectors and the other interest groups.

The Inspector General must in all honesty, decline a counselling mission proposed by the Minister of Finance, when such a mission is clearly likely to impede his independence or create a source of conflict of interest.

In any event, all Internal Audit staff should avoid involvement in activities or situations that may impede its independence.

The personnel of the Internal Auditing Department must not accept or be promised by the officials of the controlled entities or third parties (suppliers, contractors, subcontractors ...) gifts, mark of hospitality and advantages other than those in use during a verification mission.

## **3. Impartiality and objectivity**

Internal auditors should have an impartial and unprejudiced attitude and avoid conflicts of interest. They must make their judgment without partiality and without prejudice and regardless of their affiliation.

If the objectivity or independence of internal auditors is compromised in fact or even in appearance, the parties concerned must be informed accurately. The form of this communication will depend on the nature of the infringement on independence.

Internal auditors must demonstrate the highest degree of professional objectivity in gathering, evaluating and communicating information relating to the activities and processes examined. They shall assess in a balanced manner all relevant elements and shall not be influenced in their judgment by their own interests, or that of others.

They must disclose all material facts known to them and bear in mind that the non-disclosure of these facts could compromise the achievement of the goals of the Ministry of Finance.

The findings contained in the audit reports should exclusively be based on evidence obtained and collected, in accordance with auditing standards accepted in that domain.

If the auditing work is based on specific operations for which one of the members of the audit team had previously been responsible, he has the obligation to decline from giving his opinion.

Finally, if the independence or objectivity of the internal auditors is likely to be compromised during counselling missions proposed to them, they should inform the Inspector General and the Minister of Finance thereof prior to any field trip.

#### **4. Competence and professional consciousness**

Audit Engagements should be performed with competence and professional consciousness.

##### **4.1 Competence**

Internal auditors should possess the skills and attitudes necessary for the exercise of their individual responsibilities.

The Inspector General shall seek the advice and assistance of external expertise when internal auditors lack the knowledge, skills and other competencies necessary to perform all or part of their mission.

To this end, the expert chosen should be committed to undertake to comply with the ethical rules of the Inspectorate General, by filling the confidentiality declaration form of which the model is included in appendix 3 of this code.

The internal auditor should have sufficient knowledge for identifying fraud alert signals. However, he is not obliged to have the expertise of a person whose primary responsibility is detecting and investigating fraud.

##### **4.2 Professional consciousness**

The Internal auditors must put in his work the diligence and know-how that can be expected of a reasonably cautious and competent internal auditor.

The internal auditor should provide all the care necessary for his professional practice by taking the following into consideration:

- the extent of work necessary to achieve the objectives of the mission;
- the relative complexity, the materiality or significance of the domains to which the procedures relating to the insurance missions apply;
- the relevance and effectiveness of risk management, control and corporate governance processes;
- the likelihood of errors, irregularities or significant non-compliances;
- the cost of instituting controls in relation to the expected benefits.

The internal auditor should observe particular vigilance with regard to the significant risks likely to affect the objectives, operations or resources of the Ministry of Finance.

The internal auditor should put into an advisory mission all his professional consciousness, taking into consideration the following:

- the needs and expectations of the Ministry of Finance, the nature, calendar and communication of results of the mission;
- the complexity of the mission and the scope of work necessary to achieve the set objectives;
- the cost of the mission in relation to the expected benefits.

**5. Respect, decency and loyalty**

In addition to professional skills, the internal auditor should also develop appropriate personal attitudes.

Indeed, each of the Internal Audit staff must maintain with colleagues, superiors and subordinates relationships that take into account the requirements of courtesy and respect for the person. They should behave in the same way with their external partners.

In any event, an Internal Audit staff must avoid any behaviour and attitude likely to discredit his interlocutors, colleagues, function, and therefore the Ministry of Finance. He shall participate in conflict resolution and avoid all forms of discrimination, particularly because of religion, ethnic origin and age, and ensure the respect of gender. He shall entertain relations based on openness, listening and dialogue.

He must show proof of respect vis-à-vis the principles governing Internal Audit missions and allegiance to Republican Institutions.

**6. Professional secrecy and discretion**

The Internal Audit staff should not use the information obtained in the exercise of his mission to obtain personal benefits or for third parties. Likewise, he shall not disclose information that may give an unfair or unreasonable advantage to other persons; he should neither use such information to harm others.

The Internal Auditor shall respect the value and property of information he receives. Thus, the personnel of Internal Audit are required:

- ✓ not to disclose to third parties the information obtained during the control, whether orally or in writing, except those transcribed in public reports of the Internal Audit and the communication relating thereto, without the required authorizations, unless a legal or regulatory obligation compel them to do so; they are bound by secrecy of function, in accordance with the provisions of the General Statute of the Public Service or any other text on the subject;
- ✓ not to take note of confidential information that is not required in the performance of their duties, or attempt to take note of such information;
- ✓ to ensure the security and confidentiality of the information to which he has access, be it in the offices of the Internal Audit, in the audited entity or elsewhere, where they have responsibility thereof;
- ✓ not to make public the audit report or its contents;

- ✓ refrain from discussing about the work and missions of the Internal Audit in public places, in order to prevent inadvertent disclosure of information;
- ✓ not to use the information obtained for personal gain or in a manner that would be contrary to the law or would prejudice the ethical and legitimate objectives of the Internal Audit.

#### **7. Termination of service (after mandate)**

Any Internal Audit staff member who has ceased to hold office at the Ministry of Finance should:

- behave in such a way as not to derive undue advantages from his previous duties;
- refrain from disclosing confidential information;
- refrain from giving anyone advice based on information not available to the public on the Ministry of Finance or a third party with whom he had substantial direct relationship during the five (05) years before the termination of his functions;
- refrain from using for his own benefit or that of a third party non-publicly available information held in the course of his duties;
- refrain from acting in the name or on behalf of others in respect of a procedure, a negotiation or a particular operation for which he acted during his employment.

#### **8. Annual declaration relating to independence and confidentiality**

Each year the Internal Audit personnel of the Ministry of Finance shall sign a declaration relating to independence and confidentiality. (See model in appendix 2)

Similarly, the experts retained by the Internal Audit to carry out spot work must sign a declaration of confidentiality before starting their work. (See model in Appendix 3)

#### **9. Sanctions and rights**

Any staff of the Inspectorate General of the Ministry of Finance who contravenes this Audit Charter may be subject to administrative or disciplinary sanction before the disciplinary bodies provided for this purpose.

Any person suspected has the right to defence in accordance with existing regulations.



## 10. Denunciation

Anyone who becomes aware of a breach of this Code of Ethics, and believes that it should be denounced, shall notify the Inspector General or the Minister of Finance.

Denunciation must provide clear and concise information on the nature of the breach, the circumstances of its occurrence, and the name of the person or persons concerned.

Subject in particular to ensuring to the person denounced respect of his rights, the confidentiality of the identity of the person who disclosed the information shall, as much as possible, be respected.

Each disclosure is reviewed by the Minister of Finance. The latter, according to the information collected and findings of the analyses, shall convene the concerned to take appropriate measures.

The information collected and the findings of analyses are recorded in minutes and kept in the concerned person's file.

No staff of the Ministry of Finance may suffer reprisals for having made a disclosure in good faith.

However, any staff of the Ministry of Finance who would make a denunciation which proves slanderous or baseless shall be liable to the administrative and disciplinary sanctions provided for by the regulations in force.

## FINAL PROVISIONS

This Code of ethics may be revised periodically to ensure its conformity with the missions of the Inspectorate General. Any modification must be approved by the Minister of Finance.

This Code will be widely disseminated among the staff of the Ministry of Finance which is required to sign the Declaration showing acknowledgement the model of which is attached in Appendix 1.

The Minister of Finance



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