

**AFRICAN DEVELOPMENT BANK GROUP**



**CAMEROON**

**REVIEW OF THE BANK ASSISTANCE TO THE  
MULTISECTOR, 1996 – 2004**

**OPERATIONS EVALUATION DEPARTMENT  
(OPEV)**

**8 April 2008**

## TABLE OF CONTENTS

ACRONYMS AND ABBREVIATIONS .....	i
EXECUTIVE SUMMARY .....	iii
I. CONTEXT .....	1
1.1. Objective and Scope of the Evaluation .....	1
1.2. Approach and Methodology of the Evaluation .....	1
1.3. Country Context, Economic Conditions, Major Developments on the Institutional and Political Levels, and Current Challenges .....	2
1.4. Bank Group Multisector Operations .....	4
II. BANK GROUP ASSISTANCE, GOVERNMENT POLICIES AND STRATEGIES .....	5
2.1. Bank Group Assistance Strategies and Policies .....	5
2.2. Government Strategies and Policies .....	7
2.3. Relevance of Bank Group assistance .....	8
2.4. Forecasts and Outputs of the Bank Multisector Operations .....	8
III. EVALUATION OF BANK MULTISECTOR ASSISTANCE PERFORMANCE .....	9
3.1. Quantitative Evaluation of Overall Performance of Policy-Based Lending Programs (PBLP) .....	9
3.2. Analysis of Overall Performance of Policy-Based Lending Programs (PBLP) .....	10
3.3. Bank Assistance other than Loans .....	12
IV. EVALUATION OF DEVELOPMENT IMPACT .....	12
4.1. Impact on Economic Growth .....	12
4.2. Impact on Poverty Reduction .....	15
4.3. Impact on Institutional Development .....	16
4.4. Sustainability .....	18
V. PERFORMANCE OF PARTICIPANTS .....	19
5.1. The Government and Executing Agencies .....	19
5.2. The Bank .....	19
5.3. Other Donors and Co-financiers .....	20
5.4. Exogenous Factors .....	21
VI. CONCLUSIONS, LESSONS AND RECOMMENDATIONS .....	21
6.1. Conclusions .....	21
6.2. Lessons .....	22
6.3. Recommendations .....	23

## LIST OF ANNEXES

<u>Annexes</u>	<u>Title</u>	<u>Number of Pages</u>
Annex 1	Cameroon. Macroeconomic Indicators 1986/87-2006	1
Annex 2	Cameroon. Selected Budget Indicators 1997-2006	1
Annex 3	Cameroon. Comparative Socio-Economic Indicators	1
Annex 4	SAP II Logical Framework Matrix (Retrospective)	4
Annex 5	SAP III Logical Framework Matrix (Retrospective)	5
Annex 6	Strategy and Policies of 1996-98, 1999-2001, and 2002-2004 CSPs	3
Annex 7	National Governance Program Support Project (PAPNG)	1
Annex 8	References	4

This report was prepared by Messrs. P.A ROCHON, Principal Evaluation Officer, and M. LABIDI, Consultant, following a mission to Cameroon from 10 to 24 November 2006. Questions on this report should be referred to Mr. H. RAZAFINDRAMANANA, Extension 2294, or Mr. C. KIRK, Director, OPEV, Extension 2041

---

## ACRONYMS AND ABBREVIATIONS

<b>ADB</b>	African Development Bank
<b>ADF</b>	African Development Fund
<b>AFD</b>	French Development Agency
<b>ANAFOR</b>	National Forestry Development Agency
<b>ARMP</b>	Public Procurement Regulatory Authority
<b>BEAC</b>	Bank of Central African States
<b>CAA</b>	Autonomous Sinking Fund
<b>CAMAIR</b>	Cameroon Airlines
<b>CAMTAINER</b>	National Container Transport and Transit Corporation of Cameroon
<b>CAMTEL</b>	Cameroon Telecommunications Corporation
<b>CAMU</b>	Central African Monetary Union
<b>CAPP</b>	Pharmaceutical Supply Centre
<b>CDC</b>	Cameroon Development Corporation
<b>CEMAC</b>	Central African Economic and Monetary Community
<b>CENAME</b>	National Essential Drugs Procurement Cooperative
<b>CET</b>	Common External Tariff
<b>CFAF</b>	CFA Franc
<b>CIS</b>	Inter-Ministerial Monitoring Council
<b>CNR</b>	National Reinsurance Fund
<b>COBAC</b>	Central African Banking Commission
<b>CSP</b>	Country Strategy Paper
<b>CTS</b>	Technical Monitoring Committee
<b>DCPE</b>	Economic and Finance Policy Framework Paper
<b>DPT</b>	Diphtheria, Poliomyelitis and Typhoid
<b>ECAM</b>	Cameroon Household Survey
<b>ESAF</b>	Enhanced Structural Adjustment Facility
<b>EU</b>	European Union
<b>FNE</b>	National Employment Fund
<b>GDP</b>	Gross Domestic Product
<b>GNP</b>	Gross National Product
<b>GRSP</b>	Governance Reform Support Program
<b>HDI</b>	Human Development Indicator
<b>HIMO</b>	Labor Intensive
<b>HIPC</b>	Heavily Indebted Poor Countries
<b>HIPC</b>	Heavily Indebted Poor Country
<b>HIPC-I</b>	Highly Indebted Poor Countries Initiative
<b>HIV/AIDS</b>	Human Immuno Deficiency Virus/Acquired Immuno Deficiency Syndrome
<b>ILO</b>	International Labour Office
<b>IMF</b>	International Monetary Fund
<b>INS</b>	National Statistics Institute
<b>I-PRSP</b>	Interim Poverty Reduction Strategy Paper
<b>MDRI</b>	Multilateral Debt Relief Initiative
<b>MINEDUC</b>	Ministry of Education
<b>MINEFI</b>	Ministry of the Economy and Finance
<b>NGO</b>	Non-Governmental Organization
<b>NGP</b>	National Governance Program
<b>NPV</b>	Net Present Value

<b>OHADA</b>	Organization for the Harmonization of Business Law in Africa
<b>ONADEF</b>	National Forest Development Authority
<b>PAPNG</b>	National Governance Program Support Project
<b>PBLP</b>	Policy-Based Lending Program
<b>PIB</b>	Public Investment Budget
<b>PME</b>	Small and Medium-sized Enterprise
<b>PPER</b>	Program Performance Evaluation Report
<b>PRGF</b>	Poverty Reduction and Growth Facility
<b>PRSP</b>	Poverty Reduction Strategy Paper
<b>SAP</b>	Structural Adjustment Program
<b>SAP</b>	Structural Adjustment Program
<b>SDR</b>	Special Drawing Rights
<b>SIGIPES</b>	Computerized System for the Integrated Management of State Personnel and the Payroll
<b>SNH</b>	National Hydrocarbons Corporation
<b>SODECOTON</b>	Cotton Development Corporation
<b>SONARA</b>	National Refining Corporation
<b>SONEL</b>	National Electricity Corporation
<b>SPRA</b>	Permanent Secretariat for Administrative Reform
<b>TCA</b>	Turnover Tax
<b>TOFE</b>	Table of Government Financial Operations
<b>UA</b>	Unit of Account
<b>UDEAC</b>	Central African Customs and Economic Union
<b>UNDP</b>	United Nations Development Program
<b>US\$</b>	US Dollar
<b>VAT</b>	Value Added Tax

## EXECUTIVE SUMMARY

i. This report assesses the Bank Group's assistance to the multi-sector in Cameroon over the 1996-2004 period. Multi-sector assistance covers policy-based loans and grants, technical assistance programs, and institutional support for capacity building. During the period under review, the Bank approved three multi-sector programs and projects in the amount of UA 36.70 million, or 13.73% of its commitments over the same period.

ii. Cameroon started recovering from the 1986-1994 deep recession only after the devaluation of the CFA Franc in 1994 and the economic reform process undertaken at the time. However, it was in 1997 that growth was really jump-started with the implementation of new Government programs supported by the Bank, IMF and World Bank programs and loans: the Bank's SAP II (1997/988-1999/2000) and SAP III (1999/2000-2003/04), the IMF's PRGF I (1997/98-1999/2000) and PRGF II (1999/2000-2003/04), and the World Bank's CAS 1996. SAP II focused on stabilization, economic growth, and structural reforms; SAP III, while pursuing the same objectives, put more emphasis on poverty reduction. SAP II and SAP III both helped Cameroon under the HIPC Initiative, one in attaining the decision point in October 2000, and the other in attaining the completion point in May 2006. These policies implemented the Bank's strategy as described and articulated in successive Country Strategy Papers (1996-98, 1999-2001 and 2002-2004).

iii. These programs were evaluated in terms of the following criteria: relevance, effectiveness, efficiency, institutional development, and sustainability. Program performance was satisfactory on all the criteria, except for efficiency. The implementation of the programs was generally satisfactory, with the Government showing a strong commitment, particularly during SAP II. The program impacts on growth (an average real growth rate of more than 4% per year for over 10 years), poverty reduction (a significant decline in the incidence of poverty since 1996), and institutional development were satisfactory. According to statistics and preliminary official estimates, the incidence of poverty declined from 53.3% in 1996 to 40.2% in 2001 and 38.8% in 2006. The gross school enrollment rate at the primary level rose from 81% in 1995-96 to about 100% in 2003-2004, with a parity index of 0.85 in 2004. In the health sector, progress was made in various areas, but is still very slow with respect to infant and maternal mortality, where the situation remains a cause for concern. The significant debt reduction following the completion point (more than 4 billion dollars at NPV) may be an excellent opportunity to develop the priority sectors of the economy through rational use of HIPC funds. The impact of SAP II and SAP III on institutional development is felt to various extents in economic management, poverty reduction, and sectoral capacities. With respect to economic management, progress was made in resource mobilization, investment programming, debt management, socioeconomic forecasting, and statistics. The mobilization of budget revenues has made progress.

iv. Compared to the pre-program period, the economy is now liberalized. However, the suspension of the PRGF by the IMF in 2004 indicates that the reforms faced some difficulties and delays, while the approval of a new PGRF at the end of 2005 nevertheless demonstrates the common will of the Government and its partners to pursue efforts in growth and reforms. These efforts are even more necessary because there are still some areas of concern. The social situation gives cause for concern, inadequacies in governance are significant, and growth is not high enough. Inadequacies in governance and corruption have a very negative impact on the efficiency of the economy and on the business climate. The private sector is not dynamic enough, and the level of investment remains too low to accelerate the development of the country. The economy continues to depend too much on oil and a few export products.

v. Four main lessons can be drawn from the Bank's assistance to the multi-sector over the period. First, a key factor of the success of multi-sector assistance was the Government's ownership of the programs and its political will to implement them. Second, programs such as SAPs are successful in achieving macroeconomic stabilization, but have difficulties in ensuring timely improvement of the social situation. Third, thanks to ADB's participation in the SAPs over a long period (about ten years), the composition of the Bank's programs is evolving towards greater selectivity, and currently towards governance. Fourth, the Bank's collaboration with the IMF and the World Bank, which is crucial for the implementation of policy-based lending programs, was not sufficiently utilized by the Bank in developing its substantial support for their design.

## **I. CONTEXT**

### **1.1 Objective and Scope of the Evaluation**

1.1.1. The purpose of this report is to evaluate the Bank Group's multi-sector assistance to Cameroon. This exercise aims to provide an overview of the design and implementation of the Bank Group's assistance program in support of reforms in Cameroon between 1996 and 2004. It shows the extent to which the Bank Group's policy-based lending program (PBLP) loans achieved the overall objective of economic growth and poverty reduction. The study also draws lessons for improving the effectiveness of the Bank Group's future assistance in this area. This evaluation will serve as an input to a more comprehensive evaluation of the Bank Group's overall assistance to Cameroon.

1.1.2. The study provides an overall review of Bank operations in macroeconomic stabilization, institutional reforms (including good governance), adjustment and capacity building in Cameroon between 1996 and 2004. It is limited to SAP II (1997/98-1999/2000) and SAP III (2000/01/2000/04), which have been closed, and to the Bank-financed Governance Reform Support Program (PAPNG), which is currently underway. Only a preliminary evaluation is provided for the PAPNG, which saw no activity until 2004. The evaluation focused on the level of implementation of agreed activities (policies, institutional change, etc.), respect of deadlines and disbursement adequacy, key design factors that may have had a positive or negative impact on the operation, their efficiency, the sustainability of outputs, their impact on institutional development, and their economic impact.

### **1.2 Approach and Methodology of the Evaluation**

1.2.1. Most of the information required for this overall evaluation was available thanks to the previous preparation of the SAP II PPER and the use of information and analyses in SAP II PER. The methodology consisted in reviewing the documentation available at the Bank's headquarters and Yaounde. The usual evaluation criteria used were relevance and quality at entry, effectiveness (achievement of objectives), efficiency, and impact on institutional development, sustainability, and performance of the Bank and the Borrower. The use and analysis of the retrospective logical framework indicators of SAP II and SAP III programs (see Annexes 4 and 5) were very useful in this respect.

1.2.2. The evaluation was conducted in two phases. The first phase consisted in an analysis of program documents and the relevant literature. It was complemented by a field mission to Cameroon from 10 to 24 November 2006, during which additional information on the programs and projects was collected, and consultations were held with Government officials and development partners. The second phase of the study was conducted at the Bank headquarters in Tunis following the mission. This phase consisted in evaluating the Bank's assistance to PBLPs using the evaluation framework developed by the Evaluation Cooperation Group (ECG) of Multilateral Development Banks. This phase also consisted in further consultations with the relevant Bank staff and preparation of the report.

1.2.3. The rest of the report is presented as follows: After the introduction and context, section 2 reviews Bank Group and Government strategies and policies in the sector, while section 3 evaluates the Bank's assistance program. Section 4 evaluates the development impact of the Bank's assistance, while section 5 reviews the contribution of other development partners to the assistance program for Cameroon. Section 6 contains the conclusions, lessons and recommendations.



### **1.3 Country Context, Economic Conditions, Major Institutional and Policy Developments, and Current Challenges**

1.3.1. Cameroon, which covers an area of 475 650 km<sup>2</sup>, had a population of about 18 million inhabitants in 2006, with a growth rate of 2.8 percent per year. The population comprises more than 250 ethnic groups that speak 24 different languages. The country has 10 provinces, 8 of which are French-speaking and 2 English-speaking. As a Central African country and member of CEMAC, Cameroon shares borders with six countries: Nigeria to the West, Chad to the North, the Central African Republic to the East, and Congo, Equatorial Guinea and Gabon to the South. Cameroon was a German protectorate and under English and French mandates, before gaining independence in January 1960.

1.3.2. The country is rich in natural, agricultural (cocoa, coffee, banana, tobacco, cotton), forestry (22 million hectares of forests with more than 70 varieties of wood), water (one of the highest hydroelectric potential on the continent) and mining resources. Oil resources, whose production is declining, accounted for about 43.1 % of the country's exports in 2004 and for 11.3% of its GDP<sup>1</sup>. Cameroon's economy is still dominated by the primary sector, which employed 60% of the working population, contributed 21% of GDP, and represented 25% of exports in 2004. Subsistence farming is the main activity in the sector. The main export crops are coffee, cocoa, banana, and cotton. The GDP share of the manufacturing sector, which has not yet recovered from the crisis in the 90s, stands at 13.5%. This share remains low given the country's potential in this area. Production, part of which is exported, is relatively diversified: agri-foods, timber, cement, aluminum, textiles and leathers, paper, rubber and plastic, etc.

1.3.3. After two decades of sustained growth as from the mid-60s, Cameroon's economy experienced a recession from 1986 to 1994, and only started to recover after the devaluation of the CFA franc in 1994. Since then, the country has embarked on economic reforms with support from the Bretton Woods Institutions and other donors, including the Bank. This reform process was characterized by the 1999/2000-2003/04 PGRF and the 1997/98-1999/2000 SAP II, on the one hand, and the 1999/2000-2003/04 PGRF and the 1999/2000-2003/04 SAP III, on the other hand. The SAP II helped Cameroon to attain the HIPC Initiative decision point in October 2000, while the SAP III prepared the country to attain its completion point in May 2006.

1.3.4. Until 1978, economic growth, which averaged 5% per year, was based primarily on agricultural production and exports, where the country had a comparative advantage. The discovery of oil in 1978 accelerated the expansion of the economy, which grew 7% on average in real terms between 1978 and 1986. Over this period, the oil sector accounted for 20% of GDP, 44% of government revenues, and 54% of exports. However, the 1987-1993 period was marked by an economic recession (real GDP fell by 1/3, or 50% in terms of per capita GDP) owing to the combined effects of a downturn in oil production, a fall in the prices of its major exports (40% decline in the terms of trade), an appreciation in the real effective exchange rate, and the decline of oil production. The budget deficit reached 6½ % of GDP on average in 1986-93, and was financed by increased foreign borrowing and the accumulation of domestic and external arrears<sup>2</sup>. During the recession and subsequent years, the social situation worsened. To reverse this trend, from 1987 to 1993, the Government

---

<sup>1</sup> IMF, Cameroon, country long term assessment cr05189.

<sup>2</sup> Cameroon: Ex Post Assessment of Longer-Term Program Engagement, IMF, Report No. 05/189 June 2005.

implemented economic reform programs supported by the international community, including a 50% reduction in the salaries of civil servants. However, in the absence of monetary adjustment, the results obtained from the implementation of these programs remained very limited.

1.3.5. This took place in 1994 during the devaluation of the CFAF. Since then, the Cameroonian authorities have embarked on the implementation of a series of reforms, with the Bretton Woods Institutions, to modernize, open, and strengthen the competitiveness of the country's economy. Despite unfavorable developments in the terms of trade, the 25% depreciation in real terms boosted export growth, particularly in the non-oil sector, and GDP grew 2¾% in 1994-97. Inflation, which had reached 30% following the devaluation, was rapidly brought back to single-digits. However, the two IMF-supported reform programs conducted from 1994 to 1996 did not attain their goal of restoring public finance equilibrium. External debt, accumulated during the oil boom to finance large development projects, remained a heavy burden at about 90% of GDP by 1997, with external payment arrears reaching 17% of GDP by 1997.

1.3.6. In 1997, to address these persistent difficulties, Cameroon concluded an arrangement with the IMF under an Enhanced Structural Adjustment Facility (ESAF) with a view to implementing an economic and financial reform program (July 97 to June 2000). This program was also supported by the Bank Group's SAP II and by the World Bank. It helped to improve macro-economic indicators, thus allowing the country to resume growth. Real GDP grew at an average annual rate of 4.7% between 1997/98 and 2000/2001. The SAP II helped to meet the requirements for finalizing the interim poverty reduction strategy paper (I-PRSP) in August 2000 and reaching the HIPC Initiative decision point in October 2000.

1.3.7. However, there were serious shortcomings in the social sector, and reforms had to be pursued. The social condition of the populations had not improved or had worsened since 1994, with 40.1 % of the population living below the poverty line in 2001. The Government therefore put in place a new program focused primarily on macro-economic stabilization, poverty reduction, and good governance. This program is based on the interim Poverty Reduction Strategy Paper of August 2000. The program was supported by the IMF through a new 2000-2004 PRGF, by the Bank through SAP III, and by the World Bank. Real GDP grew at an annual average rate of 4.1% between 2001 and 2004. Internal and external imbalances were gradually eliminated despite budget slippages in 2004. The full-fledged PRSP was adopted in 2003, and the social situation began to improve. Although the shortcomings in governance remained significant, structural reforms were implemented. The progress made under SAP III helped Cameroon to reach the completion point under the enhanced HIPC Initiative in May 2006. Thus, while SAP II paved the way for the decision point, SAP III paved the way for the completion point. This completion point was reached after the closing of SAP III, under the new program supported by the IMF's 2006-2008 PRGF.

1.3.8. **The political context** of these socio-economic developments remained stable throughout the 1996-2004 period. The institutions of the Republic of Cameroon are governed by the 18 January 1996 Constitution, which established a decentralized unitary State and a Presidential regime under which the Head of State, elected for seven years by direct popular vote, appoints a Prime Minister. The most recent Presidential election, held in October 2004, confirmed the current President in his functions. The country has 159 legal parties, of which 7 are represented in the National Assembly (NA). It is dominated by the ruling party, the CPDM, which holds 149 of the 180 seats in the National Assembly. The next legislative

elections will be held in 2007. At the institutional level, progress was made in 2004, notably the enactment of the decentralization law, the establishment of the Accounts Bench, and the adoption by the National Assembly of laws governing the organization and functioning of the Constitutional Council. In addition, a solution seems to have been found concerning Cameroon ownership of the Bakassi region, which is known to be rich in oil resources, and which was a source of disagreement between Cameroon and Nigeria.

1.3.9. **The constraints** encountered by Cameroon during the entire period were macro-economic, sector-based, and institutional. At the macroeconomic level, the constraints concerned the low level of household and domestic savings, the vulnerability of the economy to external shocks, notably fluctuations in commodity prices, the rigid adaptation of the economy, the decline in oil production, inadequate performance in public finance management, legal and judicial insecurity, and inadequate private sector financing. Sector-based constraints included rural, transport, energy and water constraints. With respect to *institutional constraints*, it is worth noting the ineffectiveness of audit organs faced with the persistence of corruption in the public service and delays in the delivery of public services. Beyond HIPC resources, there is the generic problem of absorbing internal as well as external resources in Cameroon. The country therefore faces the following challenges: promoting good governance, eliminating obstacles to private sector development in order to strengthen competitiveness and growth, as well as mobilizing and effectively using HIPC resources.

#### 1.4 The Bank Group's Multisector Operations

1.4.1. From 1996 to 2005, a total of 3 out of 31 operations approved by the ADB were multisector operations, representing 13.73% of new Bank Group commitments; these operations are SAP II (1997), SAP III (2001), and PAPNG (2001). As the following table shows, SAP II and SAP III have been closed and the PAPNG project is ongoing. The evaluation of the Bank's assistance to the multisector is based only on closed operations, SAP II and SAP III.

Table: Cameroon – Policy-based lending programs and projects 1996-2004

Program or Project	Source of finance	Date of approval	Amount		Status
			Approved in millions of UA	% disbursed end-2004	
SAP II	ADF	November 1997	13.2	100	Closed
SAP III	ADF	April 2001	21.5	100	Closed
PAPNG	ADF	September 2001	3.35	1	Ongoing

1.4.2. It should be noted that there was a decline in the multisectoral share in recent years. This is clearly shown in the following table.

Table: Breakdown of ADB Group commitments by sector 1972-2005

	Commitments 1996-2005		Commitments 1972-2005	
	Amount in UA million	%	Amount in UA million	%
Multi sector (excluding SFM)	36.70	13.73	149.06	20.09
SAP II	13.7			
SAP III	20.5			
PAPNG	3.18			
Agriculture	62.76	23.49	162.71	21.94
Water, sanitation, energy	27.58	10.32	40.22	5.42
Social	57.93	21.68	71.26	9.61
Transport	54.08	20.24	274.79	37.04
Financing mechanisms (SFM)	28.16	10.54	28.16	3.80
Other (industry, mining, finance)	0	0.00	15.64	2.11
<b>Total</b>	<b>267.21</b>	<b>100.00</b>	<b>741.84</b>	<b>100.00</b>

Source: ADB Group SAP system as at 8 January 2007. Excluding cancelled and abandoned operations.

1.4.3. The multisector operations approved by the Bank represented 20.09% of the Bank's total commitments in Cameroon, a larger share than in 1996-2005. Of the 16 portfolio operations active in 2005<sup>3</sup>, only 1 (one) is in the multisector, representing only 1.79 % of the active portfolio. The reason for this situation is the postponement of the multisector operation planned for 2004 or 2005, due to the interruption in 2004 of the PRGF<sup>4</sup>. However, the share of multisector operations was increased in 2006 after the approval of the Governance Reforms Support Program (PARBG). It should be noted that policy-based lending operations currently represent over 20% of loan approvals for all regional multilateral banks, and more than 30% of the corresponding World Bank portfolio<sup>5</sup>.

## II. BANK GROUP ASSISTANCE, GOVERNMENT POLICIES AND STRATEGIES

### 2.1 Bank Group Assistance Strategy and Policies

2.1.1. Over the 1996-2004 period, the Bank supported Cameroon in its development efforts through a number of CSPs covering the 1996-98, 1999-2001, and 2002-2004 periods. The CSP currently being implemented is the 2005-2009 CSP. The periods covered by these CSPs corresponded to those of the different cycles for replenishing African Development Fund (ADF) resources, ADF VII, ADF VIII, ADF IX, and ADF X. The ADF financed almost all operations proposed in the recent CSPs for Cameroon. The matrix provided in the Annex presents the general characteristics of these CSPs, which are also presented in a more detailed manner.

<sup>3</sup> In 2005, the active portfolio comprised sixteen (16) operations for a total of UA 177.74 million (CSP 2005-2009).

<sup>4</sup> The program postponed is the Governance Reform Support Program (GRSP), approved in November 2006 in the amount of UA 29 million. This new operation brings to about 13% the multisector share in the active program.

<sup>5</sup> "Good practices for the evaluation of policy-based lending by multilateral development banks" Prepared for the ECG group of the Multilateral Development Banks by the Asian Development Bank, March 2005.

2.1.2. The strategy implemented through these three CSPs was centered on poverty reduction. The policies of these CSPs were all aimed at restoring and consolidating macroeconomic balances, economic growth, and external debt relief. They were thus in line with ADF VII, ADF VIII, and ADF IX guidelines. In addition, these CSPs coincided with the different phases of Cameroon's preparation for eligibility for the HIPC Initiative, followed by the country obtaining debt relief. These strategies were supported to varying degrees by operations approved by the Bank Group in the agriculture, social and transport sectors, as well as in the multisector. The implementation of the 1999-2001 CSP and the 2002-2004 CSP was more complex and more difficult than that of the 1996-98 CSP. This difficulty is illustrated by the extended implementation of SAP III during the 2002-2004 CSP, as was also the case with the extension of the 2000-2003 PRGF until 2004. It is also illustrated by the interruption of this same PRGF at end-2004 and the failure to implement the policy-based lending program that should have been retained.

2.1.3. At the outset, the CSPs put greater emphasis on macroeconomic stabilization and growth than on improvement of the social conditions. Under the CSPs, the major macroeconomic balances were restored during the 1996-98 CSP, and then maintained thereafter, with greater difficulties with external imbalances. They also boosted growth initially, and then maintained it with annual rates of about 4% per year. Much stronger growth could not be achieved because of difficulties in boosting greater non-oil growth.

2.1.4. The 1999-2001 CSP as well as the 2002-2004 CSP indicated that they would provide greater support for social actions and the promotion of good governance than previous CSPs, although they did not fully succeed in doing so. They supported the I-PRSP and 2003 PRSP. Over the 1999-2001 and 2002-2004 periods, poverty continued to decline, but less than what was needed to achieve the MDGs. In contrast, progress in governance was less satisfactory.

2.1.5. In line with ADF guidelines, the scope of the Bank's program was determined primarily by Cameroon's performance and was supposed to be minimum, reduced, normal, or extended, as appropriate. Allocations were of the extended type for the 1996-1998 and 1999-2001 CSPs, but were normal (baseline scenario) for the 2002-2004 CSP. Programs and projects approved under these strategies and policies from 1996 to 2005 led to the commitment by the Bank of UA 221 million financed on concessional ADF funds.

2.1.6. At the conclusion of these CSPs, the respective importance given to the different sectors is apparent in the structure of new allocations as well as in that of the current portfolio. The disbursement rate of projects is low enough not to reduce the importance given to sectors with only new financing. With respect to new commitments, the social sector was indicated as a priority in three CSPs, transport was a priority in two CSPs, while the multisector was a priority in two CSPs. In general, the structure of actual commitments is close to the planned structure. The importance granted to each sector is apparent in the sectoral distribution of new Bank commitments over the period, but also in the current sectoral distribution of the active portfolio: agriculture (23.49%); social (21.68); transport (20.24%); multi sector (13.73%); water, sanitation, energy (10.32%); financing mechanisms (0.54%). The sectoral breakdown of the active portfolio in October 2005 was as follows: agriculture, 34.88%; transport, 30.77%; social, 32.34%, multisector, 1.79%; and water and sanitation, 0.22%.

## 2.2 Government Strategies and Policies

2.2.1. In 1986, following the sharp drop in export earnings, which marked the start of a recession that lasted for almost 10 years, the Government addressed the crisis by initially adopting an internal adjustment policy that revealed its limitations. Without obtaining much result, the recognition that the internal adjustment policies of CFA zone countries had failed led to the devaluation of the CFA franc in 1994. New economic policies, underpinned by monetary adjustment, were implemented, and they helped to slow down the recession trend and control of inflation. However, there have been persistent difficulties in ensuring the balance of public finance and control of external debt service. Furthermore, the two structural adjustment programs concluded by the Government in 1994 and 1995 with the IMF as stand-by arrangements also failed.

2.2.2. It was in August 1997, after the successful implementation of the 1996/97 staff-monitored program, that the Government was able to implement a new medium-term program (1997-2000) supported by the IMF under an enhanced Structural Adjustment Facility (ESAF), which later became a PRGF. This program was followed in 2001 by another medium-term program, supported by a new PRGF (2000-2004). These programs were also supported by SAP II and SAP III, and were aimed primarily at reducing poverty. They were intended to implement the Government's poverty reduction strategy, as defined notably in the I-PRSP and the full-fledged PRSP adopted in August 2000 and April 2003 respectively. At the outset, the Government focused on structural reforms to ensure macro-economic stabilization and sustainable growth. In particular, at the end of the period, it paid increasing attention to improving the worrying social situation. It was thus addressing the conditions for reaching the decision and completion points of the HIPC Initiative, conditions that were the constant and primary concern of the Government over the 1996-2006 period.

2.2.3. The Government's medium-term structural adjustment program, implemented in 1997 was aimed at restoring internal and external equilibrium to ensure sustained growth. To that end, it sought to: (i) implement a fiscal policy aimed at increasing revenues, as well as controlling and rationalizing expenditures; (ii) reform the public sector so as to improve efficiency in the administration and restructure State enterprises; (iii) liberalize and create an environment that is conducive to investment and business; (iv) rehabilitate the financial sector; (v) adjust agriculture, energy, and transport sector policies; (vi) adopt social policies focused on reducing poverty, developing human resources, improving health services; (vii) ensure the viable exploitation of natural resources, in particular forests; and (viii) improve statistical information. This program was implemented in a fairly satisfactory manner, with significant support from the international financial community (it was supported by the Bank's SAP II). It helped Cameroon to reach the HIPC Initiative decision point in October 2000.

2.2.4. However, the improvement in macroeconomic performance did not translate into comparable improvement in the living conditions of households. Furthermore, the Government, which had adhered to the Millennium Development Goals (MDG, September 2000), adopted and implemented in 2001, a new medium-term program to operationalize the policies defined in the interim PRSP (I-PRSP) and the full-fledged PRSP in 2003, which developed the same strategy. These two PRSPs noted that the level of growth achieved was insufficient to fight poverty effectively. They indicated that equitable growth was contingent on the majority of the population having access to basic social services, critical infrastructure, possibilities of earning an income or finding employment.

2.2.5. **The full-fledged PRSP**, adopted in April 2003 through a more participatory process, maintained the same strategy as the I-PRSP, expanding it and focusing on economic diversification and private sector development. The growth and poverty reduction strategy of the PRSP is based on the following seven main strategic pillars: Pillar 1: promoting a stable macroeconomic framework; Pillar 2: strengthening growth by diversifying the economy; Pillar 3: revitalizing the private sector as the main engine of growth and a partner in social service delivery; Pillar 4: developing basic infrastructures and natural resources, and protecting the environment; Pillar 5: accelerating regional integration within CEMAC; Pillar 6: strengthening human resources and the social sector, as well as facilitating the integration of vulnerable groups into the economy; and Pillar 7: improving the institutional framework, administrative management, and governance. There are shortcomings in the prioritization of the pillars, strategies, programs and activities. Owing to the decline in oil production, it is also important, within the context of the economic diversification policy advocated by the authorities, to conduct a deeper analysis of new sources of growth, which should be considered in the revision of the PRSP.

### **2.3 Relevance of Bank Group Assistance**

2.3.1. Cameroon had emerged from the 1986-93 deep depression with negative growth rates, serious macroeconomic imbalances, substantial external debt and increased poverty. Following the devaluation in 1994, and especially since 1996, the Government embarked on structural adjustment and reforms to redress the situation. Under SAP II (1997-2000), the Bank helped the country to address the problems that were the cause or the consequence of the depression, so that it could reach the decision point of the HIPC Initiative (October 2000).

2.3.2. Once growth was jump-started and macroeconomic imbalances reduced, the Government continued to promote growth and macroeconomic stabilization, as well as sought to reduce its external debt, but it focused more on the serious social and governance problems facing the country, notably by implementing the strategy defined under the I-PRSP (2000) and PRSP (2003). Through SAP III, the Bank effectively supported this approach with other development partners, and helped the country to progress towards the HIPC Initiative completion point.

2.3.3. The Bank's strategy in Cameroon in 1996-2004 can thus be deemed relevant in the sense that it addressed the fundamental problems facing the economy as identified by the Government itself. It was coordinated with the strategies of other development partners.

### **2.4 Forecasts and Outputs of the Bank Multisector Operations**

2.4.1. The PBLP and other multi-sector operations were defined in conformity with ADF VII, VIII, and IX guidelines, which recommend the adoption of policy-based lending or institutional capacity building operations. Their objective is to reduce poverty, as well as promote macro-economic stability and growth. SAP II and SAP III are indeed policy-based loans aimed at supporting structural adjustment programs that are controlled at the international level; they are granted with the aim of increasing synergy between policy-based lending operations and the priority sectors identified in the CSP.

2.4.2. SAP II had been planned under the 1996-1998 CSP, which indicated that in the event of the conclusion of an Enhanced Structural Adjustment Facility (ESAF) with the IMF and a structural adjustment facility with the World Bank, the Bank could consider financing a policy-based lending operation in coordination with the Bretton Woods Institutions during the updating of the Country Strategy Paper in 1997, with a view to reducing poverty.

2.4.3. Similarly, SAP III had been conditionally planned in the 1999-2001 CSP. It was intended to contribute in the areas of fiscal policy, financial sector stabilization, promotion of competitiveness, environmental protection, privatization and economic liberalization program, and pro-poor programs. The amount allocated to the program was not indicated in the program, as this amount depended on the country's performance.

2.4.4. In the same vein, the 2002-2004 CSP had envisaged a PARBG conditional on the existence of an effective PRGF agreement. Since the conditions were not met, it could not be included for the period.

2.4.5. Similarly, under the 1999-2001 CSP, UA 3.3 million had also been planned for the PAPNG to support good governance. It was subsequently allocated UA 3.18 million with this same objective.

### **III. EVALUATION OF THE PERFORMANCE OF THE BANK'S ASSISTANCE TO THE MULTISECTOR**

As already indicated, the evaluation of the Bank's assistance to the multisector from 1996 to 2004 is based only on closed operations, SAP II (1997-2000) and SAP III (2001-2004).

#### **3.1 Quantitative evaluation of the overall performance of policy-based lending programs (PBLP)**

3.1.1. The table below attempts to quantify the evaluation of the overall performance of policy-based lending programs (PBLPs), based on the standard criteria retained. This quantitative evaluation of the Bank's assistance is a summary of the quantitative evaluations of SAP II and SAP III programs as conducted by the respective PPERs. Each criterion is rated on a scale of 1-4. The overall evaluation is based on the average for each criterion of the ratings obtained under SAP II and SAP III.

3.1.2. The table shows that the PBLPs were relevant in addressing Cameroon's development problems. Similarly, the achievement of objectives (effectiveness) was satisfactory, as was institutional development and sustainability. Only the performance in relation to efficiency was rated unsatisfactory. The ratings are consistent across the two evaluation dimensions (criteria and programs). Overall, the quantitative indications in the table thus show that the performance of the Bank's assistance in terms of policy-based lending programs was satisfactory on the whole, and this is confirmed in greater detail by the analysis which follows.

Table: Cameroon 1996-2004. Quantitative ex-post Analysis of the PBLP

Criteria	Program		Reform Support Program PBLP (SAP II +SAP III) Aggregate indicator (average)
	PAS II	PAS III	
Relevance	3	3	3, satisfactory
Effectiveness	3	2.5	2.8, satisfactory
Efficiency	2	2	2, unsatisfactory
Institutional development	3	2.5	2.8, satisfactory
<b>Sustainability</b>	3	2.5	2.8, satisfactory
Aggregate indicator	3	3	3, satisfactory



### **3.2 Analysis of the overall performance of policy-based lending programs (PBLP)**

3.2.1. *Formulation:* The PBLPs comprise successive SAP II (1997-2000) and SAP III (2001-2004) programs. SAP II and SAP III loans supported the Government's medium-term structural adjustment programs, which implemented poverty reduction strategies (I-PRSP, PRSP) and reforms. SAP II and SAP III were evaluated in collaboration with the Bretton Woods Institutions, which also supported the Government's programs through the IMF's two PRGFs and the World Bank's CAS III over the same period.

3.2.2. *Objectives:* The overall objective of the PBLP, as it emerges from a review of those of the SAP II and SAP III, was the fight against poverty. Its specific objectives were stabilization and economic growth, poverty reduction, and the improvement of governance. The implementation of the PBLPs was supposed to help to restore the main macroeconomic balances; achieve an annual real GDP growth rate of at least 5 or 6 % per year; keep inflation under 2%; limit the current external deficit to between 2.5% and 3.5% of GDP; and reduce the poverty level from 50 % in 1999/2000 to about 42% in 2003/04.

3.2.3. *Relevance:* PBLP components and measures addressed the needs of the country, which first needed to restore and consolidate strong economic growth, and then further improve the social conditions of the population. They targeted the Government's priorities since they stemmed from the Government's medium-term programs and from the I-PRSP. Improving public finance management and rehabilitation through better governance, increased revenues, and rationalized expenditures should allow the Government to better promote economic development and redirect public expenditures towards the social sectors. Structural reforms (rehabilitation of the banking sector, restructuring/privatization of public enterprises, streamlining of the civil service, and protection of the environment) should increase the overall efficiency of the economy. Compliance with the criteria defined by the HIPC Initiative should result in substantial reduction of the external debt and better external economic balances. The Government's priorities were in line with those retained by the Bank under the 1996-98, 1999-2001, and 2002-2004 CSPs, which gave priority to strengthening the fight against poverty, improving the management of public resources and debt, implementing reforms, and promoting the private sector. Thus, in its 1996-2004 assistance program for Cameroon, the Bank devoted a large proportion of its commitments to supporting economic reforms and social development. However, the PBLPs were undermined, in SAP II and SAP III, by their extensive scope, the excessive number of measures to be achieved in little time, and the unrealistic nature of some of their schedules. These shortcomings are partly due to the absence of specific Bank identification and preparation missions, which affected the quality at entry of programs. The Bank relied too exclusively on efforts undertaken in collaboration with the IMF and the World Bank, which affected its substantive contribution. However, in all, the relevance of the PBLP is considered satisfactory, as indicated by the ratings in the above table.

3.2.4. *Effectiveness:* After 10 years of economic crisis, the PBLPs, through SAP II and SAP III, have helped to maintain macro-economic stability, pursue growth (real average growth rate of about 4.3% per year), reduce the incidence of poverty, improve the population's access to social services, and meet the criteria of the HIPC Initiative. The implementation of the PBLPs supported the authorities' efforts to prepare the I-PRSP and PRSP, and lay the foundation for the results achieved beyond the program in 2005 and 2006. However, it was difficult to generate sufficient growth in the non-oil sector and greater

reduction of poverty. Although the objectives of primary school enrolment can be achieved, Cameroon falls below other MDGs, in particular, poverty reduction and a decline in maternal and infant mortality. Although the PBLPs resulted in the strengthening of some of the institutional capacities of the administration, notably with respect to resource mobilization, modernization of the tax administration, civil service reform, public investment programming, and public procurement reform, inadequate progress was made in governance and the fight against corruption. These weaknesses in governance partially explain the slippage in budget expenditures in 2004. On the other hand, debt management succeeded in simultaneously ensuring its day-to-day management, renegotiation, and compliance with the conditions for HIPC Initiative decision and completion points (which was not achieved in 2003 or 2004 as expected, but in May 2006). Overall, as indicated in the above table, the effectiveness of the PBLPs is deemed satisfactory, notably because of the successful achievement of the HIPC Initiative completion point.

3.2.5. *Efficiency:* Economic efficiency, already weak from the beginning, improved very slightly under the PBLPs because of persistent factors hampering governance, and hence the promotion of investments and effective use of factors. Over the period, only some of the measures relating to governance were implemented. In addition, there were significant delays in the PAPNG and in its contribution to improved efficiency in the services that it supports. These situations led to lack of efficiency, which translated into persistent lack of efficiency in some key services of the Cameroon administration. This lack of efficiency in the administration has a negative impact on the GDP. The efficiency of the PBLPs is deemed unsatisfactory.

3.2.6. *Impact on institutional development:* Thanks to the implementation of the PBLPs, the Government's institutional capacity in several areas was strengthened, albeit too slowly. Thus, on the resource mobilization front, the introduction of the VAT as well as the modernization of the tax administration helped to improve tax revenue collection. In addition, the program facilitated the establishment of a mechanism that guarantees regular transfer of oil revenues to the State budget. The PBLPs also helped to strengthen the still limited institutional capacities of the administration with respect to the fight against poverty. In the context of public service reform, the SIGIPES, whose implementation was initiated during the program, will make it possible in the medium term to reconcile payroll and civil service files in the four pilot Ministries and, subsequently, all Ministries. On the other hand, mention should be made of the delays in the implementation of reforms and shortcomings in governance, which do not yet allow for budget support from the Bank and other development partners.

3.2.7. *Sustainability:* The implementation of the PBLPs helped to restore the main macroeconomic balances, a condition for sustainable growth. Thanks to the good macroeconomic performance achieved with their support, Cameroon attained the HIPC Initiative's completion point and benefited from a reduction of its external debt, which allowed for the sustainability of its external balances. In addition, the PBLPs helped to reduce the incidence of poverty, which is a condition for social stability. Satisfactory sustainability of PBLP performance is highlighted by the additional implementation of the 2005 and 2006 program measures, the improvement in the macroeconomic situation in 2005 and 2006, and the attainment of the HIPC completion point in 2006. This progress reflects the commitment by the Government and its development partners to sustain the outputs of past programs. Furthermore, SAP II and SAP III guidelines continue to be applied within the context of the IMF's new PRGF or the Bank's PARBG. The PBLPs have thus enabled the Bank to prepare

a new contribution in the area of governance, a contribution with significant visibility for Cameroonian authorities and development partners in Cameroon. As indicated in the rating in the table above, the sustainability of the PBLP is considered satisfactory.

### **3.3 Bank Assistance other than Loans**

3.3.1. In addition to the programs and projects directly financed by the Bank, the institution also provided assistance other than loans through economic and sector work, aid coordination, and policy dialogue. The main economic and sector work consisted of the various Country Strategy Papers (CSP) and the Country Governance Profile. The CSPs, which were regularly prepared and updated for the 1996-98, 1999-2001, and 2002-2004 periods, were gradually improved over time, although they were not sufficiently results-based. They clearly identified the country's economic problems, and proposed adequate intervention strategies, as well as appropriate loan instruments. The most recent CSP, which covers the 2005-2009 period, is one of the Bank Group's latest generation of CSPs, which are more systematically results-based. The Country Governance Profile (CGP) is a study that was conducted in 2004 to assess the governance situation in the country. It helped to identify governance-related weaknesses and shortcomings, and define key focal areas of the Bank's intervention in these areas. Based on this CGP, the Bank's new policy-based lending program (Governance Reform Support Program—GRSP) was approved in November 2006.

3.3.2. Apart from these activities in the Bank's general work program, few specific economic and sector studies were conducted. Consequently, the Bank's assistance in forms other than loans is deemed barely satisfactory on the whole.

## **IV. EVALUATION OF DEVELOPMENT IMPACT**

Following the success of the staff-monitored program in 1996, the Government adopted an adjustment and reform policy aimed at stabilization, growth and poverty reduction. This section will review the response of the economy to these reforms, which were also supported by other donors. Obviously, it would be erroneous to attribute the results achieved (success or failure) entirely to the Bank, be it with respect to growth, poverty reduction, or other cross-cutting issues.

### **4.1 Impact on Economic Growth**

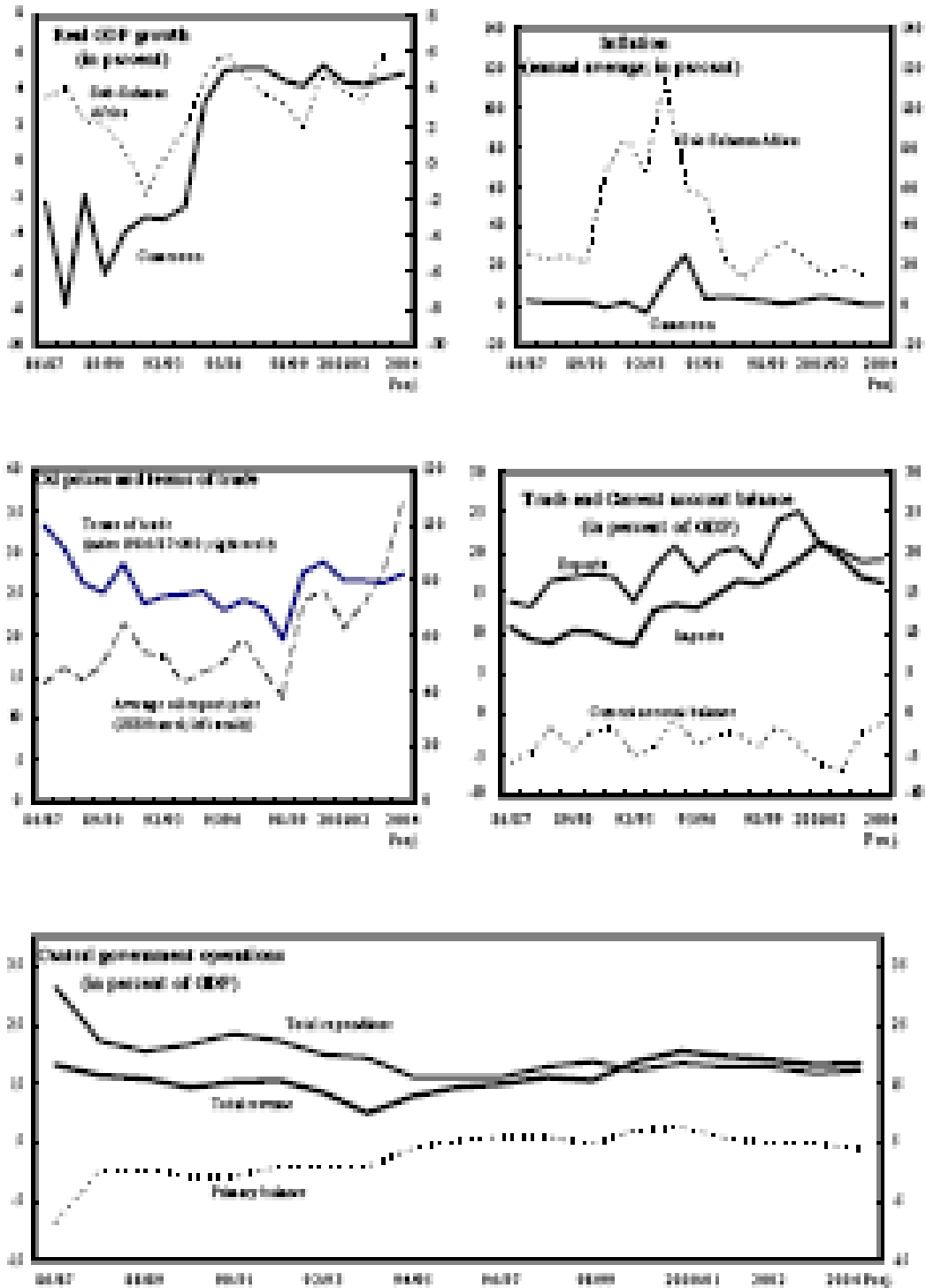
4.1.1. The impact on economic growth will be reviewed in light of GDP trends, as well as by taking into account the economic imbalances, public investments and expenditures, and the diversification of the economy. Three periods will be compared: before 1997 (more precisely, 1987-1993 and 1994-96), the 1997-2000 period, and the 2001-2004 period. The data used are in the tables in the Annex or are illustrated by the following charts<sup>6</sup>.

---

<sup>6</sup> These graphs are from the IMF report already cited "Cameroon: Ex Post Assessment of Longer-Term Program Engagement June 2005".

Chart: Key Macroeconomic Indicators (1996-2004)

Source: FMI



4.1.2. Unquestionably, the growth achieved after the 1994 devaluation stabilized and was consolidated since 1997; available data on annual average GDP growth at constant prices are as follows: -2.6% in 1987-93, 2.7% in 1994-97, 4% in 1997/98-1999/2000, 4.1% in 2000-2004, 2% in 2005, and 3.5% in 2006. This growth was boosted by the increase in non-oil production: -2% in 1987-93, 3.1% in 1994-96, 4.9% in 1997-2000, 5% in 2001-2004, 2.9% in 2005 and 3.1% in 2006. However, the growth was not as strong as was desired and expected (6% after 2003).

4.1.3. This growth, often fairly robust, was driven mainly by the macroeconomic stabilization resulting from the policies implemented. Inflation was brought under control, since the annual average consumer price index was on a downward trend: 1.2% in 86-93, 11.5% in 1993-97, 3.1% in 1995-2000, and 1.6% in 2001-2004. Increasingly, the fiscal balance was also brought under control (excluding grants): -6% in 1986-93, -3.8% in 1994-1996, -1.2% in 1997-2000, 0.5% in 2001-2004, 3% in 2005, and 3.4% in 2006. There were more problems with the balance of current external payments (including grants), which remained negative: -3.7% in 86-93, -3% in 1994-96, -2.8% in 1997-2000, -4.1% in 2001-04, -3.6% in 2005, and -0.5% in 2006. This persistent deficit, despite higher oil revenues, is attributable to the decline in the production and prices of coffee, the curbing of timber exports to preserve forests, and the stagnation of industrial exports. The attainment of the HIPC Initiative's completion point in 2006 could facilitate better control of external payments in the coming years.

4.1.4. With respect to indebtedness, there was a significant reduction in amounts between 1997 and 2005. Cameroon's outstanding external debt was US\$ 6.2 billion at nominal value at end-2005, compared to US\$ 7.6 billion in 1997. Its net present value (NPV) stood at US\$ 5.67 billion. After the traditional debt relief, the NPV of debt stood at US\$ 4.795 billion. After HIPC debt relief, the NPV of debt was US\$ 2.24 billion at end-2005. Further implementation of bilateral debt relief and the Multilateral Debt Relief Initiative (MDRI), to which Cameroon has been admitted, increases this debt relief because after these additional debt relief efforts, the NPV of debt will represent only US\$ 480 million. The impacts of the attainment of the decision and completion points of the HIPC Initiative on the country's indebtedness and, consequently, on the ratios that measure its weight, were also spectacular. Whereas external public debt represented 87.6% of GDP in 1997, it only represented 44.2% and 36.7% in 2004 and 2005, and much less once the HIPC and MDRI relief is fully applied. Similarly, the external debt service actually paid, which represented 16.1% of exports and 66.2% of Government revenues in 1987, only represented 7% of exports and 10.8% of Government revenues in 2004. After 2006, following HIPC debt relief, bilateral debt relief and the MDRI, annual debt service will represent less than 5% and less than 1% of goods and services exports respectively, before increasing in percentage after 2015. This increase will be sustainable, and external debt sustainability can only be ensured in the context of adequate macroeconomic policy, prudent debt management, a GDP growth rate of about 5%, and the absence of significant international shocks affecting export and import prices.

4.1.5. Overall, economic performance was fairly strong under SAP II (1997-2000) and SAP III (2001-2004). Growth could not be further boosted because of various factors: limited diversification of the economy, low level of investments and public expenditures, lack of competitiveness, poor governance, and delays in regional trade. The economy was not diversified and non-oil production grew more slowly than expected and possible. The level of investments remains inadequate, with the level of gross domestic investments as a % of GDP

evolving as follows: 19.1% in 86-93, 15.3% in 1994-96, 17.5% in 1997-2000, and 18.2% in 2001-2004. These investments are increasing at an insufficient pace because of the low level of public investments (6.4% in 86-93, 1% in 1994-1997, between 1.5% and 3% for the other years) as well as private sector investments, which are still not dynamic and face persistent difficulties in obtaining financing from the banking sector. Public expenditures stood at less than 17% in recent years<sup>7</sup>, a level that does not allow for revitalization of the GDP, with capital investment representing<sup>8</sup> between 1.9% and 3.3% of GDP from 1997 to 2004. Lastly, the efficiency of the economy remains weak owing notably to issues of governance. Its competitiveness is weak, and the competitive advantage gained from the 1994 devaluation could not be exploited because of high internal costs. Progress made in governance was not sufficient to increase competitiveness. Finally, regional trade possibilities are still not exploited.

4.1.6. Overall, the impact of SAP II and SAP III on economic growth is positive.

## 4.2 Impact on Poverty Reduction

4.2.1. At the time the SAP II was designed in 1996, poverty had greatly increased in Cameroon and affected more than 50.5% of the population. Indeed, poverty had risen sharply during the deep recession that lasted from 1986 to 1993, as the public finance crisis during this period led to serious deterioration in the education, health, and infrastructure sectors. From 1994 to 1996, following the currency devaluation in 1994, despite the resumption of growth, fiscal restraint did not help to reverse the worsening poverty trend. This situation and the related difficulties were reflected in a Human Development Index of 0.536, which ranked Cameroon 134<sup>th</sup> out of 174 countries in 1997. The improvement in macroeconomic performance under SAP II led to a modest increase in per capita income, but was not accompanied by a comparable improvement in the living conditions of households. Indeed, SAP II, as well as the PRGF and SAC III programs, had failed to mobilize the resources required to give priority to poverty reduction. These programs had envisaged increased participation of the populations in medical and education expenses. SAP III was more engaged in the fight against poverty, based on the guidelines of the interim PRSP (I-PRSP) adopted in August 2000 and on the Millennium Development Goals (MDG, 2000) to which the Government subscribed. The adoption of the full-fledged PRSP in April 2003 further enhanced efforts towards poverty reduction. Two household surveys conducted in 1996 and 2001 and different statistics give an overall view of the impact of the programs on poverty.

4.2.2. Over the 1996-2004 period, poverty reduction efforts seem to have produced initial positive results. The key factors in this positive trend were the pursuance of economic growth and social investments, which improved the quality of life. According to preliminary official statistics and estimates, the incidence of poverty declined from 53.3% in 1996 to 40.2% in 2001 and 38.8% in 2006, which are better rates than the target for 2003-2004 (42%). The HDI went from 0.502 in 2000, to 0.497 in 2003 (146<sup>th</sup>), to 0.506 in 2004 (144<sup>th</sup> out of 177 countries). However, access to employment still poses major difficulties, as demonstrated by the recent INS employment survey. Access to basic social services improved. In 2005, 56.5% of households had access to drinking water (44.2% in 1996, 50.5% in 2001), and 54.4% to electricity (37.0% in 1996, 46.1% in 2001).

<sup>7</sup> 23% in 1986-93, 16.9% in 1994-97, 18.1% in 1997-2000, between 14.4% and 17.4% in subsequent years.

<sup>8</sup> 7.4 % in 86-93, 1.7% in 1994-96, between 1.9 and 3.3% from 1997 to 2004.

4.2.3. Progress has effectively been noted in school enrollment. The number of pupils enrolled in primary education stood at three million in 2004, up from two million in 1998. The gross enrollment rate at the primary level rose from 81% in 1995-96 to about 100% in 2003-2004, with a parity index of 0.85 in 2004. In 2003, the boy/girl parity index was 87.5 percent at the secondary level. In the education sector, public expenditures rose from 2.7% of GDP in 2000 to 3.2% in 2001, 3.6% in 2002, and 3.8% in 2004.

4.2.4. In the health sector, progress was made in several areas, but remains very slow with respect to infant and maternal mortality, where the situation still gives cause for concern. There was progress in areas such as vaccination, as well as malaria and AIDS control. The 2000–05 HIV/AIDS strategic plan has been implemented; the Government subsidizes generic medication and anti-retrovirals. According to the 2004 Population and Health Survey, the prevalence of AIDS is 5.5% (women 6.8%; men 4.1% among 15-49 year olds). However, the survey also indicates that most indicators related to the health of children have at best remained stable or have deteriorated. The mortality rate of children under five per 1,000 live births was 144 in 1999-2004. The maternal mortality rate is estimated at 669 per 100,000 births over the 1998-2004 period, compared to 454 over the 1991-1997 period<sup>9</sup>. Public health expenditures represented 8% of the State budget in 2003 (7.2% in 1999) and only 28.9% of total health expenditures (of which 71.1% in private health spending).

4.2.5. Specific data are available on the poverty trend between 1996 and 2001. According to the PRSP, in 1996, the incidence of poverty and depth of poverty ratios and the Gini coefficient were 53.3, 19.1%, and 0.406 respectively. In 2001, they were 40.2%, 14.1%, and 0.408 respectively. Eight poor people out of ten live in rural areas. The share of the poorest quintile of the population in national consumption was 8.6% and 9% in 1996 and 2001 respectively. Income disparities were maintained between 1996 and 2001, but there is no available quantitative data on its trend since 2001. As a result of the structural adjustment programs that provided for participation in medical expenses, the poorest have more difficult access to health; fewer births take place in a hospital environment. This situation of the poorest population contributes to rural exodus, development of the informal sector, employment instability, as well as insecurity that may exist in towns.

4.2.6. With respect to achievement of the MDGs, Cameroon remains below the goals of reducing the incidence of poverty and maternal mortality. The goals relating to primary education can be achieved. It is difficult to make any forecasts before the next ECAM survey with respect to infant mortality (the ratios are borderline) and HIV/AIDS<sup>10</sup>.

4.2.7. Overall, SAP II and SAP III had a positive impact on poverty and social conditions.

### **4.3 Impact on Institutional Development**

4.3.1. The impacts of SAP II and SAP III on institutional development are felt more or less in economic management, poverty reduction, and sectoral capacities. With respect to economic management, progress was made in resource mobilization, investment programming, debt management, socioeconomic forecasting and statistics. The mobilization of budget revenues is progressing. Thus, with respect to resource mobilization, the smooth

<sup>9</sup> This degradation probably results from the elimination of free hospitalization and the increase in the number of unassisted births.

<sup>10</sup> Is the marked variation of 11% to 5% in the prevalence of AIDS due to a decline in the disease or to a change in the method of calculating prevalence ?

introduction of the VAT, as well as the modernization of the tax administration helped to improve the collection of tax revenues. In addition, SAP II helped to establish a mechanism guaranteeing the regular transfer of oil revenues to the State budget.

4.3.2. The program also helped to improve the programming, monitoring, and implementation of the public investment program, which is now computerized, but the use of investment credits and the timely execution of public investments are not yet under control. Debt management has improved, contributing to the attainment of the HIPC Initiative completion point. Public service reform is progressing too slowly. The implementation of SIGIPES has been launched and currently allows for the reconciliation of public service payroll transaction files in four pilot Ministries and its extension to all other Ministries will ensure better management of the payroll.

4.3.3. The Inter-Ministerial Supervision Committee (CIS), assisted by the Economic Program Technical Monitoring Committee (CTS) now has solid experience in program management: unquestionably, the process of internalizing this type of program has led to significant progress in the economic culture of Cameroonian policy makers. The fundamental balances are best ensured by the relevant programming and forecasting services, but the organization of strong and sustainable growth has not yet been achieved. National statistics are being strengthened, and several surveys have been conducted. Governance is being improved (budget management, public procurement), but several weaknesses remain (corruption, decentralization, governance in the private sector). The banking system has been cleaned up, but does not play a dynamic role in financing of the economy.

4.3.4. With respect to poverty reduction, the fight against poverty is best organized within the context of the PRSP and its preparation and monitoring processes. The allocation of budget resources for social and pro-poor investments has improved. The progress made has helped to reduce the incidence of poverty (percentage of the population below the poverty threshold).

4.3.5. Sectoral capacity has been strengthened in such sectors as education, health, justice, forestry, etc., but remains inadequate overall. A road fund has been set up, and has improved the quality of roads in Cameroon by considerably shortening the payment period of service suppliers. The strengthening of planning and project units should be pursued, as well as capacity building for the sector Ministries and sectors. The judicial system is being strengthened, but its weaknesses impede improvement of the business climate. Forest protection and management conditions have improved.

4.3.6. Much progress has been made in the privatization of public enterprises, which is being pursued towards imminent completion of the privatization operations. The business climate is not satisfactory despite the progress made, as demonstrated by Cameroon's ranking in Doing Business 2006<sup>11</sup>. Improvement of the business climate is necessary. Bank investment credits to the private sector remain limited. The governance of privatized enterprises, like that of the entire private sector, needs to be improved.

4.3.7. The impact of SAP II and SAP III on institutional development is thus positive. On the whole, at the economic, social and institutional levels, the impact of SAP II and SAP III is deemed satisfactory.

---

<sup>11</sup> Doing Business 2006, World Bank.



## **4.4 Sustainability**

4.4.1. The following sustainability indicators are reviewed: sustainable commitment of the borrower, socio-political support, economic viability, institutional arrangements, environmental viability, and resilience to exogenous factors.

4.4.2. The Government demonstrated its commitment under SAP II and SAP III, a commitment that continued beyond the program in 2005 and 2006. This commitment was particularly strong under SAP II. Furthermore, although its efforts to improve public finance management have not always been constant, as demonstrated by the budget slippages in 2004, the rehabilitation of the fiscal policy in 2005 attests to the continuity of this sustained Government commitment over the long term. This commitment is a positive factor for the sustainability of results already achieved.

4.4.3. The population's sociopolitical support of Government action was strengthened by the concrete results achieved by the Government in poverty reduction, health, education and improvement in living conditions. It is also undermined by the limited scope of these results and by the constraints on the country. Thus, there is still a high incidence of poverty, grievances about the low level of salaries, and many unmet social expectations. The population's sociopolitical support has been expressed in varying degrees during different elections. Thus, the presidential elections held in 2004 confirmed the current President in his functions. Recent years have seen the development of a more active role for Parliament as well as greater civil society participation in the organization and control of national activities, although this remains to be expanded and its capacity strengthened. The attainment of the completion point raised the hopes of the population with respect to the improvement of its living conditions and, in particular, with respect to salaries and the cost of living.

4.4.4. The economic viability of the results achieved facilitates the sustainability of SAP II and SAP III measures. The maintenance of the main macro-economic balances facilitates the implementation of future policies that are more capable of generating strong economic growth. The ongoing increase in budget resources will foster a level of public spending and investment that is more in line with the country's development needs. The attainment of the HIPC Initiative completion point and the substantial reduction of its external debt have provided considerable financial resources (more than 4 billion dollars in NPV) to finance social investments and other priority investments. However, economic viability remains fragile. The debt will only remain sustainable if adequate policies are implemented and if the international and regional environments do not deteriorate. Over the past 15 years, real growth rates have never reached the 6% per year level needed to achieve the MDGs. The next PRSP should, in 2007, define new ways of boosting non-oil growth.

4.4.5 Available forecasts indicate that the changes recorded in 1996-2004 will continue. The value of oil production will not decline thanks to consistently high oil prices and the recent, but modest, discovery of oil fields. The macroeconomic objectives of the IMF program for the 2006-2008 period include real GDP growth rate of 4%, inflation under 3%, and current account deficit less than 3% of GDP. Forecasts for 2005-2025 prepared in the context of debt sustainability analysis call for average annual GDP growth rates of 5.1% to 5.4% and 4.1% to 5.5% for non-oil GDP.

4.4.6 The consolidation of the institutional framework obtained under SAP II and SAP III will facilitate future actions, but it was too limited and its impact will depend on pursuance of the implementation of measures adopted. Improvement in financial programming, the expansion and intensification of budget resources collection, better control of public procurement, improved management of the civil service, the ongoing strengthening of the justice system, as well as the establishment of the Constitutional Council and the Audit Bench are gains that should be consolidated to ensure sustainability of the institutional mechanism.

4.4.7 The new regulations governing forest activities have provided a more solid foundation for the preservation and stability of forest ecosystems. Efforts made with respect to environmental policies, notably in relation to the Chad-Cameroon oil pipeline, will also contribute to the sustainability of SAP III results.

4.4.8 The resilience of Cameroon's economy to external factors is based on the existence of several export products and limited dependence on external aid. SAP II and SAP III contributed to this resilience by making it possible to continue increasing the production of export products, and reduced external financing needs by limiting external deficits. However, this resistance is limited because the country remains highly dependent on oil exports, the international economic environment, and the regional environment.

## **V. PERFORMANCE OF PARTICIPANTS**

### **5.1 Borrower and Executing Agencies**

The SAP III PPER had highlighted the Government's commitment, from 1997 to 2000, to fully implement the reforms supported by the SAP II, the PRGF, and the 1996 CAS. This commitment was manifested at different levels of the Government apparatus, in particular, at the level of the CIS and CTS. This commitment was pursued under SAP III, between 2001 and 2004, with a few slippages in 2004, which resulted in the suspension of the PRGF and delays in the implementation of SAP III measures, particularly in governance. Since 2005, this commitment has once more strongly manifested itself and needs to be consolidated and deepened to address governance and corruption problems. Thanks to this commitment, the Government was able to: fully implement part of the reforms, ensure macroeconomic stability, generate growth, certainly less robust than needed, improve the social situation, which, nevertheless, remains worrying, and lead the country, first to the HIPC Initiative's decision point, and then to its completion point. This commitment needs to be strengthened in governance and the fight against corruption, and further translated into the timely implementation of Government programs and projects, particularly those supported by the Bank and other development partners. Some aspects of the borrower's performance were therefore satisfactory, while others were unsatisfactory. However, overall, because of the attainment of the HIPC Initiative completion point, in particular, the performance of the borrower over the 1996-2004 period is considered satisfactory.

### **5.2 Bank**

5.2.1. The Bank's appraisal of SAP II and SAP III were both relevant, but identification and preparation of the programs were inadequate. It is true that the Bank was involved in joint missions with the IMF and the World Bank for the preparation of programs at the request of Cameroonian authorities; however, its value added in these missions does not

clearly emerge. Furthermore, for these two SAPs, the Bank did not conduct any supervision missions that were sufficiently close together and that would provide useful assistance to the program implementation unit, a situation that weakens the Bank's contribution and the implementation of these two adjustment programs. This situation raises the problem of the availability and composition of Bank missions during the appraisal and supervision of this type of program. In contrast, it is positive that since its first intervention in the multisector and reform support, the Bank, in accordance with guidelines from its Board of Directors, has collaborated closely with the IMF, the World Bank and other development partners to foster and support reforms in regional member countries. In this vein, it participated in most of the coordination meetings and common missions aimed at finalizing or implementing adjustment policies and reforms. As is the case with other adjustment programs supported by the Bank, the institution was not able to use this collaboration to increase its substantial contribution to the identification, preparation, and appraisal phases. One of the reasons of this shortcoming is that the responsible teams are either not available or have an insufficient number of experts with different qualifications.

5.2.2. However, through policy-based lending programs, the Bank was able to support the country's efforts and help it to achieve fairly positive results at the economic and social levels. It helped the country to go through the phases of the HIPC Initiative to achieve significant debt relief, which was granted recently. In addition, the Bank was able to play its role in country dialogue through the three CSPs for the period, as well as between the country and development partners. Furthermore, in collaboration with the Bretton Woods Institutions, the Bank has taken initiatives in Cameroon in relation to the fight against poverty. This approach indicates greater selectivity in the Bank's multi-sector operations in Cameroon, where the Bank seems henceforth to be moving firmly towards governance, with the GRSP approved in November 2006. Overall, the Bank's performance in the multi-sector over the 1996-2004 period is deemed satisfactory.

### **5.3 Other Donors and Co-financiers**

5.3.1. Over the 1996-2004 period, the Bank collaborated very closely with the IMF and the World Bank. SAP II and SAP III corresponded to the IMF's 1998-2000 PRGF and 2001-2004 PRGF as well as to the World Bank's CAS 1996 and SAC III, programs and loans aimed at achieving the same main objectives over the same periods. The IMF and World Bank consider that the implementation of these programs was satisfactory, based on the ex-post assessments they conducted.

5.3.2. Indeed, the IMF conducted an in-depth retrospective review of the 1997-2004<sup>12</sup> period and completed it in 2005 during the attainment of the HIPC Initiative completion point in 2006. The IMF considers that PRGF I and PRGF II were well-designed programs. In particular, it applauds the performance of the PRGF I program, deemed satisfactory. It was critical of the performance of PRGF II in 2004; however, it admitted in 2006, with the World Bank, that Cameroon had maintained macroeconomic stability since 2000 and had implemented the program supported by PGRF II in a satisfactory manner.

5.3.3 Similarly, the World Bank conducted a positive retrospective evaluation of its 1996 CAS and the CAS III loan. It noted that most of the results targeted had been achieved, including those that were most relevant for the country's own goals.

---

<sup>12</sup> FMI, "Cameroon: Ex-Post Assessment of Longer-Term Program Engagement June 2005".

5.3.4. During the period, donor coordination was reasonably satisfactory, even though there were occasional differences in the evaluations of the IMF and the World Bank at the time the PRGF was suspended in 2004. During the last period, donor coordination was strengthened through the 8+6 Group, at the level of ambassadors, and by the Multi-donor Committee at the technical level. A good proportion of these activities were dedicated to governance.

## **5.4 Exogenous Factors**

5.4.1 Some factors are beyond the control of the authorities, in contrast with those that fall within its purview. These are related to the international context, such as the prices of raw materials, the exchange rate or the regional situation, and natural conditions such as drought.

5.4.2. The international economic context was rather favorable due to the rise in oil prices, which led to an increase in budget resources and an improvement in the major macro-economic balances. In contrast, the prices of several export commodities declined or were volatile, thus undermining external balances, but fortunately, benefiting from PBLP policies that contributed to macroeconomic balances and the reduction of the external debt. Cocoa prices increased, but coffee production and prices declined. Timber exports declined because of the forest conservation policy. The appreciation of the exchange rate in recent years was not favorable to its external competitiveness. In addition, the periods of drought affected agricultural production over a few years, an agricultural production that was supported by programs and projects provided under the CSP. Furthermore, the regional environment in Central Africa, in particular the political problems of some of the neighboring countries, have not fostered growth in regional trade.

## **VI. CONCLUSIONS, LESSONS AND RECOMMENDATIONS**

### **6.1 Conclusions**

6.1.1. The SAP II (1997-2000) and SAP III (2001-2004) programs shared two major objectives: on the one hand, fighting poverty by boosting the country's development and improving the social conditions of the population; and, on the other hand, supporting the Government's efforts towards attaining the HIPC Initiative completion point. Indeed, their intervention in policy based lending started in 1977 after the 1994 devaluation that followed the 1986-93 recession, which had worsened poverty in the country, as well as after the adoption of the I-PRSP and the agreement reached between Cameroon and the IMF with respect to the implementation of the PRGF (1997-2000), which paved the way for Cameroon's access to the HIPC Initiative. This intervention was relevant and efficient. It put emphasis first on stabilization, economic growth, and structural reforms, and second on poverty reduction. Its main concern was to meet the conditions for attaining the HIPC Initiative decision point in October 2000 and its completion point in May 2006. The implementation of the programs was satisfactory, on the whole, with the Government showing adequate ownership and strong commitment, particularly under SAP II. The impacts of the program on growth (average real growth rate above 4% over more than 10 years), on poverty reduction (significant reduction in the incidence of poverty since 1996) and on institutional development are satisfactory. The significant reduction in debt achieved following the completion point, of more than 4 billion dollars at NPV, may be an excellent opportunity for developing the priority sectors of the economy through rational use of HIPC funds. Compared to the pre-program period, the economy is now liberalized.

6.1.2. The suspension of the PRGF by the IMF in 2004 indicates that the implementation of reforms encountered some difficulties and delays, although the approval of a new PGRF at end-2005 nevertheless demonstrates the sustainability of the results achieved and the common will of the Government and its partners to pursue efforts towards growth and reforms. These efforts are all the more necessary because social conditions are still a cause for concern, weaknesses in governance are significant, and growth is not high enough. Many of the MDGs may not be achieved. Weak governance and corruption have a very negative impact on the efficiency of the economy and business climate. The private sector is not dynamic enough, the diversification of the economy is not making enough progress and the level of investment remains too low to accelerate the country's development. The banking system is not playing the development support role expected.

## 6.2 Lessons

- The lack or inadequate identification and preparation of programs undermines their quality at entry. This quality would be enhanced by paying more attention to the lessons learnt from previous programs, which implies an adequate schedule for program appraisal, completion and post-evaluation reports. Complex measures should not be included in reform programs without prior analytical studies. In addition, coordination of the Bank with the IMF and the World Bank, which is crucial for the implementation of policy-based lending programs, was not sufficiently achieved by the Bank in developing its substantial contribution to the finalization of these reforms (3.2.3);
- Positive results were achieved in macroeconomic stabilization and growth under programs such as SAP II/SAP III, but it is difficult for these programs to ensure strong growth that will allow for poverty reduction and the achievement of the MDGs. Poverty reduction and improvement of social conditions are not always given the required attention in such programs. Consequently, SAP II puts less emphasis on poverty than SAP III (2.2.3 ,2.2.4 , 3.2.4) ;
- The composition of the Bank's programs is evolving towards greater selectivity, and currently towards governance. Many governance measures under SAP III and the NGP, which were to be implemented within short time frames, shows the under-estimation of difficulties related to good governance (3.2.7).
- The usefulness of the policy-based lending instrument, in the form of support for the balance of payments, is confirmed by SAP II and SAP III results. It allowed for long-term Bank support for reforms and actions aimed at attaining the HIPC completion point. Budget support is not yet possible because of weaknesses in governance and public finance management (3.2.6).
- A major factor in the success of the programs was their ownership by the Government and the latter's political will to implement them (2.2, 3.2.7).

### **6.3 Recommendations**

6.3.1 For the Bank Group. It is recommended that the Bank should:

- i. Continue to support economic and social reforms in Cameroon, notably the fight against poverty, the improvement of governance, and capacity building in these areas. To this end, the Bank will use the suitable financing instrument, which is policy-based lending, in the form of support for balance of payments. Budget support will only be envisaged after further progress in public finance governance.
- ii. Focus policy-based lending programs on a limited number of key areas and sectors (governance, social, agriculture) and limit the number of measures.
- iii. Pay more attention to lessons from previous programs, systematically conduct program identification and preparation missions to improve the quality of programs at entry and adhere to an adequate schedule for the preparation of program appraisal, completion and post-evaluation reports;
- iv. Ensure the existence of the necessary preliminary studies before adopting complex reforms, the availability of financing for key program components, and the realistic nature of the schedules retained;

6.3.2. For the Government. It is recommended that the Government should:

- i. Pursue the implementation of reforms, improve governance, better manage public finance, improve the business climate, and strengthen decentralization;
- ii. Continue to give priority to poverty reduction and improvement of the social situation;
- iii. Boost thinking and actions aimed at fostering strong growth in non-oil production, particularly in the preparation of the next PRSP for 2007;
- iv. Pay adequate attention to the promotion of good governance, justice, and the fight against corruption. In this regard, it is important to ensure the successful implementation of the next GRSP and the efficient operation of the related institutional support project;
- v. Efficiently use resources made available by the attainment of the HIPC Initiative completion point and mobilize external financial resources, while ensuring the sustainability of external debt;
- vi. Ensure that its services comply with agreements between Cameroon and the Bank, in particular, the regular preparation of program monitoring reports and their submission to the Bank.

## Cameroon: Macroeconomic Indicators 1986/87-2006

	Moyenne 1986/87-92/93	Moyenne 1993/94-96/97	1997/98	1998/99	1999/00	2000/01	2001/02	2003	2004 Est	2005 Est.	2006 Proj.
	(Annual variation in percentage, unless otherwise indicated)										
<b>National income and prices</b>											
GDP at constant prices	-2,6	2,7	5	4,4	4,2	5,3	4,3	4	3,7	2	3,5
Of which: non-oil GDP	-2	3,1	5	4,4	4,6	5,5	4,9	4,9	4,9	2,9	3,1
Consumer prices (average)	1,2	11,5	3,9	2,9	0,8	2,8	4,5	0,3	0,3	2	4,6
<b>External trade</b>											
Export volume	0,3	3	11,1	8,2	-0,7	2,5	-1,6	6,9	-2	-10,8	3,2
Of which: non-oil sector	5,1	8,2	16,5	5,8	1,2	4,1	0	12,3	1,1	-11,8	2
Import volume	-3,4	7,5	13,5	0,8	14,9	12,5	19,4	-0,6	11,2	4,5	5,3
Real effective exchange rate	4,9	-8	-0,6	8,5	-4,2	-4,9	4,7	1,9	0,1	-3,5	..
Terms of trade	-8,7	-0,3	-4,5	-15,7	41,5	4,5	-8,4	-0,8	-0,9	20	13,5
<b>Money and credit</b>											
Credit to the private sector	-5,2	0,5	30,3	11,2	10,5	8,7	10,8	8,9	1,4	10,9	6
Broad money	-1,8	8,1	7,8	9,7	18,8	17,9	11,6	-0,9	7,3	4,2	11
<b>Gross domestic investment</b>											
Public	19,1	15,3	17,5	18,7	16,4	17,7	18	18,3	18,9	21,2	21,5
Private	6,4	1	2	2,3	1,4	2,1	1,8	1,5	2,6	2,7	3
	12,7	14,3	15,5	16,4	15,1	15,6	16,2	15,4	16,3	18,5	18,5
	(In % of GDP, unless otherwise indicated)										
<b>Central Government operations</b>											
Total revenue, incl. grants	16,5	13,3	16,5	15,7	18,8	21	19,9	18,8	15,4	17,9	18,8
Non-oil revenue	10,7	10,1	12,3	13	13,2	13,6	14,3	11,9	11,3	12,4	12,1
Total expenditure	23	16,9	17,9	18,9	17,4	18,6	18,1	15,3	16	14,4	15,3
Current expenditure	18	15,1	14,9	15,2	14,5	15,1	0	12,4	13,1	12,4	13,1
Capital expenditure	7,4	1,7	2,9	3,6	2,7	3,3	2,9	1,9	1,9	2,3	2,8
Overall fiscal balance (excl. grants)	-6	-3,8	-1,7	-3,4	1,4	2	0	0,7	-0,8	3	3,4
Overall fiscal balance (incl. grants)	-6,5	-3,6	-1,4	-3,2	1,4	2,4	1,9	1,4	-0,5	3,5	30,5
Primary balance	-0,8	4	5,9	4,6	7,2	7,5	5,5	3,4	1,9	4,9	4,7
<b>External sector</b>											
Current account balance (including grants)	-3,7	-3	-2,5	-4,1	-1,7	-4,1	-6,4	-2	-3,8	-3,6	-0,5
External public debt	(In % of goods and services export, unless otherwise indicated)										
External public debt (in millions of USD)	5311,4	8117,6	7639,9	7683,9	7035	6568,6	5282,7	6025,8	6200	6200 (1)	2241 (2)
Gross reserves (in months of imports)	4,5	6,2	3,5	3,3	1,1	0,4	1,5	1,5	-	2,2	2,7

Sources: Cameroonian authorities working document and IMF, October 2006 (2003-2006). IMF Country Report No 05/189 (1986-2002, June 2005).

(1) 5671 at net present value.

(2) (2) After HIPC debt relief. 1154 after all HIPC, MDRI and bilateral debt relief

**Cameroon. Selected fiscal indicators, 1997-2006**  
(in % of GDP, unless otherwise indicated)

	1997/1998	1998/1999	1999/2000	2000/2001	2001/2002	2003	2004	2005 (est)	2006 (proj)
Revenue and grants	16.5	15.7	18.8	21	19.9	16.7	15.4	17.7	18.2
Total revenue	16.2	15.5	18.8	20.6	19.6	16	15.2	17.2	17.6
Oil sector revenue	3.9	2.5	5.6	6.9	5.2	4.1	3.9	4.9	5.4
Non-oil sector revenue	12.3	13	13.2	13.6	14.3	11.9	11.3	12.3	12.2
Total grants	0.3	2	00	0.4	0.4	0.7	0.2	0.5	0.6
Total expenditure	17.9	18.9	17.4	18.6	18.1	15.3	16	14.3	16.9
Total HIPC expenditure	-	-	-	-	-	0.1	0.4	0.3	0.1
Current expenditure	14.9	15.2	14.5	15.1	14.8	13.2	14	11.8	12.2
Salaries	4.9	5.1	5	5.3	5.6	5.3	5.4	4.6	4.7
Other goods and services	2.6	3.1	3.3	3.7	4.2	4	5	3.8	4.7
Including HIPC	-	-	-	-	-	0.1	0.4	0.3	0.1
Transfers and subsidies	1.6	1.9	1.9	2.1	1.9	1.6	1.7	2	1.9
Interest due	5.7	5.2	4.4	3.9	2.9	2.3	2	1.4	1.4
Capital expenditure	2.9	3.6	2.7	3.3	2.9	2.1	2	2.3	4.7
Including HIPC	-	-	-	-	-	0.1	0.1	0.6	0.9
Restructuring	0.2	0.5	0.5	0.5	0.3	0.2	0.1	0	0.9
Non classified expenditures	0.1	0.1	0.2	0.2	0.4	0.1	-0.1	0.2	0
Overall balance									
Grants excluded	-1.7	-3.4	1.4	2	1.5	07	-0.8	3	0.8
Grants included	-1.4	-3.2	1.4	2.4	1.9	1.4	-0.5	3.5	1.4
Net change in arrears	-9.8	-0.9	-1.7	-2.9	-5.9	-0.3	0.4	-0.8	-1.3
External	-6.2	0.7	0	-0.1	-5.4	0.1	0.4	-0.1	0
Domestic	-3.6	-1.6	-1.7	-2.8	-0.6	-0.2	0	-0.7	-1.3
Overall balance (cash basis)									
Excluding grants	-11.5	-4.3	-0.3	-0.9	-4.4	0.4	-0.4	2.1	-0.5
Including grants	-11.2	-4.1	-0.3	-0.5	-4.1	1.1	-0.2	2.7	0.1
Financing	11.2	4.1	0.3	0.5	4.1	-1.1	0.2	-2.7	-0.2
External (net)	9	3.3	1.3	1.9	6.2	0	0.6	-0.4	0.9
Domestic (net)	2.3	0.7	-1	-1.3	-2.1	-1	-0.4	-2.3	-1.1
Financing needs	0	0	0	0	0	0	0	0	0
Memo item									
Non-oil revenue (in % of non-oil GDP excluding oil)	13,2	14	16,3	15,9	16,1	12,2	12,1	13,4	13,3

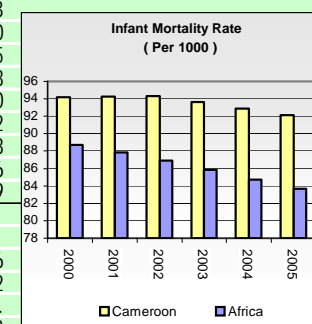
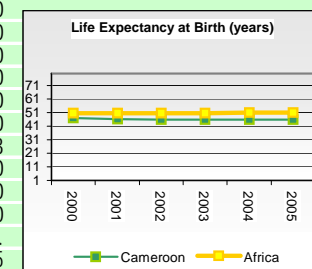
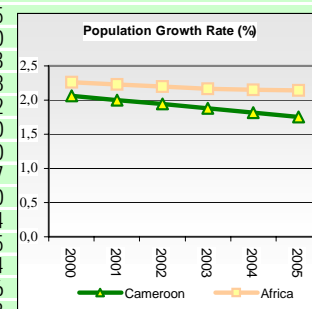
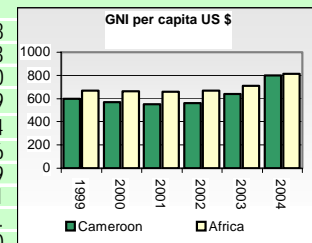
Sources: IMF country report No. 06/231, June 2006 (2003-2006) IMF country report No. 05/189, June 2005 (1997-2002)



## Cameroon

### COMPARATIVE SOCIO-ECONOMIC INDICATORS

	Year	Cameroon	Africa	Developing Countries	Developed Countries
<b>Basic Indicators</b>					
Area ('000 Km <sup>2</sup> )		475	30 307	80 976	54 658
Total Population (millions)	2005	16,3	904,8	5 253,5	1 211,3
Urban Population (% of Total)	2005	53,7	38,9	43,1	78,0
Population Density (per Km <sup>2</sup> )	2005	34,3	29,9	60,6	22,9
GNI per Capita (US \$)	2004	800	811	1 154	26 214
Labor Force Participation - Total (%)	2003	41,6	43,4	45,6	54,6
Labor Force Participation - Female (%)	2003	38,5	41,1	39,7	44,9
Gender -Related Development Index Value	2003	0,487	0,460	0,694	0,911
Human Develop. Index (Rank among 174 countries)	2003	148	n.a.	n.a.	n.a.
Popul. Living Below \$ 1 a Day (% of Population)	2001	40,2	45,0	32,0	20,0
<b>Demographic Indicators</b>					
Population Growth Rate - Total (%)	2005	1,8	2,1	1,4	0,3
Population Growth Rate - Urban (%)	2005	3,2	3,4	2,6	0,5
Population < 15 years (%)	2005	41,2	41,5	32,4	18,0
Population >= 65 years (%)	2005	3,7	3,4	5,5	15,3
Dependency Ratio (%)	2005	81,5	81,4	57,8	47,8
Sex Ratio (per 100 female)	2005	99,0	99,8	102,7	94,2
Female Population 15-49 years (% of total population)	2005	26,7	26,7	27,1	25,0
Life Expectancy at Birth - Total (years)	2005	46,1	51,2	64,1	76,0
Life Expectancy at Birth - Female (years)	2005	46,6	52,0	65,9	79,7
Crude Birth Rate (per 1,000)	2005	34,2	36,8	22,8	11,0
Crude Death Rate (per 1,000)	2005	17,0	15,0	8,7	10,4
Infant Mortality Rate (per 1,000)	2005	92,1	83,6	59,4	7,5
Child Mortality Rate (per 1,000)	2005	158,8	139,6	89,3	9,4
Total Fertility Rate (per woman)	2005	4,3	4,8	2,8	1,6
Maternal Mortality Rate (per 100,000)	2004	669,0	622,9	440	13
Women Using Contraception (%)	2004	26,1	26,6	59,0	74,0
<b>Health &amp; Nutrition Indicators</b>					
Physicians (per 100,000 people)*	2000	6,5	38,2	78,0	287,0
Nurses (per 100,000 people)	2001	42,4	110,7	98,0	782,0
Births attended by Trained Health Personnel (%)	2004	61,8	43,7	56,0	99,0
Access to Safe Water (% of Population)	2002	63,0	64,5	78,0	100,0
Access to Health Services (% of Population)*	2000	15,0	61,7	80,0	100,0
Access to Sanitation (% of Population)	2002	48,0	42,4	52,0	100,0
Percent. of Adults (aged 15-49) Living with HIV/AIDS	2003	7,4	6,4	1,3	0,3
Incidence of Tuberculosis (per 100,000)	2003	221,0	406,4	144,0	11,0
Child Immunization Against Tuberculosis (%)	2004	83,0	78,2	82,0	93,0
Child Immunization Against Measles (%)	2004	64,0	68,8	73,0	90,0
Underweight Children (% of children under 5 years)	2003	25,0	39,0	31,0	...
Daily Calorie Supply per Capita	2003	2 286	2 439	2 675	3 285
Public Expenditure on Health (as % of GDP)	2002	1,2	2,7	1,8	6,3
<b>Education Indicators</b>					
Gross Enrolment Ratio (%)					
Primary School - Total	2002/03	108,0	96,7	91,0	102,3
Primary School - Female	2002/03	99,0	89,3	105,0	102,0
Secondary School - Total	2002/03	31,0	43,1	88,0	99,5
Secondary School - Female	2002/03	28,0	34,6	45,8	100,8
Primary School Female Teaching Staff (% of Total)	2002/03	33,0	44,1	51,0	82,0
Adult Illiteracy Rate - Total (%)	2005	23,1	35,0	26,6	1,2
Adult Illiteracy Rate - Male (%)	2005	16,8	26,9	19,0	0,8
Adult Illiteracy Rate - Female (%)	2005	29,2	42,9	34,2	1,6
Percentage of GDP Spent on Education	2001	5,4	4,7	3,9	5,9
<b>Environmental Indicators</b>					
Land Use (Arable Land as % of Total Land Area)	2005	12,8	6,0	9,9	11,6
Annual Rate of Deforestation (%)	2000	0,9	0,7	0,4	-0,2
Annual Rate of Reforestation (%)	2000	14,0	10,9	...	...
Per Capita CO2 Emissions (metric tons)	2005	0,43	1,0	1,9	12,3



Source : ADB Statistics Division databases; UNAIDS; World Bank Live Database and United Nations Population Division; Country Reports

Notes: n.a. Not Applicable; ... Data Not Available; \* : latest data available within 1995-2000

**Matrix of the SAP II Logical Framework–Cameroon**

Hierarchy of Objectives (HO)	Objectively Verifiable Indicators (OVI)			Means of Verification (MOV)	Important Assumptions/ Major Risks
	At Appraisal June 1997	At Completion August 2000	At Post-Evaluation August 2002		
<b>1. Overall Goal</b> 1.1- Return to sustainable and fairly distributed growth	1.1.1 GDP growth rate of at least 5% per year from 1997 to 1999.	GDP growth stood at 5.1% and 5% in 1997 and 1998 respectively. It fell to 4.4% in 1999.	GDP growth rate stood at 5.3% in 2001.	1.1.1 National Statistics	
<b>2. Program Objectives</b> 2.1 Restore the major macroeconomic balances	2.1.1 External account deficit below 2.3% of GDP by 1999/2000  2.1.2 Budget deficit (commitment basis) reduced to 1.8% of GDP  2.1.3 Inflation reduced from 4.2% to 2% in 1999/2000	External account deficit in 1999/00 stood at 1.7% of GDP  GDP showed a 1.4% surplus in 1999/00  Rate of inflation reduced from 2.9% in 1998/99 to 0.8% in 1999/00	External account deficit worsened to 3.2% of GDP in 2001/02  Budget surplus consolidated at 2.1% of GDP in 2000/01  Inflation reached 2% in 2001/2002	2.1 National Statistics; annual program reviews; mid-term supervision reports	2.1 Pursuance of economic reforms; full commitment of economic actors; political stability and donor support; debt relief.
<b>3 –Program Outcomes</b> 3.1 Improve mobilization of revenues and control expenditures	3.1.1 Total revenues equivalent to 17.9% of GDP in 1999/2000  3.1.2 Total expenditures limited to 19.8% of GDP in 1999/2000	Total revenues, excluding privatization, accounted for 21% of GDP in 99/00  In 1990/00 total Gov't. expenditures reduced to 19.4% of GDP	Revenue amounted to 19% of GDP in 2001/02  Public expenditures reduced to 18% of GDP in 2001/02.	3.1.1 National accounts Statistics: Flow of funds table	3.1.1 Improvement of tax administration; debt relief
3.2 Consolidation of external competitiveness	3.2.1 Exports accounted for more than 20.3% of GDP in 1999/2000	Export values rose to 24% of GDP in 1999/00	Export values rose to 20.3% of GDP in 2001/02	3.2.1 Balance of payments; customs statistics	3.2.1 International economic recession; fall in prices of oil and staple commodities.

Hierarchy of Objectives (HO)	Objectively Verifiable Indicators (OVI)			Means of Verification (MOV)	Important Assumptions/ Major Risks
	At Appraisal June 1997	At Completion August 2000	At Post-Evaluation August 2002		
	3.2.2 Exports of non-oil products stood above 77% of exports in 1999/2000	The value of non-oil exports represented only 55% of total export values	Non-oil exports represented 55% of total exports	3.2.2 Balance of payments; customs statistics	
3.3 Private sector development	3.3.1 Private investments accounted for 16.5% of GDP in 1999/2000	-	Private investments reached 16% of GDP in 2001/02	3.3.1 National statistics	3.3.1 Promulgation of texts concerning business and investment law, and tax incentives harmonized within CACEU
	3.3.2 At least 55% of domestic credit allocated to the private sector	The private sector only received 47% of domestic credit in 1999	In 2001/02 the private sector received 57% of domestic credit compared to 54.6% in 2000/01	3.3.2 BEAC Account	
3.4 Human resource development and poverty reduction	3.4.1 School enrolment rate above 62%	The primary school enrollment rate was 97% in 1997		3.4.1 National social statistics	3.4.1 Effective implementation of policies described in the PFP
	3.4.2 Rate of access to health services higher than 41%	The rate of access to health services is estimated at 41%			
	3.4.3 GDP per capita above US\$ 680 in 2000	GDP per capita is estimated at US\$ 650			
<b>4 –Activities</b>					
4.1 Improve tax and customs administration and combat tax evasion and fraud	4.1.1 Total budget revenue increased to 17.9% of GDP in 1999/2000	Total revenue, excluding privatization, reached 19% of GDP in 1999/00	Revenue dropped to 19% of GDP in 2001/02 from 20.6% in 2000/01	4.1.1 TOFE	4.1.1 Preparation, and enforcement of new tax laws
4.2 Reform the civil service	4.2.1 Reduce the staff to 1% of the working population	The census of the staff is not completed	Census completed but the staff has not been reduced	4.2.1 Civil service statistics	4.2.1 Compensation to laid off workers to minimize trade union protests
	4.2.2 Implementation of SIGIPES in all Ministries	In progress	On-going in 4 pilot Ministries	4.2.2 Report on the mode of operation of	4.2.2 Delays in the implementation of

Hierarchy of Objectives (HO)	Objectively Verifiable Indicators (OVI)			Means of Verification (MOV)	Important Assumptions/ Major Risks
	At Appraisal June 1997	At Completion August 2000	At Post-Evaluation August 2002		
4.3 Ease the debt burden	in 1999/2000  4.3.1 Amount rescheduled (arrears and current due debts) up to about CFAF 1086 billion	Not achieved	Cameroon reached the HIPC Initiative decision point in October 2000	Ministries; program mid-term reviews  4.3.1 National statistics; Paris and London Clubs reports	SIGIPES  4.3. support from donors
4.4 Restructure and/or privatize public enterprises	4.4.1 Privatization of SODECOTON, SOCAPALM, CDC, CAMAIR  4.4.2 Participation of the private sector in the management of public services (SNEC, SONEL, INTELCAM)	- SOCAPALM effectively privatized on 29/06/00 - Serious delay in SODECOTON, CAMAIR projects - CDC in progress. Competitive bidding launched on 31/12 /98. - Participation of private sector in the running of SONEL, INTELCAM (Law No. 98/022 of 24/12/ 98 concerning the electricity sector and No. 98/ 014 of 14/7/98 concerning the telecommunications system) - - SNEC: in progress (the provisional contractor is Lyonnaise des eaux)	- SODECOTON, CDC and CAMAIR not yet privatized  - Privatization of SNEC not yet completed - SONEL privatized  - CAMTEL (fixed telephone line not yet privatized)	4.4.1 Government portfolio status report  4.4.2 Legal and regulatory framework authorizing the private sector to intervene; award of contracts to private enterprises	4.4.1 Resistance to disposal of State assets, lack of buyers  4.4.2 Idem
4.5 Restore the financial sector	4.5.1 Restructuring of Banks and of insurance companies completed (BICEC, SOCAR and CNR privatized) 4.5.2 State participation in capital of banks limited to a maximum of 20% 4.5.3 Action plans for SRC	BICEC: privatized in May 2000. It is taken over by "Groupe banques populaires" - CNR: liquidated (liquidation Decree issued on 06/00 - SOCAR: in the process of privatization -Effective (Finance Law No. 97/014 of 18 July 1997)	- Privatization of SOCAR completed	4.5.1 Government economic reports; Program mid-term reviews  4.5.2 Implementing order	4.5.1 Commitment of Government and buyers interested in the buying conditions 4.5.2 Pursuance of restructuring of the financial sector and involvement of the COBAC

Hierarchy of Objectives (HO)	Objectively Verifiable Indicators (OVI)			Means of Verification (MOV)	Important Assumptions/ Major Risks
	At Appraisal June 1997	At Completion August 2000	At Post-Evaluation August 2002		
4.6 Reduce export duties	and social security reforms 4.6.1 Reduction from 13.5% to 10%, except for undressed timber and then gradual elimination	- Reform of CRC carried out - Social security reform under preparation Export duties abolished by the Finance Law in 1999/2000		4.5.3 Action plans 4.6.1 Finance Law for fiscal years 1997/98 to 1999/2000	4.5.3 Pursuance of the restructuring of the financial sector 4.6.1 Completion of program financing and fiscal stabilization
4.7 Streamline budget expenditure giving priority to the fight against poverty and human resource development	4.7.1 At least 14% of the budget allocated to health and education as of FY1997/98. For subsequent years, more than 14% will be allocated to these sectors	Efforts have been made in health 99/00 (doubling of health budget in 99/00) Objective achieved in the education sector. In 1997/98, 16% of the budget allocated to this sector	The social security reform under study 67.5% increase in budget allocations to education since 1990 and 34% to health allocations	4.7.1 Budget implementation report, and annual reviews of GDP and PIP	4.7.1 Compliance with the expenditure rationalization objective

Matrix of the SAP II Logical Framework (PPER)–Cameroon

Hierarchy of Objectives (HO)	Objectively Verifiable Indicators (OVI)			Means of Verification (MOV)	Important Assumptions/Major Risks
	At appraisal November 2000	At completion March 2005	At post-appraisal November 2006		
<b>1. Overall Goal</b> Promote sustainable human development (SHD) and reduce poverty	The human development indicator (HDI) improves and the real incidence of poverty is reduced to a level compatible with the objective of cutting the poverty rate to 42% in 2003/04	The HDI rises from 0.506 in 2001 (125 <sup>th</sup> out of 162 countries) to 0.501 (140 <sup>th</sup> out of 177 countries) in 2004, while the poverty index is estimated at 40.2% in 2001.	The HDI inches down from 0.502 in 2000 to 0.506 (144 <sup>th</sup> out of 177 countries) in 2004, while the poverty index is estimated at 40.2% in 2001 and 38.8% in 2006 (according to a provisional estimate by the authorities).	NIS report; National Human Development Report of the UNDP in Cameroon; World Human Development Report of the UNDP.	Commitment of the Government Sociopolitical stability Adherence by the population
<b>2 – Program Objectives</b> Promote strong and sustainable growth by diversifying the economy	Annual GDP per capita growth rate set at 2 - 3% before 2002/03	The real GDP growth rate was 4.2% in 2002 and 2003, while the population grew at an annual rate of 2.7%.	The real per capita growth rates were 1.2%, 1.2%, 0.9%, -0.8% and 0.7%, in 2002, 2003, 2004, 2005 and 2006 respectively, thus lower than projected because of insufficient GDP growth rates.	National accounts; CTS reports	Sociopolitical stability and sustained rise in oil and main export product prices
Reduce poverty	The incidence, scope and severity of poverty decline at a rate compatible with the UN goal of halving poverty by 2015	The incidence of poverty falls from 53.3% in 1996 to 40.2% in 2001, a 13.1% decline.	According to official estimates, the incidence of poverty fell from 53.3% in 1996 to 40.2% in 2001 and 38.8% in 2006. An ECAM survey, to be conducted in 2007 by NIS, will update and clarify these data.	NIS reports. Reports from the Ministries of Finance, Health, National Education, Agriculture and Public Works; poverty profile	Adherence of all national stakeholders to PRSP goals
Promote good governance	The National Governance Program (NGP) is prepared, adopted, and implemented.	The National Governance Program (NGP) was adopted in June 2000 and implemented in 2001, notably with Bank support in the context of an institutional support project.	The national governance program (NGP I) was adopted in June 2000 and implemented in 2001, notably with Bank support through an institutional support project. NGP II was adopted in November 2005. The implementation of these programs is developing after difficulties at start-up.	NIS report; National Human Development Report of the UNDP in Cameroon; World Human Development Report of the UNDP	Government commitment and adherence of the population

Hierarchy of Objectives (HO)	Objectively Verifiable Indicators (OVI)			Means of Verification (MOV)	Important Assumptions/Major Risks
	At appraisal November 2000	At completion March 2005	At post-appraisal November 2006		
<b>3 – Program outcomes</b> Macroeconomic stability is consolidated	<p>Inflation rate is controlled below 2% per year</p> <p>Current account deficit (excluding grants) is maintained at 3 -3.5% of GDP during the program period</p> <p>Budget revenue represents 20.4% of GDP</p> <p>Budget expenditures are stabilized at 19% of GDP</p>	<p>The inflation rate stood at 2.8% in 2002, but was reduced to 1.4% in 2003</p> <p>The current account deficit jumped from 4.1% of GDP in 2000/01 to 7% of GDP in 2002, before plunging to 1.7% in 2004</p> <p>Total budget revenues (excluding grants) was 19.2% of GDP in December 2002</p> <p>Budget expenditures rose to 17.8% in 2002 (14.2% net of debt interest payments)</p>	<p>Inflation rates have been relatively contained: 1.6% on average over the 2001-2004 period.</p> <p>The current account deficit, which rose to 4.1% and 7% of GDP in 2001 and 2002, was controlled with difficulty: 2.6%, 3.8%, 3.6% and 0.5% in 2003, 2004, 2005 and 2006 respectively.</p> <p>Total budget revenue (excluding grants) 15.2%, 17.3% and 18.7% of GDP in 2004, 2005 and 2006, respectively.</p> <p>Budget expenditure stabilized at 16%, 14.4% and 15.3% in 2004, 2005 and 2006, respectively.</p>	<p>Household consumer price statistics; national accounts; CTS reports; and balance of payments. state budget;</p> <p>National accounts CTS reports</p>	<p>Commitment of the Government; Support of donors; Favorable economic situation. Government commitment; Support of donors; Favorable economic situation.</p> <p>Government commitment; Support of donors Favorable economic situation;</p>
Robust economic growth is restored	The GDP growth rate reached 5.7% in 2001/02 and at least 6% as of 2002/03	The GDP growth rate was 4.2% between 2002 and 2004	Real GDP growth rates are estimated at 4.1% between 2001 and 2004, i.e. at levels that fall short of the ambitious forecasts made.		Government commitment to the program.
The national poverty reduction strategy is implemented	<p>The final PRSP adopted is implemented</p> <p>The incidence of poverty is reduced from 50% in 1999/2000 to 42% in 2003/2004</p>	<p>The full-fledged PRSP was published in April 2003 and approved by the IMF and World Bank in July 2003</p> <p>The incidence of poverty is 40.2% in 2001</p>	<p>The full PRSP was published in April 2003 and approved by the IMF and World Bank in July 2003. Implementation reports are published annually.</p> <p>The incidence of poverty is reduced to 40.2% in 2001 and 38.8% in 2006, according to official estimates.</p>	<p>Full PRSP; Poverty profile; CTS reports; School statistics; Health statistics; State budget; NIS reports (ECAM) WHO reports UNESCO reports</p>	<p>Support of donor s Active involvement of civil society</p> <p>Institutional capacity of the monitoring/evaluation mechanism retained under the poverty reduction strategy (Dept. of Statistics, observatory, etc.)</p>

Hierarchy of Objectives (HO)	Objectively Verifiable Indicators (OVI)			Means of Verification (MOV)	Important Assumptions/Major Risks
	At appraisal November 2000	At completion March 2005	At post-appraisal November 2006		
	Labor-intensive works are launched	-			
	The incomes of the poor have improved	The poverty line rose from CFAF 146,000 per year in 1996 to CFA.F 232,457 in 2001	The poverty line rose from CFAF 146,000 per year in 1996 to CFAF 232,457 in 2001.		
	Improved access to socioeconomic infrastructures for poor and vulnerable groups	50% of households have access to drinking water; 46% to electricity and about 47% to fixed-line phones in 2001	In 2005, 56.5% of households have access to drinking water (44.2% in 1996, 50.5% in 2001); 54.4% to electricity (46.1% in 2001); 33.6% (including 32.1% for mobile) to fixed and mobile phones (9.3% in 2001)		
	Primary school enrolment ratio is improved and boy/girl disparity reduced	The net enrolment ratio is 78.8% in 2001 compared to 76.3% in 1996. In 2001, the boy/girl parity index was 85 in primary schools, 87.5 in secondary schools and 61.7 in technical secondary schools.	Primary enrolment is 3 million in 2004, (2 million in 1995). The gross primary enrolment ratio has risen from 81% in 1995-96 to about 100% in 2003-2004. The parity index is 0.85 in 2004 at the national level. The net enrolment ratio is 78.8% in 2001 compared to 76.3% in 1996.		
	The infant and maternal mortality rates are reduced; the HIV/AIDS prevalence rate is below 10%	In 2001, the under-five mortality rate was 150.7 per 1000 live births. The HIV/AIDS prevalence rate among the sexually active population was 11.8% in 2002	Most child health indicators remained stable or deteriorated. The under-five mortality rate was 144 per 1000 live births in 1999-2004. The maternal mortality rate was 669 deaths per 100000 births in 1998-2004 compared to 454 in 1991-1997. The HIV/AIDS prevalence rate was 5.5% in 2004 among the sexually active population, the		



Hierarchy of Objectives (HO)	Objectively Verifiable Indicators (OVI)			Means of Verification (MOV)	Important Assumptions/Major Risks
	At appraisal November 2000	At completion March 2005	At post-appraisal November 2006		
	Budget allocations to the health and education sectors represent 3.5% of GDP in 2000/01 and 4% of GDP in 2001/02	Education sector spending rose from 2.7% of GDP in 2000 to 3.2% in 2001 and 3.6% in 2002. Health expenditure for its part inched up from 0.8% of GDP in 2000 to 0.9% in 2001 and 1.1% in 2002.	2002 estimate having been reviewed. Public spending on education rose from 2.7% of GDP in 2000 to 3.2% in 2001 and 3.8% in 2004, representing 17.2% of the State budget in 2004. Public spending on health barely increased and remained low, representing 8% of the State budget in 2003 (7.2% in 1999), 1.2% of GDP in 2003 (1.4% in 1999).		
Progress is made in good governance	<p>The governance program (NGP) is implemented</p> <p>The NGP priority action plan is implemented</p>	<p>The NGP is effectively implemented and supported by an institutional support program of the Bank.</p> <p>The priority action plan for improving governance and combating corruption is effectively implemented with the support of development partners (ADB, World Bank, European Union, UNDP). The main actions undertaken relate to public procurement reform, audit of the judicial system and preparation of an anti-corruption plan</p>	<p>The NGP is effectively implemented and supported by an institutional support program of the Bank.</p> <p>The priority action plan for improving governance and combating corruption is effectively implemented with the support of development partners (ADB, World Bank, European Union, and UNDP). The main actions undertaken relate to public procurement reform, audit of the judicial system and preparation of an anti-corruption plan</p>	Reports of the National Governance Program Coordinator	Government commitment. Adherence of civil society and the private sector

Hierarchy of Objectives (HO)	Objectively Verifiable Indicators (OVI)			Means of Verification (MOV)	Important Assumptions/Major Risks
	At appraisal November 2000	At completion March 2005	At post-appraisal November 2006		
<p><b>4 – Key activities</b></p> <p>Finalize the PRSP, adopt its conclusions, and implement them</p> <p>Consolidate public finance management</p> <p>Diversify the economic base and better mobilize non-oil revenues</p> <p>Combat corruption and rigorously address governance problems</p>	<p><b>Financing</b></p> <p>ADF: UA 20.5 million TAF: UA 0.3 million IMF: UA 56.03 million WB: UA 61.4 million</p>	<p>ADF: UA 20.5 million TAF: 0.0 million IMF: UA 51.46 million WB: UA 61.40 million</p> <p>The full-fledged PRSP finalized and approved in April 2003; its implementation is monitored by a Technical Monitoring/Evaluation Committee set up in October 2003</p> <p>Public finance management was not sufficiently consolidated and this led to suspension of the program.</p> <p>Since 2000, non-oil GDP growth has been stronger than that of GDP</p> <p>The fight against corruption has been initiated and is ongoing</p>	<p>ADF: UA 20.5 million TAF: 0.0 million IMF: UA 56.03 million WB: UA 61.4 million</p> <p>The full PRSP finalized and approved in April 2003; its implementation is monitored by a Technical Monitoring/Evaluation Committee set up in October 2003.</p> <p>Public finance management was consolidated in 2005 and 2006 after the slippage of 2004, and this led to the implementation of a new PRGF-supported program for 2006-2008</p> <p>Since 2000, non-oil GDP growth has been stronger than that of GDP, but is not sufficient.</p> <p>Corruption control has been initiated and is ongoing. Given its major shortcomings, governance remains a central concern.</p>	<p>CTS reports; Good governance implementation report; National accounts; Project progress and supervision reports; Project completion report</p>	<p>Government commitment to the program Donor financing</p>

### Strategy and Policies of 1996-98, 1999-2001, and 2002-2004 CSPs

1. **The 1996-1998 CSP** was implemented following the failure of the 1985-95 rehabilitation policies and strategies, which had sought to end the crises that broke out in 1985 and had failed. The SAP I, covering the 1989-1991 period, although supported by an ADB loan of UA 100 million, had not achieved the expected results. The 1996-1998 CSP focused the Bank Group's strategy on poverty reduction. This strategy was based on agriculture and the social sector (in accordance with the orientations of ADF VII), and was aimed at restoring macro-economic balances, increasing agricultural production, and developing human resources.
2. In line with ADF VII guidelines, the scope of the Bank Group's program was supposed to be determined primarily by Cameroon's performance and could be minimal, limited, normal, or expanded, as the case may be. Finally, an expanded project loan program, in the amount of UA 42.84 million, was granted to the country. These credits were used as proposed: 40.2% for the agricultural sector and 59.8% for the social sector. The structural adjustment loan, SAP II, and two supplementary financing mechanism operations were granted, for a total amount of UA 32.5 million. In 2000, the high level of achievement of the loan program and compliance with the sectoral distribution of the allocation projected satisfactory implementation of the 1996-98 CSP. This optimistic vision was confirmed by the implementation of reforms and the macroeconomic results recorded. The major macroeconomic balances had been restored and the GDP had recorded an average real growth rate of more than 4% per year.
3. **The 1999-2001 CSP** was intended to deepen the focus of Bank operations on poverty reduction, in line with the Bank's Vision and Strategic Plan and with the Government's declared poverty strategy, adopted in December 1998. Its strategy was centered on two basic principles: (a) take action on the general conditions needed to reduce poverty, based on promoting economic growth to increase employment and income opportunities; and (b) take specific actions aimed at improving the living conditions of the poor populations. The following three areas were selected for the implementation of this strategy: the social sector, transport sector, and multi-sector. In 1999-2001, the Bank's strategy was aimed at: (i) pursuing the consolidation of the macroeconomic framework and the implementation of appropriate reforms to ensure the competitiveness of the economy; (ii) promoting good governance; (iii) improving the living conditions of the populations; and (iv) providing basic infrastructures.
4. Under ADF VIII (1999-2001), the initial amount allocated to Cameroon was UA 44.40 million, broken down as follows: social 62.4%; transport 28.3%; and multisector 9.3% (National Good Governance Support Project, UA 3.18 million). In addition, a policy-based loan could be granted if the Government satisfactorily implemented a program supported by the international community. The allocation of resources to Cameroon had to be based on three scenarios: baseline, high, and low. Under ADF VIII, Cameroon benefited from the high scenario because of its performance under SAP II, and was granted UA 63.72 million for projects. In policy-based lending, a structural adjustment loan, SAP III 200-2004, was granted (UA 20.5 million).

Summary Table of Country Strategy Papers (CSP) from 1996 to 2005

Objectives and sectors /CSP	1996-1998 CSP	1999-2001 CSP	2002-2004 CSP	2005-2009 CSP
<b>Overall goal</b>	Reduce poverty	Deepen the focus of Bank interventions on poverty reduction, in line with the Bank's Vision	Continue to focus the strategy on the reduction of poverty, in line with the PRSP adopted in 2003.	Reduction of poverty through growth, which will be sustained and strengthened by good governance and the improvement of infrastructure
<b>Specific objective</b>	Restore macroeconomic balances; increase agricultural production; and develop human resources.	Pursue consolidation of the macro-economic framework and the implementation of appropriate reforms; promote good governance; improve the living conditions of the populations; and provide basic infrastructures to open up agricultural production areas.	Support reforms, improve the macroeconomic framework and strengthen economic growth, increase opportunities for business, employment and income, support specific pro-poor actions in order to improve their living conditions	Pillar 1: Promote good governance to ensure transparent management of public resources and improve administrative accountability in Government services; (ii) Pillar 2: Contribute to the improvement of infrastructures with a view to fighting against poverty
<b>Sectoral priorities in new credit allocations</b>	The priority sectors are agriculture and social sectors.	Three main sectors: multisector, social, and transport.	Selection of the following main sectors: social, transport, agriculture, and multisector	Selection of sectors: governance, transport and public utilities
<b>Portfolio at start of CSP (source: each CSP)</b>	Sector breakdown: transport 44.47%, agriculture 16.96%, multisector 22.47%, public utilities 10.37 %, social 4.01% and industry 1.72 %.	Sector breakdown: transport (40.2%), support for macroeconomic reform (27.4%); agriculture (17.3%); public utilities (2.9%); social (11.3%); banking and industry (0.9%).	Sector breakdown: transport 35.59%, multisector 23.83%, agriculture 17.52%, social 9.20%, public utilities 7.69%, and industry 6.17%.	The portfolio breakdown is as follows (in %): Agriculture 21.94, water energy 5.42, Social 9.61, Transport 37.04, Multisector 20 or 24.
<b>Active portfolio at end of CSP (or total portfolio)</b>	The entire portfolio: transport: 40.2%; multisector: 27.4%; agriculture 17.3%; social infrastructure: 2.9%; social 11.3%; banking and industry: 0.9%. The active portfolio comprises 13 projects for UA 178.88 million.	May 2003: The active portfolio comprises eighteen (18) operations for UA 191.65 million. Sector breakdown of portfolio: 32.54% for agriculture, 30.86% for transport, 23.66 for social, 12.36% for multisector, and 0.58% for social infrastructures.	Oct 2005: The active portfolio comprises 16 operations for UA 177.74 million. Its sector breakdown: Agriculture 34.88%, transport, 30.77%; social 32.34%, multisector 1.79%, and water and sanitation 0.22%.	

Finally, under ADF VIII, owing to its performance under SAP II, Cameroon benefited from the high scenario and UA 63.72 million for projects. Under policy-based lending, a structural adjustment loan, SAP II 2000-2004, was granted (UA 20.5 million). The following six operations were thus approved by the Bank<sup>13</sup>. The implementation of these operations helped to strengthen the fight against poverty, promote sustainable economic growth, and a viable economic environment for investment, as well as strengthen good governance and the fight against corruption. The economic performance of Cameroon deteriorated in August 2000, and emergency poverty reduction measures were implemented. The authorities also prepared an action plan to promote good governance and fight against corruption, and have started implementing it.

5. The 2002-2004 CSP continued to focus the strategy on poverty reduction, and was in line with the PRSP adopted in 2003. It continued to support reforms in order to further improving the macro-economic framework as well as strengthen economic growth and increase opportunities for business, employment, and income. It also supported specific pro-poor actions with a view to improving the living conditions of the poor. These strategic orientations were based, like the previous CSP, on the social and transport sectors and the multisector, a sign of inadequate focus of actions. It put renewed emphasis on good governance. The Bank should pay particular attention to progress towards the achievement of the UN millennium goals, as social conditions in Cameroon are difficult and have not improved sufficiently after the serious decline in the 1980s and beginning of 1990s.
6. At the outset, it was envisaged that the allocation of ADF IX resources (2002-2004) to Cameroon would be based on three scenarios: baseline, high, if the country pursued its efforts to implement reforms, reduce poverty, improve good governance, and combat corruption, as well as improve the performance of the portfolio, and low. The actual allocation was close to the baseline scenario, with UA 58.82 million. The planned policy-based loan could not be granted. The implementation of CSP 2002-2004 translated into four operations<sup>14</sup>. In addition, thanks to the third structural adjustment program, the country was able to put in place essential reforms, which have helped to consolidate growth, reduce poverty, and promote good governance. The implementation of the 1999-2001 and 2002-2004 CSPs was more complex and more difficult than that of the 1996-98 CSP. This difficulty is illustrated by the extension of the implementation of SAP III during CSP 2002-2004, just like the extension of the PRGF 2000-2003 until 2004. It is also reflected in the suspension of this same PRGF at end-2004 and the failure to implement the policy-based lending program that was supposed to be retained. Over the 1999-2001 and 2002-2004 periods, poverty continued to decline, but less than what was needed to achieve the MDGs, owing primarily to the real GDP growth rate, which was lower than the targeted rate (6% per year). Overall, macroeconomic stability has been maintained since October 2000, although it was seriously undermined by the budget slippages of 2004, an electoral year, then corrected thereafter.

---

<sup>13</sup> Health Project I; the Ambam-Eking Road Development Project; the Road Rehabilitation Project in the West, Littoral, and South Provinces; the Family Income Improvement Project; the SAP III; the National Good Governance Capacity Building Project; the Limbe Maintenance Infrastructure Construction Enclave Project.

<sup>14</sup> Namely: 2 participatory development projects; the Vocational Training Reform Support Project and the Maternal Reproductive Health Support Project.

## The PAPNG

1. The NGSP is an ongoing TAF multisector project approved in October 2001 for a total cost of UA 3.35 million and financed with an ADF loan of UA 3.18 million. The loan agreement was signed on 15/02/02 and became effective on 28/10/02. The objective of the NGSP was to support the implementation of the National Governance Program (NGP) adopted by the Government through capacity building. It was intended to support the implementation of the governance component of the SAP III adopted in April 2001, by providing the country with financial resources to strengthen the capacity of the judiciary system and the management of public resources. There were no real achievements and no real activities under this project before the end of 2004. Consequently, this review only takes it into account as an instrument designed to support SAP III, through the analysis of the impact of programs and the performance of actors.
2. It was relevant, as it falls within the framework of the 1999-2001 CSP and was prepared through two identification missions in September and November 2000, a preparation mission in March 2001, and an appraisal mission in June 2001. Indeed, in response to needs that emerged in the NGP and the CSP, its objectives were to: (i) modernize and increase productivity in justice with a view to improving the legal environment for businesses and ensuring better access to judicial services; (ii) strengthen the management capacity and efficient control of economic programs, with a view to better implementation of the public investment budget and a greater absorptive capacity of external financing; (iii) strengthen the Higher State Control to make it more transparent and efficient; and (iv) promote a more modern and efficient administration, that is accountable and geared towards customer satisfaction. The components of the project are: (i) support for justice; (ii) support for improvement in economic and financial management; and (iii) support for administrative reform.
3. In spite of the relevance of the project and its preparation according to the recommended steps, its implementation is highly unsatisfactory because of the deficiencies of the borrower, despite efforts made by the Bank. It was initially planned that the duration of project activities would be 36 months, until end-2004. Its actual closing date was December 2006, but it had to be extended until end-2007. The project executing agency is the Project Implementation Unit (PIU) created within the national coordinating body of the NGP. There have been significant delays in this project, at project start-up as well as until 2004, because of the poor performance of the NGP coordination team and the project implementation team.
4. The launching or implementation of the main project activities date back only to 2005. The disbursement rate was only 1% when the portfolio was reviewed in May 2004 and 25% at end-2006. However, it should be noted that significant commitments (76.6% of the grant at end-2006) have been undertaken by the national coordination of the NGP and the PIU. To date, the project has not been audited. However, the project could have an impact on institutional development by end-2007 if the planned capacity building, training, and study activities are implemented with greater efficiency until that date.

Cameroon: Assessment of Performance of Policy-Based Loans  
**CAMEROON: BIBLIOGRAPHICAL REFERENCES**

• **Government of Cameroon**

- *Letter of Intent and Memorandum of Economic and Financial Policies (IMF)*, Prime Minister's Office, April 2006.
- *National Governance Program 2006-2010*, Prime Minister's Office, November 2005.
- *PRSP Implementation Progress Report as at 31 December 2005*, incl. PRSP implementation matrix, CTSE/MPPDAT, February 2006.
- *Cameroon: les chantiers de la gouvernance*, Prime Minister's Office, National Governance Program, July 2004.
- *Report on the Functioning of Anti-corruption Structures in the Republic of Cameroon*, Prime Minister's Office, June 2004.
- *Letter of Intent and Memorandum of Economic and Financial Policies (IMF)*, Prime Minister's Office, December 2003.
- *Poverty Reduction Strategy Paper (PRSP)*, April 2003.
- *Governance: PAP Implementation, Short-term action plan, updated on 15 February 2003*.
- *Letter of Intent and Memorandum of Economic and Financial Policies (IMF)*, Prime Minister's Office, August 2002.
- *Letter of Intent and Memorandum of Economic and Financial Policies (IMF)*, Prime Minister's Office, December 2001.
- *Letter of Intent and Memorandum of Economic and Financial Policies (IMF)*, Prime Minister's Office, June 2001.
- *Letter of Intent and Memorandum of Economic and Financial Policies (IMF)*, Prime Minister's Office, December 2000.
- *Poverty Reduction Strategy Paper (Interim)*, July 2000.
- *General Strategy Paper on the Implementation of the National Governance and Corruption Control Program*, June 2000.
- *Code of Criminal Procedure*, Ministry of Justice, 2005.
- *Report of the Ministry of Justice on the Human Rights Situation in Cameroon*, October 2006
- Decree No. 2000/960/PM of 1/12/2000 creating, organizing and defining the functioning of a Consultative and Monitoring Committee on HIPC resource management.

***MINEFI / Technical Monitoring Committee (CTS)***

- *Government's SAP III Completion Report*, CTS, September 2004.
- *Matrix of the PRGF-supported Economic and Financial Program for 2000-2003; Economic, Structural and Sectoral Measures*, updated on 8/2/2002, Ministry of the Economy and Finance/Technical Monitoring Committee for economic programs /Permanent Secretariat, February 2002.
- *Matrix of conditions for disbursement of floating tranches of Structural Adjustment Credit III (SAC III)*, updated in June 2001, Ministry of the Economy and Finance/Technical Monitoring Committee for economic programs /Permanent Secretariat, June 2001.

- *SAP III Loan Audit Report*, internal control report, Ministry of Finance/ASF, May 2004.

**MINEFI / Department of Economic Affairs (DAE)**

- *Respect of the conventions and rules for a market economy: prerequisite and a factor of economic revival in Cameroon*, Technical memorandum, Department of Economic Affairs, Ministry of Finance, June 2006.
- Cameroon: Table of Key Indicators, 1995-2006 and 2007-2014.
- Cameroon: Table of State Financial Operations 2003-2006.
- Cameroon: Public Finance Master Plan, December 2004 and December 2005.

**National Institute of Statistics (NIS)**

- Economic Situation Bulletin, National Institute of Statistics, July 2006.
- Survey on employment and the informal sector in Cameroon in 2005; Phase 1: Survey on employment, Main report, NIS, December 2005.
- Survey on employment and the informal sector in Cameroon in 2005; Phase 2: Survey on the informal sector, Main report, NIS, February 2006.
- Cameroon in figures, NIS, October 2005.
- Population and Health Survey 2004, NIS, June 2005
- 2004 Statistical Yearbook, National Institute of Statistics, CD, May 2005.
- Social statistics, NIS, 2006.
- Millennium Indicators, web site, [www.statistics-cameroon.org](http://www.statistics-cameroon.org) .
- PRSP and MDG monitoring/evaluation statistical mechanism, July 2005.

**Other Ministries**

- *Statistics 1996-2006*, Ministry of Basic Education/Planning and School Orientation Division, November 2006.
- *Education Sector Strategy (extracts)*, July 2006.
- *Sharing Health*, Ministry of Health, Quarterly Review, September 2006.

• **African Development Bank/African Development Fund**

- *Cameroon: SAP III. PCR Appraisal Note*, June 2006.
- *Cameroon, Country Strategy Paper 2005-09*, October 2005.
- *Cameroon: Third Structural Adjustment Program (SAP III), Completion Report*, May 2005.
- *Cameroon, Country Strategy Paper 2002-04*, April and May 2004.
- *Cameroon, Country Strategy Paper 1999-2001*, April 2000 & Oct. 2002.
- *Cameroon: Structural Adjustment Program II (SAP II), Project Performance Audit Report*, November 2002.
- *Cameroon: Structural Adjustment Program III (SAP III)*, February 2001.
- *Cameroon: Structural Adjustment Program II (SAP II) Project Completion Report*, February 2001.
- *Cameroon: Support Project to the National Governance Program, Appraisal Report*, ADF/ CAM/SSGG/2001/01, OCDC, August 2001.
- *Essential factors present in three successful structural adjustment programs*, ADB/BD/2001/105 ADF/BD/WP/2001/175, December 2001.
- *Cameroon: Structural Adjustment Program II (SAP II)*, November 1997.
- *Cameroon: Country Strategy Paper 1996-1998*, November 1996.



- *Cameroon: Completion report of the structural adjustment program, July 1995.*
- *Cameroon: Proposal for the award of a loan to finance the Structural Adjustment Program, July 1989.*
- *ADF-IX loan policy, ADF/BD/WP/2002/121/Rev.1, 31 December 2002.*
- *Revised Guidelines on preparation of the appraisal mark of project completion reports (PCR) and project performance audit reports (PPAR), ADB/BD/IF/2001/94 and ADF/BD/IF/2001/85, prepare by OPEV, September 2001.*
- *Guidelines on ADF-VIII loan policy, ADF/BD/WP/99/76/Rev.1, 13 December 1999.*
- *ADF-VII loan policy, ADF/BD/WP/153/Rev.1, 3 March 1997.*
- *Structural and sectoral adjustment loans. Guidelines and operational procedures, 17 January 1989.*
- *Structural and sectoral adjustment loan policies, 10 October 1988.*
  
- **Cooperation Evaluation Group (CEG)**
  - *“Good practice standards for evaluation of MDB supported public sector operations”*; Multilateral Development Bank/Evaluation, GEC/ECG), 2002.
  - *“Good practices for the evaluation of policy-based lending by multilateral development banks”* Prepared for the ECG group of the Multilateral Development Banks by the Asian Development Bank, March 2005.
  
- **International Monetary Fund**
  - *Strengthening Transparency in the Oil Sector in Cameroon: Why Does It Matter?* Prepared by Stéphane Cossé, IMF/PDP/0602, March 2006.
  - *Cameroon: First Review under the Three-Year Arrangement under the Poverty Reduction and Growth Facility, IMF, June 2006.*
  - *Cameroon: Enhanced Heavily Indebted Poor Countries (HIPC) Initiative—Completion Point Document and Multilateral Debt Relief Initiative (MDRI), IMF May 2006.*
  - *Cameroon: Poverty Reduction Strategy Paper 3rd annual progress report—IMF, July 2006.*
  - *Cameroon, Country long term assessment cr05189*
  - *Cameroon: Review of the Staff-Monitored Program and Request for a Three-Year Arrangement under the PGRF, Report No. 05/413, IMF November 2005.*
  - *Cameroon: Ex Post Assessment of Longer-Term Program Engagement, IMF, Report No. 05/189 June 2005.*
  - *Cameroon: Statistical Appendix, Country Report No. 05/165 IMF, May 2005*
  - *Cameroon: Fourth Review of the Three-Year Arrangement Under the PGRF, 31 December, 2003.*
  - *Cameroon: Letter of Intent, Memorandum of Economic and Financial Policies, and Technical Memorandum of Understanding, Yaoundé, Dec. 2003.*
  - *Cameroon: Article IV Consultation, Third Review of the PGRF, and Request for a Waiver of Performance Criterion, Dec. 2002.*
  - *Cameroon: Second Review of the PGRF Arrangement, 28 February, 2002.*
  - *Joint Staff Assessment of the Poverty Reduction Strategy Paper Preparation Status Report, 10 January 2002.*

- *Cameroon-Poverty Reduction Strategy Paper Preparation Status Report-Table of Contents*, 28 December 2001.
- *Cameroon Letter of Intent and Technical Memorandum of Understanding*, 28 December 2001
- *Cameroon: Article IV Consultation, First Review of the First Annual Program Under the Poverty Reduction and Growth Facility*, 6 August 2001
- *PRGF Oct. 2000-Sept 2003*, Press release, 22 December 2000.
- *Cameroon Enhanced Structural Adjustment Facility Medium-Term Economic and Financial Policy Framework Paper (1999/2000–2001/02)*, 9 August 1999
  
- **World Bank**
  - *Cameroon: Third structural adjustment credit, Implementation Completion Report*, November 2004.
  - *Cameroon: Country Assistance Strategy (CAS) 2004-2006*, August 2003.
  - *Cameroon: 1996 CAS Completion report*, 27 May 2003.
  - *Cameroon; Country Assistance Evaluation*, Operations Evaluation Department, Jan. 2001.
  - *Cameroon: Third structural adjustment credit*, Report No. PID6517, June 1998.
  - *What explains the success or failure of structural adjustment programs?* D. Dollar and J. Svensson, World Bank, April 1998.
  
- **UNDP**
  - Human Development Report 2006, UNDP, November 2006.
  - *Prospective Assessment of Cameroon's National Governance Program*, PNUD/Cameroon, April 2004.
  
- **Miscellaneous**
  - J.E. Stiglitz (2006). *Un autre monde, Contre le fatalisme du marché*. Ed.Norton New-York/Ed.Fayard Paris.
  - W. Easterly (2006). *Planners vs. searchers in foreign aid*.
  - R. Zogo Ekassi (2005), *La problématique du développement rural et la dynamique paysanne dans le contexte de la libéralisation économique en Afrique*.
  - J. Aerts, Guy de Monchy et autres (2000). *L'économie Camerounaise, un espoir évanoui*, Ed. Karthala, Paris.
  - Brochure of the Network on Independent Monitoring of Government Policies and Cooperation Strategies, Dynamique Citoyenne, Yaounde, 2006.
  - Poverty Reduction, Focus on the 2006 Budget, Dynamique citoyenne
  - "The Public Service" of the Cameroon public sector trade union, October 2006.