

N° 004 june 2022



MINEPAT NEWS MAGAZINE

INVESTMENT

PNDP : Nearly 7000 projects for the benefit of the Communes

MACROECONOMICS

The 2021 indicators

INFRASTRUCTURES

it's rolling... on our axes

NDS30 AND IMF PROGRAM...

On the two-lane highway...of growth

LOCAL PRODUCTION

The art of transforming the fibers of banana tree trunks into wicks

DISCOVERY

The first car
100% made in Cameroon



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REASONS FOR INVESTING IN CAMEROON



**MINISTRY OF THE ECONOMY,
PLANNING AND REGIONAL DEVELOPMENT**



The exceptional experience of social peace and political stability in Cameroon makes the country a real haven of peace.



A State with its regulatory activities serving private investments at the forefront of the economic system.



The existence of an Investment Charter at the service of a market economy as mode of organisation. The Investment Law of 18 April 2013 stands to supplement this legal mechanism by providing considerable tax exemptions.



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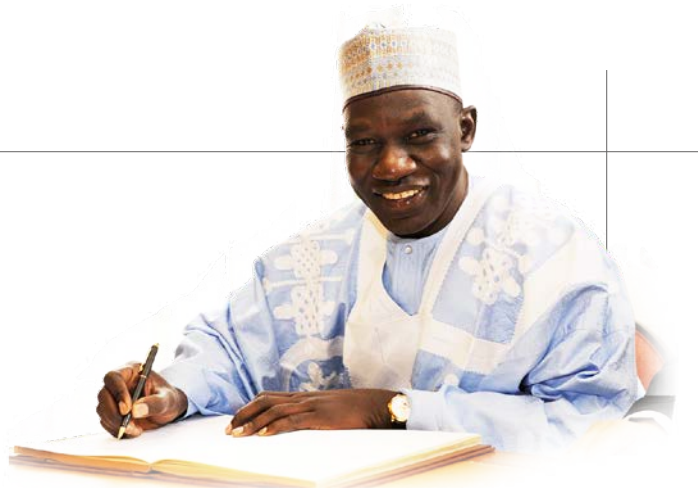
Modern communication and telecommunications infrastructure.



A unique strategic position at the heart of the Gulf of Guinea with gateways to ECCAS and ECOWAS. A vast market open to investors.



2022... The Signs of Hope!



Cameroon started the year with celebrations. For almost a month, from 9 January to 6 February 2022, the spotlight was on our country for the 33rd edition of the African Cup of Nations. Beyond the stadia, the AFCON was also a business event. In the host cities (Yaounde, Limbe, Buea, Garoua, Douala), the infrastructures built in anticipation of this event (stadia, roads, tourist sites, etc.), remain important assets to be capitalised on for the benefit of urban development. The same goes for the private sector, which should use this as a “lever” to get back on track after the shock wave created by Covid-19, which seriously slowed down the pace of economic activities throughout the country.

Thus, there are now good reasons to hope. This year, Cameroon is starting out on a new path of endogenous growth. Projections of the real Gross Domestic Product are based on a growth rate of 4.2% in 2022, against 3.5% in 2021 and 0.5% in 2020. In the same vein, the budget balance, estimated at -3.2% at the end of 2021, is projected at -2% in 2022. The current account balance should also improve significantly.

This satisfactory performance, despite the adverse effects of the unprecedented health crisis linked to the Coronavirus pandemic, coupled with the security crises in the North-West, South-West and Far North regions, is the result of the courageous measures taken by the Government, with the support of development partners and the Nation's active forces. These measures are part of the implementation of the national strategy for the Covid-19 response and for economic and social resilience. The said strategy, reinforced by the recommendations of the Extraordinary Summit of Heads of State and Government of the Central African Economic and Monetary Community (CEMAC) held in August 2021 in Yaounde on the initiative of the President of the Republic, H.E. Paul BIYA, made it possible to save human lives, curb the spread of the pandemic, mitigate its social and economic impacts and put in place the conditions for a quick revival of economic activity.

In this context and in line with the orientations of the National Development Strategy 2020-2030, the public authorities negotiated and concluded

in July 2021 with the International Monetary Fund (IMF), an Economic and Financial Programme for the period 2021-2024, supported by the Extended Credit Facility and the Extended Fund Facility. Taking into account the achievements of the first Programme 2017-2019, this new “Second Generation Programme” reaffirms the commitment of the State authorities to strengthen the restoration of macroeconomic balances. Above all, it aims to be in line with the issue of the structural transformation of our economy towards greater industrialisation. To this end, the private sector will have to legitimately take its place in the value chain for a rapid and effective implementation of the import-substitution policy. This is the meaning of the words of the President of the Republic, H.E. Paul BIYA, who, in his address to the Nation on 31 December 2021 said: “If we have to meet the growth challenge, we must strive to reduce our imports and increase the volume of our exports by boosting domestic production.” In this spirit, ambitious reforms to improve the business climate will serve as a catalyst.

However, it remains necessary to stay vigilant to the development of new variants of Covid-19, by respecting barrier measures and resorting to vaccination, in order to allow the Government's efforts to be more oriented towards the development of economic activity. Our priorities include synergy of actions in the continued implementation of the Presidential Plan for the Reconstruction and Development of the North-West, South-West and Far-North Regions, the acceleration of the decentralisation process, with increasingly sustained support for the Regional and Local Authorities, in order to turn them into important growth poles at the regional and local levels. Above all, we are going to pool our energies for the continued implementation of the National Development Strategy 2020-2030, a project that we all share, and whose success will be achieved with each and every one of us.

Alamine OUSMANE MEY

Minister of the Economy,
Planning and Regional Development

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Alamine Ousmane Mey, Minister of
Minister of the Economy, Planning
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with an atypical career



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CONSTRUCTION OF THE RING ROAD

Cameroon receives CFAF 106 billion from the AfDB for the

This loan agreement was signed on 18 June 2021 in Yaounde between the Minister of the Economy, Planning and Regional Development, Alamine Ousmane Mey and the Director General of the African Development Bank for Central Africa, Serge N'Guessan.

It was a giant step that was taken on 18 June 2021 towards the construction of the ring Road, the trunk No. 11. The CFAF 106 billion accounting for the second instalment to partially finance this road, will be effectively allocated to rehabilitate and asphalt this special road. With a total length of about 365 km, the Ring Road interconnects five of the seven divisions of the North-West Region and forms a loop (Bamenda-Bambui-Ndop- Babassi-Kumbo-Nkambe-Misaje-Nyos-Wum-Bafut-Bamenda) with a connection to the Nigerian border from the Misaje locality. According to the Minister of the Economy, Planning and Regional Development, this integrating project is multi purposeful. From a political standpoint, the construction of the Ring Road is an evidence of the implementation of the Major National Dialogue recommendations. This is further proof of the commitment and determination of the President of the Republic of Cameroon to rebuild the regions af-

« The construction of the Ring Road is further proof of the commitment and determination of the President of the Republic to rebuild the regions affected by the socio-political and security crises... »

ected by the socio-political and security crises.

From an economic standpoint, this road will not only open up the agricultural, forestry and pastoral production zones but also, the rich tourist potential of the North-West region. From a social standpoint, the project implementation zone will be equipped with socio-economic infrastructure such as schools, storage facilities for agricultural products and multifunctional centres for the empowerment of youth and women. Some towns benefiting from this project will enjoy urban and access roads. From a financial standpoint, the second instalment of CFAF 106 billion granted to Cameroon after the first half of about CFAF 12 billion in 2019 used to finalise technical studies, accor-

ding to Alamine Ousmane Mey, reveals the confidence that the AfDB places in our country as far as finances are concerned.

The AfDB Director General for Central Africa, Serge N'Guessan, expressed his hope that the population would effectively benefit from this infrastructure which will consolidate peace and development of the North-West and interconnection with Nigeria. He equally recalled that out of CFAF 167.3 billion, total cost of the project, the AfDB is contributing CFAF 117.8 billion, representing 87% of the total cost. The Africa Growing Together Fund (AGTF), a trust fund for cooperation between the AfDB and China, will provide CFAF 27.9 billion, and the Cameroonian government will complete the remaining CFAF 21.54 billion.





The Ring Road construction project is part of the vast transport sector support programme, which received support from the AfDB after financing the Batchenga-Ntui-Yoko-Lena road and the rehabilitation of the Yaounde-Bafoussam-Babadjou road. As far as the AfDB's active portfolio in Cameroon is concerned, it is one of the largest in Central African sub-region, with 32 operations for a cumulative commitment of about CFAF 1,500 billion.

Rosine Nkonla Azanmene



RECONSTRUCTION OF THE NORTH WEST AND SOUTH WEST REGIONS

Support from **the private sector**

The Société Anonyme des Brasseries du Cameroun (SABC) and the Groupement des Industries Meunières du Cameroun (GIMC) have supported the Presidential Plan for the Reconstruction and Development of the North West and South West Regions (PPRD/NOSO) with about CFAF 1.2 billion.

The United Nations Development Programme (UNDP), implementing partner of the Presidential Plan for the Reconstruction and Development of the North-West and South-West Regions, signed two financing agreements for a total amount of 1.2 billion CFA Francs on Friday, November 26, 2021, with the Cameroon Brewery Company (SABC) on the one hand and the Groupement des Industries Meunières du Cameroun (GIMC) on the other hand. This was under the chairmanship of the Prime Minister, Head of Government, Joseph Dion Ngute, in the presence of several members of the government and the National Coordinator of the PPRD/NOSO, who doubles as Minister Delegate in the Ministry of the Economy, Planning and Regional Development (MINEPAT), Paul Tasong.

This major contribution from the private sector of CFAF 1 billion for the SABC and CFAF 200 million for GIMC, is intended for the rehabilitation of schools and health centres. The aim is to improve access to basic social services destroyed in the crisis in the North-West and South-West regions. This resource will equally be used to revive the agricultural production and recovery of very small businesses that were affected by the crisis. For the Minister Delegate in MINEPAT, "the materialization of the Private Sector commitment to the reconstruction of



« The emergence of Cameroon will not be achieved without the North West and South West »

the Regions affected by the crisis is a source of great satisfaction, as it reflects the active solidarity of Cameroon companies towards the population".

On behalf of the government, Paul Tasong thanked Emmanuel De Tailly, Director General of the SCBC, and Célestin Tawamba, President of GIMC for this gesture which magnifies the excellence of the Public-Private Partnership. The latter equally invited other private companies to get involved in this reconstruction process, because according to Emmanuel De Tailly,

"we will not achieve emergence in Cameroon without the North-West and South-West". The convention signing ceremony of November 26, 2021 was therefore an opportunity to present the first initiatives of the private sector, in response to the call made by the Prime Minister, Head of Government on May 18, 2021 in Douala, towards the actors of this sector, to support the economic recovery efforts in the NOSO.

Joceline Assoumou

IMF/WORLD BANK ANNUAL MEETINGS

Alamine OUSMANE MEY: Spokesman for Cameroon

The Minister of the Economy, Planning and Regional Development, Governor of the World Bank for Cameroon, spoke on 12 October 2021, during the first virtual meeting of the World Bank's Africa II Group.



The meeting was chaired by the Minister of Finance and Budget of Comoros, KAMALIDINI Souef. In his capacity as Chairman and representative of the Africa II Group on the World Bank's Development Committee he reunited the Governors and Executive Directors of the World Bank Group and the International Monetary Fund for the Africa II region. It enabled participants discuss the management of the World Bank's portfolio of projects in the Africa II region, and the proposed creation of a trust fund for resilience and sustainability. It was evident that among the emergency interventions pursued by the World Bank in 2021, was the fight against the spread of the Corona virus pandemic through the provision of vaccines for developing countries and those in Africa in particular, where the rate of immunisation coverage is still very low. At the same time, Post-COVID-19 economic recovery and reconstruction actions centered on resilience and inclusion have

carried out, as well as the search for equity in the energy transition.

Energy transition

On this last aspect, the World Bank Governor for Cameroon, Alamine OUSMANE MEY, highlighted the need to carry out reinforced advocacy in favour of energy and gas, to reduce energy deficit. He also hoped that the ambitious reconstruction of the IDA20 underway would continue to reach the 100 billion dollars requested by the African Heads of State. MINEPAT also reiterated the wish to see the Bretton Woods institutions finance the vaccine against COVID-19 and to make poor countries easily get access to medicines without which the search for collective immunity in all States could not allow the reopening of borders in complete safety.

During this meeting, the Chair of Africa Group II presented the progress made since the spring meetings in March 2021. These include the reallocation of Special Drawing Rights (SDRs) leading to the creation

of new trust funds anchored on resilience and sustainability, the replenishment of IDA20 resources, to get developing countries back on track towards achieving the 2030 Agenda of the SDGs.

On the global economic outlook which shows a recovery of 5.9% in the global growth rate in 2021 according to IMF predictions, the President of the World Bank's Africa II Group said the pandemic has severely undermined the catching up dynamics of poor countries with respect to rich countries, with remarkable negative effects on jobs and incomes whose loss shall not be compensated for by 2022.

He took advantage to call on countries to pay their statutory contributions while insisting on the need for the Bretton Woods Institutions to support African countries in the energy transition, in line with Paris climate agreement.

Romuald Akoa Zoé

FRANCE-CAMEROON COOPERATION

201 billion CFA Francs for the implementation of NDS30

Four Financing Agreements signed on February 4, 2022 by the Minister of the Economy, Planning and Regional Development, Alamine Ousmane Mey, the French Ambassador to Cameroon, Christophe Guilhou and the Director General of the French Development Agency, Remy Rioux, on a visit to Cameroon. The ceremony was chaired by the Prime Minister, Head of Government, Joseph Dion Ngute.



Urban Mobility

The resources made available within the framework of the allocation conventions of the third C2D, are also granted within the framework of the execution of the Urban Modernisation Programme particularly to improve urban mobility sanitation. Thus, the "Yaounde, Heart of the City" Project aims to substantially improve mobility in priority areas of the capital such as Elig-Effa, Elig-Edzoa, and Mvan roundabouts. It will equally include the development of green spaces, the construction of pedestrian paths and the reconstruction of urban transport network.

The "Regional Capitals II" project for the cities of Maroua and Bamenda follows up from the 'Regional Capitals I' project, implemented in the cities of Garoua, Bertoua and Bafoussam and, contribute to make the beneficiary cities more attractive. In his speech, the Minister of the Economy, Planning and Regional Development, Alamine Ousmane Mey, noted that these important financial contributions made available to Cameroon by France, will certainly accelerate the implementation of the National Development Strategy 2020-2030. These commitments are for MINEPAT a significant financial scale, and evidently testify to vitality and excellence in the ties of cooperation and friendship between Cameroon and France.

Rosalie Akélé

The first part of the agreement was a Multi-Tranche Framework Agreement from 2022 to 2024, amounting to 150 million euros, i.e., about CFAF 98.4 billion under the Budget Support Loan (PSB), together with the loan agreement for the 2022 package amounting to 70 million euros, i.e., about CFAF 45.92 billion. The second part of the agreement is the allocation agreement of the third C2D amounting to 66.5 million euros, i.e., about CFAF 43.624 billion intended to finance the "Yaounde, Heart of the City", Project, and finally the allocation agreement of the third C2D

« This financial support will help stabilize the budgetary framework for the current fiscal year. »

amounting to 90 million euros i.e., about CFAF 59.04 billion, intended for financing the "Regional Capitals" of the Cities of Bamenda and Maroua-Phase of Works' Project. Through the financial assistance granted under the multi-tranche Framework Agreement for Budget Support Loans, the new Economic and Financial Programme of Cameroon would benefit from a loan of CFAF 45.92 billion as of 2022. This financial support would make it possible to stabilise the budgetary framework for the current financial year.

POST-COTONOU NEGOTIATIONS

Opportunities for Cameroon

These opportunities were presented on 5 February 2022 in Yaounde during the second ordinary session of the Cameroon-European Union structured political dialogue.

Chaired by the Minister of External Relations and co-chaired by Minister of the Economy, Planning and Regional Development, this session enabled both parties to exchange views on prospects for cooperation vis-à-vis the new post-Cotonou agreement, known as 'Samoa Agreement', to be signed before the end of 2022. Cameroon authorities were briefed on the legal procedures to be followed for the ratification of the Samoa Agreement, as well as the opportunities offered by the latter in terms of investment, industrialisation, trade cooperation, human capital and private sector development...Areas which coincide

with the objectives of the National Development Strategy adopted by the government for the period 2020-2030 (NDS 30). Following this exchange, the Minister of the Economy, Planning and Regional Development was mandated to reflect on the establishment of sub-committees in charge of specific topics to enable Cameroon, an active participant in the negotiations of the Samoa Agreement, to benefit more from this instrument of cooperation. The second session of the structured political dialogue equally provided a platform for both parties to implement the recommendations of the June 2021 session on security and environmental challenges. While

commending Cameroon's commitment and sacrifice to fight terrorism in the Lake Chad Basin and the Gulf of Guinea, the Head of the EU Delegation in Cameroon reaffirmed the readiness of his institution to further support Cameroon alongside the Multinational Joint Force to curb violent extremism in the sub-region and consider the establishment of basic social services. The EU is as well concerned about the socio-economic situation in the northern part of the country. It has therefore decided to enhance its activities in this part of the country through the "Green and Resilient North" project, launched on 9 February 2022 in Garoua

Adonis Abondo



THE GUEST



ALAMINE OUSMANE MEY

“The State will have more room for manoeuvre to pursue its programme in terms of financing public investment projects”

Mr Minister, you attended the last CEMAC summit by videoconference. What is your take?

I would like to acknowledge from the outset that the Extraordinary Summit of CEMAC Heads of State organised on 18 August 2021 was a success. It was the first CEMAC Summit in virtual format. And Cameroon, under the leadership of its President, H.E. Paul BIYA, succeeded in organising this event in the most satisfactory manner. Moreover, the participation of our Head of State's peers, notably the special guests from the International Monetary Fund (Kristalina Georgieva, Managing Director), the World Bank (David Malpass, President) and the African Development Bank, reinforced this. We experienced a moment of diplomatic splendour and organisational success. Better still, what should draw our attention even more are the strong resolutions that were taken to continue on the way towards emergence at the level of our sub-region, with the valuable support of our partners who obviously reiterated their commitment to support the Community, Cameroon, which signed last July a Programme with the IMF, as well as Gabon. All these elements allow us to say that the 18 August 2021 Summit was of vital interest.

You spoke of special guests... Observably the presence of development partners gave rise to some interpretations?

Let us be clear: Partner means "with you". I must admit that the invitation of the Head of State, followed by their presence at this summit, can only honour us. Better still, the contributions made by our partners at this level were greatly appreciated, as the final communiqué shows. The economic and financial projects we are undertaking

need financial support. The deficit that BEAC has established for the year 2021 alone is CFAF 3,000 billion. The fact is the IMF provides its support to help restore our balance-of-payments equilibrium, while the other partners support us in terms of budgetary support and also in financing projects that will contribute to the implementation of our economic reform programmes and lead to much stronger growth to move towards greater inclusion and shared prosperity.

So, is this philanthropy?

It is not, because it is of course financing, but on one condition: it is granted to us for sufficiently long periods of time, over 40 or even 50 years, and at almost zero interest rates. That is why it gives us the opportunity to equip ourselves, to strengthen our production capacities, to improve our living conditions, the quality of our human resources and to pursue our development by benefiting from this financial sup-

port. The World Bank, as well as the IMF, is like a knowledge bank, because it covers many countries around the world and is involved in the implementation of several reforms. The expertise collected is used by countries that need it. That is why I said earlier that the structural reforms we need to speed up our structural change would benefit from this support. This was done in 2016, within the framework of our economic and financial reform programmes, and will continue with greater emphasis on human capital, social development and the preservation of several priority principles, to achieve a gradual consolidation that will enable our economies to return to the growth path.

One of the items in the final communiqué, which you read out on 18 August 2021, refers to the strengthening of external monetary policy geared towards greater stability and the strengthening of the currency's stability. What does this mean?

"The World Bank as well as the IMF, are similar to a knowledge bank, knowledge, because it covers several countries in the world and is involved in the implementation of several reforms."

THE GUEST



I mentioned earlier the context in which the 2016 Extraordinary Summit took place. It was somewhat dictated by the fragility of our external position, which was reflected in our declining foreign exchange reserve position. At this summit, the Heads of State therefore reaffirmed their desire to have a stable and strong currency, which is the basis of our monetary policy. Stable so that there is no apprehension about a possible currency adjustment. Strong because our Heads of State are betting much more on internal competitiveness, that is the drop in costs of production factors. That is why I think that in 2019, our Heads of State said exactly what they wanted so that the in-depth reflections that

In terms of financial integration, we should welcome the merger of our stock exchanges with, to date, a single market, a single regulator and a single securities holder.

have been requested continue to take place with a view to creating the best possible framework for a monetary cooperation with France.

Mr Minister, let us now talk about the PREF-CEMAC Economic and Financial Reform Programme. Is there any reason to be satisfied with these achievements?

I would say yes, without hesitation. Because if we recall the five pillars I mentioned earlier, the PREF-CEMAC made it possible to ensure budgetary consolidation at the community level. It enabled, at the level of all monetary policy and the financial system, to restore balances, al-

though the Covid-19 pandemic had damaging consequences on these macroeconomic aggregates of the sub-region. In terms of financial integration, the merger of our stock exchanges should be welcomed with a single market, a single regulator and a single securities holder recorded to date. Having said that, I would not want to silence the fact that economic diversification is one of the pillars through structural reforms and international cooperation, in the sense of moving all the countries of the sub-region towards the programme with the IMF. The last pillar, integration, deserves to be accelerated and consolidated for a

better impact in terms of building the socio-economic development of the various countries.

There is a set of generous resolutions taken at the end of the Yaounde Summit... but as we can see, some of them are not new. Is there not a problem with their pace of implementation, if we take only the case of the free movement of goods and people?

It is clear that if we want to achieve the objectives set, we will have to speed up. While we can be satisfied with the developments that have taken place in certain areas, it must be said that some aspects deserve to be deepened and structurally transformed in order to better deal with the disruptions. Indeed, the pandemic has just shown us our structural inadequacies, our models which, as soon as the world experiences a disturbance, are suspended. It is clear that these aspects require that the countries of the sub-region move very quickly towards economic efficiency, structural reform, by improving the business climate. They must move very quickly towards partnerships with the IMF to consolidate their external position through the financing obtained and benefit from budgetary space to pursue their development plans. But if we do not do this at a more sustained pace, I would like to use the words of the President of the Republic who, with regard to the stock market, is asking for an increase in power. This only

"What was done in 2016, within the framework of our economic and financial reform programs will continue with more emphasis on human capital, social development and the preservation of several priority principles, to achieve a gradual consolidation that will allow our economies to return to the growth path."

Strong because our heads of state rely much more on internal competitiveness, i.e. lowering the costs of production factors.

reflects acceleration, so that the stock exchange can fully play its role. This is valid for the other aspects, in terms of improving our budgetary position, the quality of spending, reducing the budget deficit and of course, we need to export more, to have more fo-

reign exchange revenues and consolidate our external position. These are all aspects that deserve to be pursued.

Excerpt from the interview by Yves Marc Medjo, CR-TV-Présidence Actu-



NDS 30 FILE

**NDS 30/
Program with the IMF
On the two-lane
highway... of growth**

ON THE TWO-LANE HIGHWAY... OF GROWTH

The implementation of the NDS30, the new reference framework for Cameroon's economic and social development, occurred almost simultaneously with the launch of a new economic and financial programme (EFP) with the International Monetary Fund (IMF) for the period 2021-2024. As during the GESP period, the country has once again chosen to call on the support of its development partners. Is this a good move or is it detrimental to the target of the NDS30? The question continues to be the subject of much ink and spit in expert circles. According to Cameroon authorities, 'the reference framework of the programme's strategic orientations covers the four pillars of the NDS30, as well as the four core areas of the post-COVID-19 support and recovery plan'. There is therefore no need to doubt the NDS30. Moreover, over the period 2021-2024, the financing that will be disbursed

in favour of Cameroon under the three-year agreement with the IMF, will fill the gap identified in terms of resources to stimulate private sector investment and capture more from other capital holders. Money will be needed for the structural transformation of the economy; the development of human capital and well-being; the promotion of employment and socio-economic integration; and finally governance, decentralisation and strategic management of the state. These four pillars of the NDS30 can only be achieved through the implementation of solid and credible reforms, to which the government is resolutely committed. These are the same reforms that condition the disbursement of budget support to Cameroon. Past and future reviews are an opportunity to assess their level of implementation. This is to ensure that the Cameroon is on the right track.



IN SPITE OF SHOCKS...

On the two-lane highway... of growth

Cameroon intends to implement actions leading to the industrialisation of the country with the support of its partners. This is a cautious option as the health crisis has not finished unveiling all its variants...

The Cameroon economy slowly ended the year 2020. A 0.5% growth against a 3.5% in 2019, according to data from the National Institute of Statistics. 'This downturn can be attributed to the COVID-19 pandemic, which has led to a decline in trade and a disruption of economic activity, due to measures taken by countries to contain the spread of the disease', the INS explains. Thus, transactions between Cameroon and the rest of the world have indeed decreased by 19.4% at the end of 2020. The recession was avoided thanks to the positive recovery of the oil sector, cotton and rubber production, the revival of activities in the agro-food industry, financial services and information services and telecommunications. The trade balance deficit stood at CFAF 1 408.8 billion, down by CFAF 55.4 billion compared to 2019, due to the greater decline in imports relatively to exports.

On the markets, the general price level, according to the analysis of the inflation curve, was contained, after the fears raised by the outbreak of the global pandemic during the first half of the year, particularly during the months of April and May. As in 2019, the inflation rate was set at 2.5%, although inflationary pressures have since increased, fuelled by rising international commodity

prices and disruptions in global supply chains. Recent data on the poverty rate are contained in the NDS30. This document shows a slight decrease in this development indicator of 2.4 points between 2007 and 2014, from 39.9% to 37.5%. However, this is still below the expectations of the Growth and Employment Strategy Paper (GESP), which projected a poverty rate of 28.7% in 2020. In addition to this poor performance, inequalities have increased, as reflected by the Gini index, whose value rose from 39% in 2007 to 44% in 2014, reflecting an increase in the gap between the rich and the poor. The gap has been further widened by the health crisis.

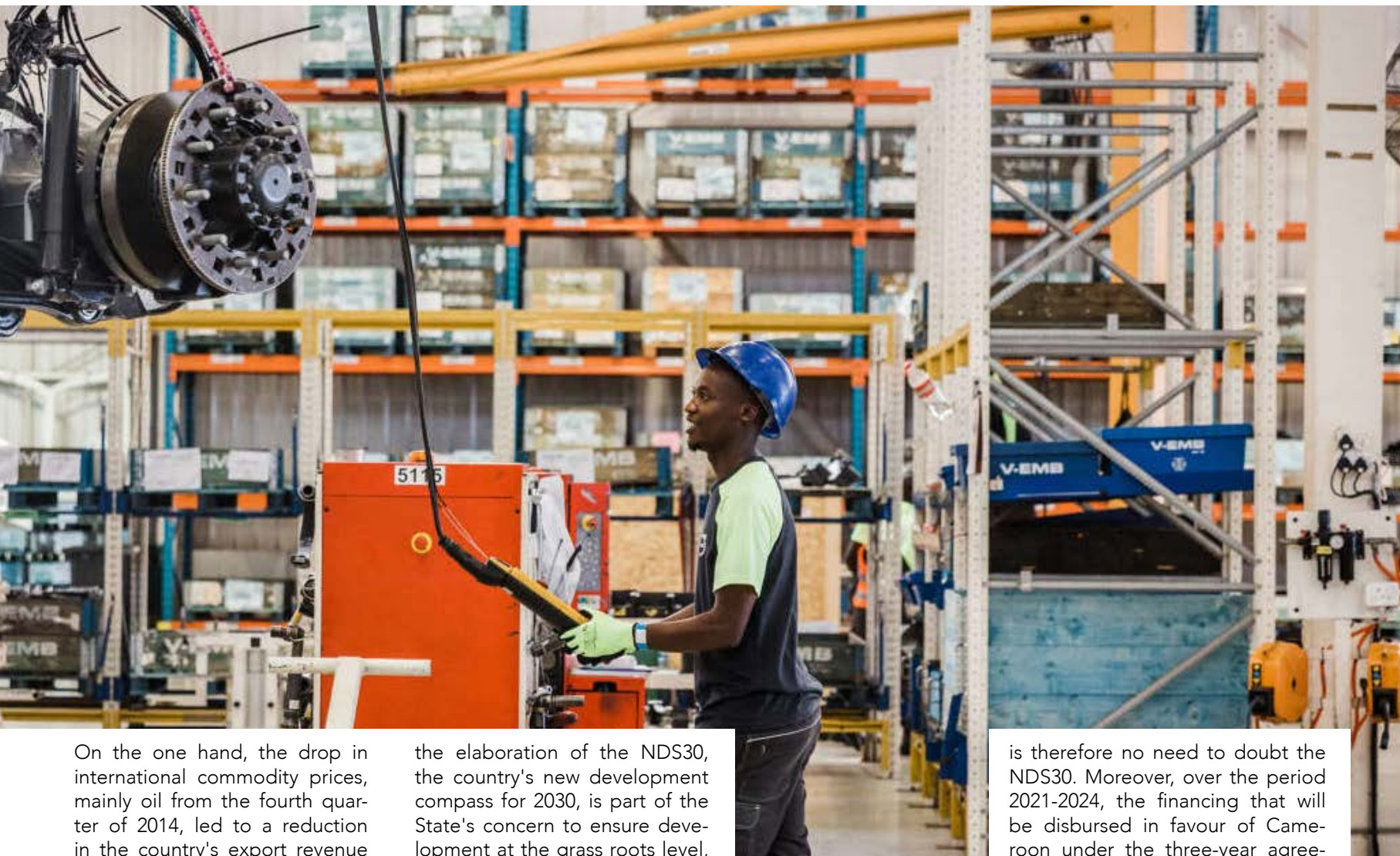
The debt...

With regard to debt, Cameroon has benefited from budget support amounting to about CFAF 310 billion and relief from the servicing of its external debt within the framework of the G20 initiative relating to the temporary suspension of debt servicing to the tune of about 124 billion francs,

without forgetting the multiform support of other countries and foreign partners. The National Sinking Fund (CAA) also reveals that the country has honoured its debt service payment commitments on time. At the end of 2020, Cameroon's outstanding public debt is estimated at CFAF 9 411 billion, representing 42.7% of GDP. This portfolio is made up of external debt (30.7% of GDP), domestic debt (12% of GDP) and endorsed debt (0.2% of GDP). A level of public debt that is 'controlled and monitored', according to CAA analysts. The risk of over-indebtedness identified at the time due to the peak of the 2015 Euro bond repayment over the period 2023-2025 cancelled thanks to the refinancing carried out in 2021.

Repeated shocks...

The performance of each of these indicators is more the result of the COVID-19 shock than that of a decade of planning under the GESP, from 2010 to 2019. During this period, Cameroon authorities had to deal with a double economic and security shock.



On the one hand, the drop in international commodity prices, mainly oil from the fourth quarter of 2014, led to a reduction in the country's export revenue and therefore in the resources available to carry out the identified projects. On the other hand, the socio-security situation in the Far-North, North-West and South-West regions, which has since threatened the balance, not without depriving the country of much of the wealth generated by these regions. Added to this is the management of refugees and its financial constraints. When COVID-19 broke out in the first quarter of 2020, Cameroon, despite the previous shocks, performed well given the prevailing situation, with growth of 3.5%, below the average of 5.5% targeted in the GESP. The results are mixed, and are sometimes challenged by certain observers who point to unmet objectives. Indeed, critics are quick to point out that a new paradigm in the conduct of public policies should ensure better living conditions for Cameroonians. The participatory approach that guided

the elaboration of the NDS30, the country's new development compass for 2030, is part of the State's concern to ensure development at the grass roots level, an essential path towards achieving inclusive development.

Perfect harmony
The implementation of the NDS30, the new reference framework for Cameroon's economic and social development, occurred almost simultaneously with the launch of a new economic and financial programme (EFP) with the International Monetary Fund (IMF) for the period 2021-2024. As during the GESP period, the country has once again chosen to call on the support of its development partners. Is this a good move or is it detrimental to the target of the NDS30? The question continues to be the subject of much ink and spit in expert circles. According to Cameroon authorities, 'the reference framework of the programme's strategic orientations covers the four pillars of the NDS30, as well as the four core areas of the post-COVID-19 support and recovery plan'. There

is therefore no need to doubt the NDS30. Moreover, over the period 2021-2024, the financing that will be disbursed in favour of Cameroon under the three-year agreement with the IMF, will fill the gap identified in terms of resources to stimulate private sector investment and capture more from other capital holders. Money will be needed for the structural transformation of the economy; the development of human capital and well-being; the promotion of employment and socio-economic integration; and finally governance, decentralisation and strategic management of the state. These four pillars of the NDS30 can only be achieved through the implementation of solid and credible reforms, to which the government is resolutely committed. These are the same reforms that condition the disbursement of budget support to Cameroon. Past and future reviews are an opportunity to assess their level of implementation. This is to ensure that the Cameroon is on the right track.

Josiane Tchakounté

NDS30/PEF

Reforms as a common denominator

They are the basis of the structural transformation of the economy set out in the new development compass spearheaded by the State of Cameroon with the financial support of its development partners, among others.

2022 marks year 2 of the implementation of the National Development Strategy 2020-2030 (NDS30), a new development planning tool for Cameroon, which sees itself as a new industrialised country with a projected growth rate of 8% on average over the implementation Strategy period. This 'year 2', the country started in a festive atmos-

"By requesting and negotiating a new Economic and Financial Program with the IMF, operational since mid-2021, the government has opted for continuity.

phere. The 33rd African Cup of Nations (AFCON Total Energies 2021) was behind us. It was also a business event, even if its implications were variously appreciated by economic operators. The fact remains that this event can be capitalised on by the private sector to get back on track after the shock wave caused by COVID-19, which seriously af-

fected the progress of economic activities throughout the national territory during the year 2020.

Stimulus

The health crisis is certainly not behind us, but Cameroon, comforted by the international outlook, is optimistic, with growth forecasts of 3.6% in 2021 and 4.2% in 2022. In his speech to the nation on 31 December 2021, the Head of State, Paul Biya, declared: 'the persistence of the health crisis linked to the COVID-19 pandemic has not made us lose sight of the course we have set ourselves, within the framework of our National Development Strategy for the period 2020-2030'. This reality was made possible by four main factors: the continuous implementation of overarching projects, the sustained mobilisation of non-oil revenues, internal budgetary recovery measures and the support of development partners.

By requesting and negotiating a new Economic and Financial





Programme with the International Monetary Fund (IMF), which has been operational since mid-2021, the government has opted for continuity. After the virtual discussions held between the IMF staff and Cameroon authorities from 2 to 22 December 2021 under Article IV and the first review under the Extended Credit

Facility (ECF), a disbursement of about \$115.7 million is awaited. In the communiqué issued on this occasion, IMF encourages authorities 'to accelerate reforms to unlock the economy's potential'. The efforts made internally through structural reforms that have led to important changes in public finance

management, budget execution formulation, public procurement, capital expenditure management, cash management and public debt management are praised, without losing sight of those to be pursued or even accelerated. These include reducing budgetary risks through better management of public corporations and contingent liabilities. The restructuring of the national refinery and the clearing of the government's cross-debt with public corporations are not left out. Another important fact underlined by the IMF in its communiqué is the approval of the authorities' fiscal policy objectives which will ensure the long-term sustainability of public finances, while supporting the implementation of the National Development Strategy 2030 (NDS30) and protecting the most vulnerable.

Josiane Tchakounté

COVID-19 response, support to the private sector

The health crisis remains the major concern of States, two years after its outbreak. It is therefore not surprising that the President of the Republic, Paul Biya, will start his speech on 31 December 2021 on this subject. The respect of barrier measures combined with vaccination ought to guarantee a rapid return to normalcy. For now, the government's response strategy is bearing fruit. In addition, in line with commitments to strengthen governance under the IMF Rapid Credit Facility, the country, has published an audit report on COVID-19 expenditure in 2020. This was welcomed along with the publication of the 2019 Extractive Industries Transparency Initiative (EITI) report. In

the debate on how to strengthen the capacities of private sector actors, creators of wealth and jobs, two interventions clashed. On the one hand, there are the development partners who invite the Cameroonian authorities to conduct a close dialogue to identify constraints and improve the business environment and governance.

In the short and medium term, the government's economic policy objective is to increase the economic growth potential. Addressing the adverse effects of the pandemic is a prerequisite for this, to enable the private sector take off again. The measures included in the 2022 Finance Law to guarantee effective import substitution is part of this concern. The same goes for the actions for the reconstruction of the North-West and South-West regions.

J.T.

ECONOMIC AND FINANCIAL PROGRAMME

A stimulus to the post-Covid-19 economic recovery and the implementation of NDS30

The new Economic and Financial Programme concluded last year could speed up the implementation of the National Development Strategy 2020-2030.

The Economic and Financial Programme concluded in July 2021 with the International Monetary Fund should serve as a catalyst in the implementation of the National Development Strategy 2020-2030. As stated in the announcement approving this new programme, "it aims at supporting the authorities' efforts to achieve a rapid post-pandemic recovery, strengthen external and fiscal sustainability in the medium term, and promoting the implementation of structural reforms necessary for sustained, more inclusive and diversified growth.

Furthermore, it should be noted that through the NDS30, the Government plans a structural transformation of the national economy by making fundamental changes in economic and social structures in order to promote endogenous and inclusive development, while preserving the opportunities of future generations. To this end, it is notably a question of putting in place conditions favourable to the achievement of strong and sustainable economic growth; impro-



ving the living conditions of the population with the view of reducing the poverty rate and underemployment; strengthening the performance of public action and improving the business climate.

The achievement of these objectives depends in particular on preserving the stability of the macroeconomic framework, especially after the combined effects of the fire at SONARA in 2019 and the outbreak of the Covid-19 pandemic in 2020. These events have severely disrupted our macroeconomic environment and eroded the efforts

made by the Government under the first Economic and Financial Programme 2017-2019 to strengthen fiscal sustainability and external viability.

Consequently, this new programme, which will be implemented over the period 2021-2024, aims at correcting these dysfunctions and address the issues necessary to ensure proper implementation of the NDS30. It is based on the following five pillars:

(i) Mitigate the health, economic and social consequences of the pandemic, while ensuring inter-



nal and external sustainability. The aim is to help the main economic actors to recover quickly from the effects of the Covid-19 pandemic and to adopt a short-term development approach;

(ii) Speed up structural budgetary reforms to modernise the tax administration. The aim is to mobilise more of the revenue needed to finance the National Development Strategy, improve public finance management, increase the efficiency of public investments and reduce the budgetary risks associated with public companies;

(iii) Strengthen debt management and reduce debt vulnerabilities in order to avoid an increase in the risk of over-indebtedness, promote debt sustainability, reduce the stock of Undisbursed Commitments Balances (SEND) and put public debt on a sustainable path;

(iv) Strengthen good governance, transparency and the anti-corruption framework, with the view of improving public service delivery, rationalising the state portfolio and reducing fiscal risks;

(v) Implement structural reforms to accelerate economic diversification, build resilience and financial inclusion, and promote gender equality and a greener economy.

Emmanuel Lao

"...This new program, which will be implemented over the period 2021-2024, is intended to address issues necessary to ensure successful implementation of NDS-30..."



NEW PROGRAMME WITH THE IMF

Opportunities for Cameroon

On 29 July 2021, the Executive Board of the International Monetary Fund (IMF) approved a new Economic and Financial Programme for Cameroon supported by the Extended Credit Facility and the Extended Fund Facility. This new "second generation" programme reinforces the credibility of the State of Cameroon on the international financial markets and with its Technical and Financial Partners.

The achievement of a strong and inclusive growth within the framework of the implementation of the National Development Strategy (NDS30) faces some structural challenges, which have slowed down Cameroon in the deployment of its full potential. These include the persistence of the energy and water supply deficit, the contrast in the business environment, difficulties to get access to finance and the low contribution of public enterprises to wealth creation.

The implementation of the second three-year programme concluded with the IMF from 2021-2024 ought to address the above-mentioned structural and cyclical constraints, thus, promoting the achievement of a growth path compatible with our development objectives. To be specific, the 2021-2024 EFP aims to support efforts to scale up our country's external position and promote post-COVID-19 economic recovery through strong, sustained and inclusive growth supported by adequate financing and a fiscal policy compatible



« Outre la poursuite des réformes relatives aux finances publiques, un accent particulier est mis sur l'amélioration du climat des affaires, de la gouvernance des entreprises publiques et de la gestion du secteur des industries extractives ».

with the fight against the spread of the pandemic, economic recovery and poverty reduction. In addition to pursuing public finance reforms, particular emphasis is laid on improving the business climate, governance in public enterprises and management of the extractive industries sector.

Furthermore, it should be noted that the new programme, like the previous one, is complemented by additional structural reforms with the support of other technical and financial partners such as the European Union, the World Bank, the

African Development Bank and the French Development Agency. These reforms contribute to further strengthen governance, human capital, business environment, factor productivity and competition in the economy in general, thus, will further develop the private sector and assert its position as an engine of growth for the achievement of emergence.

Arthur Tchopkeng

PEF 2021-2024

Governance and transparency included...

In addition to the above-mentioned actions, the government intends to reinforce governance, transparency, the rule of law and the fight against corruption. To this end, the authorities have set up permanent monitoring, control and sanction institutions. It is within this context that in November 2021, the COVID-19 expenditure audit report for the year 2020 was published.

In addition, the authorities are still determined to continue to clean up public finance management and to improve its normative framework. Institutionally, public authorities are committed to strengthening the intervention methods of the National Anti-Corruption Commission (CONAC), the Audit Bench and the Supreme Court.

It is also important to ensure compliance with international standards on the fight against money laundering and the finance of terrorism. To this end, a 2021-2024 priority action plan was adopted in 2021 following a National Risk Assessment (NRA) conducted with the assistance of the World Bank. The continuous implementation of this plan will be carried out by the National Agency for Financial Investigation (ANIF), whose prerogatives have been broadened. Also, as part of the mutual



evaluation of the national anti-money laundering and counter-terrorism finance system, GABAC carried out an evaluation in 2021, whose report proposes additional actions that may be taken into account.

Finally, the government is determined to take necessary measures to strengthen compliance

with the principles of the Extractive Industries Transparency Initiative (EITI). It equally envisaged finalising and publishing, as soon as possible, all the implementing instruments on the 2016 Mining Code, in order to further promote transparent and responsible management of natural resources.

AT

STRUCTURAL ECONOMIC TRANSFORMATION

The Way To Go!

The National Development Strategy 2020-2030, as Cameroon's new development blueprint is known, seeks to boost industrial activities, embrace more favourable conditions for economic growth and improved living conditions for the population.

As days, weeks, months and years go by, Cameroonians and the world at large are observing keenly what is changing within and around them with regards to the country's ten-year development masterplan; the National Development Strategy 2020-2030 (NDS30.) The new development blueprint has undertaken structural transformation of the economy as one of its targets with fruits expected in the short, medium and long-terms. It entails carrying out fundamental changes in economic and social structures with the goal to promote endogenous and inclusive development while preserving opportunities for future generations. This is the new framework on which the country's economy is revolving for the next decade.

The Vision

Observably, the National Development Strategy 2020-2030 is based on lessons learned in the implementation of the Growth and Employment Strategy Paper (GESP) which it takes over from with a view to achieve the objective of Vision 2035 of making Cameroon a middle-income economy. Attaining the objective of structurally transforming the economy as the NDS30 sets out to achieve entails boosting industrial activities, ensuring more favourable conditions for

economic growth and improving the population's living conditions. Success is hoped to come through stepping up access to basic social facilities and significant reduction in poverty and unemployment. These are issues that haunt every economy, Cameroon inclusive.

How To Go About It

Government is working tooth and nail with partners like the International Monetary Fund (IMF) to develop growth-induced sectors susceptible to lifting the national economy. Target is making fundamental changes in economic and social structures, in order to foster a more inclusive development. To

achieve this, focus is being geared towards the acceleration of industrialisation. This, among others, consists in the development of industries and services; development of the rural sector; development of productive infrastructure; regional integration; revitalization of the private sector; development of the financial system and environment and nature protection. There are high expectations that the country's Industrialization Master Plan will work for the development of the industries and services sector. The energy industry is targeted with the objective being to produce energy in abundant quantity to cover domestic needs, but also exporting to neighbouring



ON THE TWO-LANE HIGHWAY... OF GROWTH

countries. NDS30 for instance, seeks to increase Cameroon's installed electricity production capacity to 5,000 MW by 2030. The issue of the quality of the electricity transmission network will be central to the security of supply and efficiency of distribution. Also, the development of the agro-industry through the expansion of priority sectors such as cotton, cocoa-coffee, palm oil, sugar, rubber, rice and plantain is incorporated. Hope is that the domestic market will be adequately covered and the objective of promoting exports in a more competitive manner attained.

The digital domain is equally targeted through the transformation of the economic space, the promotion of the use of ICTs in society and the setting up of adequate infrastructure in this sector. This will entail investing more in broadband infrastructure, fostering the emergence of a digital industry and providing various facilities to support the development of start-ups. This is being materialised through the setting up of business incubators.

Other manufacturing industries, like the forest-wood, textile-clothing-leather, mining-metallurgy steel, hydrocarbon-refinery and chemist/ pharmacy are equally given priority in the government's ambitious decade-long development outline. Working to relaunch the industrial projects initially placed on hold like Mbalam iron ore, extension of Alucam, Kribi aluminium plant, chemical fertilizer plant, and better developing value chains (linking SODECOTON-CICAM for instance) are equally targeted in the long-term development plan.

What Place For The Private Sector?

All is also being done to get the private sector strongly revitalised to play a greater role as a driving force in the national economic system. Catching up with technological development by set-

ting up quality infrastructure and support mechanisms that can allow the country's private sector to have access to the state-of-the-art technology for increased productivity and encouraging the development of enterprises and protecting the national economic space are on programme. Promoting the economic zones by setting up the agency dedicated to them by law and the promotion of national economic champions are given special attention in NDS30.

President Paul Biya is convinced that the country will be able to achieve its development objectives, provided, "We agree to make the required efforts and to embark on the needed reforms." Action time is now and the NDS30 is the guide to be embraced and upheld by all.

Godlove Bainkong



BUSINESS CLIMATE

Cameroon's Progress

Over the past ten years, several reforms have been undertaken by the Government to improve the business environment.

The decision of the World Bank to discontinue the publication of its "Doing Business" report does not stop Cameroon in its reform package initiated for several years to improve its business environment. Convinced that a significant growth rate can only be achieved through the emergence of a strong private sector, the Government is committed to instilling a dynamic favourable to the productive sector and promoting private initiative. Thus, over the past ten years, numerous reforms have been implemented:

In the area of business creation, how can one not mention the online publication of the company's inception notification through the single window; the reduction of the minimum paid-up capital requirement, the reduction of publication fees, the establishment of a new single window with the deletion of the obligation to check business premises and the corresponding fees; as well as the exemption of newly created companies from the payment of the business licence tax for the first two years of their existence, etc.

The list of reforms may also include the contracts enforcement with the adoption of a law regulating all aspects of mediation as an alternative dispute resolution mechanism; the creation of specialised commercial divisions within the courts of first instance.

Another important reform is related to getting credit. This reform has enabled the Government to improve



its credit information system by launching a new credit register; adopting regulations providing for the creation and operation of a credit register database; and establishing a framework, in relation to the Economic and Monetary Community of Central Africa (CEMAC), for the licensing and operation of credit bureaus.

One of the most visible reforms is the processing of building permits. This indicator has improved significantly with a reduction in the time needed to obtain a building permit, a strengthening of the building quality control index and an improvement in transparency. At the same time, Cameroon has made it easier to obtain a building

permit by decentralising the process and setting strict deadlines for processing the application and issuing the certificate of conformity.

With regard to the payment of taxes, another key indicator, there has been a major revolution with the dematerialisation of the declaration and payment procedures; the automation of the issuance of the certificate of debt clearance; the establishment of an escrow account dedicated to the reimbursement of VAT credits to businesses in the green circuit and the online tracking of requests for VAT credit reimbursements.

Regarding the settlement of insolvency, the introduction of a new

conciliation procedure for companies in financial difficulty and a simplified preventive settlement procedure for small companies are noted. In terms of protection of minority investors, the Government has strengthened the protection of this category by introducing stricter requirements for disclosure of related party transactions

« Le gouvernement s'est engagé à insuffler une dynamique favorable au secteur productif et à favoriser l'initiative privée »

to the Board of Directors and by allowing shareholders to inspect documents relating to related party transactions and to appoint auditors to inspect such transactions.

The final indicator, cross-border trade, notes the reduction in export and import time and the

strengthening of the security of goods transiting the country by improving the single window system for foreign trade at the Port of Douala and by implementing a GPS tracking system and scanners.

About Moussa

BEYOND DOING BUSINESS

Cameroon Business Forum to take over

As the country is embarked on a series of reforms to make its economic environment more attractive, Cameroon will have to pursue its efforts with other barometers such as the Cameroon Business Forum.

Created in 2006 and made operational in January 2009, the Cameroon Business Forum is a framework for exchanges between the public and private sectors on issues relating to the business climate in Cameroon. The World Bank's decision to stop publishing its discredited "Doing Business" report could give a new boost to this platform, whose main missions are to strengthen dialogue between the public authorities and the business community, improve the business climate and support private sector development. Initiated with the support of the World Bank Group's investment climate team, the Cameroon Business Forum could now take over from the "Doing Business" barometer in order to make the country's economic environment more attractive.

Moreover, the results of this platform attest to t

his. To date, nearly 200 recommendations have been adopted, of which 150 have been effectively implemented and nearly 90 have led to decisive reforms.

One of the major recommendations adopted by this platform and implemented over the past three years is undoubtedly the Budget Orientation Debate (BOD). Indeed, Law No.2018/011 to lay down the Cameroon Code of Transparency and Good Governance in the Management of Public Finance in Cameroon and Law

No.2018/012 relating to fiscal regime of the State and other public entities have instituted the organisation of a Budget Orientation Debate (BOD) in Parliament halfway through the financial year, as part of the budget process.

Through this Budget Orientation Debate, Parliament now intervenes upstream to better contribute to the definition of the macroeconomic and budgetary framework. This therefore enables its members to be familiarised with

the macroeconomic assumptions underlying the draft budget in preparation and give their approval to the Government's budgetary policy choices.

Indeed, the ultimate purpose of the BOD is to create conditions for the adoption of finance laws that permanently guarantee macroeconomic stability and, consequently, overall economic balance.

About Moussa





Pr Isaac TAMBA,

Director General of the Economy and Public Investment Programming at MINEPAT

« The pillars of the economic and financial programme with the IMF are perfectly aligned with this desire to make the private sector the main engine of development. »

Mr. Director General, how can you assess the business climate in Cameroon in recent years?

The business climate in Cameroon can be assessed from two angles: If we want to look at it from an absolute dimension, that is to say, according to indicators of international institutions, we can say that business climate is

relatively limited, because of our country's rank in the Doing Business Reports since the first edition in 2005, until 2019. Actually, if we stick to this ranking, even if this report has been suspended by the World Bank, Cameroon has occupied over the past 15 years a rank that varies between 130th position in 2005 and 127th in 2019 with contrasting developments in 2009 when Cameroon took the 171st position, while in 2017, or a little further in 2011 and 2012, Cameroon took the 161st position. Of course, if we rely on this standard,

one may think that the evolution of the business climate in Cameroon is relatively less satisfactory. However, if we appreciate this business climate in terms of the results achieved by our economy in general and our companies in particular, in a context of shock and unprecedented magnitude since 2015-2016, we must admit that the Cameroon economy as a whole, and the private sector in particular, are proven to be resilient. This resilience can only be explained by a favourable business environment. If not, how can we explain the fact that in an international and African context where the economic environment depressed in 2020, Cameroon instead experienced a positive growth rate of 0.5, while the average was -3.3 for the entire continent? This is to say that, the business climate in our country is relatively good although it still needs perfection.

Are there any reforms to improve the business climate in Cameroon in recent years?

During the 11th session of the Cameroon Business Forum held under the auspices of the Prime Minister, Head of Government, Dr. Joseph Dion Ngute, a series of reforms were elaborated within the framework of the main indicators relating to the esta-

blishment of companies, the execution of contracts and the transfer of property. A few examples: regarding the establishment of companies, there are reforms which aim to systematically and regularly publish notices of the on line incorporation of companies; there are some reforms that require marriage certificates for married men to comply with OHADA provisions, but especially to reduce the threshold of the minimum capital from CFAF 100 000 to CFAF 5 000 for Limited Liability Companies, without recourse to a notary. Moreover, the building permit indicator has undergone a series of reforms, especially those aimed at consolidating the one-stop shop in order to establish a 'one-stop shop' for applicants for urban planning acts. Other reforms focussed on the transfer of property, cross-border trade and contract execution. For instance, with regard to contract executions or tax payments, there was a call to reduce the minimum tax on profits, which is currently 2.2% based on turnover, and to consider reducing the corporate tax which is currently 33%. These are all reforms that have been undertaken to give the Cameroon environment incentives to enable companies to be more effective and efficient.

"We must recognize that the Cameroonian economy as a whole, and the private sector in particular, has been resilient."



What is Cameroon's future in terms of business and in line with the implementation of the NDS30 and the economic and financial programme with the IMF?

At this point, we believe that the business environment will improve significantly, due to the fact that, the programme we concluded with the IMF on 29 July last year, aims at reinforcing the achievements of this programme, especially fiscal consolidation. As you may know, this programme which benefits from extended facility agreements and the three-year extended mechanism has five main pillars: mitigation of the health, economic and social effects of the COVID-19 pandemic; while ensuring the internal and external viability of our country, the second pillar is the reinforcement of good governance, transparency as well as the fight against corruption; The third pillar is the acceleration of structural fiscal reforms in order to modernise

tax and customs administrations, mobilise revenues, improve public finance management, increase the efficiency of public investments, and reduce budgetary risks linked to public enterprises; the penultimate pillar concerns the strengthening of debt management, and the last pillar concerns the implementation of structural reforms to accelerate economic diversification, strengthen resilience and financial inclusion. All these elements attribute more importance to the private sector, considered to be the engine of development. This growth, envisaged for 2022 at around 4%, should be essentially driven by structural transformation, and subsequently by the private sector. The ambition of the NDS30, to raise our growth to about 9%, should benefit from a sufficient contribution from the private sector. Therefore, we think that the pillars of the economic programme are perfectly aligned with this desire to make the private sector the main engine of development.

**Interviewed by
Rosine Nkonla Azanméné**

NDS 30 FILE

Charles Assamba ONGODO,
Mr. Director General of Cooperation
and Regional Integration at MINEPAT

The World Bank announces a new tool to classify economies according to the ease of doing business in the world: what impact in monitoring the progress of reforms conducted at the national level?

The World Bank has used the Doing Business Report for several years to analyse the regulations that impact on an economy's businesses over their life cycle, cross-border trade, tax payments and investor protection. The findings of this report published annually, have stimulated much debate and the development of numerous studies analysing the impact of business regulation on economic per-

formance in different countries. However, this report did not take into account all aspects of the regulatory environment that are important to businesses and investors, such as security, macroeconomic stability, corruption, educational levels or the robustness of financial systems. On 16 September 2021, the World Bank Group decided to discontinue the publication of the Doing Business report after irregularities in the data of the 2018 and 2020 editions of this report were reported internally in June 2020.

In the same vein, the World Bank Group announced a new approach to assessing the business and investment climate, promoting the role of the private sector in development and helping governments design the regulatory environment that supports this role. We hope that once operational, this new instrument will correct the shortcomings of the Doing Business report

and allow economies affected by the consequences of the health crisis, such as Cameroon, to improve their competitiveness and attract more productive FDIs. In addition to the effects of climate change, COVID-19 has increased global poverty by erasing much of the progress made over the past 15 years in developing education, health and nutrition. Like other developing countries, this pandemic did not spare Cameroon, although its relatively diversified economy has been more resilient. Similarly, at a time when Cameroon has chosen to mobilise public private partnerships and project finance approaches in the implementation of development projects within the framework of the NDS30, we would like the new instrument to take greater account of the specific contexts and efforts made by countries to make the business environment more conducive to private investors.

Mme Marthe Angéline MINJA

Director General of the Investment Promotion Agency



What are the incentives intended to facilitate investments in Cameroon?

The Government of Cameroon in its desire to make the private sector in general and investments in particular one of the main sources of economic growth, has undertaken a wide range of institutional and regulatory reforms. Among these reforms

is Law No. 2013/004 of 18 April 2013 to lay down incentives for private investment in the Republic of Cameroon, the reference incentive mechanism in force. Four main incentives were granted to investors: fiscal, customs, administrative and financial incentives. These incentives extend over a period of five years for existing companies and 15 years for new

companies. These incentives are there to lighten the production cost of companies and improve their competitiveness in order to support the Government in its policy of promoting investment and creating decent jobs in order to achieve strong, sustainable and inclusive economic growth.

Protais Ayangma AMANG,

Président ECAM

'What actions could the Government implement to improve the business climate in Cameroon?'

Cameroon has been trying for a decade to find solutions to improve its business climate, notably under the impetus of the International Finance Corporation (IFC) which helped to set up the Cameroon Business Forum (CBF). In this regard, some progress can be noted in the creation of businesses. Despite this, the business climate seems to have made little progress. External and internal factors (increase in the prices of raw materials, increase in customs duties, lack of infrastructure of all kinds, low production, various taxes and levies, etc.) are slowing down the improvement of the business climate (which includes

socio-demographic, economic, political, legal, infrastructural, technological and environmental factors, etc.). To reinforce the steps already taken by the Government and to equip economic actors, the State should carry out actions that target economic actors as well as the improvement of infrastructure and the business environment itself. The emphasis should be on a frank and uninhibited public private dialogue, the improvement of economic factors aimed at boosting Cameroon's competitiveness, and the improvement of environmental, legal and infrastructure factors. There is an urgent need to develop a conducive framework for business emulation and the improvement of the living conditions of the population.



Pr FOMBA Kanga Benjamin,

Head of Academic Affairs, Research and Cooperation at the Economic Policy Management Training Program (GPE)



The business climate has been the subject of special consideration for several decades.

International institutions, NGOs and public administrations that are interested in it have developed frameworks for assessing the business climate in each country.

The common denominator of these instruments is public administration. The business climate is an assessment of the performance of public administration by its main stakeholders, especially the private sector.

Improving the business climate implies improving the perfor-

mance of the public administration in a view to satisfy its clients (the users of the administration). In this light, each administration, at all levels (central, regional, council, etc.), must make customer satisfaction a primary objective. Achieving this objective requires transparency in procedures, including the deadlines for all actions of each public administration; the obligation to respond within the deadlines indicated in advance to the requests and demands of the administration's clients; and scaling up the use of ICTs.

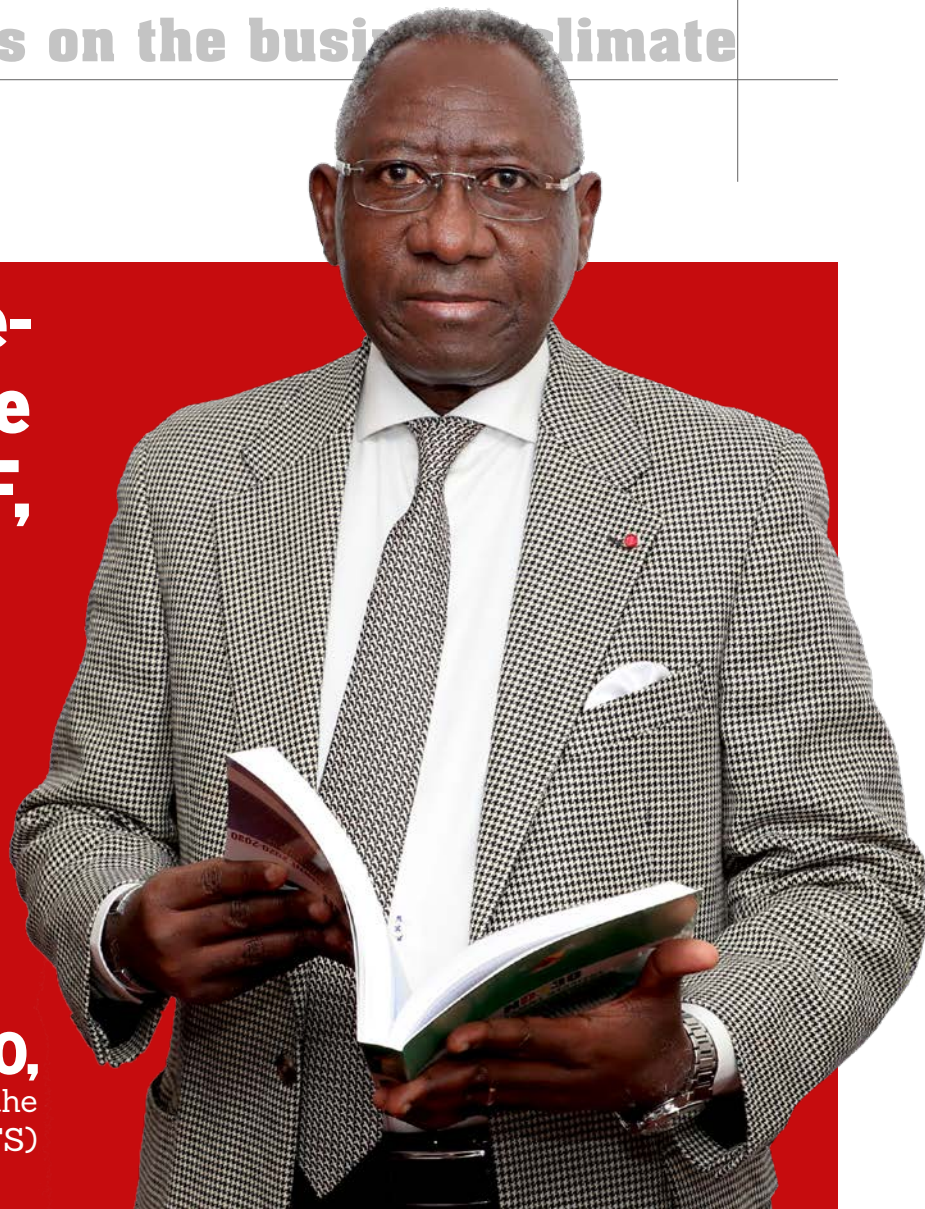
**Interviewed by
Aïssatou**

“At the end of the three-year programme that we just signed with the IMF, we will have around 5% growth”

“The new Economic and Financial Programme concluded with the IMF aims at helping the implementation of the NDS30”

Jean TCHOFFO,

President of the Technical Committee for the Monitoring of Economic Programmes (CTS)



Mr President of the CTS, the Executive Board of the International Monetary Fund approved, on 29 July 2021, a new Economic and Financial Programme for Cameroon supported by the Extended Credit Facility. Is this good news for Cameroon?

It is indeed very good news for Cameroon to have its programme with the International Monetary Fund (IMF) approved. This is all the more important as many countries struggle to negotiate a programme backed up by the IMF. As you know, it is necessary to be able to make a good diagnosis, and above all, propose credible measures to achieve the macroeconomic objectives set by the country to redress the economic

and financial situation that was noticed. Cameroon was able to do this, to the credit of its authorities and experts. I think we should be proud of this.

What is your assessment of the first generation programme concluded in 2017?

Overall, I would say that the assessment of the 2017-2020 programme was positive, because despite a difficult economic and security context, it was carried out satisfactorily. As a matter of fact, five of the six reviews, in other terms the bi-annual performance evaluations that were planned for the follow-up of the programme, were all successful. The sixth and last review was suspended by mutual consent due to the coronavirus pandemic (Covid-19).

With the programme, the Cameroonian authorities were able to ensure the stability of the macroeconomic framework thanks to the reforms carried out by the Government. As illustration, efforts towards fiscal consolidation made it possible to reduce the budget deficit to 3.4% at the end of the programme, against 6.4% previously. Similarly, the level of foreign exchange reserves, which was 2.4 months of imports of goods and services, rose to 3.5 months at the end of the programme. In terms of financing, we were able to disburse CFA F 1,206 billion that is 92.62% of the needs expressed during the negotiation of the programme, thanks to the structural reforms that were successfully carried out. You will agree with me that from this stance, the balance sheet is very positive.

NDS 30 FILE

Another thing is that the new program sets as its first objective: **"to rapidly curb the effects of the pandemic known as covid-19".**

Mr President, we have started a new programme... What makes it different from the previous one in terms of content and form?

As I have said, the old programme should have been given six reviews. Because of the difficulties linked to the health crisis, only five could be carried out. There is therefore a review that was suspended, with the consent of the IMF. It can therefore be understood that the new programme aims first of all at implementing those reforms that were not completed during the first programme. But basically, there are a number of differences. As you know, the first programme was built on the Growth and Employment Strategy Paper (GESP), whereas the new programme is linked to the National Development Strategy 2020-2030 (NDS30). Also, the first programme focused on fiscal consolidation and external sustainability of the economy. While the second programme will focus on the structural transformation of the economy, to enable the country to achieve its full growth potential. Another thing is that the new programme sets as its first objective:

"rapidly curb the effects of the pandemic known as Covid-19". With regard to funding, whereas both programmes enable Cameroon to ac-

"...the first program focused on fiscal consolidation and economic sustainability. The second program will focus on the structural transformation of the economy, to enable the country to realize its full growth potential.

cess 175% of its share, the first programme had identified a funding need of CFAF 1,302 billion. As for the second programme, these needs amount to CFAF 1,000 billion. We are therefore expecting budget support from other technical and financial partners in addition to what the IMF will provide. Equally important are the financing instruments. The first programme benefited from an agreement under the Extended Credit Facility (ECF), while the second programme, in addition to the ECF, benefits from the Extended Fund Facility (EFF).

What exactly is the difference between the Extended Credit Facility and the Extended Fund Facility?

Simply said, the Extended Credit Facility is for low-income countries with balance of payment problems. It is a concessional window where loans are granted at zero interest. When it comes to the Extended Fund Facility, the resources here are meant for middle-income countries. It should also be mentioned, as far as the ECF is concerned, that a country cannot have access to more than 100% of its quota in the course of a year. When it has outstanding amounts, the country can neither accumulate more than 300% of its quota. This is why, in the case of the new programme, given that we no longer had enough margin under the ECF window, Cameroon, considered a middle-income country (in the lower tier), was able to resort to the Extended Fund Fa-



cility to supplement the financing required. By so doing, the country requested 175% of its quota, that is, about CFAF 375 billion for the three years of the programme.

For some time now, some observers have been suggesting that there is some kind of antagonism between the new programme (EFP) and NDS30 currently being implemented. How do you respond to this?

I think it should first be pointed out that for a country to negotiate a programme with the IMF, it must have implemented a strategic framework for the fight against poverty for at least six months. This is what was referred to as Poverty Reduction Strategy Paper, under the programme ne-

gotiated in 1997/1998. The latter was backed by the Poverty Reduction and Growth Facility (PRGF). It was later referred to as Growth and Employment Strategy Paper (GESP) in 2009. Today it is the National Development Strategy 2020-2030 (NDS30). It is a fundamental condition, because such a document constitutes the reference framework for Government action. It is also the reference framework for relations with technical and financial partners. From this stance, it was important to have the NDS30 before being able to negotiate an economic and financial programme with the Fund. Now, is there antagonism between the two? I do not think so, because the Economic and Financial Programme supported by the IMF and other technical and

"...the economic and financial program supported by the IMF and other technical and financial partners is intended to help implement the NDS30...it is a support"

financial partners is aimed precisely at assisting in the implementation of NDS30. Moreover, when we look at a certain number of indicators, we will see that at the level of NDS30, we certainly aim for a growth rate of 8.1%, but we can also see very clearly that at the end of the new three-year programme concluded in July 2021, we will have a growth rate of around 5% all things being equal. You therefore see that with the Economic and Financial Programme, we are surely on the way to achieving the growth objectives of NDS30. However, we have to recognise that with the new programme, emphasis is laid on measures to be taken to curb the crisis linked to Covid-19 and its impact on the economy.

The programme was concluded on 29 July 2021. Have the first actions already been carried out?

Of course they have! Because before concluding the programme, there were a number of prior actions that were required. You must have followed, for example, that Cameroon revised the Finance Law 2021 and took a number of measures to improve governance in public procurement with regard to Covid-19 contracts. A number of reports were also issued, including the report on the execution of Covid-19 expenditure and the report of the Audit Bench on the audit of the same expenditure. Afterwards, discussions under the first review conducted from 2 to 22 December 2021, added to consultations under article IV were deemed satisfactory thereby making it possible to our country to disburse the sum of USD 115.7 million, that is approximately CFA F 63.5 billion. The second review is expected in June 2022 and we are hopeful that it will be just as positive. In any case, steps are being taken accordingly at technical level under the impetus of the competent Ministers.

**Interview by
Rosine Nkonla AZANMENE**

FOCUS

PUBLIC FINANCE REFORMS

What has **changed** **in ten** years

For several years now, Cameroon has been engaged in a process of second-generation public finance reforms, with the financial regime promulgated in December 2007 as the cornerstone, which lays the legal foundations for an accountable, transparent and results-based public finance management. In 2013, in accordance with the law, all the provisions of the State's financial regime, including programme-based budgeting, came into force. Today, one can note with satisfaction that public action is planned (development strategies show the priorities of public action over 10 years; macroeconomic and budgetary framework is a more organised activity; the quest for performance is at the heart of budget management; the budget is implemented by programme, each with objectives and results indicators; the financial authorities' performance is on an upward trend, and debt and cash management is more rationalised, etc.).

Emerging Cameroon's view...



Strides of Programme-based Budgeting

Since fully going operational on January 1, 2013, the innovation has helped the State to streamline its expenditure on matured projects that have direct bearing on the population's living conditions.

Moving from resource-based to programme-based budgeting like what Cameroon has been experiencing for some time now has brought more to bear on public expenditure and project execution on the field. In effect, the results-driven programme-based budgeting, as the novelty is called, swung into full action on January 1, 2013 on the strength of the revolutionary 2007 Law instituting a new Finance Regime for the Republic of Cameroon.

What this meant is that the hitherto budgeting system whereby envelopes were attributed to ministries for them to determine how and on what to use the money (resource-based budgeting) came to an end. With the programme-based budget, ministries have over the years been obliged to come up with well-defined programmes after efficient feasibility studies must have been carried out on how much they will cost and their impact on the socio-economic lives of beneficiaries. Finances are then provided based on the programme selected and more so on the maturity of the project earmarked to be executed.

Through the new twist of events, government has been working tooth and nail to ensure that projects inscribed on the Project Logbook for a particular year are technically and financially matured for effective execution. Simply put; that good feasibility studies have been carried out on the projects and all ascertained that execution will not suffer any difficulties. Government still took a step further to set up a Technical Inter-ministerial Expert's Committee to establish the maturity of projects before their programming. It is incumbent on the Committee placed under the authority of the Minister of the Economy, Planning and Regional Development, which is government's organ piloting public investments, to assess all government projects before their inclusion into the State budget. The ap-



proach aims to avoid unsuitable technical and financial evaluation of projects that hitherto affected the quality, cost and deadline for the execution of some projects. Since fully going operational on January 1, 2013, the innovation has helped the State to streamline its expenditure on matured projects that have direct bearing on the population's living conditions. Observably, programme-based budgeting has favoured flexibility of expenditure and has over the years encouraged ambitious programming of public investments. To say the least, programme-based budget makes it possible for more projects to be executed using fewer resources, which are increasingly becoming scarce, unlike before

when resources went looking for projects with high propensity for waste of rather limited liquidity. The effective and determined implementation of the programme-based budgeting, including further strengthening of transparency, good governance and the anti-corruption framework, has been capital in catalysing additional donor financing. The innovation has also enabled the government to plan the execution of projects over a period of three years. This gives room for better follow up and effective completion of some projects that would have been forgotten were they to be programmed just for a year. Efficiency might not have been fully attained but remarkable improvements have been recorded with beneficiary populations gaining much.

The new budget programming format is bearing further fruits with a revolutionary government-parliament partnership code-named "Budgetary Orientation Debates." This creates a rare opportunity, through special parliamentary sessions, during which government shares views with the peoples' representatives on how projects can be optimally executed for the good of the people. The programme-based budget strengthens the participatory approach which puts nearly all actors of the budget chain on the same information level and greatly helps in speeding up project execution by contractors and follow up all other stakeholders.

Godlove BAINKONG

FOCUS

PUBLIC FINANCE

Audit at the heart of performance

Through various mechanisms, the monitoring-evaluation of financial resources has been strengthened at several levels.

With the laws of 11 July 2018 on the State's financial regime and other public entities and the Code of Transparency and Good Governance in the management of Cameroon's public finances, the Budgetary Orientation Debate (BOD) is a crucial step in the process of developing the finance law. An annual meeting must be held before July 1 of each year. This debate allows the parliament to intervene upstream, to better contribute to the definition of the macroeconomic and budgetary framework. "The institutionalisation of the BOD has the added value of offering the executives and the lawmakers the opportunity to debate each year the conditions, tools and means that allow the medium-term sustainability of public finance through better

monitoring of public deficits. Indeed, the ultimate purpose of the BOD is to create conditions for the adoption of finance laws that permanently guarantee macroeconomic stability and, consequently, overall economic equilibrium", as it is explained at the Directorate General of the Budget. It is therefore a tool that contributes to transparency in the management of public finance. This step joins the classic audit tools in the transparency of public finance management. These include, among others, the examination of the Finance Bill to check its conformity with the government's political ambitions, oral and written questions during parliamentary sessions, appointment of reports in charge of revenue and expen-

diture, examination of the Settlement Law, ad hoc committees of enquiry.

Structural reforms

In addition to this mechanism, there are also the jurisdictional bodies (Audit Bench) which are now more vigilant. But also the development partners, the International Monetary Fund and the World Bank in this case. Moreover, in the conclusions of a working mission conducted with the Cameroonian authorities between 2 and 22 December 2021 as part of the first review of agreements under the Extended Credit Facility and the Extended Fund Facility recently concluded with the IMF, the financial institution welcomed "the efforts made by the authori-



ties to bring forward their structural reform programme. Notable developments include changes in public finance management, including budget formulation and implementation, award of public contracts and capital expenditure management, and cash and debt management." At the same time that it welcomed the publication of the Covid-19 expenditure audit report in 2020 and the publication of the 2019 report under the Extractive Industries Transparency Initiative (EITI). Citizen auditing of public finances is not to be outdone. The latter contributes to the consolidation of financial democracy, as an indicator of the new governance of public finance, it is explained. The citizen budget is intended to achieve two major goals. On the one hand, it is a question of making available to the citizen the information contained in the finance law after it has been voted, particularly on revenue and expenditure, and on the other hand, to facilitate the citizen's desire to monitor the sound execution of the State

budget. In this way, the population has better information on public finance and can therefore become more involved. This document reflects the commitment of the Cameroonian State to align itself with international standards in public finance. There is also the publication calendar of public finance statistics which is published on date. This calendar commits administrations to participate in budgetary transparency as advocated by the Code of Transparency and Good Governance and the various evaluation agencies of the Cameroonian public finance management system.

Aïcha Nsangou

« A travers le budget-citoyen, il est question de mettre à la disposition du citoyen les informations contenues dans la loi de finances après son vote... et, de permettre de veiller à la bonne exécution du budget de l'Etat ».



BUDGET IMPLEMENTATION

The population finds satisfaction

Through several innovations, the average Cameroonian feels at his level the benefits of the resources allocated by the State to improve his living conditions.



Public investment budget: a budget at the service of the people

The Ministry of the Economy, Planning and Regional Development recently launched an evaluation of the Public Investment Budget (BIP), for the 2018 and 2019 financial years. The aim was to analyse the popula-

tion's assessment of the impact of the BIP on their living conditions. About 800 households were surveyed in the ten regions of the country, and gave their opinion on the impact of nearly 200 projects in the education, health, water, energy and road sectors. But before these results, it can already be said

that the execution of this budget is having a significant impact on the population. During the evaluation of the PIB, Jean Gervais Ayissi, vice-president of the regional committee of the North, indicated that if it reached an execution rate of 72.06%, it is because the actions carried out in the va-

rious sectors have improved the living conditions of households. This results from the 2018 reform on the Public Contracts Code. All the bodies responsible for preparing the contracts got to work as soon as the budget was launched. This is why we have a contracting rate of 95.5% and a physical and financial execution rate of 72.06%. The review committee has made it possible to correct the bad practices noted in the contract award system. "If the North is well off, it is because in 2021, this committee was involved", he said. This tool for reducing poverty and improving the well-being of the population is also better executed thanks to the principle of multi-annual programming of investment expendi-

ture (three-year period). There is also the establishment of a basket fund for effective mobilisation of counterpart funds for jointly financed projects.

Budgetary resource mobilisation: new taxes to broaden the tax base

The government has introduced new taxes to diversify the State's sources of revenue. The main innovation this year is the institutionalisation of a tax on money remittance operations at a rate of 0.2% of the amount transferred or withdrawn. Nearly CFAF 20 billion are expected from this innovation. For the promotion of import-substitution, there is the application of excise duties on certain imported

products, but also the raising of the export exit rate for logs from 35% to 50% of the FOB value of species. This is to encourage local processing of timber before export. There is also the digitisation of procedures and collection, which have an impact on the performance of tax and customs administrations, due to the dematerialisation of tax procedures. Thus, the contribution of the DGT to the State's own revenue increased from 939.7 billion in 2010 to 2060.7 billion in 2019 and the revenue allocated to Regional and Local Authorities and public entities increased from CFAF 67.1 billion in 2010 to CFAF 201.1 billion in 2019.

Aïcha Nsangou



MONEY AND FINANCIAL MARKETS

Cameroon still credible

The year 2021 will have been one of many successes in the fundraising operations organised by the country to finance its projects and manage its debt.

On 22 December 2021, the State of Cameroon and the electricity sector companies breathed a sigh of relief when they signed a memorandum of understanding for the partial settlement of the country's debt to Energy of Cameroon (Eneo), concessionaire for the public service electricity. The reason for this relief was a successful operation to raise funds on the money market, thanks to the

participation of several local banks to facilitate the repayment of a debt owed by the State for several years and which seriously plagued the deployment of stakeholders in this sector. Thus, out of the CFAF 70 billion sought, more than CFAF 80 billion was actually collected and redistributed to half a dozen companies.

It must be said that this operation of Eneo's debt settlement by the State is a real innovation in terms of its design and a first on the money market, insofar as the State gave, in return for its debt to Eneo, Treasury Bills and Bonds to the company. With the intermediation of an arranger, it then placed the said securities with investors such as banks and insurance companies. Moreover, this operation enabled the State of Cameroon to end the year 2021 on a high note, in terms of the search for financing and management of public debt, especially after the smashing success of the Eurobond in June 2021. This made the President of the Republic, Paul

Biya, say in his speech to the Nation on December 31, 2021, that it was the credibility of Cameroon's signature that favoured the success of this operation, "as well as the conclusion of a new Economic and Financial Programme with the International Monetary Fund. "

Development strategy

Indeed, in June 2021, Cameroon went to the international market, six years after its first experience, with a view to refinancing this issue. As part of the active management of the State's debt in general and with the specific aim of improving its profile, to attract investors to the implementation of our development strategy, the President of the Republic, Paul Biya, authorised the use of an international bond issue of CFAF 450 billion, to largely refinance the 2015 Eurobond. By closing the transaction on June 30, 2021 in Paris after ten days of convincing many investors, the country achieved its goal, collecting CFAF 1481.15 billion,





representing 2.258 billion euros, for a coverage rate of 321%. But the team led by Louis Paul Motaze, with regard to the authorisations obtained from Yaounde, could only retain 450 billion. This amount allowed him to cover 80% of the 2015 Eurobond, with an interest rate of 5.95%, far from the 9% obtained in the first instance. The long maturity of this issue (11 years) allows Came-

roon to ease strains on its treasury, leaving more time for the management of this debt which, contrary to popular belief is not one more, but just a way to save time at more advantageous rates. The reasons for satisfaction are also these 10 years of the State on the money market. A decade during which Cameroon has been able to collect CFAF 3036 billion on the

"... the confidence that investors constantly show towards the signature of Cameroon, constitutes a reason for encouragement, for the continuation of the reforms carried out by the country".

Central African money market. And for MINFI, the confidence that investors constantly show towards the signature of Cameroon "is a reason of encouragement for the continuation of reforms carried out by the country" in a context where the economic and financial challenges remain numerous."

Jocelyne Ndouyou-Mouliom



« Macroeconomic and budgetary framework is a more organised activity »

Mme Sophie Boumsong

Head of the Budget Reform Division
Budget Reform Division, MINFI



Mrs Director, public finance reforms in Cameroon clock 10: what has changed?

First of all, I would like to clarify that when we talk about Public Finance Reforms (PFRs), we are referring to all the measures taken by the Government following the completion point of the Heavily Indebted Poor Countries (HIPC) initiative to modernise the management of our public finance (MPF).

Indeed, it should be recalled that the successive throes of the economic crises that began at the end of the 1980s led the Cameroonian Government to seek support from donors, notably through the Structural Adjustment Plans and the HIPC initiative. In 2006, the country reached the completion point of the HIPC initiative. It was thus relieved of a large part of its debt and could once again look forward to a peaceful future. However, the legal framework for public finance and current practices are not conducive to the deployment of synergies necessary for development. The public finance management system assessment according to the PEFA methodology, which took place at the beginning of 2007, revealed si-

“... the implementation of reforms, like any policy, follows a process: diagnosis, definition of an action plan, its implementation and monitoring.

gnificant limitations in the process of drawing up the State budget, revenue mobilisation, debt management, contracts award, cash management, accounting, internal and external audits, and information systems. It is in this context that the State's financial regime was adopted in December 2007 with major innovations in budgetary, financial and accounting matters. In 2013, in accordance with the law, all the provisions of the State's financial regime, in particular programme-based budgeting, came into force.

Ten years later, I can point out some developments:

Budget preparation. The budget preparation process is now optimised and framed. The State budget is prepared throughout the year on the basis of a budgetary calendar set by regulation and respecting the planning, programming, budgeting and monitoring-evaluation phases. The

budget perspective is therefore multiannual (MTEFs, MTBFs) in line with the policy objectives set out in the national strategy papers (2035 VISION, GESP, NDS30, etc.), from which the budget programmes are derived, each with objectives and performance indicators. Through this approach, a close link is clearly established between public policy ambitions and the related budget allocation. With regard to the mobilisation of budget resources, various reforms of both fiscal policy and tax administration carried out in recent years by the tax authorities have made it possible to double the State revenue in ten years. This has enabled our country to meet its external commitments, but above all to be able to finance overarching projects with a view to emergence by 2035. The reform of the taxpayers registration system, the reduction of the cost of fulfilling taxpayers' reporting obligations, the facilitation of taxpayers'

access to litigation jurisdictions, the digitalisation of procedures, and the development of information systems are some of the measures that have made it possible to achieve these results.

Concerning **cash flow management**, although efforts are still needed, significant progress has been made, particularly in reducing payment delays. Indeed, the reliability and completeness of data on available cash resources can be observed following the smooth running of the Treasury Committee. In the coming weeks, the implementation of a renovated single Treasury account is envisaged, which will significantly improve the fluidity of the processing of expenditure and revenue operations in the Treasury Services and the quality of banking services provided to users of State services, RLAs and public establishments.

To sum up, we can say that today in Cameroon:

- The public action is planned: development strategies show the priorities of public action over 10 years;
- The macroeconomic and budgetary framework is a more organised activity;
- The search for performance is at the heart of budget management. The budget is executed by programme, each with objectives and results indicators;
- The performance of the financial authorities is on an upward trend;
- Debt and cash management is more rationalised, etc.

1. In these changes, what has been the contribution of the Technical and Financial Partners (TFPs), in particular the IMF?

Very important. The Technical and Financial Partners, notably the European Union, France, Germany, Canada, the IMF, the World Bank, the African Development Bank, the UNDP, etc., are regularly supporting public finance reform. I therefore cease the opportunity to thank them once again.

As you know, the implementation of reforms, like any policy, follows

a process: the diagnosis, the definition of an action plan, its implementation and monitoring. The TFPs have been accompanying the Cameroonian Government in all these stages for over fifteen years. Diagnosis through the support for the conduct of various evaluations of the public finance management system PEFA, PIMA, TADAT, MAPS, etc. Technical support for the development of reform plans in the various sectors (Public Finance Modernisation Plan, Comprehensive Public Finance Management Reform Plan, etc.); the implementation, through the establishment of programmes and projects to support public finance reforms (PAPDEP, PAGT, PRCTC, PAEDP, PARFIP, PAMFIP, PAGFI, etc.). With regard to monitoring, the TFPs participate in several consultation frameworks both internally and with the Government to dialogue on the evolution of public finance (the Partnership Framework on Public Finance, the Multi-stakeholder Sectoral Committee on Public Finance, the Committee of the Dialogue Platform on Public Finance, etc.).

With regard to the IMF specifically, it generally provides mentoring in the area of public finance. It is the IMF that sets good practices and supports their appropriation at the level of the States. In Cameroon, and this has been the case for years, capacity building programmes are established each year with the IMF's Public Finance Department and with AFRITAC-Centre on a certain number of subjects ranging from revenue mobilisation to internal control, including macroeconomic framework, budget preparation and execution, and accounting.

2. How can these reforms contribute to the success of the NDS30?

The implementation of the National Development Strategy cannot thrive in an unsound public finance management system. The optimal implementation of projects, for example, requires an appropriate

public finance legal framework, effective debt management to attract investors, good command of project maturation, effective budget preparation that can be linked to the objectives of the Strategy, and a modern public award contract system controlled by the stakeholders to reduce time taken in contract award procedures, continuous optimisation of resource mobilisation to ensure financing, efficiency of the budget execution chain and availability of cash to allow for uninterrupted execution of projects. All this can only be effective with adequate reforms, which are accepted and controlled by the stakeholders.

3. What are the challenges and prospects associated with the PFR in Cameroon today?

To date, although progress has been made, major challenges remain to achieve the objective of making our public finance management system transparent, efficient and in line with international standards. To this end, the Comprehensive Public Finance Management Reform Plan adopted at the end of 2018 for the period 2019-2021 has been extended until 2023. The actions undertaken over the past three years to improve budget preparation, mobilise non-oil resources, strengthen budget execution and rationalise controls will continue. The reforms in the area of public finance included in the structural reform matrices backed by budget support programmes with our partners are also taken into account. To achieve the expected results, we are working towards adequate financing of the reforms by the State budget, strengthening of local management, appropriation by the actors of the general philosophy of the reforms, and communication so that an overall dynamic is created around the reforms.

**Interview by
Rosine Nkonla Azanmene**

"To date, while progress has been made, significant challenges remain to achieve the objective of making our public financial management system transparent, efficient and in line with international standards."

INVESTMENTS

Paul TASONG

Minister Delegate in the Ministry of the Economy, Planning and Regional Development, in charge of Planning.

Coordonnateur national du Plan Présidentiel de Reconstruction et de Développement des Régions du Nord-Ouest et du Sud-Ouest.

« The reconstruction of the Far-North, North-West and South-West regions is the government's priority for the next ten years »

Mr. Minister, how far has the reconstruction process gone in the North-West and South-West regions?

The reconstruction process in the North-West and South-West regions is progressing normally. Following the preliminary stages of sensitisation and provision of up-to-date information on the losses experienced by the populations and communities, work has actually begun. Currently, several schools, health centres and water supply systems are under rehabilitation in both regions. In the same light, many peace-building initiatives are carried out to facilitate the implementation of the Presidential Plan for the Reconstruction and Development of the North-West and South-West Regions (PPRD-NW/SW). The recovery phase, which is currently implemented for a period of three years, is focused on three objectives: the promotion of social cohesion; the rehabilitation of basic social infrastructure and the revitalisation of the local economy. In fact, the priority within this first phase is to enable the population affected by the crises to find minimum autonomy. Subsequently, the two other phases will consolidate



the achievements and structurally transform the two regions through the revival of agro-industries and the construction of large-scale projects, such as the Ring Road, the Limbe port and the Menchum dam.

On several occasions, you have organised missions to raise awareness among the population. Do you think they are ready to collaborate, to get involved in the reconstruction in a

context where the crisis is struggling to fade away?

I'll tell you straight away: if the PPRD-NW/SW was able to be carried out over the past year, it was essentially thanks to the massive support of the people and the collaboration of local actors in the North-West and South-West. It is true that there were apprehensions at the beginning. But most of them have been lifted or are in the process of being lifted, because

of the inclusive and participatory approach that we have adopted at all stages of implementing the project. Today, the majority of citizens in the two regions are eagerly awaiting support from the State and Cameroon's partners so that they can start living a normal life again.

A study was carried out on the evolution and socio-economic impacts of this security crisis... What is at stake in such a research work at a time when the populations are waiting to see the construction of the first infrastructures?

The preparation of the study to which you refer is in no way incompatible with the implementation of reconstruction projects. But at the end of the first year of implementation of the PPRD-NW/SW, the objective was to assess the evolution and socio-economic impacts of the security crisis in the North-West and South-West regions over the period 2017-2020, with the view of proposing areas for the consolidation of the reconstruction and development strategy implemented by the government and its partners. This work was very important, as it gave an accurate idea of the dynamics of the crisis and influenced the decision of the highest authorities as to whether to maintain or reorient the plan's areas of intervention.

Let's talk about the theme of the study, what are the dynamics of this security crisis and what are the socio-economic impacts in these two regions?

It should be noted that, this study was conducted in collaboration with MINEPAT, the National Institute of Statistics (INS) and the United Na-

"The Great National Dialogue, convened by the President of the Republic, His Excellency Paul BIYA, had already made recommendations to end the crisis. Under the aegis of the Prime Minister, these recommendations are".

tions Development Programme (UNDP). Overall, the results show that the crisis in the North-West and South-West depreciated the main socio-economic indicators between 2017 and 2019. Indeed, most activity-based sectors were affected, including agriculture, industry, market services and foreign trade, thus, a significant drop in the total revenue of businesses and tax revenues in the two regions. However, the year 2020 marks a reversal of the downward trend, with a perceptible recovery of economic and social activities in both regions. In this light, after three years of continuous absence, school attendance has significantly increased. Although below the pre-crisis level, agricultural production has also increased, as well as trade in goods and services. Consequently, it seems more important than ever to maintain and strengthen this positive dynamics by consolidating the reconstruction process in the North-West and South-West regions.

After such a study, there are inevitably solutions that emerge. In your opinion, what is the best strategy to contain the crisis, restore the confidence of the population and boost socio-economic development in the two regions?

The Major National Dialogue, convened by the President of the Republic, His Excellency Paul Biya, had already made recommendations to put an end to the crisis. Under the aegis of the Prime Minister, these recommendations are currently implemented by the government as established by the Head of State. The implementa-

tion of these recommendations, combined with the effective start-up of the PPRD-NW/SW, is undoubtedly at the origin of the gradual appeasement observed and the resumption of socio-economic activities in the two regions. Nevertheless, the study suggests a number of avenues for reflection on the first phase of reconstruction, in particular the provision of education for minor orphans of the crisis, the acceleration of the socio-economic reintegration of ex-combatants, the protection of the local economic fabric and support for key actors of development. With regard to trust between the population and the authorities, this is gradually gaining grounds due to the increasingly active collaboration observed on the ground. To completely restore it, in addition to the actions already undertaken, it seems important to us to strengthen accountability in managing public actions, to systematise the participatory approach with the involvement of the main development actors and to set up platforms for social expression.

Mr Minister, as part of the deepening the decentralisation process, a special status was granted to the North-West and South-West regions, making them major development actors. The aim was to equally take into account the linguistic and cultural background of these two regions. How far have we gone?

This process is piloted by the government (to be more specific, the Ministry of Decentralisation and Local Development), under the leadership of the President of the Republic. At our level, we

INVESTMENTS

plan to support the implementation of the special status simply because the PPRD-NW/SW is intended to end as soon as its objectives are achieved, unlike the regional and local authorities, permanent institutions in charge of local development. Under conditions that are yet to be defined, we will proceed to strengthen the capacities of the regional executives of the North-West and South-West in terms of conducting socio-economic development projects, in a bid to capitalise on the expertise of the UNDP with the hope of consolidating the achievements and ensuring the sustainability of the rehabilitated infrastructure.

How does the Presidential Plan for the Reconstruction and Development of the North-West and South-West Regions fit in with the NDS30?

'The reconstruction of the Far-North, North-West and South-West regions is the government's priority for the next ten years. This reconstruction tops the list of the 15 programmes and projects that the government intends to implement in this decade. To this end, all the stages of the PPRD-NW/SW are linked to the objectives of the National Development Strategy 2020-2030 (NDS30), particularly in terms of improving local governance and the living conditions of the population. As an illustration, the main objectives of phases 2 and 3 of the PPRD-NW/SW should contribute to: structurally transform the economy of



the two regions; promote employment and economic integration; and develop the North-West and South-West regions'.

What about financing the PPRD-NW/SW, Where do we stand?

The initial estimated budget for the Presidential Plan is CFAF 89 billion. On 31 December 2021, the State of Cameroon had already paid the 10% of the total amount (CFAF 8.9 billion) and Japan was the only foreign partner to have contributed financially (CFAF 1.5 billion). In addition, the private sector has already contributed CFAF 1.2 billion, bringing the total funding mobilised to CFAF 11.6 billion. While it is true that the COVID-19 pandemic may justify the challenge faced by some friendly countries to contribute to financing the PPRD-NW/SW, we remain convinced that the return of peace, through reconstruction,

is a cause that deserves special attention and efforts to preserve a united and stable Cameroon. If necessary, the government has alternatives, namely the mobilisation of additional resources from the State budget, the use of concessional financing and the continuous appeal to the private sector for financial contributions.

What is the next step after presenting the above-mentioned study?

In the coming months, the focus will be to continuously carry out the activities planned for 2021-2022, coupled with strengthening the financing strategy and support to Regional and Local Authorities in the North-West and South-West.

**Conducted by
Rosine Nkonla Azanmene**



The NDS30 aims at a voluntary structural transformation of the national productive fabric by introducing fundamental changes to the economic, social and cultural structures to promote an endogenous and inclusive development while preserving the opportunities of future generations. The goal is to make Cameroon a New Industrialized Country as stipulated in the Long Term Development Vision. It particularly intends to revitalise the industrial and manufacturing sector by promoting local consumption and "made in Cameroon" in all areas of the national economy.

La SND30 vise une transformation structurelle volontariste du tissu productif national en opérant des changements fondamentaux dans les structures économiques, sociales et culturelles afin de favoriser un développement endogène, inclusif tout en préservant les chances des générations futures. Le cap étant de faire du Cameroun, un Nouveau Pays Industrialisé tel que stipulé dans la Vision de développement à long terme. En particulier, elle entend dynamiser le secteur productif industriel et manufacturier en promouvant la consommation locale et le « Made in Cameroon » dans tous les domaines de l'économie.

www.minepat.gov.cm

“Nearly 7,400 projects have been implemented for the benefit of councils in all regions of the country”.

Marie Madeleine Nga

National Coordinator of the National Community-Driven Development Programme (PNDP)

The National Coordinator of the National Community-Driven Development Programme (PNDP) explains how this local development instrument has given Regional and Local Authorities the necessary skills and means to put in place conditions and opportunities for wealth and job creation for the well-being of the population, particularly the underprivileged.



Madam Coordinator, how is the National Community-Driven Development Programme faring?

I would like to tell you straight away that the National Community-Driven Development Programme, commonly known as PNDP, is still standing, despite the difficulties related to the health context that we are experiencing and which have strongly contributed to the overall slowdown in

activities in 2020. However, thanks to the barrier measures and other response measures taken against Covid-19, we have continued in 2021, the resumption of activities in favour of the Regional and Local Authorities and the beneficiary populations. Overall, the PNDP is doing well. We benefit from the constant support of the Government (through MINEPAT, which is our supervisory authority), donors and our main beneficiaries, the mayors. Thanks to their renewed trust, we are moving forward quite serenely.



2004-2022. The PNDP has already been running in the ten regions for eighteen years. How do you assess the implementation of the third phase?

We are actually engaged in the third phase, which will continue until the various funding deadlines, notably that of the World Bank in June 2022 and that of the French Development Agency in 2023. I would humbly say that the PNDP has made a remarkable contribution to the process of

decentralisation and promotion of local development. Without being exhaustive, I will mention the improvement of the legal and regulatory framework for decentralisation, marked by support for the preparation and adoption in 2009 of instruments such as the laws on local taxation, the financial regime for Regional and Local Authorities and the Order to set the standard job table for councils, alongside an organisation chart model for councils. 342 councils now have their Council Development Plan (CDP), which has been developed since the second phase of the programme and is being updated during this phase. 31 Council Development Plans are being drawn up for the sub-divisional councils, in order to provide them, like the other municipalities, with a development guide over a five-year period. The structuring and generalisation of local planning, leading to the recognition of the Council Development Plan as the main tool for identifying local development projects by all actors, is also to the credit of the PNDP.

More concretely, how many projects have already been carried out by the PNDP?

Nearly 7,400 projects resulting from development plans have been implemented for the benefit of councils in all regions of the country, including more than 500 specifically for the benefit of localities hosting refugees. These projects cover various sectors, such as hydraulics, sanitation, education, training, transport and the economy, particularly socio-commercial

facilities. Nearly 900 senior council staff have been recruited. They are benefiting from capacity building programmes in their operational technical interventions, as well as in financial management, budgeting, accounting and council action. We also have the development plan for the pygmy peoples, which has enabled us to support this social class in various areas, including health, citizenship, agriculture and other areas such as education. Today, more than 70 councils submit their management accounts to the Audit Bench, as well as to the public accounting at the Ministry of Finance. This was less than 10% four years ago. This is an outstanding progress in the improvement of local governance. I would also say that 10,000 jobs have been created thanks to the Labour-intensive (HIMO) approach, which is itself supported by local engineering and which has enabled the reintegration of more than 5,000 workers in various jobs in groups or individually. These people, who are thus included in the HIMO operation, provide life or survival for many others.

What tools do you have to assess the relevance of your interventions in the field?

We have regularly carried out a socio-environmental impact study on the projects we have implemented at each phase of the programme. We have even carried out an impact study on the beneficiaries, the results of which show that when you add classrooms to a school with water and latrines, there is an absolute



improvement not only in the number of students, but also in the number of girls who come to school because of these latrines and water points. In the Far-North, where this facility has been regularly provided, we have seen a greater number of girls going to school. Where there are electrification lines, we have noted the beginning of a local economy developing around them. The same applies to the market areas. We can see that this infrastructure actually promotes the local economy because it enables supply to be matched with demand. It allows, as far as the rehabilitated farm-to-market roads are concerned, the evacuation of products... There is therefore a real impact, which is reflected in the strong adherence of the councils, the elected officials, and the grassroots populations to all our initiatives. Even when these elected officials are newcomers, they join and give the association a hand so that we can move forward in the enforcement of our contracts.

What are the prospects for the PNDP?

The future of the PNDP lies in finalising the financing, which is the Government's commitment to its funding bodies. We have a first deadline in June 2022 with the IDA 18 funding dedicated to the problem of refugees in the Far-North and East Regions. We have resources that come straight from the French Development Agency, or indirectly because they have been delegated to it, the

case of EDF funds from the European Union. In addition to this, we also have the AFD subsidy for the third phase of the HIMO operation in the Far-North, which takes us to 2023. There is also the PNDP sustainability project to which the government is committed. All of this is a matter of perspective in the short, medium and long term.

**Entretien menée par
Joceline Assoumou**



Spotlight

ROAD INFRASTRUCTURES

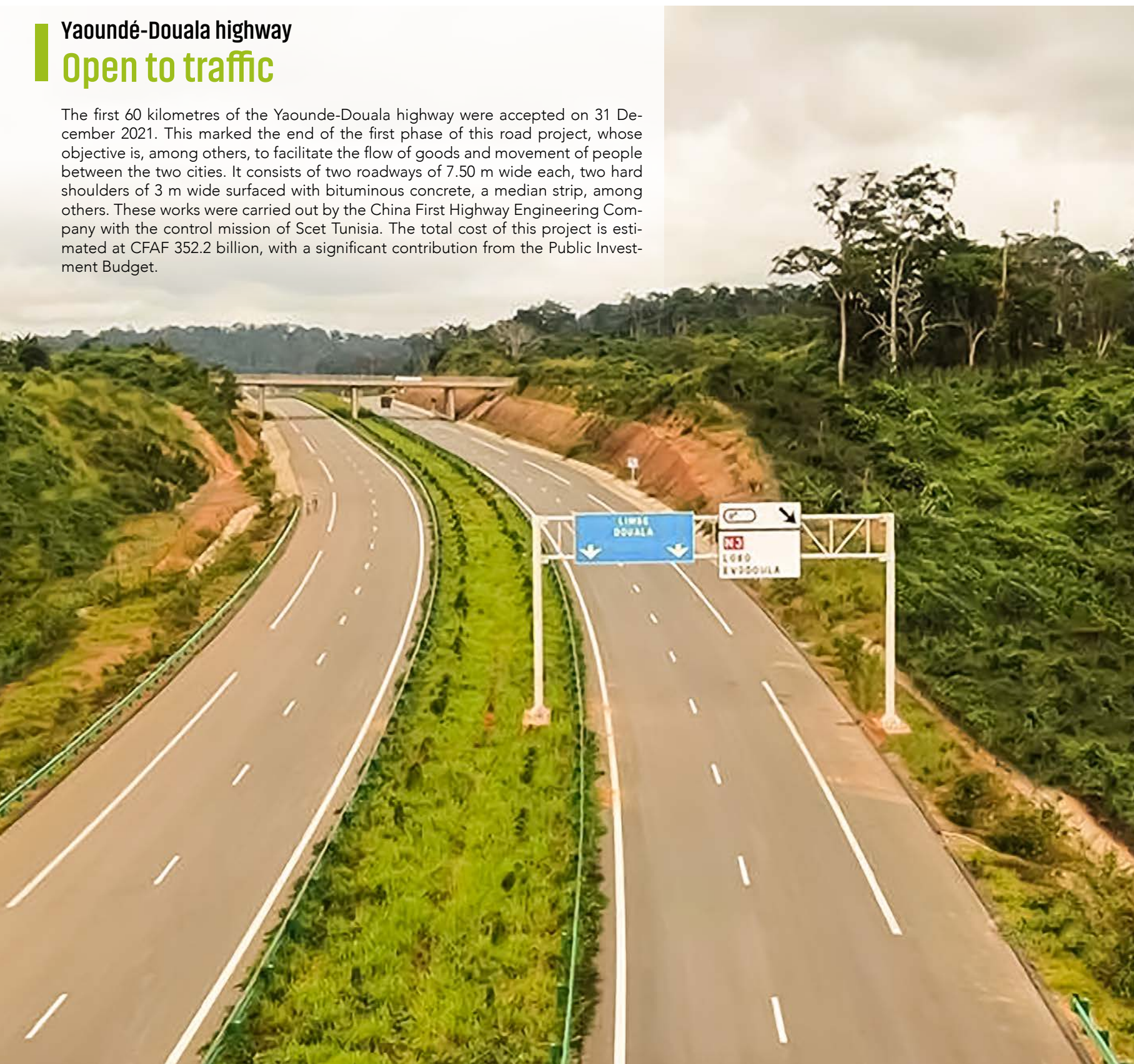
PIB, Concrete Achievements!

The Public Investment Budget is the main tool used by the State to boost inclusive growth and sustainable development through the conduct of projects having a positive socio-economic impact on the population's living conditions. Some of the achievements ...

SPOTLIGHT

Yaoundé-Douala highway Open to traffic

The first 60 kilometres of the Yaounde-Douala highway were accepted on 31 December 2021. This marked the end of the first phase of this road project, whose objective is, among others, to facilitate the flow of goods and movement of people between the two cities. It consists of two roadways of 7.50 m wide each, two hard shoulders of 3 m wide surfaced with bituminous concrete, a median strip, among others. These works were carried out by the China First Highway Engineering Company with the control mission of Scet Tunisia. The total cost of this project is estimated at CFAF 352.2 billion, with a significant contribution from the Public Investment Budget.





Yaounde-Nsimalen highway It is open

The rural road section of the Yaounde-Nsimalen highway (10.8 km) was open to traffic since 5 January. This 2x3 lane structure, consisting of three interchanges at Nsimalen, Meyolo and Ahala, three overpasses and works for the safety equipment drainage and other wetland treatments, now facilitates traffic for all users coming from the airport or the South Region. To carry out this project, the State disbursed CFAF 36.7 billion, with a large part coming from the Public Investment Budget. The road was built by the China Communications Construction Company Ltd.

NIS headquarters building Majestic...

The building of the National Institute of Statistics (NIS) commands admiration for its splendour. Standing 35 metres high and 47 metres wide, it was built thanks to the Public Investment Budget. It proudly overlooks the Mingo Valley. This mythical valley is the beginning of what is known today as the city of Yaounde, the political capital of Cameroon. The building, which covers an area of 3,980 m² with a floor area of 1,070 m², is made up of 10 floors, including two basements and 7 upper floors served by two elevator shafts and three stairwells in the ground floor. The two basements include an infirmary, a refectory, a sports room and 22 parking spaces. The upper floors contain office spaces and two meeting rooms. The NIS headquarters building is the perfect reflect and moreover one of the proudest achievements of the President of the Republic, His Excellency Paul Biya. It aims at enabling the executives of this institution in charge of producing statistical data to work in the most adequate conditions, in full confidence.



HAIR EXTENSIONS MANUFACTURING

It is possible with **banana trunk fibres**

The initiative developed within the framework of the Terrafib Project based in the Moungo division, aims among other things, to promote the “Made in Cameroon” label.

If the so-called Brazilian and Indian hair extensions have finally conquered the hearts of women, those made from the leaves and fibres of the banana-plantain trunks, intend to impose the “Made in Cameroon” label in the markets. This discovery of the Terrafib Project based in the N'Lohe locality, Manjo subdivision, Moungo division, is part of the circular economy dynamics. The aim of this project is to recycle vegetable waste by transforming it into usable material.

The idea, according to Jean-Pierre Sop, one of the promoters, originated four years ago. It consisted of providing women with vegetable and breathable, light and biodegradable hair extensions, unlike synthetic ones. Although promoters did not want to elaborate on the manufacturing process, they nevertheless stated that it is 100% natural. Thus, the fibres are washed with shampoo for human hair and dyed. The aim of the project is clear: “First of all, we want our vegetal hair to appeal to Cameroonian women who nowadays want to use more and more natural products to take care of themselves. We want to propose them our vegetal hair in a wide range of natural colours so that they can feel confident with our product.” Jean-Pierre Sop explains.

Vegetal hair

To date, the Terrafib Project is able to produce in small quantities, thanks to the machines they have



acquired and which have enabled them to carry out full-scale tests. A few dozen women have been plaited and have been delighted with the result. According to Jean-Pierre Sop, there is no room for complacency. “For the time being, we are looking for partner hairdressing salons capable of promoting our vegetal hair.” He explains.

To achieve this result, a lot of money has already been spent. “We have put in a lot of personal financial resources to get to this point. We had to build our machines, conduct laboratory research and train staff.” Jean-Pierre Sop says. In this perspective, “if the State could encourage companies like ours to develop these activities and above all to enforce the law

on the banning of plastics, that would really make us happy”, he adds.

This is all the more important as the short, medium and long term objectives are clear: “After the Cameroonian market, we will propose our vegetal hair to the sub-regional and African market as a whole, with international prospects.” In addition to hair extensions, the leaves and fibres of banana-plantain trunks are also recovered for the manufacture of paper, paper bags, etc. The remaining green material available after fibre extraction is treated by bio-methanisation followed by composting to produce biogas, compost and liquid fertiliser that can be used for energy and agriculture.

DISCOVERY



The first car 100% made in Cameroon

DTA-001, first 100% Cameroon made car from sheet metal and local raw materials, was designed and assembled in the Innotech Lab, an automobile centre located in Mvan, a neighbourhood in Yaounde. It is a mini sports utility vehicle (SUV).

According to Prof. Achille Mbang Sama, its designer, "It is a mini flexible off-road vehicle, adapted to suit our context". Its peculiarity lies in the fact that it has the capacity to have autonomous components. It is completely surrounded by sensors for environmental analysis, obsta-

cle recognition, etc. Programmed for 90km/h, which can be extended beyond this speed, it is certainly a petrol-powered car, but its consumption is hybrid, i.e., detached from the engine.



USEFUL INFORMATION

PROJECT MATURATION

Significant Innovations

Since 21 June 2018, project maturation in Cameroon is regulated by decree No.2018/4992/PM of June 21 2018 laying down rules governing the maturation process of public investment projects. Accompanied by a guide, this text presents the good practices to be adopted by public administrations, usual procedures and various tools to bring public investment projects to maturity. This text includes several innovations:

The advent of a maturity visa

A maturity visa reveals substantive formalities relating to the preparation of a public investment project. It is in fact an institutional and a technical induction that attributes all the necessary elements for the better execution of a project. The registration of a Medium-Term Expenditure project and the State budget is subject to this approval.

The Responsibility of Project Owners

Each project owner is in charge of bringing their investment projects to maturity and requesting the award of maturity visas for projects costing CFAF 100 million and more.

The Institutionalisation of New Bodies to Approve the State of

Project Maturation

These include project maturation commissions in each region; internal maturation commissions within each company and/or public establishment; internal commissions in each ministry; and the inter-ministerial technical committee of experts in charge of examining maturation files submitted by project owners.

The Introduction of Counter-Expertise for some Projects

This counter-assessment of the maturity elements applies to large-scale projects, which are likely to be complex and strategic. It is mandatory for projects amounting to CFAF 10 billion or more. The counter-expertise covers certain areas, such as project design, the preparation of project execution, the preparation of investment product exploitation, the preparation of the maintenance of the investment product and feedback.

The Reinforcement of the Role of State Engineering Departments and Specialised Bodies

These ministries now take part in examining projects in maturation commissions and their opinions are recorded in the minutes. They include the Ministry of Trade for the validation of equipment acquisition prices; the Ministry of Public Works for technical studies of construction works; the Ministry of State Property, Surveys and Land Tenure for technical studies of building rehabilitation works; the Ministry of Water and Energy for technical studies of water and electricity projects; and the Ministry of the Environment for socio-environmental impact studies, etc.

Adonis Abondo

PR MBANG SAMA

Pioneer of technological innovation with an atypical career

The prominent figure in the Cameroonian diaspora in Germany and designer of the first 100% Cameroonian car intends to instil the industrial revolution and thus actively contribute to the operationalisation of the National Development Strategy 2020-2030.



THE MOST OF THE MAG

On October 6, 2021, Cameroonians discovered the very first vehicle designed and assembled on the national territory. This technological feat bears the label of Prof. Mbang Sama. He is Founder and President of the Digital Transformation Alliance (DTA). Born in Cameroon, this engineer, who works for one of the world's largest automotive companies and teaches in prestigious technical universities in Europe, is a man with an elusive profile and an atypical career. In 1994, in collaboration with the National Employment Fund, he set up the Support Programme for the Return of Cameroonian Immigrants (PARIC). Five years later, in 1999, he created the Association for the Engineers and Computer Scientists of Germany. Passionate about entrepreneurship and with great expertise in technological innovation, he created the Digital Transformation Alliance (DTA) in 2018 and the InnoTechLab Technology Development Centre in 2020. His main achievement in this field is the creation and presentation of the DTA-001, the first vehicle "Made in Cameroon" in 2021.

Seduced by this project which promotes the structural transformation of the economy against the backdrop of industrialisation driven by technological development as prescribed by the National Development Strategy by 2030, the Ministry of the Economy, Planning and Regional Development signed a partnership agreement with the Digital Transformation Alliance (DTA).

Industrial revolution

His qualities and skills are appreciated and recognised by Armand Claude Abanda, Resident Representative of IAI Cameroon. "The digital world



that is coming will not wait for the laggards. It is therefore necessary that there is this type of initiative for our country and all its components to effectively join this new digital vision. Professor Mbang Samba was able to bring to Cameroon this technological machine which is composed of major technology companies in the world, including Dassault Systems, and many other institutions known for the Cameroonian youth to benefit from this living symbol that will perhaps make Africa the new digital Eldorado for the world." Armand Claude Abanda boasts.

Prof. Mbang Sama is not only a teacher; he is also a creator of wealth with his company Digit-Tech-Innov Solutions. After 22 years in technological innovation, the Founder and President

of the Digital Transformation Alliance (DTA) and of the Technological Development Centre InnoTechLab is now looking ahead to new projects. "One of the biggest will inevitably be to transfer this highlighted technological capacity, in addition to mobility, into the areas of wealth creation", the Founder of the DTA announces. "My dream is to instil the industrial revolution in Cameroon and thus actively contribute to the operationalisation of the NDS30. I would like to resolutely commit myself to bringing my expertise to the success of our country's emergence programme", he concludes.

Ferdinand Lemofouet

ECONOMICS MADE EASY

Definition of some Common Economic Terms and Expressions (GDP, Inflation, Debt, Debt Conversion, Growth, etc.)

The Key Figures of the Economy in 2021



INDICATOR	DEFINITION AND EXPLANATION	VALUE IN 2021
Gross Domestic Product (GDP)	The sum of the added values of all the companies and administrations of a country, to which customs duties are added. GDP is used to calculate economic growth, i.e., changes in the production of goods and services on the national territory from one year to the next.	3.5%
Inflation	Inflation is defined as a generalised increase in prices that can lead to a loss of purchasing power of money and, consequently, a loss of purchasing power of goods and services for those who hold it. It is measured by the Final Consumer Price Index (CPI), which is incomplete to consider the inflationary phenomenon, which covers a wider field than that of final household consumption.	2,3%
Public debt	Public debt refers to all the financial commitments made in the form of loans by the State, public authorities and bodies directly dependent on them. It is generally expressed as a percentage of Gross Domestic Product (GDP), in order to compare the debt to the size of the economy of each country and thus facilitate international comparisons. According to CEMAC standards, a country's debt should not exceed 70% of GDP.	45.5% of the GDP is estimated by the end of December 2021
Fiscal Balance	The overall fiscal balance is the difference between total revenues and grants, total expenditures and net lending. A positive balance reflects a surplus of resources, and a negative balance reflects a deficit of resources, and therefore a need for financial assistance.	-3.2% of the GDP (overall fiscal balance)
Solde des transactions courantes	Le solde des transactions courantes est la différence entre les sorties et les entrées de revenus liées aux relations d'un pays sur biens et services avec le reste du monde. Il est particulièrement scruté par les économistes, car il traduit la capacité ou le besoin de financement en devises extérieures de l'économie nationale.	-3.3% of the GDP
Concessional Loan	A concessional loan, otherwise known as a soft loan, is a loan with an interest rate below market rates. The level of the concessional loan is measured by its 'grant element'. The grant element is the difference between the face value of the loan and the sum of the present value of future debt service payments to be made by the borrower, expressed as a percentage of the face value. Generally, loans obtained from multilateral partners (IMF, WB, ADB, AFD, EU, etc.) are concessional loans and can also be obtained from some bilateral partners.	
Structural Transformation	The structural transformation of an economy is defined as a gradual phenomenon of real-locating activities and factors of production from low productivity sectors to more modern sectors of the economy, in order to enable the preservation of strong, sustainable and inclusive growth. This process is generally characterised by at least two designed facts: (i) an increase in the manufacturing sector and high value-added services in GDP, coupled with a sustained decline in the agricultural sector; and (ii) a decline in agricultural employment and a shift of workers to other more productive sectors of the economy.	
Counterpart Fund	The counterpart fund is the share of state financing in the implementation of a jointly financed project, in application of a loan or grant agreement explicitly providing for this. There are two types of counterpart funds: counterpart funds in actual expenditure and counterpart funds in taxes and customs duties.	

CAMEROUN EMERGENT / EMERGING CAMEROON

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L'EMERGENCE DU CAMEROUN



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UNE PUBLICATION DU MINISTRE DE L'ECONOMIE, DE LA
PLANIFICATION ET DE L'AMENAGEMENT DU TERRITOIRE

