

BYLAWS OF THE AFRICAN ROAD MAINTENANCE FUNDS ASSOCIATION (ARMFA)

We the Signatories of these Bylaws:

- CONSIDERING the importance of the road in the socio-economic development of countries, particularly in the fight against poverty;
- ASSURED of the political will of our respective Governments to make the development and maintenance of the road network a real engine for development and the fight against poverty;
- CONSCIOUS of the role of the road maintenance funds in the mobilization of adequate and sustainable financial resources for the maintenance of roads;
- CONVINCED that cooperation between road maintenance funds contributes towards the creation of the synergy required for ensuring the best conditions for the mobilization of such resource;
- CONSCIOUS that a well-maintained road network contributes to internal communication and ensures the access of the populations to basic infrastructures (health centers, schools, etc.);
- CONVINCED that the road, a public utility, provides the user with appreciable service;
- AND IN CONFORMITY with the recommendations of the first consultation meeting of the road maintenance funds held in Yaounde, Cameroon from 27th to 28th March 2003, concerning the establishment of a road maintenance funds association or a similar organ of African countries;
- AND IN FURTHER CONFORMITY with the aims and objectives of the meeting of the road maintenance funds held in Libreville, Gabon on December 18th, 2003;

- AND INCORPORATING HEREIN, the Charter of the African Road Maintenance Funds Association (herein referred to as the “Libreville Charter”), agreed among the Founding Signatories in Libreville on December 18th, 2003, which document is hereby attached hereto and made a part thereof as “Appendix A”;

HEREBY AGREE AS FOLLOWS:

ARTICLE I. CREATION OF THE ASSOCIATION

1. The African Road Maintenance Fund Association, herein referred to as “ARMFA”, or, the “Association”, is hereby created as an apolitical, non-profit making, legal association, registered in Cameroon; it reconfirms and incorporates herein the Libreville Charter.
2. The Association is governed by the present Bylaws, as they may from time to time be amended, in accordance with the laws of Cameroon.
3. For the purposes of these Bylaws, the term “Road Maintenance Fund” (RMF), shall designate any organization established in Africa at the national level, which is in charge of financing the maintenance of the road network, and which adheres to the present Bylaws.
4. The registered office of the Association will be in Cameroon, but its administrative offices may be in any member country, as provided for hereinafter.
5. The two official languages of the Association are English and French, and all official proceedings of, and actions taken by the Association, shall be recorded in both languages.
6. The Association is set up for an unlimited period.

ARTICLE II. OBJECTIVES

The objectives of the Association are:

1. To develop a network for the exchange of experiences and information on the practices of financing road maintenance in Africa and the operation of the funds themselves;
2. To encourage the promotion and strengthening of ties between road maintenance funds in Africa;
3. To work for the strengthening of capacities of existing structures;

4. To provide support to nascent structures;
5. To promote the sound management of road maintenance funds;
6. To promote an efficient public/private partnership in order to provide the best conditions for the mobilization of resources for road maintenance;
7. To strengthen cooperation with partners in development;
8. To ensure the sustainability and the harmonious development of road maintenance funds.
9. To reconfirm and fulfill the aims and objectives of ARMFA as set forth in the Libreville Charter.

ARTICLE III – ORGANIZATION; MEMBERSHIP

The organs of the Association are:

1. The General Assembly,
2. The Executive Committee; and,

any other bodies which may be created pursuant to these Bylaws by the General Assembly.

1. The GENERAL ASSEMBLY

1. Voting Rights.

a. The General Assembly is composed of all RMF's, which are accepted as members of the Association in accordance with any conditions, financial or otherwise, determined by the General Assembly.

b. As used herein and subject to the fulfillment of its obligations as provided in Article III.1.1.e hereof, any RMF, on behalf of which the Libreville Charter was signed, is hereby a member of the General Assembly.

c. Each member of the General Assembly also referred to hereinafter as a "Member", shall have one seat, and consequently, one vote.

d. The chief executive officer of each RMF is the representative of the said RMF's to the General Assembly (referred to hereinafter as the "Representative").

e. Failure by any RMF to pay any dues or agreed-upon assessments, when due, shall cause it to lose its voting rights in the General Assembly.

2. Meetings.

a. The General Assembly shall meet at least once every year physically or as otherwise provided herein or in any Internal Rules that it may enact. Annual General Assemblies shall be held one year after the first General Assembly and in that month each year or as soon thereafter as possible, and wherever feasible, also in coordination with the yearly meetings of the Road Managers and Partners Association (AGEPAR) or any other organ which succeeds it.

b. Written notice of meetings of the General Assembly must be given no less than thirty (30) days prior to such meeting. The said notice shall state the purpose(s), day and hour of the meeting, the location where applicable, and who convenes the meeting.

c. Any meeting of the General Assembly, physical or otherwise may be held in any place or member country.

d. The meetings of the General Assembly may be held in any manner, including by a physical meeting, audio conference, video-conference or combination thereof, or by "virtual conference" (consisting of successive electronic messages and discussions among all Members, whereby the messages and discussions are concluded by a formal vote by electronic or other means, subject to any Internal Rules of the Association which may be enacted in accordance with these Bylaws).

e. Meetings of the General Assembly are convened by the President of the Association, either on his/her own initiative after consultation with the other Members of the Executive Committee, or may be convened by any Member of the General Assembly with the approval of no less than one-third of the Members who are entitled to a vote.

f. Notice of meetings of the General Assembly must be given in writing, by mail, by facsimile or by e-mail with written proof of transmission.

g. At all meetings of the General Assembly, the quorum shall be a majority of the voting Members.

h. The President of the Association shall preside at all meetings of the General Assembly. In the absence of the President, the First Vice President shall preside. In the absence of both, the second vice President shall preside. In the absence of all three, the General Assembly shall, by majority vote of those eligible to vote, select a chairman of the meeting from among its members.

i. Any Representative may give to any other Representative his/her written and signed proxy to vote at any meeting of the General Assembly on his/her behalf, provided that the proxy specifically identifies the matters to which it relates. No proxy shall be valid for more than one meeting of the General Assembly.

j. The General Assembly may enact internal rules and regulations by a simple majority vote.

3. The General Assembly shall:

a. Elect and dismiss the members of the Executive Committee.

b. Receive and adopt the report of the Executive Committee on the activities of the Association.

c. Examine and approve the activity program and all appropriate actions for achieving the objectives of the Association.

d. Determine the rate of the contributions of the Members upon the proposal of the Executive Committee. All contributions shall be expressed in US Dollars.

e. Receive and adopt the report(s) of the internal and external auditors on the financial situation of the Association.

f. Approve the budget for the forthcoming year.

g. Examine and approve, at the request of the Executive Committee, the applications of new membership.

h. Establish, where necessary, any internal rules and regulations relative to the operation of the Association and the conduct of the General Assembly and/or the Executive Committee.

4. All decisions of the General Assembly shall be taken by a majority of Members present and entitled to vote. The term "present" used herein to qualify Members during a vote at a meeting applies generally also to the absent Members who have given to a present Member a valid proxy to vote which is applicable to the subject of the vote.

5. Any action to be taken at a General Assembly may be taken without a meeting provided that all the members of the General Assembly consent and sign a document to this effect in English and in French.

6. The deliberations of the General Assembly are recorded in a special register, in English and in French, kept by the Executive Committee. Where voting by electronic and/or written means concludes a virtual meeting, printed copies of all votes from all Representatives shall be made and kept in the special register.

2. THE EXECUTIVE COMMITTEE

- 1.** The Executive Committee, the administrative body of the Association, is responsible for all operations of the Association.
- 2.** The Executive Committee establishes the Association's budget and keeps its accounts. It receives approval for of its activities from the General Assembly and submits the budget and accounts to the General Assembly for approval.
- 3.** The Executive Committee may at any time, establish such committees, as it may deem necessary to undertake works or studies in connection with the programme of activities adopted by the General Assembly.
- 4.** The members of the Executive Committee are elected for two years by a majority vote by the General Assembly.
- 5.** The Executive Committee is made up, by ranking order, of a President, two vice-Presidents, an internal Auditor and any other elective office of the Association that the General Assembly may decide to create.
- 6.** These positions are attributed to the RMF members, but are filled by their Representatives.
- 7.** No member may hold office for more than one term in any elective position of the Association, nor may he serve unless he is still the Representative of the RMF holding the position.
- 8.** If the Representative of a RMF holding an elective position within the Association resigns or is replaced as the chief executive officer of the RMF, the position will be filled by the replacement for the rest of his mandate.
- 9.** The President of the Association shall preside at all meetings of the Executive Committee. In his/her absence, the First Vice President shall preside. In the absence of both the President and the First Vice President, the Second Vice President shall preside.
- 10.** A quorum for the Executive Committee meeting is two members. All its decisions shall be taken by a majority of members present, the president having a casting vote.
- 11.** The deliberations of the Executive Committee are recorded in English and in French in a special register kept by the President.

12. Any action to be taken at an Executive Committee meeting may be taken without a meeting provided that all the members of the General Assembly consent and sign a document to this effect in English and in French.

13. The President of the Association shall be from a French-speaking or English-speaking country for a period of two years, starting with the initial meeting of the Association in Lome in 2004, and shall thereafter alternate between French-speaking and English-speaking countries every two years.

14. At all times, at least one of the officers of the Executive Committee shall be from a French-speaking country, and one from an English-speaking country.

15. Any member of the Executive Committee may be removed by two-thirds majority vote of the General Assembly at any time.

16. The Executive Committee shall meet at least once every three months, either in person, by audio conference, videoconference, or any combination of the foregoing, or by a virtual conference.

17. Notice for meetings of the Executive Committee shall be given in writing, and received no less than ten (10) days in advance and may be given by mail, by facsimile or by e-mail with written proof of successful transmission.

18. The President of the Executive Committee is responsible for organizing meetings and preparing the agenda. He establishes the reports of the meetings. The President has the power to make financial arrangements and commitments and to make payments on behalf of the Association. The first Vice President is vested with the same powers in case of the withdrawal of the RMF holding the presidency of the Association.

19. The internal Auditor verifies the accounts of the Association, prepares the financial reports and presides over the handing over between the out going and the incoming Presidents. He may recommend the services of an independent external auditor.

20. The Executive Committee may carry out external consultations on any matter of interest to the Association.

ARTICLE III. - THE LEGAL OFFICE AND SECRETARIAT OF THE ASSOCIATION

1. The registered legal office of the Association shall be in Cameroon. The functional headquarters and common address of the Association shall be the headquarters of the RMF holding the Presidency during its term of office.

2. This RMF holding the Presidency shall be responsible for the secretariat.
3. In case of succession, the RMF leaving the Presidency shall be accountable to the Association for handing over to the incoming President, all operations of the secretariat, and especially of the properties and archives of the Association and all documentations, including all data, accounting documents and computer files to its successor at the Presidency. This handing over could comprise successive steps, subject to agreement of the new President, and shall result in a final handing over note. The same procedure shall be followed in the case of succession within the RMF.

ARTICLE IV. - THE FINANCES OF THE ASSOCIATION

1. The finances of the Association come from all legal sources, including the contributions of Members, subventions, gifts and legacies. These funds shall be deposited in the Association's bank account opened in any bank in any member country as shall be in accordance with the appropriate laws and in keeping with the decision of the Executive Committee.
2. The President manages the funds of the Association, as directed by the Executive Committee.
3. The Association settles expenses related to all its actions as provided for in the budget approved by the General Assembly, or upon its approval on a case-by-case basis notably the organization and holding of periodic seminars, any publications, the running of the Executive Committee, and any other activity approved by the General Assembly, except for transportation and lodging costs of Association members resulting from any statutory meetings of the Association. The latter are the responsibility of each Member.
4. The President of the Association and the internal Auditor ensure that Members pay their contributions within the time fixed for this purpose.
5. The annual accounts of the Association shall be audited by the internal Auditor and eventually by the external auditor(s), who shall submit their report to the Executive Committee for examination by the General Assembly.
6. In the following cases, the President must retain one or more independent external auditors:
 - a. upon the recommendation of the internal Auditor;
 - b. upon the request of a majority of the General Assembly; or,
 - c. if an agreement between the Association and some partner(s) makes it mandatory.

ARTICLE V. OBLIGATIONS OF MEMBERS

1. The Members of the Association shall pay their contributions within the time prescribed by the General Assembly, starting from a special notice of collection to be sent by the President to all Members after the approval of the budget.
2. Members shall supply the Executive Committee with all information needed for achieving the objectives referred to in Article II of the Bylaws.
3. A Member which decides to withdraw from the Association shall inform the President of the Association by registered mail signed by its Representative. A member of the Executive Committee who decides to withdraw from the Association shall inform all members of the Association by all means leaving a trace.
4. The withdrawal shall take effect one month after the receipt of the registered letter by the President of the Association.
5. Any resigning Member shall promptly pay to the Association any contributions, which may be due for payment at the date of its final departure.

ARTICLE VI. – DISSOLUTION; LIQUIDATION

The Association may be dissolved by unanimous decision of its voting members taken at an extraordinary meeting of the General Assembly, specially convened to this effect after due notice. In such a case, the General Assembly shall designate a liquidator, who shall see that all debts and accounts of the Association are paid, that all legal requirements are satisfied, and that any remaining funds or properties are paid/transferred to one or more charitable organizations.

ARTICLE VII - AMENDMENTS

Any amendment of these Bylaws and the adoption of any internal rules and regulations of the Association shall require a two-third majority vote of the General Assembly.

ARTICLE VIII - ENTRY INTO FORCE

These Bylaws shall enter into force upon their adoption by the Constitutive Assembly of founding Members whose Representatives append their signature thereto. The original of the Bylaws shall be deposited in the courts of the legal headquarters of the Association and the copies distributed to all members.

Annex A

The Libreville Charter

THE CHARTER OF THE ASSOCIATION OF AFRICAN ROAD MAINTENANCE FUNDS (ARMFA)

1. The African Road Maintenance Funds Association, ARMFA, is a professional association of Road Maintenance Funds, RMF (or similar organizations) represented by their executive officials. Consequently, the decision to adhere to ARMFA belongs to each RMF (or equivalent) which wishes to become member. This adhesion does not in itself engage the responsibility of their countries nor that of partners or administrative supervisors within the country.
2. Meanwhile, all requests for adhesion implies that the local situation for financing road maintenance in the country concerned is effectively in keeping with the movement of institutional progress which animates all action of the association, that is, the commercialisation of the road as specified hereinafter.
3. Thus ARMFA regroups at the same time:
 - a) second generation RMFs;
 - b) financial organizations playing a similar role but not necessarily having all the fundamental characteristics. This is on condition that a reform process in the direction of commercialisation of the road is effectively engaged or in the process of being engaged in their countries. This political intention must at least have been expressed by the public authorities of the country, in one way or the other.
4. The respect of the conditions mentioned above is based on the good faith of the organizations requesting adhesion.
5. Regarding road and road maintenance financing, the basic principles, that should motivate the activities of the association are the following:
 - 5.1. The ultimate objective, as regards transport, is to ensure access to services and mobility at affordable prices. Road transport is to be seen as a necessary service for economic development and poverty reduction;
 - 5.2. To this effect, countries should put in place and sustain:
 - A conducive policy framework for the development of the road network and its maintenance;

- A suitable financing strategy;
- Appropriate institutional arrangements; and,
- Robust monitoring and evaluation arrangements of the execution of road maintenance works ;

5.3. Policies must be comprehensive – must cover all networks, community, rural, urban and main – with due regard to their sustainability;

5.4. Road programs must be designed and carried out with regard to cost effectiveness and value for money for end users;

5.5. Maintenance of existing road infrastructure assets in maintainable condition must always be given priority in programs;

5.6. Institutional arrangements must ensure efficiency and business-orientation as well as provide for decisions to be made at the most appropriate level (stakeholders must be involved in decision making at all levels and institutions must benefit from adequate funding for operations);

5.7. Policy and programs must be adopted and carried out in a transparent manner, with a presumption always in favor of disclosure of information with particular regard to policy statements, program documents, institution audited accounts etc.;

5.8. Financing strategies will be elaborated on the following basis:

(a) that direct and/or indirect road user charges should fund at least the routine and periodic maintenance of the maintainable network including rural roads;

(b) that budgetary resources and available external resources should cover economically viable rehabilitation, upgrading and new construction;

(c) that local governments and councils should contribute to both the maintenance and rehabilitation of their networks.

6. Mutual assistance at professional level, within the association, should benefit as a priority to the member organizations involved in such reform processes, whether they are creating a new “second-generation” RMF or restructuring an existing “second-generation” RMF in accordance with the above principles.

Libreville, Gabon, December 18th, 2003