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Republic of Cameroon  
Country Strategic Opportunities Programme  
2019-2024

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## COSOP delivery team

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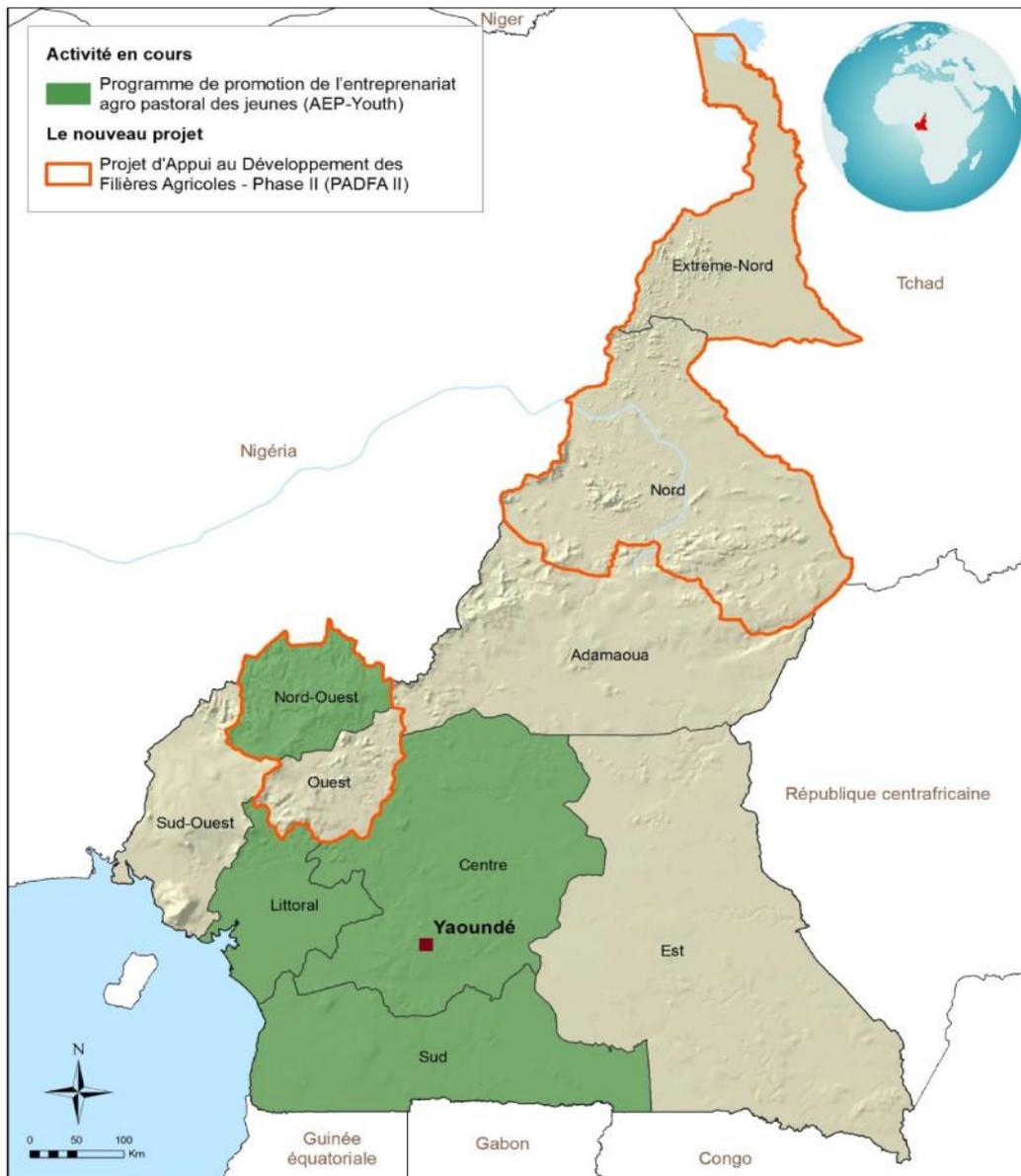
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## Abbreviations and acronyms

ABC Fund	Agribusiness Capital Fund
AfDB	African Development Bank
AVANTI	Advancing Knowledge for Agricultural Impact
CDI	Change, Delivery and Innovation Unit
CEMAC	Central African Economic and Monetary Community
COSOP	country strategic opportunities programme
CSPE	country strategy and programme evaluation
DSCE	Growth and Employment Strategy Paper
FAO	Food and Agriculture Organization of the United Nations
FIPS	Faster Implementation of Project Start-up
GCF	Green Climate Fund
GEF	Global Environment Facility
ICRAF	World Agroforestry Centre
IFC	International Finance Corporation
ILO	International Labour Organization
IMF	International Monetary Fund
INBAR	International Bamboo and Rattan Organisation
IOE	Independent Office of Evaluation of IFAD
IRAD	Institute of Agricultural Research for Development
IUCN	International Union for Conservation of Nature
M&E	monitoring and evaluation
MFI	microfinance institution
NDC	Nationally Determined Contribution
PADFA	Commodity Value-Chain Development Support Project
PADMIR	Rural Microfinance Development Support Project
PEA-Youth	Youth Agropastoral Entrepreneurship Programme
PNACC	National Adaptation Plan for Climate Change
PNDRT	Roots and Tubers Market-driven Development Programme
PNIA	National Agricultural Investment Plan
PPEA	Aquaculture Entrepreneurship Promotion Project
PRIME	Programme in Rural M&E
SDG	Sustainable Development Goal
SSTC	South-South and triangular cooperation
SDSR	Rural Sector Development Strategy
UNDAF	United Nations Development Assistance Framework
WCA	West and Central Africa Division
WFP	World Food Programme

## Map of IFAD-funded operations in Cameroon



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

Map compiled by IFAD | 12-02-2019

## Executive summary

1. Since 1981, IFAD has funded 11 operations, grouped into four generations of projects, at a total cost of around US\$400 million; IFAD's financial contribution has totalled around US\$200 million. In the 1990s, the first generation of projects, which had a rural development focus, was marked by periods during which the portfolio was suspended due to payment arrears. Starting in 1998, the second generation of projects had a community development focus. The third generation (beginning in 2007) involved the promotion of microfinance and the development of rice and onion value chains. In 2015, under its direct supervision policy, IFAD began consolidating its investments in the Republic of Cameroon, diversifying its institutional partnerships and promoting entrepreneurship as its main priority. The fourth generation of projects includes the Youth Agropastoral Entrepreneurship Programme (PEA-Youth) and the Aquaculture Entrepreneurship Promotion Project.
2. In 2017 the Independent Office of Evaluation of IFAD (IOE) assessed the outcomes and performance of IFAD-funded programmes implemented since 2007. The country strategy and programme evaluation (CSPE) verified their outcomes in terms of higher agricultural productivity, strengthened capacities of farmers and their organizations, and the increased income and food security of poor rural households. However, it also found that the country programme had not always reached the poorest and most vulnerable segments of the population and that this had limited its overall impact. The CSPE then mapped out two priorities: the consolidation of farmers' organizations around priority value chains, as is being done in the Commodity Value-Chain Development Support Project; and the development of rural youth entrepreneurship, which has been initiated by PEA-Youth. It also recommended that greater attention be devoted to gender equality, sustainability and national capacity-building.
3. This country strategic opportunities programme (COSOP) reflects the Government's intention to reduce rice and fish imports, which represent more than one third of the trade deficit and 4 per cent of GDP. It will also contribute to the achievement of the Sustainable Development Goals, especially those related to the eradication of poverty and hunger, gender equality and employment. In addition, the strategy aims to sustainably increase the income security and the food and nutrition security of the rural poor and to create jobs, particularly for women and youth.
4. The programme's overarching goal is divided into three strategic objectives:
  - (i) Sustainably increase the productivity and production of smallholdings and rural enterprises;
  - (ii) Increase the income and other benefits derived by poor rural populations from market participation; and
  - (iii) Strengthen the sector's capacity for coordination, policy dialogue and results management.
5. The COSOP will cover the seven regions in which IFAD is already operating (i.e., the three poorest regions and the Centre, Littoral, West and South regions). The latter have young populations and are the site of a number of key value chains. The poorest households will be given priority in targeting.
6. IFAD will pay particular attention to nutrition, gender, climate change and youth. It will keep the focus on young men and women and on strengthening their leadership role in the promotion of rural youth entrepreneurship. The COSOP includes a cofinancing partnership with the Global Environment Facility.

# Republic of Cameroon

## Country Strategic Opportunities Programme

### 2019-2024

#### I. Country context and rural sector agenda: key challenges and opportunities

1. The Republic of Cameroon's vision of becoming an upper-middle-income country and of reducing poverty to less than 10 per cent by 2035 is an ambitious one. It would entail achieving a real per capita annual GDP growth rate of 5.5 per cent throughout the period up to 2035, which would represent a marked increase over historical levels. GDP per capita was US\$1,441 in 2017 and US\$1,548 in 2018 (International Monetary Fund [IMF]). While real GDP growth has averaged 4.2 per cent over the past 10 years, the population has grown at a rate of 2.5 per cent, and 80 per cent of the population is under 35 years of age.
2. Cameroon's growth pattern reflects an economy that faces a number of challenges in terms of attracting investment, and it therefore has considerable untapped potential. As reflected in the World Bank's Country Policy and Institutional Assessment score for Cameroon of 3.1, the country's 2015 Global Competitiveness Index ranking of 132 out of 144 and its 2017 Doing Business ranking of 166 out of 190, economic institutions need to be overhauled in order to allow the private sector to play a leading role in economic growth.
3. Despite more than a decade of economic growth, the poverty rate has remained almost steady, and the absolute number of poor has increased. The poverty rate has decreased slowly in recent years, falling from 40.2 per cent of the population in 2001 to 37.5 per cent in 2014. Its incidence declined in urban areas from 17.9 per cent to 8.9 per cent during the same period but, in rural areas, the percentage of poor increased from 52.1 per cent to 56.8 per cent.
4. The most promising avenue for reducing extreme poverty in Cameroon is to improve rural people's livelihoods by boosting agricultural productivity, as 85 per cent of the country's poor live in rural areas. The agricultural sector continues to be of vital importance, employing around 50 per cent of the economically active population and generating an estimated contribution to GDP of 22.3 per cent (2015). This sector is chiefly composed of some 2 million small family farms, and many of these households, especially those that include unskilled rural women and youth, are home to the poorest people in the population. The country has a comparative advantage in primary products thanks to a relative abundance of natural resources and unskilled and semi-skilled labour. There is also a significant unmet domestic demand for cereals, meat and animal products. The development of labour-intensive agro-industry could therefore offer a path towards more diversified and higher-value-added forms of manufacturing.
5. Cameroon's rural sector is constrained by a low level of competitiveness, insufficient infrastructure, limited value-chain development and insufficient planning and coordination capacity. The main constraints on the development of the sector and on efforts to boost its productivity are: (i) the widespread use of traditional practices rather than modern technologies; (ii) a lack of suitable production, processing and marketing infrastructure; (iii) limited access to financing and production inputs; (iv) the physical isolation of production areas from markets; (v) the limited capacity of public institutions in such areas as project management; (vi) shortcomings on the part of farmers' organizations; (vii) a lack of incentives for private-sector engagement; (viii) highly variable weather

conditions; and (ix) a suboptimal application of the results-based management approach, particularly in the areas of performance monitoring and data production.

6. Although progress has been made at the national level, gender inequality persists, particularly in rural areas. This is primarily attributable to cultural mores, especially as they relate to access to technology, inputs, land and credit. Women and girls in Cameroon, in particular in rural areas, face greater barriers than their male counterparts. In rural areas, women are almost as likely to engage in the labour market as men are, but they tend to work between 1.5 and 3 times longer. In the agricultural sector, they typically have responsibility for food crops rather than cash crops. While approximately half of the women have access to land, few have control over it. Women also have less access to modern agricultural inputs than men.
7. Cameroon's greatest asset is perhaps its young people. The median age of the population was 18.3 years in 2014, and the proportion of young people in the population is projected to continue to grow. The youth unemployment rate is about twice as high as the general unemployment rate, however. A lack of opportunity in rural areas leads young people to migrate to urban areas, where some earn their living in low-paying jobs in the informal sector while others join the ranks of the underemployed or unemployed.
8. Poor governance acts as a critical constraint on efforts to eliminate poverty. The country is ranked 152<sup>nd</sup> out of 180 countries in the 2018 Transparency International Corruption Perceptions Index. Although Cameroon continues to enjoy relative political stability, a socio-political crisis in the English-speaking regions and the lack of security in northern areas where Boko Haram operates jeopardize attempts to sustain private-sector-led growth and heighten the challenges involved in delivering core public services such as health, education, water and sanitation in an efficient and equitable manner.
9. Cameroon's public debt casts a shadow over private-sector investment. Oil production, which used to be a primary source of economic growth and exports,<sup>1</sup> has tapered off. Recent economic growth has been stimulated by a large-scale government investment programme funded chiefly by external borrowing. The cost of servicing the debt has also been rising, and the country is becoming increasingly reliant on non-concessional financing from international markets. As a result, Cameroon is considered to have a high risk of external debt distress (IMF/World Bank, 2018).
10. In the light of this assessment, the base scenario can be considered to be the most likely trend for the duration of the period covered by this country strategic opportunities programme (COSOP) (see appendix II). Under this scenario, real GDP growth is projected to amount to 4.4 per cent in 2019 and to accelerate to 5.4 per cent by 2024. Achieving these growth rates will require continued efforts to maintain fiscal discipline while the country invests in productivity-enhancing infrastructure and seeks to encourage private investment.

## II. Government policy and institutional framework

11. For the past 10 years, the national economic strategy has been guided by the country's Vision 2035 long-term development plan, whose objectives are to reduce poverty to less than 10 per cent of the population, make Cameroon an upper-middle-income country and attain the status of a newly industrialized country. The operationalization of Vision 2035 over the first 10 years of its implementation has been guided by the Growth and Employment Strategy Paper (DSCE 2010–2020), which seeks to: (i) boost average annual GDP growth to 5.5 per cent; (ii) reduce

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<sup>1</sup> Overall World Bank estimate, April 2016.

underemployment from 75.8 per cent to less than 50 per cent; and (iii) reduce financial poverty from 39.9 per cent in 2007 to 28.7 per cent by 2020. In line with the DSCE, the Rural Sector Development Strategy (SDSR 2010–2020) has been adopted to promote modern, sustainable and competitive agriculture based on small family farms. The National Agricultural Investment Plan (PNIA 2014–2020) is built on all of these strategies and serves as the national planning framework for domestic and external funding for the development of the agricultural sector. It includes four priority lines of action: (i) development of production chains and improvement of food and nutrition security; (ii) modernization of rural infrastructure and improved access to financing; (iii) sustainable natural resource management and an increase in the value added to those resources; and (iv) governance and institutional development. Priority No. 3 of the PNIA is based on the National Plan for Adaptation to Climate Change, which designates all agro-ecological zones in Cameroon, notably the Sahelian and coastal regions, as vulnerable areas.

12. Cameroon has ratified the Paris Agreement on climate change and has submitted its Nationally Determined Contribution (NDC), which sets out its road map for reducing emissions and adapting to climate change. Agriculture features prominently in the NDC, which outlines the country's plans for promoting good agricultural and livestock practices and sustainable water management and sustainable forest management systems.
13. The institutions responsible for delivering on these policies include the ministries responsible for agriculture, livestock, the environment and the country's forests, together with some 120,000 grass-roots farmers' organizations that are affiliated with three apex organizations: the National Platform of Agrosilvopastoral Professional Organisations of Cameroon (PLANOPAC), the National Dialogue of Farmers' Organizations of Cameroon (CNOP-CAM) and the National Cotton Producers' Association of Cameroon (CNPCC). The key private actors in the rural sector are represented by the Employers' Association of Cameroon (GICAM).

### III. IFAD engagement: lessons learned

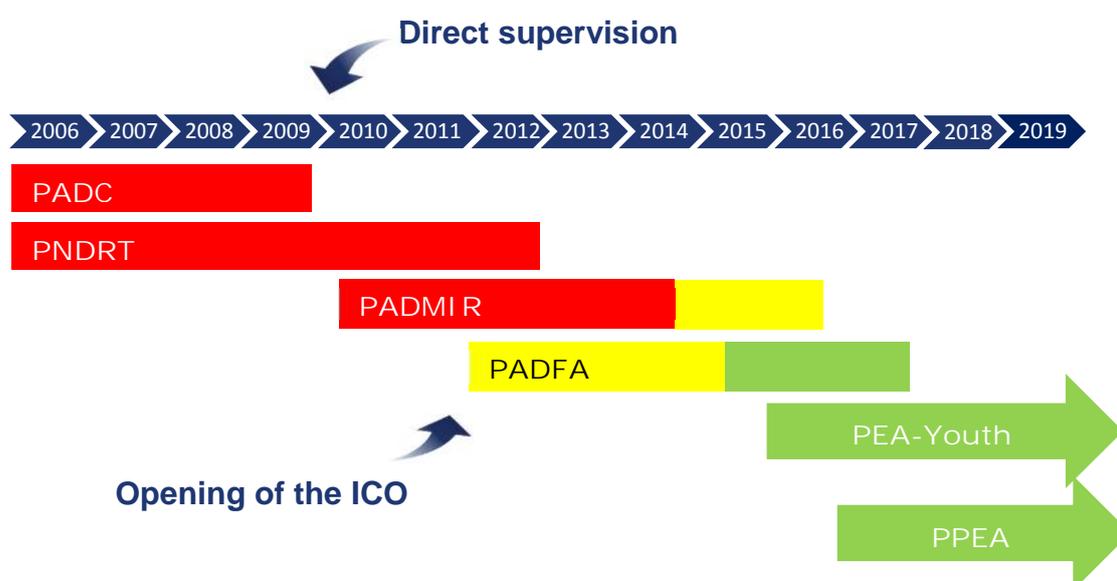
14. IFAD's engagement in Cameroon dates back to 1981 and has involved 11 development operations (figure 1). In the 1990s, the first generation of projects, which had a rural development focus, was marked by several periods during which the portfolio was suspended due to payment arrears. The second generation of projects, which began in 1998 (the year of the first COSOP), had a community development focus. The third generation, starting in 2007, involved the promotion of microfinance and the development of rice and onion value chains. In 2015, IFAD began consolidating its investments in Cameroon, diversifying its institutional partnerships and promoting entrepreneurship as its main priority. Accordingly, the fourth generation of projects includes the Youth Agropastoral Entrepreneurship Programme (PEA-Youth) and the Aquaculture Entrepreneurship Promotion Project (PPEA).

Figure 1  
**Summary of IFAD engagement**

Generation	Year	Operations	Implementation/Supervision
1	1980s	1.Rural development 2.Rural development 3.Livestock	World Bank African Development Bank (AfDB)
2	1998	4.Extension services 5.Microfinance 6.Community development 7.Value chains (root and tuber crops)	United Nations Office for Project Services
3	2007	8.Microfinance 9.Value chains (rice and onions)	Direct supervision by IFAD headquarters from 2009 Direct supervision by the IFAD Country Office (ICO) from 2011
4	2013	10.Youth entrepreneurship 11.Aquaculture entrepreneurship	Direct supervision by the ICO

15. Figure 2, which depicts the country programme over the past 13 years, indicates that a substantial degree of portfolio risk was associated with three problematic projects between 2006 and 2014: the Community Development Support Project (PADC), which was prematurely closed in 2009; the Roots and Tubers Market-driven Development Programme (PNDRT), which was restructured; and the Rural Microfinance Development Support Project (PADMIR), which underwent a change in management and benefitted from substantial capacity-building work done by IFAD. Since 2015, the portfolio has no longer been at risk, and the performance of the Commodity Value-Chain Development Support Project (PADFA), PEA-Youth and PPEA has been satisfactory.

Figure 2  
**Country programme and project status**



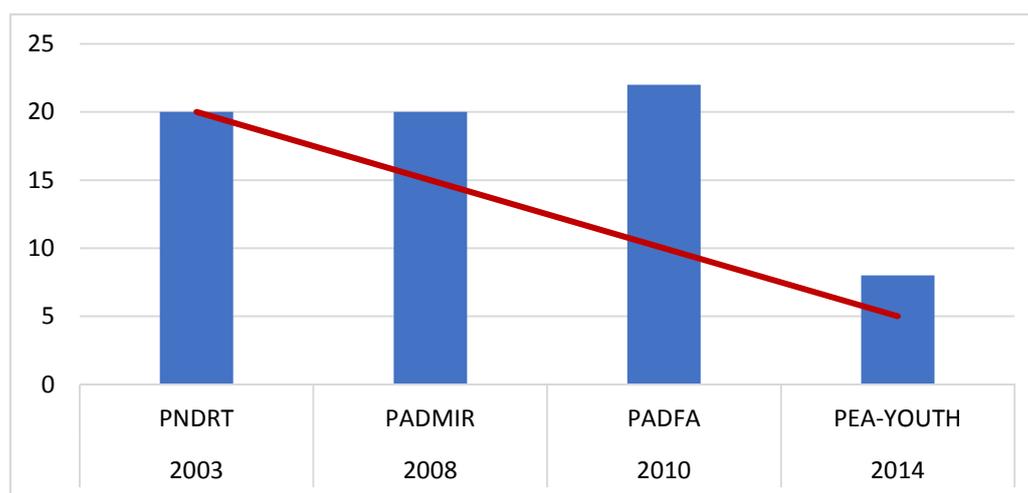
16. The country programme for the period 2007–2017 was evaluated by the IOE. The results of the country strategy and programme evaluation (CSPE) indicated that the country programme's alignment with national and IFAD strategies was good, that its level of effectiveness was modest and that its level of efficiency was

unsatisfactory. The CSPE verified the programme's outcomes in terms of higher agricultural productivity, strengthened capacities on the part of farmers and their organizations, and the increased income and food security of many poor rural households (appendix X, box 1). Despite the improvements made in later years, however, the evaluation indicated that the programme's overall impact had been limited, in part because the successive strategies had not always proven to be effective in reaching the poorest and most vulnerable rural populations.

17. The country programme was found to have encountered major challenges in terms of efficiency. With the exception of PEA-Youth, which was launched in 2015 with outstanding timeliness in terms of its signature, entry into force and first disbursement, project start-ups during the period were very slow, especially with respect to team positioning, logistics, the preparation of procedural manuals, the application of monitoring and evaluation (M&E) systems and even the preparation of baseline studies. The time lag between project approval and the first disbursement was 27 months for PADMIR and averaged 17 months for the portfolio as a whole over the period 2007–2014. Figure 3 illustrates the significant reduction in the time lag achieved between 2003 and 2014. The programme's efficiency was also eroded by high project management costs during implementation due to imprudent financial and economic management, poor project supervision and the underestimation of costs during the project design phase.

Figure 3

**Trend in the time lag between project approval and the first disbursement**



18. In the light of the findings and lessons learned regarding project management and other issues, the COSOP will:
- Strengthen project management in order to improve performance monitoring. Considering the limited technical and managerial capacity that is in place and the challenges to be overcome in respect of financial governance, the new strategy will include IFAD assistance in project management, project supervision and the improvement of internal controls. As recommended in the CSPE, this will be accomplished not only by creating an internal audit function in the portfolio but by bolstering the ICO with full-time financial management staff to support project implementation.
  - Optimize geographic and social targeting in order to heighten impact. Studies have demonstrated that a more focused concentration of interventions makes it possible to maximize the impact of IFAD interventions and, above all, to build and cement a development dynamic that entails a desirable degree of engagement on the part of target groups. In the light of these findings, care will be taken to avoid any increase in the number of intervention regions for new operations. In addition to targeting young men

and women, an effort will be made to integrate people with disabilities and to prevent elite capture.

- Increase the visibility of the country programme and give greater consideration to knowledge management. The country programme does not currently have a consolidated results and impact management system that would lend greater visibility to IFAD's contribution to development. This situation highlights the need to strengthen institutional capacity for results-based management and create effective steering and M&E mechanisms. To this end, the new strategy will capitalize on the initiatives launched by IFAD under the Eleventh Replenishment of IFAD's Resources (IFAD11), particularly the Change, Delivery and Innovation Unit (CDI), the Advancing Knowledge for Agricultural Impact (AVANTI) initiative, the Programme in Rural M&E (PRiME) and beneficiary engagement. Competencies will also be mobilized for the coordination of knowledge management.
- Consideration of climate change. To date, the country programme has given little consideration to this issue, even though climate change adaptation and environmental preservation measures are necessary for achieving the Sustainable Development Goals (SDGs) and increasing both resilience and food and nutrition security. Sustainable natural resource management and adaptation to climate change will therefore be priorities in the strategy, in keeping with the National Adaptation Plan for Climate Change (PNACC).

## IV. Country strategy

### A. Comparative advantage

19. IFAD is recognized for its extensive knowledge about agricultural development challenges in Cameroon and specifically for its knowledge about family farming and about what is needed in order to assist poor rural people to increase their incomes, food and nutrition security, and resilience. Its interventions in both public and private community capacity-building, local planning, rural finance, the development of agricultural value chains and the promotion of agropastoral youth entrepreneurship have provided the Government with relevant models that can be scaled up and have enabled it to contribute to the policy dialogue while offering advisory services to the Government.
20. IFAD's organization of the International Summit on Youth Agropastoral Entrepreneurship in February 2019, which was attended by 500 participants from 34 countries and 4 continents, confirmed the Fund's strategic positioning on the issue of enterprise development and job creation, which is the Government's main priority in connection with youth.

### B. Target group and targeting strategy

21. Geographic targeting. The three northern regions (Far North, North, North-west), where a majority of the rural poor live, will be targeted on a priority basis, along with the Centre, Littoral, West and South regions, which have the highest proportion of youth and an enormous potential for their socio-economic integration into key value chains.
22. Targeting and gender. The country programme will ensure that poor, vulnerable and disadvantaged rural households involved in agriculture, especially women, youth, indigenous peoples and persons with disabilities, will benefit from supported economic opportunities. The target group for each project will be identified in a participatory manner and will comprise smallholder farmers, micro entrepreneurs, cooperatives and youth networks. During project design phases, the gender-sensitive poverty and livelihood analysis method will be applied. A combination of various mechanisms will be used to target the poorest populations, including direct targeting of poor households, self-targeting by farmers' organizations and the use of a scorecard that incorporates selective weighting factors. In addition to

promoting women's economic empowerment, the projects will help women to make their voices heard at various levels and will focus on ensuring a more balanced workload and benefit-sharing. As piloted in PEA-Youth, with the facilitation of the regional specialist of the West and Central Africa Division (WCA), project delivery teams (management units, extension services, service providers) will draw up an operational plan during the project start-up stage for targeting and for ensuring gender and social inclusion. The Women's Empowerment in Agriculture Index will be used to assess achievements. The risk of elite capture will be assessed and mitigated on an ongoing basis.

23. Youth. The age range of 18-35 and 4 different categories are used by PEA-Youth for the identification of members of the youth population (appendix IV). While the main focus will continue to be on the poorest, at the COSOP level the expected percentages for each category will be left open and will be defined at the individual project level.
24. Disability. A disability-inclusive targeting strategy will be used, with the objective being to support disabled persons' grass-roots efforts to avail themselves of their human rights.

### C. Overall goal and strategic objectives

25. Based on the evaluation of opportunities for the socio-economic integration of the rural poor in agricultural value chains, IFAD's comparative advantage and the Government's priorities, the COSOP for 2019–2024 is guided by the overall goal of sustainably increasing the income and the food and nutrition security of the rural poor and creating jobs, particularly for women and young people. This goal is aligned with national strategies and plans (Vision 2035, DSCE, SDRS, PNIA), pillars 1 and 4 of the United Nations Development Assistance Framework (UNDAF) and IFAD's Strategic Framework. It will contribute to the achievement of SDG1 (no poverty), SDG2 (zero hunger), SDG5 (gender equality), SDG8 (decent work and economic growth), SDG10 (reduced inequality) and SDG13 (climate action).

The COSOP will pursue the following three strategic objectives (SOs):

- (i) Sustainably increase the productivity and production of smallholdings and rural enterprises;
  - (ii) Increase the income and other benefits derived by poor rural populations from market participation; and
  - (iii) Strengthen the sector's capacity for coordination, policy dialogue and results management.
26. The theory of change underlying these objectives stems from the observation that the problems encountered by smallholders include limited access to technology, inputs and other production resources, limited technical skills, a lack of business information, poor management or coordination of farmers' organizations and climate change. These problems combine to reduce productivity and give rise to vulnerability, poverty and food and nutrition insecurity, and they are magnified by weak policies and a lack of effective implementation capacity.
  27. To enable smallholders to overcome these hurdles, the strategy is designed to give them access to an array of production factors, knowledge, improved infrastructure, financial services and rural service providers and to provide them with improved market access. It also focuses on strengthening the governance framework and the sector's capacity and on promoting a learning process and the formulation of evidence-based policies. This approach is essential in order to capitalize on the engagement of youth and farmers, the private sector and market actors.
  28. The assumption is that increasing access to technologies and services, coupled with a favourable business environment, will improve livelihoods, encourage economic initiatives, boost productivity and give rise to a transformed and market-oriented

agricultural production surplus that will make it possible to tackle the other dimensions of poverty (health, education, etc.).

29. SO1 focuses on the modernization of farms and enterprises and the intensification of operations as a means of boosting the competitiveness of value chains and promoting job creation. Action will be taken to improve agricultural production, processing and marketing practices by giving smallholders and rural entrepreneurs sustainable access to technical innovations, inputs, equipment and information. These elements will be organized around key value chains in priority production basins. The adoption of good practices and improved genetic material will boost productivity and production, product quality, the profitability of farms and the resilience of rural households to climate change. This will also strengthen the intervention capacity of public institutions and their counterparts in the private sector and civil society that are seeking to improve the supply of services for farmers. The capacities of farmers and their cooperatives will also be strengthened, particularly with regard to the types of business skills that are an important precondition for market entry.
30. SO2 is directed at removing major financial constraints, adding value to products and facilitating access to markets. Work will focus on developing customized financial products in partnership with Banque Société Générale and 11 microfinance institutions (MFIs), building access, storage and processing infrastructure in partnership with the private sector and developing a market information platform to be managed by farmers' organizations and the network of youth entrepreneurs. This objective will also support IFAD's Agribusiness Capital (ABC) Fund, which promotes job creation and private-sector development by financing small and medium-sized rural enterprises that are underserved by traditional financing mechanisms. It will also increase the value added that smallholders and entrepreneurs can obtain from the market services offered by the programme.
31. SO3 focuses on strengthening institutional capacity by supporting policy dialogue, sector coordination and the ongoing use of results-based management as a global approach for achieving excellence in governance. CDI, AVANTI, PRIME and beneficiary engagement initiatives will be implemented in order to improve monitoring and evaluation, transparency in operations and reporting on progress towards the achievement of SDGs 1 and 2. By promoting beneficiary engagement, and especially beneficiary participation in decision-making, the COSOP will play a strategic role in developing human and social capital and sustainably meeting the economic needs of rural people.
32. In line with IFAD11 priorities, a cofinancing partnership will be established with the Global Environment Facility (GEF), the Adaptation Fund and the Green Climate Fund (GCF) for the purpose of mainstreaming climate change adaptation into programme interventions. This will entail raising awareness and increasing knowledge about climate change and land degradation and promoting climate-smart agricultural practices. The investments will contribute to the achievement of the national goal of reducing greenhouse gas emissions from 65 MtCO<sub>2</sub>-equ to 32 Mt CO<sub>2</sub>-equ by 2035. In the area of nutrition, Commodity Value-Chain Development Support Project (PADFA 2), which targets areas with high levels of malnutrition, will be the flagship project. A subcomponent of this project will take action in such areas as: (i) the promotion of nutritionally important products and crops at the household level; (ii) the establishment of a nutrition monitoring group within the project; (iii) nutritional awareness-raising at the community level; (iv) training in the use of innovative local food technologies for producing highly nutritious products; (v) the establishment of processing centres for the production of supplementary foods or meals for infants; and (vi) the development and dissemination of nutrition communication tools. Project interventions designed to promote the economic empowerment of youth and women will provide improved

access to land and other production resources, finance, technical innovations and markets and will strengthen their advocacy and leadership capacities.

#### D. Menu of IFAD interventions

33. To achieve the programme's strategic objectives, a tailored approach to IFAD's engagement in Cameroon, built on the IOE's recommendations, is suggested as a means of customizing a combination of investments to be cofinanced by the Government and IFAD and supplemented with technical assistance, knowledge management and policy dialogue.

The work programme will consist of:

- (i) The implementation of ongoing projects: (i) PEA-Youth, which is to be financed with a loan and implemented by the Ministry of Agriculture and Rural Development and the Ministry of Livestock, Fisheries and Animal Husbandry; and (ii) PPEA, which is to be financed with a grant and implemented by the Ministry of Livestock, Fisheries and Animal Husbandry.
  - (ii) The design and implementation of new loan operations, notably: (i) phase 2 of the PADFA project for the development of rice and onion value chains, using resources from IFAD11; and (ii) phase 2 of PEA-Youth, which will include the aquaculture project and an environmental entrepreneurship component, using resources from IFAD12.
  - (iii) The launch of new operations: (i) a regional grant for the development of bamboo value chains, implemented by the International Bamboo and Rattan Organisation (INBAR) in partnership with the ministries responsible for the environment and the country's forests; (ii) a South-South and triangular cooperation (SSTC) grant for bamboo development, financed by China's Ministry of Finance through IFAD's SSTC facility, with cofinancing from the regional grant; and (iii) three grants for indigenous peoples' organizations, with financing from the Indigenous Peoples Assistance Facility; (iv) the piloting of ABC financing in partnership with the International Finance Corporation (IFC) to leverage the impact of a successful aquaculture business incubated by the PPEA (appendix XIV).
34. Policy engagement. IFAD will resume its participation in the working groups on policy reforms aimed at removing major constraints that are hindering the development of agricultural value chains, especially reforms related to improved seeds, governance, financing, land tenure, access to inputs and taxation. IFAD will concentrate on improving the investment climate in order to make investment opportunities more attractive to the private sector. Under PEA-Youth, it will seek to assist in the drafting of a law on the development of agropastoral entrepreneurship in partnership with the International Labour Organization (ILO). Another focus in this connection will be an agricultural policy study aimed at identifying incentives and policy measures that can enable the private sector to play a greater role in wealth and job creation in rural areas.
35. Based on lessons learned, it is clear that implementing the strategy will require capacity-building at different levels. In line with CSPE recommendation No. 4 and SO3, institutional support will be provided to the Government to strengthen its leadership role in coordinating the rural sector, promoting results-based management and rural sector monitoring. To this end, Cameroon will take advantage of CDI, AVANTI, PRIME and beneficiary engagement initiatives to improve project M&E, increase the availability of sectoral data and improve the reporting of outcomes. PRIME certification in M&E, which up to now has been provided only for project monitoring and evaluation officers, will be expanded to include a limited number of staff in the Ministry of Agriculture and Rural Development, the Ministry of Livestock, Fisheries and Animal Industries, the

Ministry of the Economy, Planning and Regional Development and the SDRS secretariat to create a pool of certified national specialists.

36. The country programme's first-ever communication and knowledge-management strategy will be designed and implemented with a view to promoting synergies and complementarities among the various projects and increasing the visibility of IFAD's contribution to the achievement of national development objectives. Knowledge-sharing will be accomplished by holding national and international forums on issues in which IFAD has a comparative advantage. Since the sharing of best practices is a driver of change, the country programme will facilitate exchange visits to national or regional farmers' and entrepreneurs' organizations that have already reached a substantial level of maturity.
37. Finally, in order to clear away bottlenecks and provide solutions for overcoming pressing agricultural development challenges, the country programme will serve as a knowledge broker for SSTC by facilitating opportunities for contacts among policymakers, stakeholders and the private sector in the form of technical and peer-to-peer exchanges in areas such as the transfer of skills, technologies, innovations, policies and collaboration among countries. Opportunities for collaboration will be sought with the Brazilian Agricultural Research Corporation (Embrapa) in the area of cassava processing equipment and technology. The country programme, in partnership with INBAR, will also pilot one of the first SSTC grants under the China-IFAD SSTC facility. This initiative will capitalize on Chinese know-how in the bamboo industry through a dedicated SSTC initiative that will facilitate the transfer of knowledge, technologies and innovations via twinning and technical assistance.

## V. Innovations and scaling up for sustainable results

38. PADFA and PEA-Youth stand out as innovative models for socio-economic development in rural settings. Efforts to scale up for sustainable results will build on these two operations primarily through project funding, policy consultations and knowledge management. To this end, a flexible approach will be adopted in order to consolidate achievements in the intervention regions of phase 1 projects and expand activities to new areas within those same regions. The two models have sparked a great deal of interest on the part of the Government, which has called for efforts to build on these experiences with a view to scaling up the development of value chains and youth entrepreneurship through phase 2 projects. Innovations will therefore deal with small-scale irrigation, water and community infrastructure management, warrantage, the incubation approach, the introduction of agricultural insurance, the promotion of medium-term loans and, finally, piloting of the IFAD Agribusiness Capital Fund (ABC Fund). ICT integration in agriculture will also be adopted as an innovative way of engaging youth.

## VI. COSOP implementation

### A. Financial envelope and cofinancing targets

39. According to the new performance-based allocation system formula, Cameroon will receive an allocation of around US\$47 million for the IFAD11 cycle (2019-2021). Assuming that the country programme will turn in a good performance, an allocation for the country that is greater than or equal to that of IFAD11 is expected under IFAD12 (2022-2024). Based on that assumption, and considering the cofinancing discussions currently under way, table 1 presents an estimate of the financial envelope under the new strategy.

Table 1  
**Financial envelope and cofinancing targets**  
(Millions of United States dollars)

<i>Project</i>		<i>Costs</i>	<i>IFAD financing</i>	<i>Cofinancing</i>		<i>Cofinancing ratio</i>
				<i>Domestic</i>	<i>International</i>	
<b>Ongoing</b>	PEA-Youth	73	50.6	21.4	1	1: 0.4
	PPEA	4.1	1	2.6	0.5	1: 3.1
Starting	Bamboo	5.3	2.5		2.8	1: 1.3
	SSTC	0.5				
<b>Planned</b>	PADFA 2	60	47	11	2	1: 0.3
	PEA-Youth	100	50	30	20	1: 1
<b>Total</b>		<b>242.9</b>	<b>151.1</b>	<b>65</b>	<b>26.3</b>	<b>1: 0.6</b>

40. Given its relatively low level of per capita income, Cameroon is unlikely to transition to less concessional terms and, in view of its high risk of debt distress, there is a possibility that terms and conditions may need to be softened in the event of an economic shock. Under a high case scenario (see appendix II), the probable increased effectiveness of IFAD's programme could result in a higher IFAD12 allocation.
- B. Resources for non-lending activities**
41. Non-lending activities will consist of support for an agricultural census, in cooperation with the Food and Agriculture Organization of the United Nations (FAO), the European Union and AfDB, and the drafting of an agropastoral enterprise law, technical assistance for private-sector engagement, coordination of SSTC, knowledge management, communications, support for indigenous peoples and participation in strategic partnership activities, including the organization of thematic forums. The estimated cost of these activities is US\$5 million. The sources of funding will be ongoing projects, grants and the Country Office's programme budget.
- C. Key strategic partnerships and development coordination**
42. IFAD will continue to participate in sector consultation frameworks to strengthen coordination with other donors. Collaboration will be established with: (i) the Institute of Agricultural Research for Development, FAO, the International Institute of Tropical Agriculture and the World Vegetable Centre for the provision of technical assistance to PADFA 2 in connection with seed production; (ii) ILO for technical assistance in drafting the law on entrepreneurship and capacity-building for PEA-Youth incubation centres (iii) the World Food Programme (WFP) within the framework of institutional procurements for school canteens and capacity-building in connection with quality standards; and (iv) African Risk Capacity for the introduction of agricultural insurance under the country programme. The partnership launched with the apex farmers' organizations in 2017 for the establishment and promotion of value chains will continue. For the first time, Cameroon will receive cofinancing from GEF, the Adaptation Fund and GCF for activities designed to promote resilience and adaptation to climate change that are to be implemented by the International Union for Conservation of Nature (IUCN), the World Agroforestry Centre and FAO. The International Organization for Migration and the European Union will likewise provide cofinancing to assist young migrants who are now returning to the country. In partnership with IFC, the ABC Fund will be piloted and efforts will be made to leverage the impact of an aquaculture enterprise.
43. As detailed in appendix XIII, three Rome-based agencies have organized consultative meetings with a view to strengthening partnerships for better results.

The plan of action includes the implementation of two joint projects on aquaculture and bamboo, along with the following non-financial activities:

- Annual joint assessments of food security;
- Support for rural sector coordination;
- Use of common services; and
- Development of a joint approach for monitoring SDG 1 and SDG 2 indicators.

#### D. Beneficiary engagement and transparency

44. Appendix XII presents transparency and beneficiary engagement mechanisms which will be used to mitigate corruption, enhance the impact of the country programme, increase accountability and improve the performance of key project actors. These activities will include:
- The promotion of greater transparency in public procurement by ensuring open access to public tenders, equal treatment of candidates and transparent procedures;
  - The preparation and use of forms for obtaining beneficiary feedback on satisfaction with the services provided by the projects;
  - Third-party evaluations of providers, cooperatives and project performance; and
  - The establishment of a complaints and grievance mechanism.

#### E. Programme management arrangements

45. IFAD will provide direct supervision within the context of the United Nations reform effort and in line with the enhanced decentralization strategy under which Yaoundé was established as the location of the subregional hub for Central Africa. The Government will ensure that project steering committees are effectively involved in project monitoring through field visits and will strengthen its oversight role, including the oversight of financial governance, to ensure compliance with loan covenants. In addition to the annual external audits, the Government will set up an internal audit committee in accordance with the CSPE recommendations; this committee will be hosted by the Ministry of the Economy, Planning and Regional Development, which will undertake quarterly audits. Reports will be communicated directly to the Minister of the Economy, to the lead agency and to the IFAD Country Director. The Government will make use of the Faster Implementation of Project Start-up (FIPS) mechanism for ensuring an early start-up of operations.
46. A special procurement committee will be established for the country programme. Training focusing on procurement and ethical standards in line with IFAD procedures will be provided to the members of the committee once it is established. The subregional hub will train project staff and partners in order to prevent irregular practices such as fraud and corruption and to raise awareness of these problems.

#### F. Monitoring and evaluation

47. Building on the AVANTI and PRiME initiatives, the results-based management approach will be rigorously applied. An M&E system based on the results framework indicators will be developed and linked to project M&E systems and to IFAD indicators. Support will be provided to the Government in harmonizing approaches and tools and ensuring the coherence of the M&E system at the country programme level.
48. Monitoring will focus on: (i) monthly project monitoring; (ii) quarterly portfolio reviews chaired by the Governor; and (iii) annual reviews of the COSOP to assess performance and share lessons learned. A midterm review in 2021 and a

completion review in 2024 will be undertaken. Implementation will be jointly supervised by the Yaoundé hub and the Government.

## VII. Risk management

49. Although Cameroon is not a fragile state, a fragility assessment was carried out (appendix V). It includes a detailed risk-mitigation matrix for the country programme, as discussed during the COSOP design workshop. Major risks include:

Table 2  
Risks and mitigation measures

<i>Risks</i>	<i>Evaluation</i>	<i>Risk rating</i>	<i>Mitigation measures</i>
Security	Insecurity created by the Boko Haram sect in the North region and the socio-political crisis in the North-west and South-west regions	High	Periodic assessments of criticality to guide activities in the field
Governance	Fraud, corruption, mismanagement in projects	High	Building the capacity of project management units, strengthening internal controls, creation of the internal audit function, and requiring accountability and transparency in procurement
Operations	Start-up delay, low efficiency, elite capture	Medium	FIPS mechanism, results-based management, accountability in targeting, robust M&E mechanisms, transparent and competency-based recruitment observed by IFAD, provision of technical assistance, as needed

## APPENDIX I: COSOP RESULTS MANAGEMENT FRAMEWORK

Alignment with the country strategy Within the framework of Vision 2035, the DSCE 2010-2020 seeks to accelerate growth, create jobs in the formal sector and reduce poverty.	Results linked to the SDGs, the IFAD Strategic Framework 2016-2025 and UNDAF 2018-2020	<b>Overall goal of the COSOP 2019-2024:</b> Sustainably increasing the income and food and nutrition security of the rural poor and creating well-paying jobs, particularly for women and youth.  The main target groups, made up in the majority of women and youth, are: (i) smallholder farmers and their families;; ii) micro entrepreneurs in the agro pastoral value chains; iii) farmers' organisations (cooperatives and grass root organizations), youth networks, microfinance institutions that provide services to the rural population.			
		Strategic objectives (SO)	Lending and non-lending activities* 2019-2024	Outcome indicators	Output indicators linked to achievement of the SOs
<p><b>Programme 1 DSCE/SR:</b> development of crop, livestock, fishing and forestry production.</p> <p><b>Strategic line 1 SDSR:</b> Modernisation of farms, development of value chains and improvement of product marketing.</p> <p><b>Thematic area 1 PNIA:</b> Development of production value chains and improvement of food and nutrition security</p> <p><b>Programme 3 DSCE/SR:</b> Sustainable natural resource management.</p> <p><b>Strategic line 3 SDSR:</b> Development, equitable distribution and sustainable management of rural space and natural resources</p> <p><b>Thematic area 3 PNIA:</b> Sustainable management and valorisation of natural resources.</p>	<p><b>SDG1:</b> No poverty. <b>SDG2:</b> Zero hunger (SDG2) <b>SDG5:</b> Gender equality. <b>SDG10:</b> Reduced inequalities. <b>SDG13:</b> Climate action. <b>SDG15:</b> Life on land</p> <p><b>IFAD outcome 1:</b> Enabling policy and regulatory frameworks at national and international levels.</p> <p><b>UNDAF Pillar 4:</b> Resilience, early recovery and food security.</p>	<p><b>SO1:</b> Sustainably increase the productivity and production of smallholdings and rural enterprises</p>	<p>1. Loans &amp; Grants Ongoing: PEA-Jeunes and PPEA. Pipeline: PADFA 2; ECO-Jeunes; PAISDSR; Support to SNFI; PEA-Jeunes 2; Regional Agricultural Insurance Project.</p> <p>2. Non-lending activities: policy dialogue; capacity building; strategic partnerships (SSTC, RBA, etc.); knowledge management; programme management.</p>	<ul style="list-style-type: none"> <li>➤ The yield of targeted value chains will have increased by at least 50% by 2024.</li> <li>➤ The production of the targeted agricultural value chains will have increased by at least 25% by 2024.</li> <li>➤ Public climate mitigation policies; investments, especially private (including governance reforms in the agriculture sector, the supply subsector, marketing, finance, taxation and rural land tenure), as well as environmental preservation/climate change adaptation benefitting more than 5 million people in the project areas of the IFAD portfolio in Cameroon, are adopted and implemented by 2020.</li> <li>➤ The proportion of targeted value chain actors, at least 70% of whom are women and youth, with access to non-financial services will have increased by at least 10% by 2024.</li> </ul>	<ul style="list-style-type: none"> <li>➤ 50 cooperatives with at least 15,000 members in total, 50% of which are headed by women or youth, are strengthened and up and running by 2024.</li> <li>➤ A mechanism for systems research and the dissemination of technical innovations that benefits at least 1 million agricultural value chain actors (farmers, processors and merchants) is up and running in 2020.</li> <li>➤ The Environmental and Social Management Plans (ESMP) of projects are prepared and implemented.</li> <li>➤ Agribusinesses use technical innovations and modern equipment to intensify and improve the quality of their production.</li> <li>➤ 2,750 hectares developed for rice and onion production</li> </ul>
<p><b>Programme 2 DSCE/SR:</b> Improvement of living conditions.</p> <p><b>Strategic line 2 SDSR:</b> Development and modernisation of rural infrastructure, facilitation of</p>	<p><b>SDG1:</b> No poverty <b>SDG8:</b> Decent work and economic growth <b>SDG9:</b> Industry, innovation and infrastructure</p>	<p><b>SO2:</b> Increase the income and other benefits to poor rural people for their market entry.</p>	<p>1. Loans &amp; Grants Ongoing: PEA-Jeunes and PPEA. Pipeline: PADFA 2; ECO-Jeunes; PAISDSR; Support to SNFI; PEA-Jeunes 2;</p>	<ul style="list-style-type: none"> <li>➤ 16,800 jobs, 70% of them for women and youth, will have been created by 2024.</li> <li>➤ The average income of targeted value chain actors, the majority of whom are</li> </ul>	<ul style="list-style-type: none"> <li>➤ The production, processing and marketing infrastructure (irrigation system, agricultural feeder roads, rural and urban markets, packaging and processing units, etc.) envisaged in the development plans for the targeted value chains are developed</li> </ul>

<p>access to factors of production, financing and insurance</p> <p><u>Thematic area 2 PNIA:</u> Modernisation of rural production infrastructure and improvement of access to financing</p>	<p><u>IFAD outcome 2:</u> Increased levels of investment in the rural sector</p> <p><u>UNDAF pillar 4:</u> Resilience, early recovery and food security</p>		<p>Regional Agricultural Insurance Project</p> <p>2. Non-lending activities: Policy dialogue; Capacity building; Strategic partnerships (SSTC, RBA, etc.); Knowledge management; Programme management</p>	<p>women and youth, will have increased by 50% by 2024</p>	<ul style="list-style-type: none"> <li>➤ 4,210 young people, at least 50% of whom are women, are trained in income-generating activities or business management and their business plans financed and implemented</li> <li>➤ 70% of supported projects obtain credit from MFIs</li> <li>➤ 25 km of rural roads are rehabilitated</li> <li>➤ The targeted agricultural value chain actors (farmers and rural entrepreneurs) have greater access to the financial market</li> <li>➤ The development plans of the targeted agricultural value chains prepared by the different development committees of those value chains are financed and implemented by 2020</li> </ul>
<p><u>Programme 4 DSCE/SR:</u> Improvement of the institutional framework</p> <p><u>Strategic line 4 SDRS:</u> Encouragement of private initiatives, improvement of governance and the institutional framework, capacity building among actors</p> <p><u>Thematic area 4 PNIA:</u> Governance and institutional development (capacity building among development actors and promotion of dialogue)</p>	<p><u>SDG16:</u> Peace, justice and strong institutions. <u>SDG17:</u> Partnerships for the goals.</p> <p><u>IFAD outcome 3:</u> Increased country-level capacity for rural policy and programme development, implementation and evaluation</p> <p><u>UNDAF pillar 4:</u> Resilience, early recovery and food security.</p>	<p><u>SO3:</u> <u>Strengthen sector institutional capacity for coordination, policy dialogue, and results management</u></p>	<p>1. Loans &amp; Grants</p> <p>Ongoing: PEA-Jeunes and PPEA.</p> <p>Pipeline: PADFA 2; ECO-Jeunes; PAISDSR; Support to SNFI; PEA-Jeunes 2; Regional Agricultural Insurance Project</p> <p>2. Non-lending activities: Policy dialogue; Capacity building; Strategic partnerships (SSTC, RBA, etc.); Knowledge management; Programme management.</p>	<p>➤ Government capacity to manage results and coordinate is improved</p> <p>➤ 75% of the beneficiaries are satisfied with the services provided</p> <p>➤ Overall performance of the country programme is improved</p>	<ul style="list-style-type: none"> <li>➤ A pool of project and Government staff certified in PRIME</li> <li>➤ The Delivery Unit and AVANTI initiatives are implemented.</li> <li>➤ Institutional support is provided to the rural sector platform for a stronger leadership in coordination</li> <li>➤ A rural Finance Working Group is set up</li> <li>➤ A third-party monitoring of services provided by the country programme is undertaken</li> <li>➤ The formulation and implementation of selected policies is supported (seeds, entrepreneurship, rural finance)</li> </ul>

APPENDIX II : TRANSITION SCENARIOS<sup>2</sup>

Overview: Cameroon was hit hard by the twin oil price and security shocks which affected the CEMAC region starting in 2014. Having initially shown resilience owing to its economic diversification, the Cameroonian economy saw decelerating growth, declining fiscal and external buffers, and rapidly-rising public debt. Growth weakened from 5.8 percent in 2015 to 4.7 percent in 2016 to 3.5 per cent in 2017 but improved slightly to 3.8 percent in 2018. Continued contraction in the oil sector was more than offset by 4.8 percent growth in non-oil sectors. The growth occurred despite a significant drop in exports of coffee and cocoa, which are predominately produced in the Anglophone regions. Capital expenditures, financed in large part through domestic and international debt, have played a significant role in boosting growth. The most recent World Bank-IMF debt sustainability analysis concludes that Cameroon is at high risk of debt distress, but this is primarily due to the significant amount of short-term debt held by the state-owned oil refinery (SONASAR) and the maturation of Eurobonds during the 2023-2025 period. Barring increased domestic instability or a CEMAC financial crisis, economic growth should continue in the 4-5 percent range, particularly with new natural gas production coming on line.

We consider three possible trajectories over the 2019-2024 period:

**Base case:** The base case reflects the projections in the most recent IMF World Economic Outlook. GDP growth (real) will be 4.4% in 2019 and accelerate over the remaining five years of the COSOP period to 5.4% by 2024. Under this scenario, the government implements the majority of the structural reforms contained in the Extended Credit Facility (ECF) arrangement with the IMF, including improving the business environment and containing non-concessional borrowing. The external economic environment remains benign, domestic political instability is contained, and progress is made in rebuilding CEMAC's fiscal and external buffers.

**High case:** Under the high case, the government fully implements the structural reforms contained in the ECF arrangement with the IMF. There is stronger than projected global growth with an increase in oil and gas export prices in real terms, offsetting the continuing decline in the volume of oil exports. There is enhanced social cohesion and a marked improvement in the regional security situation. Agricultural production and exports increase. All IMF programs with CEMAC countries are fully implemented.

**Low case:** In the low case, Cameroon is hit by a number of shocks. Most significantly, there is a sustained decline in oil prices due to weak global growth and internal and regional security situation deteriorates markedly, requiring a diversion of government expenditures. The government is unable to comply with the ECF and non-concessional borrowing increases in order to maintain essential services.

Table 1: Projections for key macro-economic and demographic variables

Case	Base	High	Low
<b>Average Real GDP growth (2019-2024)</b>	5.0	7.0	1.0
<b>GDP/capita (2024) ppp 2011 \$</b>	3 900	4 500	3 000
<b>Gross government debt (% of GDP) (2024)</b>	33.0	27.0	40.0
<b>Debt service ratio (2024)</b>	17.0	13.0	25.0
<b>Inflation rate (%) (2019-2024)</b>	1.8	3.0	5.0
<b>Rural population</b>	2018: 10 935 000		
	2024: 12 130 000		

<sup>2</sup> Data is taken from IMF Country Report No. 18/378 and the April 2019 IMF World Economic Outlook. Projections are the authors own estimates based on the IMF data.

	Annual growth rate: 1.8%
<b>Investment Climate for rural business</b>	Rating: 3/6 Despite the stated interest in private investment, Cameroon has a reputation for administrative obstructionism and opaque, top-heavy decision-making and systemic corruption. There are a number of burdensome and often unclear regulations as well as a lack of transparency that increases the scope for corruption.
<b>Vulnerability to shocks</b>	Rating: 3/6 Cameroon is vulnerable to a variety of economic, political, and security-related shocks. As a significant oil exporter, it is vulnerable to oil price shocks. The security situation in the Far-North Region remains precarious. There is a joint military effort with neighbouring countries that is currently fighting back Boko Haram with success, while frequent punctual attacks continues to hit towns, villages and road-travellers along the border with Nigeria. Tensions in the Anglophone regions persist.

### Implications for IFAD's country programme

#### a) Lending terms and conditions

- Cameroon is a lower middle income country that is currently provided loans on lower middle income country that is currently provided loans on blend terms in accordance with the Policies and Criteria for IFAD Financing. Given its level of per capita income, it is highly unlikely to transition to less concessional terms. Given the high risk of debt distress and vulnerability to adverse shocks, there is a risk that terms and conditions would need to soften in case of deterioration in economic and financial conditions.

#### b) PBAS allocation

- Due to concerns over debt sustainability, the government has taken a very cautious approach to disbursements of IFAD loans, impairing the effectiveness of the program. Under a high case scenario, such constraints would diminish and the increased effectiveness of IFAD's program could result in an increase in the PBAS allocation for IFAD12.

#### c) COSOP Priorities and Products

- The COSOP priorities are based on the National Agricultural Investment Plan (PNIA 2014-2020). These are unlikely to change significantly under the base case or high case scenarios. Under the low case, the Government may not have sufficient resources to implement planned capital investments, which would likely have a negative spillover effect on the COSOP.

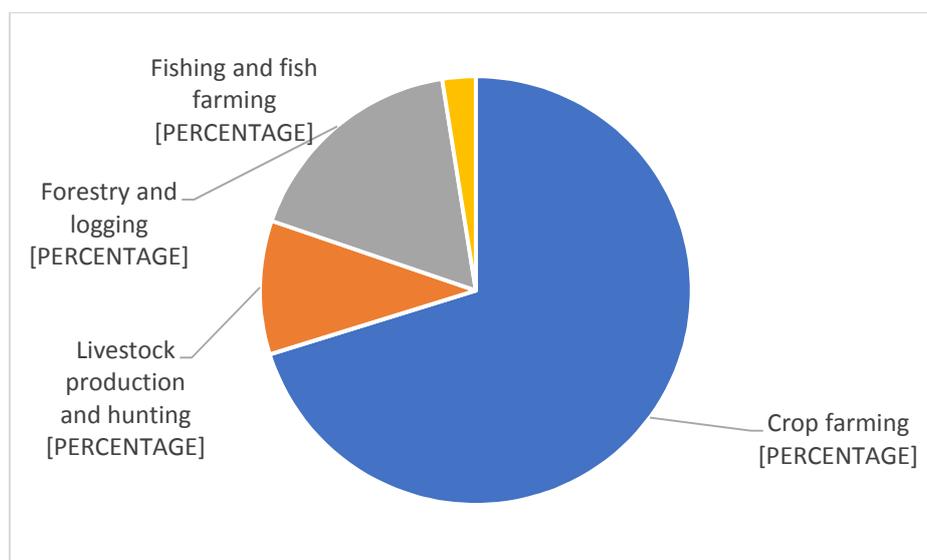
#### d) Co-financing opportunities and partnerships

- Domestic co-financing and partnership opportunities should increase under the high scenario due to higher government revenues. Conversely, the low case would constrain co-financing opportunities, both domestically and internationally but would heighten the importance of partnership with other actors in the rural transformation space.

**APPENDIX III: AGRICULTURAL / RURAL SECTOR ISSUES (Rural Development and food security assessment)**

1. Cameroon has a wide variety of agro ecological zones (AEZ) whose agricultural development potential varies with the diverse geography-based production systems. In Cameroon, one of the most agro ecologically diverse Sub-Saharan African countries, the following zones are found, from north to south: (i) the Sudano-Sahelian zone; (ii) the high Guinean savanna; (iii) the Western High Plateau; (iv) the rainforest zone with monomodal rainfall and (v) the rainforest zone with bimodal rainfall. Over 40 per cent of the country's territory receives more than 3,900 mm of rainfall per year.
2. Climate apart, agricultural and rural sector activities in Cameroon are also influenced by the land tenure system, governed by Ordinance 74-1 of 6 July 1974, which guarantees to all physical or legal persons who are property owners the right to use and freely dispose of their land, without discrimination. Land is classified under three regimes: national, public, and private. The national regime, subject to land tenure problems, is managed in conjunction with traditional authorities.
3. Vacant or unexploited lands in the national regime are distributed through provisional concessions, which can be converted to definitive leases or concessions, as appropriate, under the conditions stipulated by Decree 76-166 of 27 April 1976 establishing the management modalities of the national regime. For this purpose, advisory committees headed by the administrative authorities have been created with the requirement that traditional authorities be involved. The role of these committees includes determining the distribution of rural space in crop-growing and pastoral areas, based on the populations' needs, requests for provisional and definitive concessions and land disputes.
4. To a large extent, the land tenure situation determines the extent of farmers' use of space. Under the current system, the State is the guardian and owner of all land. However, the Government holds dialogues to promote the individualization of land tenure and clarify what constitutes collective land. This involves securing access to land and its use to enable farmers to make investments: plantations and pasture development, protection against erosion, restoration of soil fertility, etc. In certain regions, land tenure problems are exacerbated by the heavy influence of traditional authorities, especially in the distribution and management of rural space. Moreover, conflicts between farmers and herders are common and add to the range of obstacles to land management in this region.
5. Agriculture is by far the main source of value creation in the rural sector, which is defined as all activities that play a part in: (i) crop, livestock, fishing and forestry production, (ii) the production of rural environmental and social services (iii) the sustainable management of rural space, natural resources and the environment.
6. Food crops play a dominant role. The main agricultural export products are cocoa (beans, paste, butter and processed products), cotton fibre, coffee, dessert bananas, rubber and palm oil. As part of the diversification of agricultural exports, new products such as pineapples, pepper, green beans and sesame are gaining a foothold in the international markets. Agriculture contributes to food security, feeding 2 million farm households in the country and supplying nearby urban markets with produce. An estimated 80 per cent of domestic food needs are met by local production.

Distribution of value added in the rural sector, 2012-2016



Source: INS (Republic of Cameroon 2017a) cited in the review of rural public expenditure 2013-2017 (October 2018).

7. From the review of rural public expenditure 2013-2017, it is clear that to satisfy this level of food needs, the rural sector absorbs about 60 per cent of the economically active population in Cameroon. Rural sector GDP grew at a rate slightly higher than that of national GDP in the period 2012-2016, driven mainly by crop and livestock production. Rural exports in the same period accounted for 15 per cent of total exports – 26 per cent, if the products of the agro-food industry and processed timber products are included, just behind oil and gas (29 per cent), as seen in the table below.

Real GDP grow by branch of activity, 2012-2016

Branch of activity	2012	2013	2014	2015	2016	Average
Primary sector	3.7%	7.0%	6.2%	5.3%	6.8%	5.8%
Crop farming	3.7%	7.3%	4.7%	6.3%	7.9%	6.0%
Livestock production and hunting	4.1%	9.8%	5.7%	7.2%	4.9%	6.3%
Forestry and logging	2.7%	4.7%	13.8%	0.2%	3.8%	4.9%
Fishing and fish farming	5.9%	2.4%	3.0%	3.1%	4.3%	3.7%
Secondary sector	5.1%	6.9%	5.5%	9.6%	3.2%	6.0%
Tertiary sector	4.7%	4.4%	4.8%	3.4%	4.5%	4.4%
GDP	4.5%	5.4%	5.9%	5.7%	4.5%	5.2%

Source: INS (Republic of Cameroon 2017a) cited in the review of rural public expenditure 2013-2017 (October 2018).

8. Beyond these macroeconomic data, it should be noted that 90 per cent of poverty is concentrated in the rural sector. The number of poor people rose from 7.1 million in 2007 to 8.1 million in 2014, with around 90 per cent of this population located in rural areas and 69 per cent in the Far North, North and Northwest regions alone.

9. Some 9.6 per cent of rural households suffer from food insecurity, in contrast to 6.7 per cent of urban households. The prevalence of food insecurity is particularly high in the North (15.4 per cent) and Far North (17.9 per cent) regions. From 1991 to 2011, chronic malnutrition in children aged 6 to 59 months increased overall, climbing from 24.4 per cent in 1991 to 32.5 per cent in 2011. The proportion of chronically malnourished children in rural areas is estimated at 40.5 per cent, in contrast to 21.9 per cent for children in urban areas. This situation is even more concerning, since Cameroon ranks among the 36 countries in the world where the prevalence of childhood stunting is over 20 per cent. More than 75 per cent of the rice consumed is imported. In addition to rice, the country imports substantial volumes of other cereal grains and fish.
10. To remedy this situation, the DSCE has designated primary sector development as one of the main sources of economic growth; however, the production apparatus must be modernised to guarantee food self-sufficiency, supply the processing industry and develop exports. The 2020 goal of the Rural Sector Development Strategy (SDSR), which is the sectoral offshoot of the DSCE, is to “Achieve the prudent transition of the rural sector to a green and inclusive growth economy that ensures sustainable development, enables [Cameroon] to achieve the status of emerging country by 2035 and reduces social inequalities.”
11. Cameroon’s PNIA, which is the sector planning framework for the SDSR, is the national framework for the planning of domestic and foreign funds for rural sector development. Its overall goal is to make the rural sector a key driver of the national economy, creating decent jobs and wealth to meet domestic and foreign demand and guaranteeing the food and nutrition security of populations in a context of sustainable development.
12. The expenditure review mentioned above groups the rural development constraints identified by the SDSR and PNIA as follows:
  - (i) The low output of family farms, due in particular to the use of traditional techniques and the ageing of the population;
  - (ii) Limited access to financing and limited representation of microfinance institutions in rural areas;
  - (iii) An inadequate legislative and regulatory framework, especially in the areas of territorial development, access to land, etc., which discourages private investment;
  - (iv) Poor rural organization and the limited capacity of organizations representing the private sector and civil society;
  - (v) Inadequate development of community infrastructure and the weakness of mechanisms for participatory management of the existing infrastructure;
  - (vi) The isolation of production areas due to an adequate network of rural roads;
  - (vii) Limited marketing and processing of agricultural products;
  - (viii) Weak interprofessions, which are developed in only two value chains (coffee-cocoa and poultry production);
  - (ix) The role of the State as an actor in support of rural-sector production instead of private-sector development;
  - (x) Failure to translate political will into development strategies, coupled with poor long-term planning capacity;
  - (xi) The juxtaposition of roles and poor institutional and policy coordination (lack of an institutionalized systemic dialogue at the intersectoral level, among projects and with NGOs and funders) and budgetary resource coordination,

- and even coordination among funders (and the non-alignment of certain funders);
- (xii) Poor project management by the technical ministries;
  - (xiii) Inadequate regulation and inadequate monitoring of compliance with existing regulations;
  - (xiv) Lack of statistics and outcome and impact indicators for the programmes implemented under the SDSR, especially on beneficiaries and the environment;
  - (xv) Inadequate performance monitoring and compensation (in terms of outcomes) of state and non-state services and their personnel.
13. The PNIA and SDSR rightly prescribe development based on the creation of favourable conditions for the development of the private sector (efficient family farms, cooperatives, large and medium-sized intensive farms, agroindustries, suppliers, etc.) so that it can serve as the driver of rural development, infrastructure and capacity building investments, accelerated decentralisation and modernisation of public support entities refocused on their sovereign role as regulators of the sector and mastering the results-based programme approach so that they can report to stakeholders on achievement of the expected outcomes.
  14. Analysis of the institutional framework reveals that: MINADER, MINEPIA, MINFOF and MINEPDED are involved in the rural sector primarily through their missions, which are clearly defined in Decree 2011/408 of 9 December 2011 on the organization of the Government. Estimated public expenditure in the rural sector averaged just under FCFA 300 billion in the period 2015-2017, or just under 60 per cent of the needs stated in the PNIA, resulting in an average Maputo ratio of 7.0 per cent for the period.
  15. It should also be noted that the regulatory architecture is complete. Worth mentioning here are:
    - Laws and regulations governing agriculture and rural development: Law 2001/014 of 23 July 2001 on seed activity; Law 2003/003 of 21 April 2003 on phytosanitary protection; Law 2003/007 of 10 July 2003 on the fertilizer subsector in Cameroon; Decree 2005/0762/PM of 9 June 2005 amending and updating certain provisions of Decree 92/455/PM of 23 November 1992, establishing the implementation modalities for Law 92/066 of 14 April 1992 on cooperative associations and Common Initiative Groups.
    - Laws and regulations governing livestock production, fishing and animal industries: Law 2000/017 of 19 December 2000 on the regulation of veterinary health inspections; Law 2000/018 of 19 December 2000 on the regulation of veterinary drugs; Law 2001/006 of 16 April 2001 on nomenclature and zoosanitary regulations governing livestock diseases legally considered contagious and subject to compulsory reporting; Decree 2001/546/PM of 30 June 2001 amending and updating certain provisions of Decree 95/413/PM of 20 June 1995, establishing certain modalities for implementation of the fishing regime.
  16. IFAD will therefore work primarily with these four ministry departments under the current laws and regulations to achieve the COSOP outcomes. It will also work with the private sector, including the artisan sector, which plays a very important role in the agricultural and rural economy, notably in the manufacture and repair of agricultural equipment and the processing of agricultural products.

## APPENDIX IV : SECAP BACKGROUND STUDY

1. IFAD engagement in Cameroon dates back to 1981 and over the years has involved 11 development operations financed in alignment with the successive national policies. Through these operations, IFAD has become very familiar with agricultural development issues in Cameroon and has acquired considerable know-how in support of sustainable and climate-resilient family farming. The projects financed have invested in capacity building in farmers' organizations, value chain development, rural finance, product processing and marketing, the promotion of youth entrepreneurship and sustainable natural resource management. The current strategic framework is aimed at sustainably increasing the income and food and nutrition security of rural poor people, particularly women and youth. This overall goal is divided into two strategic objectives, namely:

- i) Agropastoral operations and small rural enterprises employ well-performing climate-resilient production systems; and
- ii) Rural smallholders and agropastoral enterprise promoters have better access to appropriate financial and non-financial services, as well as profitable retail outlets.

2. The Independent Office of Evaluation (IOE), which in 2017 conducted its first Country Strategy and Programme Evaluation for Cameroon (CSPE 2007-2017), concluded that IFAD's Country Programme had employed rural development approaches consistent with the Government's policies and priorities. The IOE recommended that IFAD support to the Cameroonian agriculture sector under the new Results-based Country Strategic Opportunities Programme (RB-COSOP) emphasize natural resource management and climate resilience. This new COSOP, whose approval is expected in April 2019, will be based on the strategic orientations of the PBAS 2019-2021 and 2022-2024 financing cycles.

3. Climate change, the degradation of natural resources and social exclusion (especially of indigenous peoples) are real challenges to achieving rural transformation. Country strategies that address climate risks and sustainable land management issues require scientific evidence, climate and environmental vulnerability studies and analyses of the institutional context to offer better guidance for future investments and sector reforms.

### SECAP–COSOP objective

4. The key SECAP objectives are:

- Conduct a scientific and strategic evaluation of the current and future environmental and social impact on portfolio performance of the poverty reduction and community resilience activities proposed in the COSOP for Cameroon;
- Propose climate change adaptation and mitigation measures and strategic opportunities for the COSOP and national/rural sector development plans, as well as the country's contribution to the achievement of the SDGs and compliance with the Paris Agreement through the intended nationally determined contributions.

### I. Socio-economic context

5. Population. With a population of more than 24 million, Cameroon has a wealth of natural resources, especially gas, oil, timber, minerals and agricultural resources. Notwithstanding, it still ranked 153<sup>rd</sup> out of 187 countries on the last list of the Human Development Index (HDI), published in 2015. More than one third of the population lives

below the poverty line – a situation that has changed little over the past 15 years. Children are the ones most affected by this poverty: today in Cameroon, children born to the poorest families are twice as likely to die before the age of 5, twice as likely not to finish primary school and four times as likely to experience stunting as other children.

6. The majority of poor people live in rural areas (90 per cent) – mainly in the Far North, North, North-West and Adamaoua regions. Agriculture is the primary income-generating activity in these regions, and populations are vulnerable to climate and environmental shocks. Between 2007 and 2014, the number of poor grew by 12 per cent nationally, and inequalities by 7 points<sup>3</sup> (World Bank, 2018). The number of poor people more than doubled in the North and Far North regions in the period 2001-2014, climbing from 2.1 to 4.5 million. Urban poverty fell between 2007 and 2014 (13 per cent to 9 per cent), while rural poverty rose (55 per cent to 57 per cent).

7. Youth. Cameroon's population is extremely young, half of it under the age of 17. Rural poverty soared between 2001 and 2007, reaching 55 per cent of the population, with youth underemployment at 85 per cent.

8. Gender. Women account for 50.6 per cent of the total population and 50.3 per cent in rural areas. Their unemployment rate is 1.14 times that of men in the most economically active age group (30-49 years). According to the survey on employment and the informal sector, more women are underemployed than men, with wider gaps in urban areas than rural areas. The same trend is observed in invisible underemployment; that is, 60.4 per cent of women are employed in domestic work/apprenticeships or other informal jobs. Underemployment is a fact of life for 86.9 per cent of women versus 67.6 per cent of men.

9. Marginalised groups. Across the country, the marginalised groups are the Bororo, nomadic cattle and goat herders living in the highlands, followed by the Bakwile– hunter-gatherers found in the East and South regions. In fact, in Cameroon, the Centre, South and East regions are one of the last bastions of Pygmy peoples in Central Africa. These communities are generally marginalized by their Bantu neighbours, excluded from access to land, factors of production and positions of authority in mixed associations or development groups (GIC, GIE, etc.). This marginalisation is due to their nomadic way of life and their unstable presence in several territories. They are hunter-gatherers, but after a number of projects targeting them in recent years with support from bilateral and multilateral funders (World Bank, Belgian Technical Cooperation, European Union, etc.), these communities are becoming more settled and increasingly engaging in supplementary crop farming (cassava, plantains, maize, etc.) and small-animal husbandry (poultry, goats, etc.). The groups at risk are children and adolescents, who are involved in all production systems without direct access to the income they generate, which is managed by the heads of household. Child labour in rural areas is widespread in all production sectors, with work sometimes interfering with their schooling; this situation has worsened with the economic crisis, young girls being the most adversely affected group. Poor people in these areas are also considered a risk group. Indeed, it has been noted that the poorest populations benefitting from socio-economic subprojects have trouble coming up with their counterpart funds and financially contributing to maintenance of the works constructed/installed. Indigenous peoples. It is stated in preamble of the constitution of Cameroon that "the State shall ensure the protection of minorities and shall preserve the rights of indigenous populations in accordance with the law". The three major indigenous peoples groups in Cameroon live in geographically different regions and their social structures and livelihoods are very different. The three main groups are: Kirdi, the Mbororo (including the Wodaabe, the Jafun, and Galegi) and the 3 subgroups: Bagyeli/Bakola, the Baka and Bedzang.

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<sup>3</sup> World Bank, 2018. Cameroon - Public Expenditure Review: Aligning Public Expenditures with the Objectives of the 2035 Vision

10. In 2007, Cameroon voted in favour of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) but has not ratified convention 169. Cameroon is a State Party to the African Charter on Human and Peoples' Rights.

11. Strengthening the IP engagement with IFAD at the country level was done through: i) the development of an indigenous people action plan for central Africa which includes Cameroon; ii) the financing of 3 IP projects under the 2018 Indigenous Peoples Assistance Facility (IPAF). Empowerment of indigenous peoples' communities with special attention to women and youth is also done in ongoing operations, notably the Youth Agropastoral Entrepreneurship Programme (PEA Jeunes) which is one of the recently exclusive generation of investment program in WCA and IFAD's flagship intervention in Cameroon.

12. Taking into account the importance of "leaving no one behind", the Youth Agropastoral Entrepreneurship Programme in Cameroon included a specific approach for the targeting of the Mbororos and Baka people. In the North-West Region, 3 young Mbororos (including 2 women ) are championing in their livestock businesses with trusted established relationships with microfinance institutions; 4 (including 2 women ) are in the process of establishing their businesses. 15 submitted business ideas following recent sensitisation/awareness raising campaign that specifically targeted the IPs. In the South Region, 5 young Baka are establishing their businesses. In the Centre Region, the Programme is working with an IP specialized NGO (CAFER) to scale up results of a grant under the IFAD IPAF window.

13. Food security. Approximately one quarter of households in Cameroon live in a situation of food insecurity, the majority of them in the northern regions (WFP 2017). Between 2011 and 2017, food vulnerability increased by 27 per cent in the North-West and by 22 per cent in the Far North. According to the results of the EDS-MICS 2914, these regions have more children under 5 suffering from malnutrition.

14. IFAD's intervention areas are located in the areas marked by food insecurity, where an estimated 19 per cent of the population is food insecure, with 15 per cent of the population in the Far North, East, and North regions generally suffering from acute malnutrition. The population requiring food assistance the Far North, North and North-West regions is estimated at 37, 11 and 3 per cent, respectively. These factors force rural youth to look for economic alternatives. Furthermore, the violence linked to the conflict with Boko-Haram has led to the internal displacement of 93,000 Cameroonians and the accommodation of 65,000 Nigerian refugees in these regions.

15. Nutrition. Malnutrition is a major public health problem in Cameroon, with 45 per cent of the deaths in children under 5 linked with undernutrition (MINISANTE 2018). Despite a slight improvement, nearly one third of children under 5 suffer from chronic malnutrition, 32.7 per cent nationwide and 38 per cent in rural areas. Stunting has reached alarming levels, with a prevalence of 30.6 per cent in the North and 35.9 per cent in the Far North (SMART 2018). Without targeted preventive interventions, malnutrition affects children's physical, cognitive and intellectual development and is associated with lost productivity and lower socio-economic development in adulthood (MINISANTE 2018). One in seven children under 5 in Cameroon, or 14.8 per cent, are moderately or severely underweight for their age (MICS 2014). Paradoxically, more than one in 15 children (7 per cent) are overweight due to a diet centred primarily on grains; coupled with persistent micronutrient deficiencies, this creates a multiple burden of growing malnutrition (UNICEF 2017). Despite a wealth of natural resources, the deteriorating quality of eating habits and dietary models, the failure to take advantage of local biodiversity, humanitarian crises and the influence of social traditions and customs have combined to increase the prevalence of malnutrition in Cameroon (SMART 2018). The limited diversity of family diets is due to the lack of: (i) financial and physical access to animal protein, leguminous foods, legumes and fruit, especially during the lean season; (ii) conservation and processing of perishable foods, driving households to sell them when they are fresh and limiting their supply during the lean season (WFP 2017); (iii) income levels that would enable households to diversify their food basket and easily

access health services; (iv) knowledge about meal preparation, eating habits, good hygiene and gender aspects; and (v) practices for the proper care and feeding of young children (ZHSR 2016).

16. PADFA 2 will be the flagship project for nutrition under this COSOP. An entire subcomponent was dedicated to nutrition with actions such as: (i) the promotion of nutritionally important products and crops in households (home gardening); (ii) the establishment of a nutrition monitoring group within the project; (iii) nutritional awareness raising at the community level; (iv) training on local innovative food technologies for high nutritional quality products; (v) establishment of processing centers for the production of complementary foods or infant meals (nutritransfo centers) and (vi) the development and dissemination of nutrition communication tools.

17. Land. The conflict between modern and traditional land rights is a barrier to agricultural development. In the North region, problems in the Lake Lagdo area highlight a combination of land tenure issues related to (i) competition among migrants, (ii) the development of irrigated areas by these same actors and (iii) the distribution of these areas through land concessions that have no legal foundation or value in the eyes of authorities. In the North-West region, land disputes are associated fundamentally with access to land, pitting different inhabitants or ethnic groups at the common borders of their villages against one another. The separatist movement associated with the Anglophone crisis is threatening project activities in the region. The projects will make an effort to consider the interests of all stakeholders and have the traditional and administrative authorities serve as the guarantors of access to land by project youth. The Rural Code, currently being formulated by the Government, will undoubtedly provide solutions to this troubling phenomenon.

18. Access (for women) and titling (for men and women) are indeed obstacles which are accounted for in the implementation of IFAD projects.

19. Obtaining a land title is a very long process that can only be done after 5 years of operation on a farmland. Alike projects of other donors (AFD), PEA Jeunes makes use of a land charter as alternative to securitization. Land conveyance certificates / customary rights, relinquishing certificates, enable young promoters to have access to land before starting their incubation. When there is an obstacle, the process is facilitated by the project business advisors and involve the youth parents. The Land Charter is signed by the Sub-Divisional Officer (Government), the village chief, the landowner, the beneficiary, 2 witnesses of the landowner. The parents and the community are therefore involved in the provision of land, as their contribution in the setting up of the youth. On the basis of the land charter and a business plan, a conveyance certificate which stands as a legal document is issued to the youth by regional land tenure services. This is used 5 years after to apply for the land title at the Ministry of Land Tenure in Yaoundé.

20. As for PADFA, the land is transferred to the cooperative by the traditional village chiefs through a certificate of use. The certificate is used after 5 years of operation to apply for the land title at the Ministry. Once the land is surrendered, the project proceeds to the development and distribution of plots to members of the cooperative following a quota of at least 30% of plots allocated to women. However, in practice, the representation of women on developed irrigated lands was about 60%.

21. In addition to these good practices, the Country program will explore other experiences and partnerships through the established collaboration with FAO and also through IFAD's engagement in several high level initiatives.

22. Agriculture sector. In 2010, following a deep economic recession from 1985 to 1994, the Cameroonian economy began to rebound, particularly in the export sector. The annual GDP growth rate gradually rose, increasing from 3.3 per cent in 2010 to 5.6 per cent in 2013. Cameroon's growth has been driven by exports of primary goods of agricultural or petroleum origin. Export receipts have been one of the basic sources of public and private investment. Rural exports account for roughly 55 per cent of the

country's export receipts, in contrast to 30 per cent for oil and gas. The main agricultural export products are cocoa, cotton, coffee, bananas, rubber and palm oil. Cameroon's agricultural GDP has been estimated at 22.82 per cent, according to 2015 World Bank statistics. Agriculture is dominated by some 2 million smallholder farmers, who are very sensitive to weather phenomena and highly dependent on the available natural resources and whose production systems play a major role in the degradation or preservation of these resources.

23. Forest ecosystems are essential to the ecological balance of the planet and its population. Tropical forests are the largest reservoirs of biodiversity and fix the excess carbon dioxide in the atmosphere. Millions of people rely on forests for their food, medicine or cultural traditions. Forests are being depleted by over-logging and the development of agricultural land, leading to desertification and wildfires. In the Congo Basin and Cameroon, oil drilling, mining and war are fuelling these phenomena, deforesting approximately 220,000 hectares per year. The net annual deforestation rate of Cameroon's dense forests is estimated at 0.14 per cent<sup>4</sup>, the second highest rate in the Congo Basin after the Democratic Republic of the Congo, with 0.2 per cent, but remains weak compared to other countries<sup>5</sup>. Together with deforestation, forest degradation is the most widespread ecological phenomenon in Cameroon. The statistics for 2003-2004 indicate that only 25 per cent of Cameroonian forests remain undisturbed.<sup>6</sup>

## II. Targeting strategy

24. Geographic targeting. The three northern regions (Far North, North, Northwest), where the majority of the poor rural people live, will be targeted on a priority basis, along with the Centre, Littoral, West, and South regions, which have the highest proportion of youth and enormous potential for their socio-economic integration in key value chains.

25. Target group. The COSOP's target groups are: (i) smallholder farmers organised in cooperatives, (ii) cooperatives operating upstream and downstream in the value chains (seed producers, processors), (iii) small and micro service enterprises operating upstream and downstream in the value chains (processors, vendors, suppliers and agricultural service providers). The COSOP will contribute to the emergence and strengthening of: (i) cooperatives (ii) small agribusinesses investing in the provision of agricultural inputs and services and the processing and marketing of agricultural products. The COSOP's priority targets are women and youth. In all, the projects will benefit a population in which 50 per cent are women and 30 per cent youth.

26. Targeting and gender. The Country Programme will ensure that poor vulnerable and disadvantaged rural households involved in Agriculture benefit from supported economic opportunities, especially women, young people, indigenous peoples and people with disabilities. The target group for each project will be identified in a participatory manner. During projects design, the method of gender-sensitive poverty and livelihood analysis will be applied. Targeting the poorest populations will be achieved through the combination of different mechanisms (direct targeting of poor households, self-targeting by FOs, and the use of a scorecard with discriminatory weighting factors). For women, beyond economic empowerment, projects will increase their voices at various levels and ensure a more balance workload and sharing of benefits. As piloted in PEA Jeunes, project delivery teams (management units, extension services, service providers) will prepare at start up with the facilitation of WCA regional specialist, an operational plan for targeting, gender and social inclusion. The Women Empowerment in Agriculture Index will be used to assess achievements. The risk of elite capture will constantly be assessed and mitigated.

<sup>4</sup> Duveiller et al. - 2008

<sup>5</sup> Central African Forest Observatory (OFAC) – 2008 – The Forests of the Congo Basin: State of the Forest Report 2008

<sup>6</sup> Center for International Forestry Research (CIFOR) – 2011 – The Context of REDD+ in Cameroon

27. Youth. For the identification of youth, the age range (18-35) and 4 categories are used by PEA-Jeunes:

28. Category 1: Young people living in rural areas who have no education or only basic education and have not received formal agropastoral training. They will account for 70 per cent of the target group.

29. Category 2: Young graduates of agricultural and non-agricultural vocational education facilities who wish to engage in agricultural business. They will account for 20 per cent of the target group.

30. Category 3: Young entrepreneurs who are fully engaged in agropastoral activities and related businesses, whose companies have real growth potential but face technical or financial constraints that limit their development. These correspond to the category also targeted by the IFAD ABC Fund and will account for 5 percent of the target group.

31. Category 4: Young returning migrants, assisted by the International Organization for Migration (IOM) and the European Union for reintegration. They will account for 5 per cent of the target group.

32. While maintaining the strong focus on the poorest, at the COSOP level the expected percentages for each category will be left open and will be defined at the level of individual projects.

33. Disability. According to the UN, 70 per cent of people living with a disability are in developing countries, and 20 per cent of people living in poverty have a disability. Though precise figures are not available at the national level, it is believed that people with disabilities make up a significant percentage of the rural population in Cameroon and are affected by the same factors that cause poverty. The targeting strategy will therefore be disability-inclusive, with the objective of supporting disabled people's grassroots activities to exercise their human rights.

34. In summary, the Youth Agropastoral Entrepreneurship Programme (PEA-Jeunes) will continue targeting youth in the 18-35 age group. The Country Programme's other projects will pursue an inclusive targeting strategy that will make it possible to: (i) develop beneficiary selection modalities to reach 50 per cent of the women and 30 per cent of the young people in the poorest populations; (ii) identify specific activities for greater participation by women and youth in cooperatives and links with high value added. This strategy includes: (i) geographic targeting; (ii) technical targeting of activities and investments to target groups, value chains and production basins; (iii) direct targeting of well-established cooperatives and priority groups (women and youth); (iv) self-targeting for new farmers' organizations (whether or not established as cooperatives); and (v) facilitation and empowerment measures (public awareness activities and information, securing farmed lands, literacy promotion, leadership building). Beneficiary selection will be based on eligibility and prioritisation criteria under a participatory procedure that includes actors at various levels (MINADER, MINPROFF, MINJEC, MINEPAT and Commune, representing beneficiaries) and takes care to avoid the risk of elite capture.

### III. Environment and Climate

#### 1. Environment and Natural Resource Management

##### Agroecological zones

35. Cameroon's geographical position makes it one of the most agroecologically diverse countries in Sub-Saharan Africa. From north to south, it consists of: (i) the Sudano-Sahelian zone; (ii) the high Guinean savanna; (iii) the Western High Plateaus; (iv) the rainforest zone with monomodal rainfall and (v) the rainforest zone with bimodal

rainfall. More than 40 per cent of the country's territory receives annual rainfall in excess of 3,900 mm.

36. Under Cameroon's policy, the number of protected areas has increased, doubling between 2000 and 2011, and new areas continue to be marked for protection, as evidenced by the creation of the Kimbi-Fungom National Park in 2015. The Government has also introduced wildlife protection measures in the wake of the Bouda Ndjida elephant slaughter in 2012, adopting the Extreme Emergency Antipoaching Plan (PEXULAB) on 23 March 2013.

37. Ecosystem. The Project's northern intervention area is dominated by the northern savanna ecosystem, which (i) is interconnected with bordering countries and their protected areas, (ii) has a waterway system critical to local populations and wildlife, (iii) has diverse flora and fauna and rainforest ecosystems, (iv) and is a symbol of refuge for large mammals. The North-West region is located in a highland ecosystem, characterised by a high number of endemic species.

38. Protected areas. Cameroon's protected areas have the greatest concentration of biodiversity. They contain roughly 90 per cent of the country's animal species, 95 per cent of its plant species, nearly 65 per cent of its population and 80 per cent of its ecosystems. They consist of national parks (60 per cent), wildlife preserves (14 per cent), sanctuaries (10 per cent), zoos (10 per cent) and ecological reserves (10 per cent) and cover about 3.7 million hectares. There are 72 protected production or hunting preserves (47 hunting preserves and 25 community hunting preserves), covering 5.7 million hectares, or 12 per cent of the nation's territory. The designation of community forests has soared, reaching 301 sites occupying nearly 1 million hectares in 2011.

39. Pressure on protected areas and biodiversity. Despite the country's efforts, protected areas have deteriorated: (i) 137 species are considered critically endangered, 242 endangered, 397 vulnerable, 142 near threatened and 2,017 least concern. These species are found chiefly in forests, savannas, and wetlands<sup>7</sup>. The main causes of their endangerment are: (i) habitat modification and degradation, (ii) Forest degradation, (iii) water resource and wetland degradation, (iv) desertification, (v) and climate change.

## 2. Climate

40. Cameroon has three major climate zones:

41. Equatorial climate. Found to the south of the country, this climate is characterised by heavy rainfall, constant high temperatures with small temperature ranges and progressively sparse vegetation of two types as the distance from the equator increases: (i) the Guinean type, which predominates on part of the coast and the south-Cameroonian plateau, with four well-demarcated seasons: a season of light rains (March through June), a short dry season (July and August), a season of heavy rains (September through November), and a long dry season (December through February); (ii) the Cameroonian type, near Mount Cameroon, extending to the mouth of the Sanaga River and the high plateaus of the West. Its main feature is extremely heavy rains, which fall during a single annual nine-month season from March to November. Some abnormally dry periods have been reported, spanning four to five years, according to the weather stations, or even 11 years in the Eséka and Kribi area.

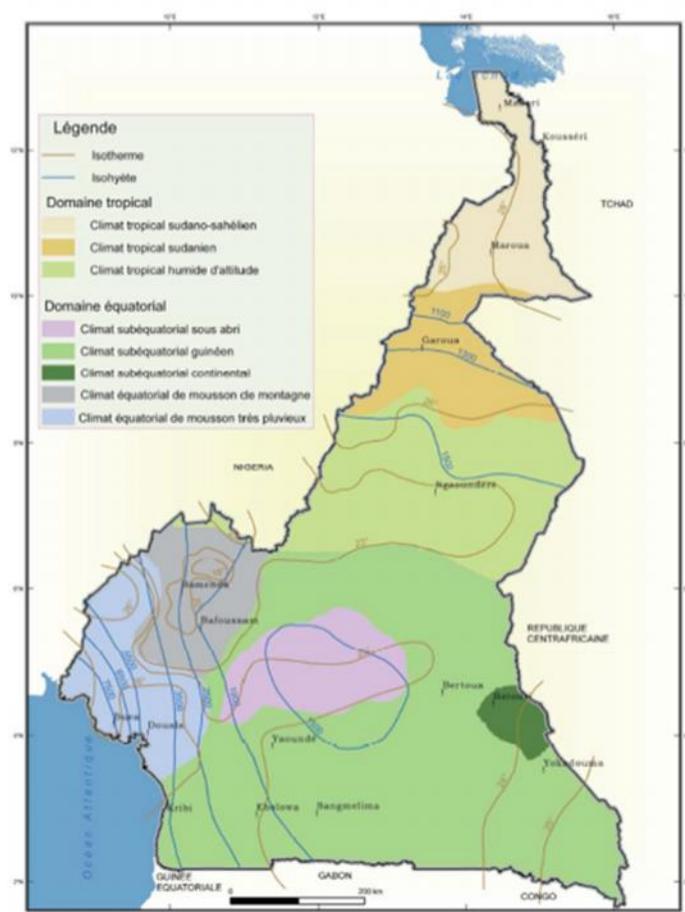
42. The tropical Sudano-Sahelian climate: With an average temperature of 22°C and 1000 mm of annual rainfall, this climate is marked by a dry season of seven to nine months and scarce rainfall of 900 to 300 mm/year from south to north. The average annual temperature is over 28°C in the Far North and declines fairly steadily as far as Adamaoua, except in the colder Mandara Mountains and the hotter Garoua area. This climate has two variations: (i) the tropical Sudanian type in the north, with two seasons:

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<sup>7</sup> Website of the International Union for Conservation of Nature red list: <https://www.iucnredlist.org/resources/categories-and-criteria>

a rainy season of seven months (extremely hot from May through June and very cool and humid from July through October), coupled with a five-month dry season (cool from November through January); and (ii) the tropical Sahelian type in the Far North, with high temperatures but irregular rainfall and two seasons: a dry season from December through January and a rainy season. Abnormally dry seasons last five to eleven years – however, with rainy interludes of one to two years. These periods are separated by three to four years in the Mandara Mountains, ten to eleven years along the Yagoua-Limani dune ridge and five to six years in the rest of the zone.

43. Humid tropical climate. Located between 7° and about 10° N latitude, this is a transitional zone between the two types mentioned above, averaging 40 to 70 days of rainfall. Abnormally dry periods have been recorded in the highlands and southern Adamaoua plateau. These periods have lasted eight to twelve years in the centre and east of the forest-savanna transition zone, five to six years in the western Adamaoua plateau and three to four years in the western highlands.

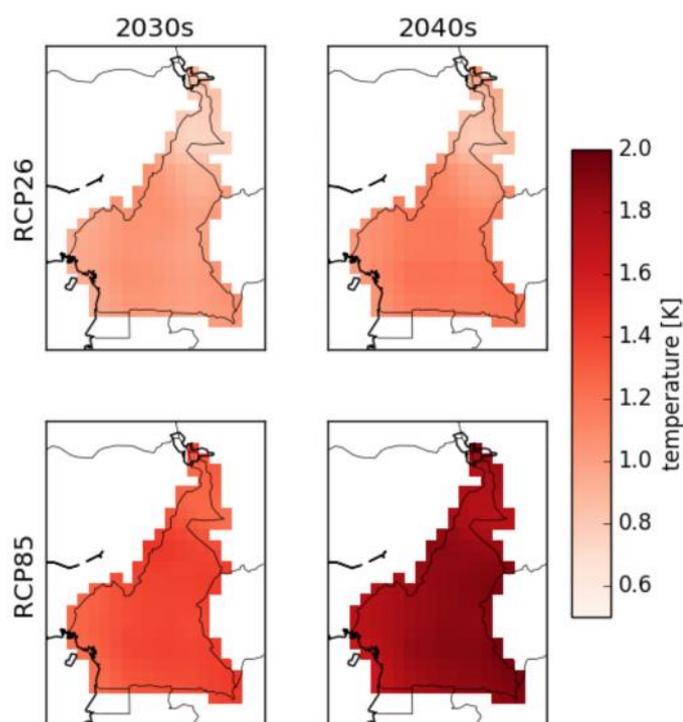


**Figure 1: Climate zones of Cameroon (Source: MINEPAT)**

### Climate projections<sup>8</sup>

44. The most direct effect of global warming in Cameroon is the rise in the average temperature. By 2030 (2025-44), temperatures are projected to increase by 1°C-1.4°C over the base period (1986-2005). By 2040 (2035-2054), the difference between the two warming scenarios will be more pronounced, with a projected increase of 1.4°C in the low warming scenario and an average increase of 1.8°C in the high warming scenario. As illustrated in the figure below, the average temperature increase in the different regions of Cameroon is relatively homogeneous.

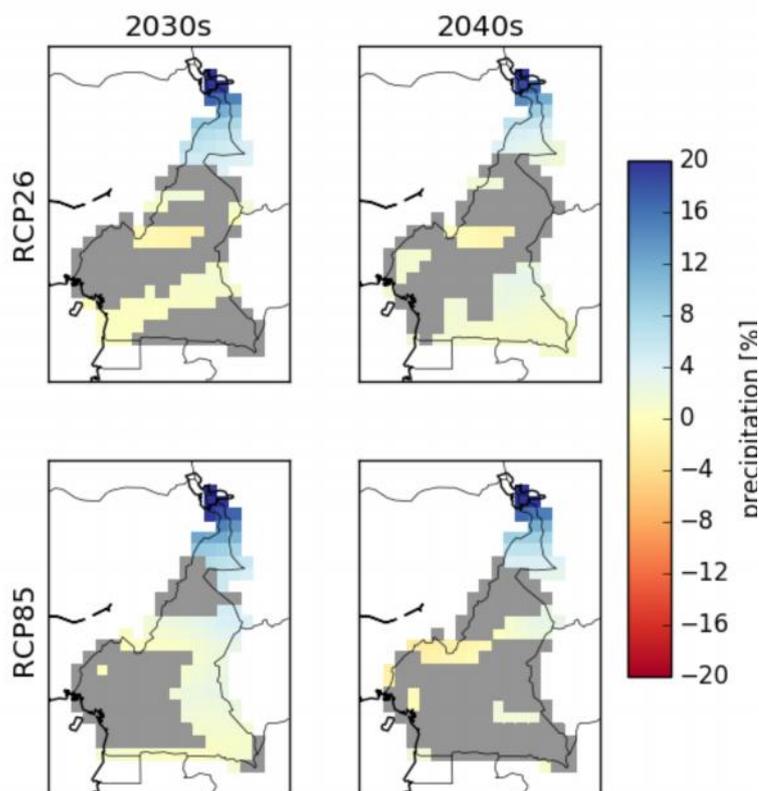
<sup>8</sup> World Bank, *Changement climatique et Gestion des risques de catastrophe au Cameroun*, 2017



**Figure 2: Projected increase in average temperature over the base period 1986-2005 RCP2.6 and RCP8.5 for the 2030s and 2040s. Annual precipitation.**

45. Unlike the temperature projections, annual precipitation projections are more uncertain. In the majority of regions in the country, the projections of different models differ with respect to the sign of the change (increase or decrease). Only in the northern Far North region are relative increases observed. This relative change should be interpreted with caution, since precipitation in the Sahelian region is low. For the rest of the country, the relative changes are below 5 per cent.

46. The annual precipitation projections do not permit conclusions to be drawn about changes in the frequency and intensity of extreme events such as heavy rains or droughts. Thus, the small increases or decreases observed in annual precipitation do not permit conclusions about extreme weather events linked to precipitation.



**Figure 3: Average projected changes in precipitation over the base period 1986-2005. RCP2.6 and RCP8.5 for the 2030s and 2040s**

#### Effects of climate change on the agriculture sector

47. Agriculture is the sector most sensitive and vulnerable to climate variations and the one in which the relative risk is highest, given the limited resilience of households. By way of illustration, in 2010 the productive capacity per economically active person in Cameroon's agriculture sector was five times lower than that of a person in the industrial sector and roughly half that of a person working in the service sector.

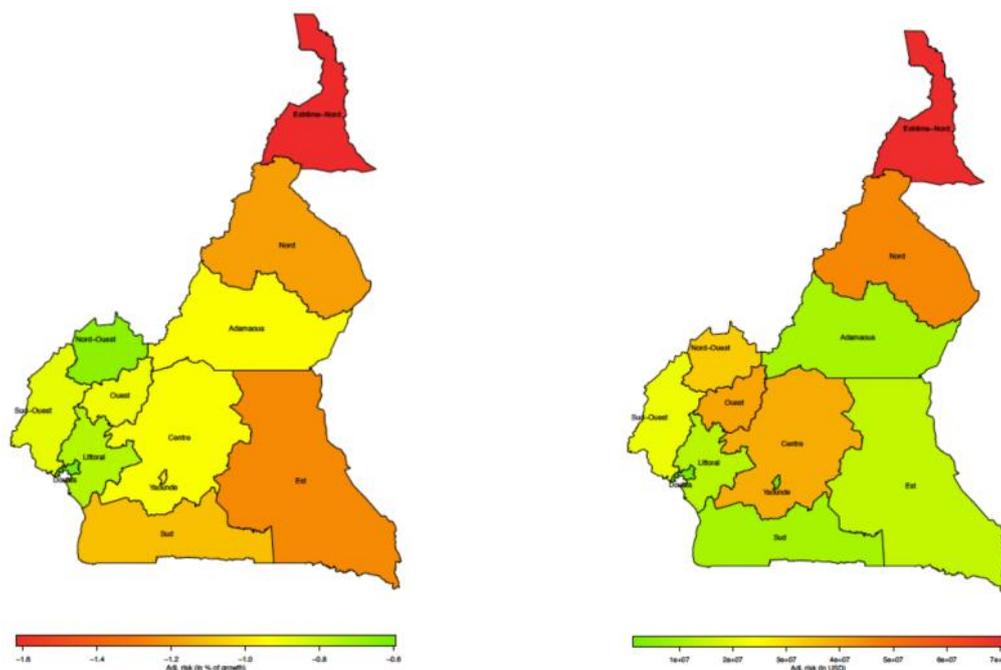
48. According to the World Bank's 2017 study on climate change and catastrophic risk management in Cameroon, the Far North is the region with the highest risk linked to the impact of climate change. During the 2020s, the risk will be concentrated in the country's northern regions, with an especially pronounced risk in the East and Far North regions. Since the East region currently has low levels of agricultural production in comparison with the other regions, the absolute risk is concentrated in the North and Far North regions. In all scenarios, in terms of relative risk, the country's Littoral and West regions have the lowest risk to the agriculture sector.

49. From both a relative and absolute standpoint, the concentration of risk in the North and Far North regions could accelerate the North-South migrations already observed in Cameroon, primarily to urban areas in the Centre (Yaoundé) and Littoral (Douala) regions. These regions, projected to be the most affected, are also the poorest in terms of the percentage of the population living under the poverty line. In the absence of adaptation and risk management measures, the impact of climate extremes is expected to increase and at the very least, impede efforts to reduce poverty in these regions.

50. The maps below indicate the economic risk to the agriculture sector under different scenarios:

Relative

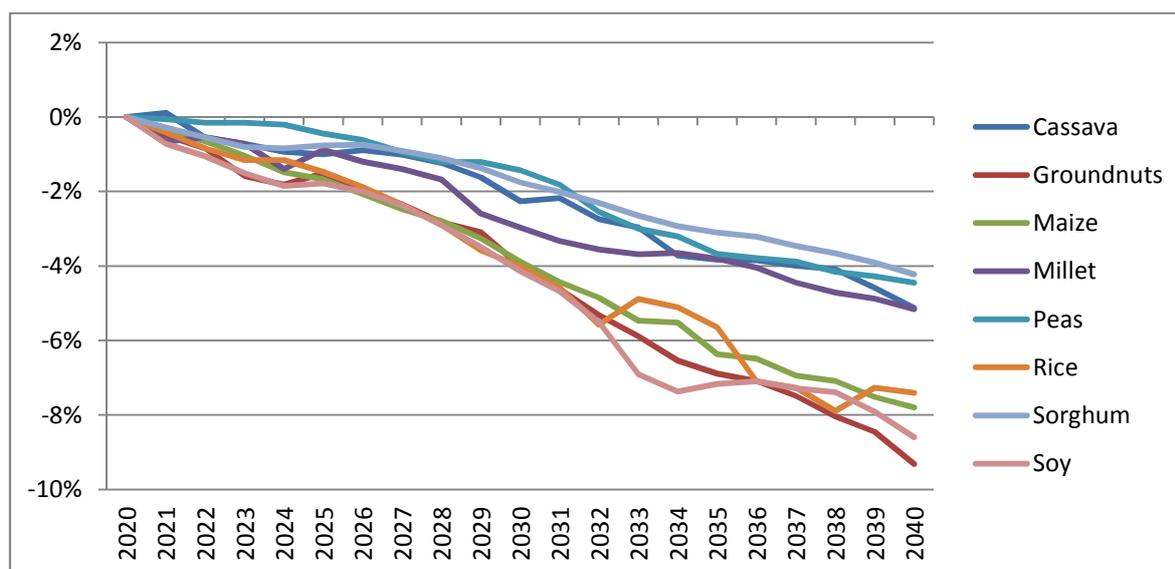
Absolute



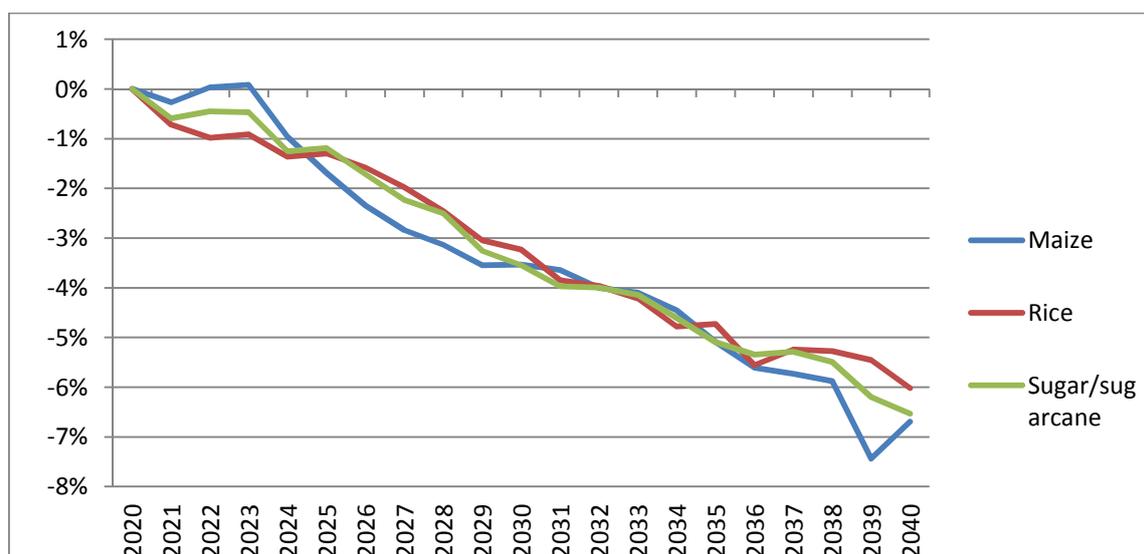
**Figure 4: Average economic risk in the 2015-2025 decade (2020 decade) to growth of the agriculture sector under the effect of temperature and precipitation, as a percentage of growth (relative) and monetary value (absolute) in the high warming scenario**

Impact of climate change on crop yields

51. Using the CARD (Climate Adaptation in Rural Development) tool developed by IFAD, according to the simulations of the ISIMIP model, due to climate risks, the yields of many crops will significantly decrease under the high-warming climate projection scenario (RCP8.5). The rainfed crops that will be most affected are maize, rice, groundnuts and soy, whose yields could fall by 7 to 9 per cent by 2040. The yields of irrigated crops (rice, maize and sugar cane) are projected to fall by 6 to 7 per cent by 2040. These projections should be taken into account when choosing the value chains to target with IFAD interventions in Cameroon to ensure the resilience of these crops to the multiple impacts of climate change.



**Figure 5: Impact of climate change on rainfed crop yields in Cameroon (CARD v1.4)**



**Figure 6: Impact of climate change on irrigated crop yields in Cameroon (CARD v1.4)**

## IV. Legal and institutional framework

### 1. International engagement

52. Cameroon is a party to numerous regional and subregional international initiatives (conventions, agreements and treaties) in the social and environmental domains, aimed at achieving its goal of steering Cameroon toward sustainable development. Several of these initiatives have a more or less direct effect on the activities envisaged in PADFA II. While not an exhaustive list, the following can be cited in environmental domain:

- The RAMSAR Convention on Wetlands of International Importance especially as Waterfowl Habitat.
- The Convention on the International Trade in Endangered Species of Wild Fauna and Flora (CITES), also known as the Washington Convention
- The Convention on Biological Diversity, Rio de Janeiro, of 1992, ratified on 29/08/1994
- The United Nations Framework Convention on Climate Change and its Kyoto Protocol, Rio de Janeiro, 1992, ratified on 19/10/1994;
- The United Nations Convention to Combat Desertification, of 1994, ratified on 29/08/1994.

53. Cameroon has also ratified many regional and subregional conventions on sustainable natural resource management, such as the Treaty on the Conservation and Sustainable Management of Forest Ecosystems in Central Africa and to Establish the Central African Forests Commission (COMIFAC) in 2000.

54. The following can be cited in the social domain:

- African Charter on Human and Peoples' Rights. The oversight body (the African Commission) has recognized the "Pygmies" as an indigenous people.
- Convention on the Rights of Persons with Disabilities and Optional Protocol, signed by Cameroon on 1 October 2008.
- ILO Convention 182, Worst Forms of Child Labour Convention, adopted by Cameroon on 17 June 1999 and entering into force on 19 November 2002.

## 2. National Strategic Plans

55. The signing of these conventions was quickly followed by the creation of infrastructure and national strategic plans on biodiversity, adaptation to climate change and efforts to combat desertification.

56. National Adaptation Plan for Climate Change (PNACC). The national adaptation strategy for climate change proposes a common architecture for all country actors, public and private, to help them set up their own projects, based on strategic lines adopted through a broad consensus during the PNACC process.

57. The overall goals of the PNACC is to adapt to climate change, reducing the vulnerability of Cameroonians to the effects of climate change, increasing their resilience and improving their quality of life; and to strengthen adaptation capacity to create new opportunities to support the sustainable development of the country.

58. To meet this goal, the PNACC has four strategic lines:

- Improve knowledge about climate change in Cameroon.
- Inform, educate and mobilise the Cameroonian population for its adaption to climate change.
- Reduce the population's vulnerability to climate change in the principal sectors and agroecological areas of the country.
- Make adaptation to climate change part of national sectoral strategies and policies.

59. The PNACC also established the priority lines of action for each sector:

Sector	Adaptation objective	Strategic lines
Crop production	Develop climate-resilient agriculture and increase farmers' adaptive capacity	Provide farmers with weather information so that they can improve their planning of farm operations
		Improve farming systems through agricultural research and the dissemination of research findings
		Promote good climate-change adaptation practices among farmers
		Prioritise adaptation activities in the Sudano-Sahelian area, where the sector's vulnerability to climate change is greatest
Livestock production	Reduce the vulnerability of the livestock sector to the negative effects of climate change	Provide livestock producers with information about climate change through functional livestock stations
		Evaluate and monitor feed grain supplies in pastoral areas
		Promote good climate-change adaptation practices among livestock producers
		Prioritise adaptation activities in the Sudano-Sahelian area, where the sector's vulnerability to climate change is greatest
Fishing and aquaculture	Reduce the negative impact of climate change on the fishing sector	Inform fishermen and fish farmers about climate change and train them in good fishing and fish farming techniques
		Control the fish harvesting system in dam reservoirs to guarantee better species management and prevent shortages
		Create and promote ponds and experimental fish farming sites to adapt fishing communities and promote improvements in traditional techniques and technologies for the handling, drying and preservation of fish products
Forestry, and wildlife	Reduce forest vulnerability and make climate change an opportunity for developing the sector	Better characterise the positive and negative effects of climate change on forests through specific scientific studies
		Establish a forest health surveillance mechanism
		Establish a forest fire surveillance mechanism
		Support and improve the implementation of REDD+ in Cameroon, extensively engaging local populations
		Develop social (well-being) indicators for forest-dwellers and regularly monitor their achievement

60. The Nationally Determined Contribution (NDC) to the National Plan of Cameroon is based on the country's vision for its future in 2035: to become an emerging country. This overall goal is accompanied by a series of medium-term objectives: (i) reducing poverty; (ii) achieving the status of a middle-income country, (iii) achieving the status of a new industrialized country and (iv) consolidating the democratic process and achieving national unity with respect for the country's diversity. In economic terms, this especially implies sustained growth, an agricultural revolution based on higher productivity and the doubling of GDP in the secondary sector (from 19 to 38%).

61. With respect to mitigation, the long-term national objective for GHG emissions is a 32% reduction over the base scenario (2010) by the target year (2035), conditional to support from the international community in the form of financing and capacity building and technology transfer activities.

62. The sector's main objectives are: (i) the greening (intensification, sedentarisation) of agricultural policy; (ii) sustainable forest management (iii) growth of the energy supply and greater energy efficiency; (iv) 25% renewable energy in the electricity mix by 2035.

63. With respect to adaptation, the sector's objectives and priority lines of intervention are those indicated in the PNACC above.

64. These strategies propose a number of investment opportunities and indicate the highest priority zones and lines of action for IFAD interventions in Cameroon with respect to climate change adaptation and natural resource management. IFAD projects under this COSOP should be aligned with these strategies to enable the country to meet the established objectives.

### 3. National environmental legislation

65. For nearly two decades, Cameroon has made significant progress in environmental protection and sustainable natural resource management, as evidenced in its institutional, legislative and regulatory plans. Following the United Nations Conference on Environment and Development (UNCED), held in Rio in June 1992, it created a series of institutions, including:

- The National Advisory Commission on Environment and Sustainable Development (CNCEDD), in May 1994;
- The National Observatory on Climate Change (ONACC), created on 10 December 2009, whose mission is to collect, process and disseminate information on climate change;
- The National CDM Committee, by ministerial decision 0009/MINEP/CAB of 16 January 2006. The National CDM Committee is charged with implementing the Clean Development Mechanism of the Kyoto Protocol to the United Nations Framework Convention on Climate Change;
- The Ministerial Committee on the Environment (CIE), in September 1999;
- The Ministry of Forestry and Wildlife (MINFOF)
- The Ministry of Environment, Nature Protection and Sustainable Development (MINEPDED);
- The National Environment and Sustainable Development Fund (FNEDD), in February 2008.

66. The National Plan for Environmental Management (PNGE), amended in 2008, is the frame of reference for environmental planning and management in Cameroon. This plan is implemented through several programmes and projects, the most important of which are the Forest and Environment Sector Programme (PSFE), created in 1999. These programmes define the policies for environmental protection and sustainable natural resource management.

### 4. National social legislation

67. Cameroon's socio-economic policy, as expressed in the Growth and Employment Strategy Paper (DSCE), seeks to establish an integrated sustainable human development framework in the medium term that will gradually lead the country toward achievement of the Sustainable Development Goals (SDG) and Vision 2035. According to the DSCE, the social sector development strategies will not only improve the living conditions of populations but create strong human capital capable of sustaining economic growth. Within this framework, social policy is geared to making investments that will benefit different social categories, with special attention to youth and women and the integration and support of other socially vulnerable groups.

68. The social inclusion policy centres around: (i) the formulation and/or finalisation of sector policies for the protection and promotion of vulnerable populations; (ii) the drafting and passage of laws for the protection and promotion of these targeted groups;

(iii) the training of specialized social workers and educators to better serve vulnerable social groups; (iv) capacity building in organisations representing vulnerable people; (v) the creation of a national solidarity fund to provide an appropriate response to requests for assistance from vulnerable social groups; (vi) the creation of a national civil service for participation in development; (vii) the creation of a national fund for the integration of youth; (viii) advocacy for the education of girls; (ix) the inclusion of marginalised girls; (x) the production of a guide to prepare people for marriage; (xi) the promotion of female entrepreneurship; (xii) the facilitation of women's access to credit and self-employment; and (xiii) the development and implementation of programmes to reduce poverty.

69. To promote gender equality, the Government plans to encourage parents and communities, especially in rural areas where traditional customs still reign, to permit girls to benefit from the same access to education as boys. The State and the community will likewise seek the equitable representation of girls in vocational training, higher education and access to employment in all sectors.

70. The policy to benefit youth, especially disadvantaged youth, will prioritise access to citizenship and the social and economic integration of this group. This policy and the programmes charged with its implementation seek to use socio-occupational integration to empower young people and foster their participation in national development by making them more creative, enterprising and competitive. Cameroon also has a Pygmy Peoples Development Plan (PDPP) and a Plan for Vulnerable Indigenous Peoples (PPAV), the latter of which is aimed at a general improvement in the living conditions of Pygmy peoples in terms of agriculture, health and education. More specifically, the PPAV seeks to ensure that Pygmies are not harmed by any development project and to offer them opportunities to benefit from culturally compatible social and economic advantages.

## 5. Current programmes

71. The Government, through the Ministry of Agriculture and Rural Development (MINADER), has embraced the modernisation of agriculture as its key issue. This choice is expressed in the MINIDER Rural Development Strategy Paper (DSDA) and numerous ongoing initiatives:

- Several new varieties of cassava with yields of around 25-30t/ha, in contrast to local varieties with yields of less than 10t/ha, have been introduced in the country's five agroecological zones by the Roots and Tubers Market-driven Development Programme (PNDRT), with the technical collaboration of the Institute of Agricultural Research for Development (IRAD) and the International Institute of Tropical Agriculture (IITA);
- In order to secure and guarantee access to land and credit by the agriculture sector, the Government is creating two new institutions, the Rural Land Management Agency and the Cameroon Rural and Financial Corporation;
- The National Participatory Development Programme (PNDP), financed by the World Bank, has promoted the decentralisation of agricultural interventions by introducing an agricultural component in the local development plans of communes;
- The Commodity Value-Chain Development Support Project (PADFA) assists young project operators in the North-West. The Programme will provide youth with support to supplement that of PADFA;
- The Rural Microfinance Development Support Project (PADMIR) will support microfinance institutions create products tailored to the financing needs of youth, thus ensuring supplementary financing for projects operated by the beneficiaries.

- The Support Programme for Renovation and Development of Vocational Training in Agriculture, Livestock and Fisheries (AFOP), financed by the French Development Agency (AFD), which provides assistance to most of the agricultural training centres recognized by the State and takes specific action to train young people and place them in occupations connected with agropastoral production;
- The Programme for the Improvement of Competitiveness of Family Agropastoral Farms (ACEFA), which provides technical and economic counselling to family farms, some of which are operated by youth.
- The Agriculture Investment and Market Development Project (PIDMA), which supports the development of certain agricultural value chains, including cassava, rice and maize, in the Centre, Littoral, South, North-West and Far North regions.
- The Young Farmers' Settlement Support Programme (PAIJA), funded basically by the MINADER public investment budget; this programme supports development of the farms of young people living on their own land and the settlement of young farmers on sites developed by the project.
- Initiatives supported by the National Employment Fund, the National Civil Service Agency for Participation in Development (ASCNPD) and other projects targeting youth in agropastoral value chains.

## 6. Opportunities to access financing for environmental and climate initiatives

72. Cameroon offers tremendous investment opportunities for increasing the resilience of rural populations to meet the ambitious objectives of the NDC. Supplementary resources must be mobilised from climate and environment funds, especially the Green Climate Fund (GCF), the Adaptation Fund (AF) and the Global Environment Facility (GEF).

73. Within the framework of this COSOP, Cameroon could mobilise an allocation of US\$10 million from the Adaptation Fund, in addition to the GEF-7 STAR allocation of US\$2 million. The GCF remains the principal window for mobilising additional resources for the next three years and implementing adaptation and mitigation measures.

## Recommendations

74. Concerning future investments, given the problems identified, IFAD investments will likely have a moderate social and environmental impact, while its climate impact will be considered high, especially in the zones considered most vulnerable. Programmes under this COSOP should systematically include mitigation and adaptation measures in their design to manage the various risks, aligning them with the country priorities spelled out in national strategies and the NDC. The green funds (GCF, AF, GEF) will provide additional resources to help the country build resilience in the agricultural sector.

## APPENDIX V : FRAGILITY ASSESSMENT NOTE

1. Fragility factors

1.1 Cameroon is not considered a fragile State. However, the combined effects of climate change, socio-political unrest (demands in the English-speaking regions) and security issues (repeated attacks by Boko Haram in the North and Far North) are fragility factors that should be examined and considered when formulating and implementing IFAD's new strategy in Cameroon. These situational factors are compounded by the following structural factors: (i) high poverty and unemployment rates, especially among youth in the context of a population explosion – factors that by nature give rise to social unrest and threaten the security of people and property; and (ii) soil degradation and the destruction of biodiversity as a result of deforestation.

1.2 Cameroon's economic indicators are sound but fragile. Growth was only 3.7 per cent in 2017. The Cameroonian economy is vulnerable to risks such as agricultural and extractive price fluctuations, weather conditions and security risks. The economic outlook is dependent on the pursuit of structural reforms in the areas of climate mitigation, business and financial governance and the development of human capital and the capacity of public, private and community institutions.

2. Effects of the country's fragility on the agriculture sector

The fragility factors outlined above have the following effects on the agriculture sector:

- (i) lower productivity and competitiveness of agricultural value chains due to the loss of productive capital and limited access to the factors of production (high cost of agricultural supplies and equipment, poor water management, etc.) and the market;
- (ii) fluctuations in the income of actors in agricultural value chains, caused by fluctuations in raw material prices, and greater vulnerability of these groups to poverty;
- (iii) lower yields and agricultural output due to the effects of climate change (floods, droughts and pressure from crop diseases and pests);
- (iv) environmental degradation (destruction of biodiversity, loss of soil fertility, water shortages and pollution), creating fragility in the country's ecosystems from growing deforestation and poor natural resource management.
- (v) the exodus of rural youth to cities and, increasingly, to Europe and the Americas, creating a shortage of farm labour; this exodus is due in part to the lack of opportunities for regenerative employment and the limited mechanisation of farm operations.

3. Country programme risks and mitigation measures

The risks to the Country Programme associated with the country's fragility factors have been discussed in working groups and validated by the stakeholders in the COSOP preparation workshop. They are presented in the table below:

<b>Risks</b>	<b>A priori</b>	<b>Mitigation measures</b>	<b>A posteriori</b>
<b>Policy</b>			
Insecurity in the Grand North and socio-political crisis in the North-West that could bring activities to a halt	High	Avoid high-risk zones, base the implementation mechanism on local technical and operational capacity and guide investments through regular analysis of criticality	Moderate
<b>Environmental</b>			
CC and extreme weather	Moderate	Envisage adaptation options (water	Moderate

events (drought, floods) can affect production capacity and, hence, productivity and competitiveness		management and the promotion of short-cycle varieties) Adaptation and social, environmental and climate risk management plan, mobilisation of cofinancing from GEF, AF, GCF	
<b>Institutional</b>			
High volatile prices in the input market; quality of inputs	High	Procure the competencies required from the input market Advocate for legislation on the quality of inputs	Low
Limited coordination/ communication among the relevant sector ministries and among technical and financial partners (TFPs)	High	Improve rural coordination, consultation and dialogue by revitalising existing frameworks and committees (platforms, SDSR secretariat, etc.	Low
<b>Operational</b>			
Counterpart funds for the CP are not mobilised or are disbursed late	High	Proactively include cofinancing from the Government in finance laws and adopt the early disbursement of CPFs as good practice to prepare for the start-up of projects	Low
Delay in the projects' start-up, affecting CP efficiency	Moderate	Early implementation with pre-start-up activities identified and agreed upon with the Government for prefinancing under FIPS (IFAD Faster Implementation of Project Start-up mechanism)	Low
The projects' limited implementation capacity affects CP efficiency and jeopardizes achievement of the objectives	Moderate	Rigorously define the profiles sought and ensure the recruitment of qualified personnel – Renewal of annual performance contract conditional to satisfactory performance IFAD support and involvement in the recruitment of project staff – a process that should be transparent, equitable and competency-based	Low
The results identification, analysis and documentation system does not show the project's real contribution to IFAD11 and the achievement of SDGs 1 and 2	High	Adopt results-based management and establish a robust M&E mechanism for the CP Strengthen institutional capacity for performance monitoring, coordination, supervision and results management, capitalising on IFAD initiatives (Delivery Unit, AVANTI, PRIME, citizen engagement)	Low
Limited capacity of service providers and construction affects the quality of production infrastructure and its timely availability	High	Direct contracting and the creation of regional prequalification registries for service providers by area of expertise	Low

Low priority of the poorest population in social targeting and elite capture in cooperatives	High	Ensure the democratic creation of management bodies in cooperatives Strengthen esprit de corps and the defence of collective interests Prepare the operational targeting plan with input from all actors Support social targeting	Low
<b>Financial management, internal control and procurement</b>			
Poor segregation of tasks and duties	High	Approval, accounting and payments duly handled by several persons Manual of procedures for each project with detailed coverage of all management processes and controls for each stage of the process Audit covering the project's internal control environment	Moderate
Poor payment management	Moderate	Account movement requiring double signature Capping of petty cash and project transactions (amount) to be liquidated in cash	Low
Poor overall financial management and limited adoption of good management practices	High	Preparation of an integrity and ethics code by each project in the CP. Each staff member will sign an agreement to respect the code once appointed. The audit will also pay particular attention to fraud and corruption, pursuant to ISA 240 (Identification and Assessment of the Risks of Material Misstatement due to Fraud) Financial management training for personnel and participation in IFAD national/regional workshops	Moderate
<b>Governance</b>			
Mismanagement of project resources, leading to fraud and corruption, in violation of the zero tolerance policy	Moderate	Quarterly internal audit by a recruited internal auditor that reports directly to the ministers of economy and agriculture and the IFAD Country Programme Manager; Creation of an audit committee that meets quarterly; Procurement commission members trained in technical aspects of procurement, as well as ethics and conflicts of interest Project personnel trained in and embrace IFAD's anticorruption policy and procedures Joint IFAD/Government preventive and proactive supervision missions to monitor execution of the plan for implementing the procedures	Low

## **APPENDIX VI: AGREEMENT AT COMPLETION POINT OF THE COUNTRY STRATEGY AND PROGRAMME EVALUATION**

### **A. Introduction**

1. In 2017 the Independent Office of Evaluation of IFAD (IOE) conducted the first country strategy and programme evaluation (CSPE) in the Republic of Cameroon. The evaluation covered the period from January 2007 to May 2017 with two main objectives: (i) evaluate the results and performance of the IFAD-funded strategy and programme in Cameroon; and (ii) generate conclusions and recommendations for the future IFAD-Cameroon strategic partnership. The CSPE consists of an evaluation of the 2007 and 2015 country strategies, six IFAD-funded projects, nonlending activities such as knowledge management, partnerships, policy engagement and grants, and the performance of partners – IFAD and the Government – in managing the country programme. Also included is a summary evaluation of the relevance and effectiveness of the country strategy and programme as a whole.

2. The Agreement at Completion Point (ACP) outlines the degree of acceptance of the CSPE recommendations and the implementation modalities agreed between the Government and IFAD Management. The ACP demonstrates the commitment of the Government and IFAD to implement the CSPE recommendations within agreed timelines.

3. Implementation of the recommendations will be monitored in the President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA) presented yearly to the Executive Board by Management.

4. The ACP is signed by the Government of the Republic of Cameroon, represented by the Minister for Economy, Planning and Regional Development and the Minister for Agriculture and Rural Development; and by IFAD Management, represented by the Director of the West and Central Africa Division (WCA). IOE facilitated the preparation of this agreement.

### **B. Agreement at completion point**

5. The evaluation makes four major recommendations, translating into 12 subrecommendations closely linked to the strengths and weaknesses of the country programme as summarized in the conclusions. They relate to the future strategic direction of the country programme, targeting of interventions, portfolio efficiency and activities complementing the project portfolio. Although several recommendations are directed to the Government or relate to projects, IFAD should require their implementation, provide support where needed, and monitor their implementation through project design, supervision and monitoring.

6. Recommendation 1. Pursue the two key approaches of the country programme support for producer organizations (PO) and the development of rural youth entrepreneurship, while continuing to promote access by the rural poor to appropriate financial services.

7. (a) IFAD and the Government should pursue the consolidation of POs, especially in the areas of collective infrastructure/equipment management and revolving funds for the joint procurement of inputs, as well as inventory credit and contracting of sales. From an effectiveness and sustainability standpoint, heavier involvement by the regional public services and greater harmonisation and collaboration with the other programmes and projects that support the POs are required.

### Implementation modalities proposed by IFAD and the Government

8. PO consolidation will continue to be pursued under a second phase of the Commodity Value Chain Support Project (PADFA) that will scale up the first phase results, to be co-financed using resources from the Eleventh Replenishment of IFAD's Resources (IFAD 11). The second phase will build upon the experience of the 39 PADFA cooperatives organized around collective investments, and will take better account of service provision to members – such as input purchases, access to financial services, risk management and sales – as well as greater involvement by regional services and harmonization with other projects.

9. The Government should continue to raise awareness among actors to improve ownership of the Organization for the Harmonization of African Business Law (OHADA) directive that governs the process of setting up cooperatives with close involvement by regional services.

### Implementation responsibilities and timelines

Actions	Responsibility	Timing
Preparation of the lessons learned note and concept note to scale up PADFA results	IFAD	June 2018
Preparation of the PADFA completion report	Government	June 2018
Ensure PADFA staff continuity during the transition period	Government	June 2018
Formulation and implementation of PADFA 2	IFAD /Government	April 2019
Dissemination to actors of texts on OHADA directive	Government	As of June 2018
Establishment of a consultative framework in each region to ensure harmonization and coherence of interventions	Government/IFAD	As of January 2019

10. (b) Projects that promote rural entrepreneurship should concentrate on the implementation of: i) sustainable business incubation mechanisms, subsidised with public funds, with a strengthened mechanism to provide advice to young entrepreneurs; and ii) financing mechanisms for (very) small rural enterprises in relation with viable microfinance institutions (MFIs) with strengthened risk management capabilities. In promoting these enterprises, greater consideration should be given to the diversity of their economic activities, and tools for sound management in time and space of productive resources should be provided. These projects should also support youth wishing to develop a cooperative enterprise.

### Implementation modalities proposed by IFAD and the Government

11. The design of the Programme for the Promotion of Youth Agro-pastoral Entrepreneurship (PEA-Jeunes) is an innovation in the Cameroonian context. Promoting private training centres as incubation structures demonstrates the joint intention of IFAD and the Government to sustainably improve the supply of agropastoral business services while testing different approaches to youth incubation. IFAD's financial support represents public resources mobilized to support this as a comprehensive approach, including subsidizing the incubation process. The PEA-Jeunes approach and concepts – growth niches, typology of enterprises, financing, monitoring and support – will continue to be applied over the coming three years. The evidence generated will be used in drafting legislation on agropastoral enterprises, as an unequivocal contribution by PEA-Jeunes to policy

dialogue. Facilitation of emerging project ideas will give attention to cooperative or collective enterprise projects according to youth demand. This flagship approach to entrepreneurship development will further be pursued by building on the pilot grant for the Aquaculture Entrepreneurship Promotion Project (PPEA), to formulate an aquaculture entrepreneurship promotion project to be co-financed using IFAD 11 resources, and by implementing the Ecological Entrepreneurship Promotion Project with co-financing from the Adaptation Fund.

#### Responsibilities and timelines

Actions	Responsibility	Timing
Changes to national curriculums for agriculture, forestry and animal husbandry education to better incorporate entrepreneurship	Government	Ongoing
Facilitation of viable and sustainable emerging cooperative enterprises	Government	Ongoing
Formulation and implementation of the Aquaculture Entrepreneurship Investment Project	IFAD/Government	April 2020
Approval and implementation of the Ecological Entrepreneurship Promotion Project	IFAD/Government	April 2019

12. Recommendation 2. Ensure the inclusion of very poor and vulnerable rural populations in the country programme to combat inequalities by improving the geographic and social targeting of the interventions.

13. (a) Portfolio coverage should remain focused on the poorest regions of the country. Portfolio dispersion should be reduced to enable the projects to benefit from their complementarity and consolidate gains through a lengthier presence in the same regions and districts.

#### Implementation modalities proposed by IFAD and the Government

14. Support for POs will continue to be focused on the poorest regions, keeping in mind that aggregate data on poverty by region can conceal significant disparities within rural populations in the targeted regions. Specifically, attention will be paid to indigenous people and minorities.

15. With respect to developing entrepreneurship, geographical targeting will – as in the case of PEA-Jeunes – depend on sector targeting: priority subsectors identified by the Government will be targeted for their potential to create jobs and bring young people into value chains. By way of example, the cassava, banana and pineapple value chains offer great potential for socio-economic integration of young people. However, these crops are not grown in the country's two poorest regions, North and Extreme North.

16. Finally, geographical targeting will take the unique Cameroonian context into account in terms of linguistic and political conditions, so that credit mobilized for national agricultural development is not directed to specific regions throughout allocation cycles.

17. In the case of the country programme, the poorest regions – North and Extreme North – have benefited from IFAD 7 and IFAD 8 allocations under PADFA, which is still under way in those regions. The national priorities identified for IFAD 9 and IFAD 10 allocations were to develop entrepreneurship and value chains specific to the regions of Centre, South, Coast and Northwest. IFAD 11 resources will again

benefit the North and Extreme North regions under the second phase of PADFA, to consolidate the gains made and scale up results.

#### Responsibilities and timelines

Actions	Responsibility	Timing
Geographical targeting for the next country strategy, based on lessons learned from the current geographical coverage of interventions, country specificities and the need for complementarity and consolidation of gains.	IFAD/Government December	2019

18. (b) The projects' gender strategy should extend beyond quotas for women's participation to approaches and actions that directly tackle the inequalities between men and women to lower socio-economic and cultural barriers to women's autonomy. Areas of action should be identified and analysed in greater depth through a participatory diagnosis that includes the beneficiaries, teams and project partners. Key areas meriting particular attention are equitable access to land and access to financial services.

#### Implementation modalities proposed by IFAD and the Government

19. A gender action plan for PEA-Jeunes was prepared in August 2017 together with all actors and with technical assistance from the WCA regional team. The last supervision mission confirmed that this operating plan had refined the PEA-Jeunes targeting strategy to directly address inequalities and remove socio-economic barriers. The action plan also includes positive discrimination measures to encourage participation by young people coming from very poor rural families. This experience will be instituted as a good practice at the country programme scale, to be incorporated in future investment projects at start-up.

#### Responsibilities and timelines

Actions	Responsibility	Timing
Operational translation of gender strategies prepared as part of project formulation into action plans developed together with all actors – project team, service providers, partners, etc	IFAD/Government	Ongoing
Financing and support for women's associations in implementing and developing value chains with growth potential	IFAD/Government	Ongoing

20. (c) The projects should ensure that the POs they support are not run by the "elites" (politicians, public officials, wealthy producers) and give priority to benefitting very poor and vulnerable, active populations. This could be accomplished by raising awareness among their members, training their managers and close monitoring of the inclusion of very poor and vulnerable populations.

#### Implementation modalities proposed by IFAD and the Government

21. The risk of elite capture of POs will be taken into account in community development before setting up governing bodies, as well as during awareness raising and training. Capacity-building for project specialists and coordinators on targeting should also help mitigate this risk. Joint supervision missions will then take place for strict verification of eligibility criteria and the use of targeting tools.

## Responsibilities and timelines

Actions	Responsibility	Timing
Awareness-raising for PO members on good practices and governance	IFAD/Government	Ongoing
Capacity-building for POs on governance, transparency and association management	IFAD/Government	Ongoing
Strict monitoring of targeting during joint supervision missions and assessment of the risk of elite capture in decision-making	IFAD/Government	Ongoing

22. (d) In business incubation programmes, the Government should provide specific measures, means and affirmative action to prioritise the participation of youth from very poor rural households. This should also include special measures to facilitate access by disadvantaged youth to financial services. The content of the training and business projects supported should consider diversity and the integration of activities in family farms.

## Implementation modalities proposed by IFAD and the Government

23. PEA-Jeunes has three target group categories: Category 1, rural young people from poor rural families with or without schooling; Category 2, young graduates wishing to set up an agropastoral enterprise in the targeted value chains; and Category 3, young people promoting very small enterprises with development potential. The quota of 70 per cent for Category 1 ensures positive discrimination of the eligible young people from poor families. At start-up the programme focused activities on testing incubation arrangements and tools essentially with Category 2 young people, whose selection did not require prior mobilization of NGOs for facilitation. During the course of 2017 activities were ramped up by adopting the programme approach in all respects, taking into account the different target group categories and improving the quality of non-financial and financial services offered to them.

24. In view of findings on the ground, the last supervision mission in December 2017 found that the programme had done important technical work on design and support for operators, and had demonstrated strategic planning capacity. The programme had also mobilized relevant technical assistance from partners – the International Labour Office (ILO) and Développement International Desjardins (DID) – to improve services provided to young people in Categories 1 and 2. The incubation apparatus is in the process of being properly set up by several operators that still require strengthening of competencies and supervision. The mission also recommended continuing the efforts made in 2017 to provide a diversified response to the different needs of young promoters targeted, in all production areas, and to structure the provision of incubation services at the level of each production basin.

## Responsibilities and timelines

Actions	Responsibility	Timing
Continue to pursue the incubation process for young promoters to provide a diversified response to their needs in all production areas, and structure the provision of technical and financial services to scale by production area	Government	December 2018

25. Recommendation 3. Ensure that financing rapidly and fully reaches the target populations, accelerating the launch and implementation of the interventions and rationalising operating costs.

26. (a) It is imperative that the Government ensures that project teams have better planning and results-based management capacity, by paying greater attention to the transparent selection of competent staff, training and advisory support, monitoring and evaluation of staff performance and performance-based staff incentives.

#### Implementation modalities proposed by IFAD and the Government

27. To counteract problems with recruitment and separations of project staff for incompetence, the IFAD country programme staff will be recruited under a competitive and transparent process, in accordance with the procedures set forth in financing agreements and in strict compliance with profile criteria and prior experience in implementing development projects funded by international financial institutions. IFAD and the Government may each designate an observer to take part in the process. Appointments of such staff and renewal of their annual performance agreements will require IFAD's non-objection based on annual performance assessments. All contracts will be fixed-term.

#### Responsibilities and timelines

Actions	Responsibility	Timing
Recruit project staff on a competitive and transparent basis, in accordance with procedures set forth in financing agreements and in strict compliance with profile criteria and prior experience in implementing development projects funded by international financial institutions	Government	Ongoing
Strengthen project team capacities in planning and results-based management	IFAD/Government	Ongoing

28. (b) The Government should exercise stricter control over the projects' fiduciary management—especially operating expenses—creating the position of internal auditor and an audit committee, as recommended in the mid-term review of PADMI R. MINEPAT's role in monitoring the projects should be strengthened. The Government should also strictly monitor the relevance of the activities financed with counterpart funds in conformity with the annual work plans and budgets, project documents and financing agreements.

#### Implementation modalities proposed by IFAD and the Government

29. Fiduciary oversight and supervision by the Government will take place through an internal audit function and an audit committee. The audit committee's role will be to validate internal audit reports and facilitate rapid decision-making on any shortcomings in fiduciary management. The audit committee will therefore anticipate any issues that could impede rapid decision-making by the steering committees, which meet just once or twice a year.

30. Based on an annual internal audit plan for projects, the country programme's internal auditor will provide the audit committee with periodic detailed reports and recommendations. The audit committee will make use of these reports to ensure that an action plan is implemented under the supervision of the national steering committees, which will be kept informed. The status of progress on the action plan will then be determined by evaluations done by IFAD supervision missions. The audit committee will be light, composed of a very small number of steering committee members together with one or two external technical experts. The creation of the audit committee and the frequency of its meetings will be monitored as to avoid placing a burden on project operating costs. The relevance and

regularity of activities funded by IFAD and counterpart resources, particularly those falling below competitive bidding thresholds, will be reviewed regularly in connection with project annual workplans and budgets (AWPBs). Where appropriate, the audit committee may in consultation with the chairperson of the national steering committee approach national administrations – ministry inspectorates, government audit offices and judiciary police authorities – for investigation, verification or inspection missions.

#### Responsibilities and timelines

Actions	Responsibility	Timing
Recruit an internal auditor and set up an audit committee for the IFAD country programme in Cameroon	Government	June 2018
Perform a quarterly internal audit for each project. Audit frequency may eventually be semi-annual depending on the fiduciary risk assessment by joint supervision missions.	Government	Ongoing
Ensure relevance of programming and quality of expenditure for own-funded actions	Government	Ongoing

31. (c) The IFAD Country Office should be strengthened to support fiduciary management of the projects. The Office should hire a full-time fiduciary management specialist.

#### Implementation modalities proposed by IFAD and the Government

32. Considering previous financial governance challenges at the level of the country programme over the past three decades, IFAD will capitalize on the current decentralization process and conversion of the country office to a sub-regional hub in order to strengthen decentralized operational capacities to support implementation and direct supervision of fiduciary aspects. Recruitment of a regional specialist in financial management will then be considered, depending on the potential for deployment of human resources within the framework of operational reforms now under way.

#### Responsibilities and timelines

Actions	Responsibility	Timing
Recruit a regional specialist in financial management for direct supervision and support for implementation of fiduciary matters	IFAD	December 2018

33. Recommendation 4. Improve project performance and scaling up of approaches and results, through stronger government leadership in coordinating the rural sector, partnerships that are more strategic, and better project monitoring and evaluation (M&E).

34. (a) The Government should exercise stronger leadership in coordinating the development partners that operate in the rural and agriculture sector. This would primarily include operationalisation of the "rural development platform" under the Multi-partner Committee, with the Government playing a major role in its coordination, the strengthening of regional mechanisms for collaboration among rural development stakeholders and the designation of senior officials as focal points for the various technical and financial partners.

#### Implementation modalities proposed by IFAD and the Government

35. The Government is fully committed to meeting the challenges of sector leadership and coordination. To this end it recently mobilized technical and financial partners

in an effort to reactivate the rural sector platform as provided for in monitoring arrangements of the Growth and Employment Strategy Paper (DSCE). With technical support from IFAD, a roadmap and action plan are being prepared to better define levels and processes to set up this framework for consultation and monitoring. The framework could replace the rural sector platform at a strategic level with full participation by ministers, and transform the Multi-partner Committee for Agriculture and the Consultative Committee for the Partners of the Ministries of Environment and Forests into two expanded sector groups with participation and leadership from the Ministry of Agriculture and Rural Development, the Ministry of Livestock, Fisheries and Animal Industries, the Ministry of Forests and Wildlife and the Ministry of Environment, Nature Protection and Sustainable Development, to deal with technical issues before escalating them to the sector strategy body. These two technical groups have hitherto been led by technical and financial partners without the participation of the sector ministries concerned. Ministry representation will be by senior executives.

#### Responsibilities and timelines

Actions	Responsibility	Timing
Operationalization of the rural development platform in accordance with DSCE arrangements, for better sector coordination	Government	December 2018

36. (b) IFAD should further strengthen strategic partnerships with development partners that are active in rural areas, often working on very similar issues, to increase the harmonisation of approaches, encourage collaboration among projects, promote knowledge management and strengthen its engagement on policies that affect small family farmers and young agro-pastoral entrepreneurs.

#### Implementation modalities proposed by IFAD and the Government

37. Country-level collaboration among the Rome-based agencies – the Food and Agriculture Organization of the United Nations (FAO), IFAD and the World Food Organization (WFP) – will be reenergized by seeking out synergies and sharing of lessons learned. Complementarity will be sought with the World Bank, African Development Bank and French Development Agency. The United Nations University Fisheries Training Programme based in Iceland will also be mobilized in implementing the aquaculture project. The public-private partnership with MFIs will be pursued.

38. In terms of policy dialogue, IFAD will under PEA-Jeunes support the drafting of legislation on agropastoral enterprises in collaboration with the International Labour Organization. IFAD will continue to facilitate consultation within group of technical and financial partners on setting up a permanent MFI refinancing facility to provide rural people with access to credit adapted to their needs.

#### Responsibilities and timelines

Actions	Responsibility	Timing
Continue existing strategic partnerships and facilitate policy dialogue and mobilization of technical and financial partners on access to finance and agropastoral entrepreneurship among young people	IFAD	Ongoing

39. (c) IFAD and the Government should provide better support to project M&E, to contribute to the management and piloting of project interventions and knowledge management. An M&E system, coupled with

well-qualified teams, should be in place from the start of the projects.

Implementation modalities proposed by IFAD and the Government

40. IFAD, in partnership with the regional Centres for Learning on Evaluation and Results (CLEAR) initiative, launched an M&E training and certification programme in October 2017 in collaboration with the World Bank called PRIME (Programme in Rural M&E). Participation by project specialists and government focal points will be facilitated to improve country capacities in M&E, planning, and data collection, analysis and use in decision-making.

41. The knowledge management theme has been addressed since the start-up of PEA-Jeunes by a project specialist who is also responsible for covering the country programme. Initial lessons drawn from this arrangement suggest that a communication and knowledge management specialist function should be created within the country office to improve interaction with projects. The possibility of recruiting a regional specialist will be examined within the confines of the decentralization and reforms under way.

**Responsibilities and timelines**

Actions	Responsibility	Timing
PRIME training and certification for staff responsible for M&E and focal points for the country programme	IFAD	December 2019
Strengthening of the regional hub with a communication and knowledge management consultant	IFAD	December 2018

Signed in Yaoundé on 1 February 2018

Son Excellence  
**Monsieur Louis Paul Motaze**  
 Minister of Economy, Planning and Regional Development of the Republic of Cameroon

Signé à Yaoundé le 1<sup>er</sup> février 2018  
 Son Excellence  
**Monsieur Henri Eyebe Ayissi**  
 Minister of Agriculture and Rural Development of the Republic of Cameroon  
 Ides de Willebois

Monsieur Ides de Willebois  
 Director, West and Central Africa Division, International Fund for Agricultural Development

## APPENDIX VII : COSOP PREPARATION PROCESS

1. The COSOP 2019-2024 was prepared under the joint supervision of IFAD's Subregional Office for Central Africa and the Government of the Republic of Cameroon, represented by the pertinent officials of the Ministry of Economy, Planning and Regional Development (MINEPAT) and the Ministry of Agriculture and Rural Development (MINADER). The representatives of the Office of the Permanent Representative of Cameroon to IFAD in Rome, IFAD teams in the Rome office and Subregional Offices in Dakar and Yaoundé, the teams of the Ministries of Economy, Planning and Regional Development, Finance, Agriculture and Rural Development, Livestock and Fisheries, Environment, Forestry and Wildlife, Youth Affairs, Women's Empowerment and Trade and Industry, along with small and medium-sized enterprises, farmers' organisations, youth organisations, NGOs, indigenous peoples, the private sector and technical and financial partners, participated in the preparation of this COSOP, which was implemented from July 2018 to February 2019 in the following stages:

2. Consultation and preparation workshop: The Government of the Republic of Cameroon and the International Fund for Agricultural Development (IFAD) began preparing the new Country Strategic Opportunities Programme (COSOP) for the period 2019-2024 on 21 November 2018. A workshop for stakeholders was held from 21 to 23 November 2018 in Ebolowa, under the presidency of Her Excellency, Madam Ananga Messina Clementine, Minister designee of the Minister of Agriculture and Rural Development charged with rural development and Governor of IFAD. The workshop participants consisted of the Office of the Permanent Representative of Cameroon to IFAD in Rome, four regional specialists from IFAD in Rome and Dakar, the IFAD Country Office in Cameroon, and 60 managers from the Ministries of Economy, Planning and Regional Development, Livestock and Fisheries, Environment, Forestry and Wildlife, Youth Affairs, Women's Empowerment and Trade and Industry, along with small and medium-sized enterprises, representatives of farmers' organizations, youth organizations, NGOs, indigenous peoples, the private sector and technical and financial partners.

3. Plenary and working group sessions with presentations, discussions and interactive exchanges were held during the workshop, focusing basically on the following aspects: (i) country programme performance during the period 2007-2017, as evaluated by IFAD's Independent Office of Evaluation; (ii) the COSOP preparation process and IFAD's compulsory institutional priorities (targeting, gender, nutrition, climate change, environment and youth), as well as the IFAD initiative to improve monitoring and evaluation, the availability of sector data and the capacity to monitor and document the results of the Country Programme (Delivery Unit, AVANTI, PRiME, in particular); (iii) sector priorities and the orientation and alignment framework; and (iv) the Strategic Framework 2019-2024. The Country Programme performance review was based mainly on the findings, lessons learned and recommendations of the 2017 Country Strategy and Programme Evaluation of the Independent Office of Evaluation.

4. To foster an in-depth discussion and select the elements of the new strategy, the following four thematic working groups were formed: Group 1: Results framework; Group 2: Targeting and cross-cutting issues; Group 3: Risk management; and Group 4: Partnerships and programme management. Based on the results of the country and sectoral context analysis and lessons learned from the implementation of earlier country programs, the participants discussed and reached agreement on the elements of the new Country Programme (i.e., target groups, strategic objectives, potential interventions, arrangements for its good implementation and even potential partnerships, as well as the expected outcomes of its implementation), bearing in mind the orientation and alignment framework, IFAD's strategies and compulsory cross-cutting issues and the Government's policies and strategies (Cameroon Vision 2035, the Growth and

Employment Strategy Paper [DSCE - 2010-2020] and the Rural Sector Development Strategy [SDSR – 2015-2020]).

5. Consultations with technical and financial partners: A number of technical and financial partners participated in the workshop for the preparation of the new COSOP, held in Ebolowa from 21 to 23 November 2018. On that occasion, they: (i) described their interventions in Cameroon's agriculture and rural development sector; (ii) reviewed their partnership with IFAD in Cameroon; and (iii) offered suggestions for the preparation of the new COSOP.

6. Consultation with national partners: Consultations with representatives from the Ministry of Economy, Planning and Regional Development and the Ministry of Agriculture and Rural Development were held in early November 2018. The purpose of these meetings was to obtain the views of these stakeholders and consider them when drafting the preliminary documents for the COSOP preparation workshop (Concept Note, the report that served as the basis for consultation in the workshop, etc.). On that occasion, the relevant national documentation was collected for the preparation of the COSOP.

7. Consultation with agricultural value chain actors: Representatives of agricultural value chain actors participated in the workshop for the preparation of the new COSOP, held in Ebolowa from 21 to 23 November 2018. On that occasion, they: (i) described their activities, results and particular concerns; (ii) stated their expectations about IFAD's new IFAD strategy for Cameroon in the period 2019-2024; and (iii) offered suggestions for the preparation of the new COSOP.

8. Internal review

9. National validation workshop

10. Approval

**APPENDIX VIII : STRATEGIC PARTNERSHIP FOR THE COSOP**

<b>Partnering function</b>	<b>Partners</b>	<b>Expected results</b>	<b>Justification</b>
Cofinancing	Government	USD 26 million as estimated counterpart funds to PADFA 2 and PEAJ 2	Beneficiary and key partner
	GEF, AF, GCF	USD 22 million as confirmed cofinancing from GEF and the AF and expected cofinancing from GCF	Strong interest to work with IFAD for addressing environmental challenges
	MFIs	USD 10 million based on modalities of the credit line and cofinancing of youth led projects	Ongoing partnership
	Beneficiaries FOs	USD 5 million as estimated contributions to the financing of business plans	Beneficiary contribution is requested to complement project supports
	IFC	USD 5 million as cofinancing to an aquaculture business that will pilot the ABC Fund and leverage the impact on ongoing activities	Strong interest to join hands with IFAD and pilot a 1 <sup>st</sup> partnership
Providing technical assistance to implementation	ILO	The capacity of the incubation centers is developed and the training curricula to include agricultural entrepreneurship reformed	ILO developed business creation and management tools that are mainstreamed into the incubation process
	FAO	Quality control is provided to the execution of the seed programme by IRAD and AVRDC under PADFA 2	FAO disseminated technical and small-scale production processes for foundation rice seed
	World vegetable Center (AVRDC)	Production of onion seeds is supported and knowledge transferred to national research institutions	Similar assistance was provided by AVRDC under PADFA 1
	IRAD	Production of rice seeds is supported	Similar assistance was provided by IRAD under PADFA 1
Engaging the Private sector	Societe Generale	Manage the credit line for the refinancing of MFIs in charge of financing youth projects	A competitive process led to the selection of this bank which stands as the top performer in the sector
	Hilton	Producers of IFAD funded projects are linked to Hilton or other large buyers	A global MoU between IFAD and Hilton was signed to that effect
Engaging in policy	ILO	Design an agro pastoral law to enable the agribusiness environment	ILO supported Government to design a broader law on enterprise development
Enabling complementarity and coordinated country led processes	AfDB, World Bank, EU, GIZ	Results management in the rural sector is improved and collective accountability strengthened	Donors willing to jointly strengthened government coordination leadership and to make use of the

			AVANTI initiative
Brokering knowledge, innovation, SSTC	China INBAR	The Chinese know-how is capitalized for a pro poor bamboo value chain development in Cameroon	The Bamboo Smallholder Farmers Livelihood Development Project is cofinanced by the Chinese Ministry of Finance to cover SSTC activities and INBAR. The project aims at improving incomes, livelihoods , and resilience of smallholder farmers by increasing their participation to climate smart bamboo value chains
	Brazil	Cassava processing technologies and equipment is promoted	There is agreement between the IFAD country office and the Brazilian embassy to partner on knowledge exchange and transfer of technologies
Developing national implementation capacities to improve effectiveness	IUCN, World Agroforestry Center ( ICRAF), FAO	Implementation of NRM, environmental and climate change related activities outsourced to IUCN, ICRAF and FAO	Partners have strong track record of implementing environmental projects and confirmed an interest to engage in IFAD funded projects.
Preventing child labour in IFAD funded projects	IPCCLA	Awareness raising about child labour is carried out during incubation and extension work	IFAD is a founding member of the International Partnership for Cooperation on Child Labour in agriculture together with ILO, FAO, IFPRI, CGIAR and IUF.

Farmers' organizations and the networks of young entrepreneurs are important institutions that provide services to their members and represent them. They will be key players in the programming and implementation of the country program. The strategic partnership with agricultural research centers and academic institutions will also seek at valuing their results and knowledge in food security and nutrition.

## APPENDIX IX : SOUTH-SOUTH AND TRIANGULAR COOPERATION STRATEGY

1. **South-South and triangular cooperation (SSTC)** provides a vast framework for promoting and supporting collaboration among countries in the South in areas such as the transfer of knowledge, technology, policies, investments and other resources. SSTC is an important instrument that enables IFAD to fulfil its mandate, which consists of fostering greater agricultural production and productivity, food security, better nutrition and higher income for poor people in rural areas of developing countries. SSTC is considered one of the essential work areas of IFAD's Strategic Framework 2016-2025 and a priority domain for the 10th and 11th replenishment of IFAD resources (IFAD10 and IFAD11). Under IFAD10, the Member States are called on to include an "SSTC section" in 50 per cent of new COSOPs. The same engagement is established for the period covered by IFAD11, with a target of 66 per cent.

2. IFAD's South-South and Triangular Cooperation Strategy has two objectives: (i) to share solutions and relevant knowledge for rural development and promote investments among developing countries; and (ii) to develop and support partnerships and other types of collaboration to improve rural livelihoods. In order to meet these objectives, all IFAD SSTC activities must result in improved technical cooperation and investment promotion. In technical cooperation, the Fund will seek to consolidate its position as the leading institution that supports peer learning in rural development, replicating and expanding particularly successful experiences in IFAD's loan and grant portfolio while developing new mechanisms and partnerships. In investment promotion, IFAD is especially well-positioned to strengthen, create and mobilise opportunities to promote the financial flows among developing countries, using its own resources and seeking to mobilise other resources to boost the potential of SSTC activities.

3. The IFAD Country Programme in Cameroon has developed potential assets that could be taken advantage of in SSTC, such as the Youth Agropastoral Entrepreneurship Programme and the Aquaculture Business Development Programme, development of agricultural value chains, etc. Cameroon is also benefitting from a grant to IFAD by the Chinese Fund for the promotion of bamboo production to bolster the impact of the Inter-Africa Bamboo Smallholder Farmers Livelihood Development Programme, transferring knowledge, competencies, solutions and technologies between African countries and from China to Africa. This will be an opportunity to capitalise on the good practices to be disseminated under this COSOP.

4. Under this COSOP, SSTC will focus particularly on the technical cooperation component, building on achievements in knowledge management while emphasising certain issues key for IFAD and the Government of Cameroon through new partnerships. Beyond knowledge management activities, which are an integral part of IFAD's current investment projects in the country, the Fund also finances a regional grant (for the WCA division) to the PROCASUR Corporation, one of whose objectives is to facilitate the sharing of knowledge and experiences among projects and initiatives in several African countries. This grant, which resulted in the development of several "learning paths" in the WCA region, is expiring. IFAD is currently considering a new grant aimed more specifically at developing tools for engaging youth in the agriculture and agro-food sectors. This four-year grant will seek to improve the livelihoods of youth, women and men in rural areas of five countries – Cameroon, Mali, Nigeria, Senegal and Madagascar – and to design a better policy on how to integrate youth inclusion and income generation activities. The tools developed under this grant will help the governments devise realistic options to meet the needs of youth, offering practical solutions to promote their inclusion and well-being. The initiative's approach consists mainly of strengthening national capacity to utilize SSTC to take advantage of more qualified human resources and better solutions that promote the inclusion of rural youth and support mutual learning in Sub-Saharan Africa. To this end, the project will take into account IFAD's experiences in Sub-Saharan Africa, as well as the inventory of IFAD knowledge assets in four WCA countries

and one ESA country, and will promote exchanges with Latin American and Caribbean countries (LAC), suggesting South-South cooperation.

5. The SSTC initiatives that will be envisioned under the new strategy are:

a) With INBAR and China: The cooperation programme with INBAR in Cameroon, focused developing the bamboo value chain, seeks to raise the income, better the livelihoods and increase the climate resilience of smallholder African farmers by increasing their participation in bamboo value chains. Under this programme, Chinese know-how in bamboo value chain development will be shared with four African countries, including Cameroon.

b) With PROCASUR: In the first quarter of 2019, the Cameroonian Government and IFAD, in partnership with PROCASUR, held the first ever International Youth Agropastoral Entrepreneurship Summit. This event, hosted by the Youth Agropastoral Entrepreneurship Programme (PEA-Jeunes), was attended by more than 500 young people from 34 countries and 4 continents. It facilitated an extensive dialogue and knowledge sharing with youth and public and private sector entities to promote youth entrepreneurship, with the ultimate goal of reducing rural poverty and increasing food and nutrition security. Under this COSOP, IFAD and the Government will follow up on the Yaoundé Declaration and pursue a public policy dialogue to promote entrepreneurship and other initiatives that foster youth engagement and women's empowerment.

c) With WFP and FAO: To facilitate knowledge and experience sharing among countries to increase food security and improve nutrition, WFP has created Regional Centres of Excellence in Brazil, China and, recently, Côte d'Ivoire. These centres serve as platforms for knowledge sharing, enabling developing countries to take advantage of the expertise of a pioneering country that offers a structured approach and methodology for eliminating hunger and malnutrition. Through this COSOP, IFAD will facilitate partnerships with these centres, especially for the design, promotion and expansion of these institutional, legal and policy frameworks and sustainable programmes aimed at achieving zero hunger.

d) With Brazil. Conversations have taken place with the Brazilian embassy in Cameroon. As a result, the Country Programme will facilitate an exchange of experiences in Brazil on cassava processing technology and equipment, in partnership with EMBRAPA. A mission to Cameroon will also be facilitated to benefit Brazilian business operators and equipment manufacturers in the agriculture sector.

d) Cooperation with other countries in the Central African sub region: Cameroon hosts IFAD's sub regional office, which coordinates Fund activities in all the Central African countries. This COSOP will encourage exchanges between all of these countries and Cameroon and with each other. A survey will be conducted on good practices in all domains, and exchanges, such as the one where the pepper cooperative of São Tomé and Príncipe visited the pepper cooperative in Penja, will be promoted. Other initiatives are being developed for the Congo and Cameroon to share expertise in areas such as coffee and aquaculture. This strategy will be replicated throughout the sub region.

## APPENDIX X : COUNTRY AT A GLANCE

## 1. Socio-economic facts

Sources :				
1/ <a href="http://www.worldbank.org">www.worldbank.org</a>				
2/ <a href="http://www.undp.org">www.undp.org</a>				
3/ <a href="http://www.indexmundi.com/facts/cameroon">www.indexmundi.com/facts/cameroon</a>				
4/ <a href="http://www.africaneconomicoutlook.org/en/countries/central-africa/cameroon/">www.africaneconomicoutlook.org/en/countries/central-africa/cameroon/</a>				
5/FMI				
Land area (km <sup>2</sup> thousand) 2013 1/	475,440		GNI per capita, Atlas method (USD) 2016 1/	3,540
Total population (million) 2017 5/	24,3		GDP growth (annual %) 2018 1/	4.3
Population density (people per km <sup>2</sup> ) 2011 1/	44.75		Inflation, GDP deflator (annual %) 2012 1/	2.2
Local currency	XAF			
Social Indicators			Economic Indicators	
Population (average annual growth rate) 2010 -2015 2/	2.1		GDP current (USD million) 2012 1/	25321.59
Infant mortality rate (per thousand live births) 2012 1/	61.1		GDP growth (annual %) 2012 1/	4.58
Life expectancy at birth female (years) 2011 1/	55.23			
Life expectancy at birth male (years) 2011 1/	53.09			
Population below national poverty line (%)	39,9		Value added (% to GDP) 2016 estimate 4/	
Rural population (% of total population) 2012 1/	47.34		% Agriculture 4/	20.8
Total labour force (thousand) 2012 1/	8658.6		% Industry 4/	27.5
Female labour participation rate (15+) as % of total 2012 1/	63.59		% Services 4/	51.6
Education			Consumption	
School enrolment, primary (% gross) 2012 1/	110.615		General government final consumption expenditure (annual % growth) 2011 3/	9.82
			Gross domestic savings (as % of GDP) 2012 1/	15.81
Adult literacy rate (% age 15 and above) 2010 1/	71.29			
Ratio of girls to boys in primary and secondary education (%) 2012 1/	86.928			
Nutrition			Balance of Payments (USD million)	
Daily calorie supply per capita (kcal) 2005 – 2007/	2,260		Merchandise exports (Current Md USD million) 2016 4/	3,306
			Merchandise imports (Current USD million) 2016 1/	6,545
Malnutrition prevalence, underweight (% of children under 5) 2005 - 2012 1/	15.1		Balance of merchandise trade 1/	
Health			Merchandise trade (% of GDP) 1/	
Total health expenditure (as % of GDP) 2011 1/	5.23			
Public health expenditure (% of total health expenditure) 2011 1/	31.10			
Private health expenditure ( % of GDP) 2011 1/	3.6		Current account balances (USD million) 2/	
Physicians (per 1000 people) 2009 1/	0.077		Foreign direct investment, 1/	
Population using improved water sources (%) 2011 1/	74.4			
Rural	52.1		Government Finance	
Urban	94.9		Cash surplus / deficit (% of GDP) 2005 1/	
Population using adequate sanitation facilities (%) 2011 1/	47.8		Total expenditure (As % of GDP) 2006 1/	
Rural	36.4			
Urban	58.3			
			Agriculture and Food	

HIV prevalence (% age 15-49) 2012 1/	4.5		Food imports (% of merchandise imports) 2011 1/	25.09
Child immunization rate, measles (% children ages 12-23 mths) 2012 1/	83		Fertilizer consumption (kg / ha of arable land) 2010 1/	4.95
			Food production index (2004-200=100) 2011 1/	153.4
Land Use			Cereal yield (kg per ha) 2012 1/	1681
Arable land as % of land area 2011 1/	13.11			
Forest area (% of land area) 2011 1/	41.66			
Irrigated land as % of cropland	0.89			

## 2. operations of the IFAD country Programme

### Box 1. Commodities value chain development support project (PADFA)

PADFA supported 1305 FOs, exceeding the target of 1190. The use of improved seeds was adopted on 100 per cent of the land devoted to rice cultivation and 83 per cent of that devoted to onion cultivation. Access to quality plant material, the improvement of farming practices associated with better mastery of techniques and support in the form of inputs and equipment boosted rice yields from 3.5 t/ha to 6 t/ha and onion yields from 12 t/ha to 18t/ha. The impact assessment conducted in 2018 at project completion notes a 70 per cent average increase in yields among onion growers between 2011 and 2017 and a 67 per cent increase among rice growers.

Storage was facilitated by the construction and equipping of 25 rice and onion storage warehouses, around which 25 cooperatives were organised. Capitalising on the different training received (spirit of cooperation, management, marketing, processing, etc.), the cooperatives engaged in activities in processing, storage, joint sales and deferred sales through warrantage that yielded substantial gains in productivity—for example, the sale or warrantage of hulled rice and peeled onion (1 80 kg sack of rice sold at harvest at FCFA 10,000 increased to FCFA 15,000 after hulling; and onions, from FCFA 12,000 to around FCFA 45,000 after four months of warrantage in the new onion storage warehouses).

The project's innovations consisted of: (i) the introduction in Cameroon of small-scale irrigation with earthen canals managed by smallholders; ii) the introduction of improved varieties of rice (NERICA) and onion; (iii) the introduction of double rice cropping in Cameroon after 50 years of single rice cropping; (iv) the production of certified rice and onion seed by local seed farmers' cooperatives; (iv) the construction of multifunction warehouses for rice and onion storage and processing, managed by cooperatives; (v) the expansion of warrantage for both rice and onions.

The statistical survey conducted in 2018 at PADFA completion showed that the average income of rice growers benefitting from the project had risen by 70 per cent, and that of onion growers by almost 60 per cent. Post-harvest losses, originally assessed at 8 per cent for rice and 18 per cent for onion, fell to 6 per cent and 10 per cent, respectively, in one year. At the same time, sales prices for collective sales by farmers' organisations, including cooperatives, increased.

Box 2. Investing in rural youth: learning from first generation of IFAD's youth projects: Youth Agro pastoral Entrepreneurship Promotion Program (PEA-Jeunes) in Cameroon

Youth employment in general, particularly in the agro-pastoral sector, is a major challenge in the framework of efforts to reduce poverty and preserve social cohesion and peace in Cameroon. The country has an estimated youth population of 78% but lacks an economic system that is capable of integrating all the young people entering the labour market annually. The aim of the proposed Youth Agro-pastoral Entrepreneurship Program is to give rural young men and women the means needed to boost incomes and enhance food security by running enterprises that are profitable, well integrated in strong agro-pastoral value chains and able to create good jobs in the rural areas. More specifically, the programme: i) helps young people create and manage efficient agro-pastoral enterprises by facilitating their access to appropriate financial and non-financial services; and ii) support the establishment of a favourable policy, organisational, institutional and legislative environment for the creation and development of agro-pastoral enterprises owned and run by young people. The enterprises are in the areas of inputs fabrication or commercialization, production, processing, marketing and provision of services. Targeted commodities include: cassava, maize, plantain, pineapple, vegetables, poultry, small ruminants.

To facilitate access by young people to different services, the program innovates by its "incubation or agri start up approach", working through partners with expertise in the creation and development of youth-run enterprises in rural areas. The incubation of young business promoters includes: i) assistance in fine-tuning their business ideas with a view to creating and/or strengthening their enterprises; ii) strengthening of their technical capabilities with hands on experience in similar business environment, iii) financial education; iv) training in business management and entrepreneurial skills; v) financing of the business plan. The financing mechanism of the youth-run businesses combines a start-up grant and a medium-term credits in partnership with a dozen of microfinance institutions.

The programme is one of the recently exclusive generation of young women and men investment program in WCA and IFAD's flagship intervention in Cameroon. It intends to train and educate 25,200 young people, create 5,000 agricultural businesses with 30% run by young women, create over 20,000 jobs in rural areas, improve the agribusiness training and services from 12 strengthened incubators, and increase the availability of goods and services in 4 regions.

2000 youth were incubated after 3 years of implementation and are being supported with the setting up of their businesses. A partnership with 4 local NGO and an international technical assistance from the International Labour Office (ILO), Development International Des Jardins (DID / Canada) are key to implementation. ILO mainstreams the use of business creation and business development tools and support the formulation of an agro pastoral law to enable the business environment. DID supports the development of the financing mechanism, assures quality of the business plans, and develops the capacity of microfinance institutions.

The total Program cost is US\$72 million with IFAD financing of US\$ 50.5 million.

Building on the program, IFAD has strategically positioned itself in the country in the sector of rural entrepreneurship and job creation with a similar intervention, the aquaculture entrepreneurship project.

### Box 3. Youth in the blue economy. Young entrepreneurs revitalizing aquaculture in Cameroon

The artisanal and industrial fish production in Cameroon has remained steady in the last years as a result of inadequate technical training for the fishers, lack of equipment and qualified personnel and poor access of smallholder fishers to financing to purchase high performing equipment. To meet the domestic annual demand of fish products, the country has to import more than 200,000 tonnes of fish.

The Aquaculture Entrepreneurship Project (PPEA) is piloting the implementation of the Sustainable Aquaculture Development Plan. It aims to promote profitable aquaculture enterprises that create jobs in the South, Littoral and Centre regions of the country. The innovative approach of this project is the introduction of the entrepreneurial dimension under a business incubator model. Implemented by the Ministry of Livestock, Fisheries and Animal Industries, the PPEA is improving access of fish farmers to adequate training and advisory support services. Over 300 small enterprises creating 1500 jobs will be established in the fish value chains, and 30 per cent of the business will be managed by women and 50 per cent by youth. Partnerships are being developed with the private sector, particularly with the private fish farms, feed manufacturers and marketing actors.

Only one year has passed from IFAD's support kick-off, yet within the influence area of the project, young entrepreneurs have already significantly improved its productivity, achieving larvae survival rates of 60% (more than triple the national average). Around 380,000 fries were produced and distributed to aquaculture producers among the three regions, representing an additional production of 230,000 kilograms of fish (5% of national fisheries production coming from aquaculture in Cameroon).

## APPENDIX XI : FINANCIAL MANAGEMENT ISSUES SUMMARY

1. Governance. The country's inherent risk is considered high. In 2018, Transparency International gave Cameroon a score of 25 (high risk), ranking it 152<sup>nd</sup> out of 180 countries. The World Bank's CPIA 2017 score is 3.3, which is higher than the average score for Sub-Saharan Africa, which is 3.2. Cameroon is considered to perform particularly well in the areas of monetary, budgetary and debt management policy. However, it is below the regional average with respect to policies such as combatting social exclusion and promoting equity. The score of 2.5 for transparency, accountability and corruption in the public sector suggests a high risk of corruption.

2. Management of Public Finances. The latest PEFA assessment was conducted in 2017 and covers the period 2014-2016. The main findings are that: (i) the performance of the PFM system is still not good enough to ensure budgetary discipline. The main weakness is the existence of fund release procedures, advance disbursements and direct interventions that hinder the establishment of effective procedures for budgetary regulation; (ii) access to market information, is limited and the principle of separation between the functions of the project manager, the oversight body and the regulatory body is not respected; (iii) the overall oversight architecture needs to be re-examined, as the current architecture does not comply with international recommendations and standards in the field and is costly and ineffective in mitigating the risk of irregularities and fraud; (iv) the lack of oversight and monitoring of extra budgetary entities and decentralised territorial units makes it hard to determine the resources available for optimising strategic allocation. Moreover, unlike the previous PEFA assessment in 2008, the report does not reveal substantial improvements in the country's performance in relation to transparency in public finance or the planning, programming and budgeting process. Notwithstanding, improvements were found in debt management and revenue administration.

3. Debt sustainability. The public debt is sustainable. The public debt stock was estimated at around 32 per cent of GDP at the end of December 2017, versus 28.4 per cent at the end of 2016, representing an increase of around 4 points of GDP, due in large measure to the acceleration of externally financed project disbursements and the conversion of the statutory advances of the BEAC to long-term debt. This estimate includes SONARA's debt to crude oil suppliers, or 0.3 per cent of GDP

4. Quality of the IFAD portfolio. The portfolio's quality is fairly satisfactory—however, with pending obligations in two completed projects whose accounts are not yet closed (PADMIR and PADFA). The portfolio's recurrent fiduciary problems include: (i) lack of planning; (ii) delays in the submission of payment requests (PR); (iii) limited optimisation of the use of TOMPRO accounting software; (iv) the poor quality of financial reports.

3. Financial management constraints. The factors that have impeded good financial management of the projects are: (i) delay in the signing of financial agreements; (ii) the long time it takes the Autonomous Amortisation Fund (CAA) to process payment requests; (iv) the limited capacity of project implementation agencies; and (v) the ineffectiveness of the internal control system in managing the risks associated with the disbursement of funds to implementation partners and beneficiaries).

4. Financial management risk mitigation measures: Regarding these findings, the new strategy includes the following as the main financial management risk mitigation measures for projects in Cameroon: (i) creating financially and administratively independent project management units; (ii) adhering to IFAD procurement guidelines while waiting for the new public procurement code, which gives primacy to IFAD guidelines in cases of incompatibility, to go into effect; (v) adopting a prequalification system for service providers; (vi) strengthening management capacity among project implementation agencies and beneficiaries' organizations (cooperatives in particular); (vii) operationalizing the IFAD Client Portal (ICP), together with streamlining the procedure for CAA replenishment of current accounts; and (viii) informing project stakeholders about IFAD's anticorruption policy.

## **APPENDIX XII : TRANSPARENCY AND CITIZEN ENGAGEMENT**

In order to heighten the impact of the Country Programme, the strategy advocates the creation of transparency and citizen engagement activities to increase accountability and improve the performance of key actors in IFAD projects in the Republic of Cameroon. Based on a study, private infrastructure, equipment and advisory service providers and cooperatives representing the project beneficiaries were identified as key implementation actors. The mechanisms and activities will include:

- Efforts to increase transparency in public procurement
- The introduction of scorecards for beneficiary input about the services of private providers
- Third-party monitoring of the performance of private providers and cooperatives
- The introduction of a complaints and grievance mechanism

This proposal is based on an analysis of the socio-political context of Cameroon and the institutional risks, needs and policies of the Country Programme, as well as consultations with project stakeholders. It is also based on the types of stakeholder involvement in the implementation of the Country Programme, an examination of existing tools and methods, discussions on the adaptability of the proposed new tools to the present strategy, international good practices and the experience of other countries in the region, notably Nigeria.

### **A. Theory of change and objectives of the transparency and citizen engagement activities**

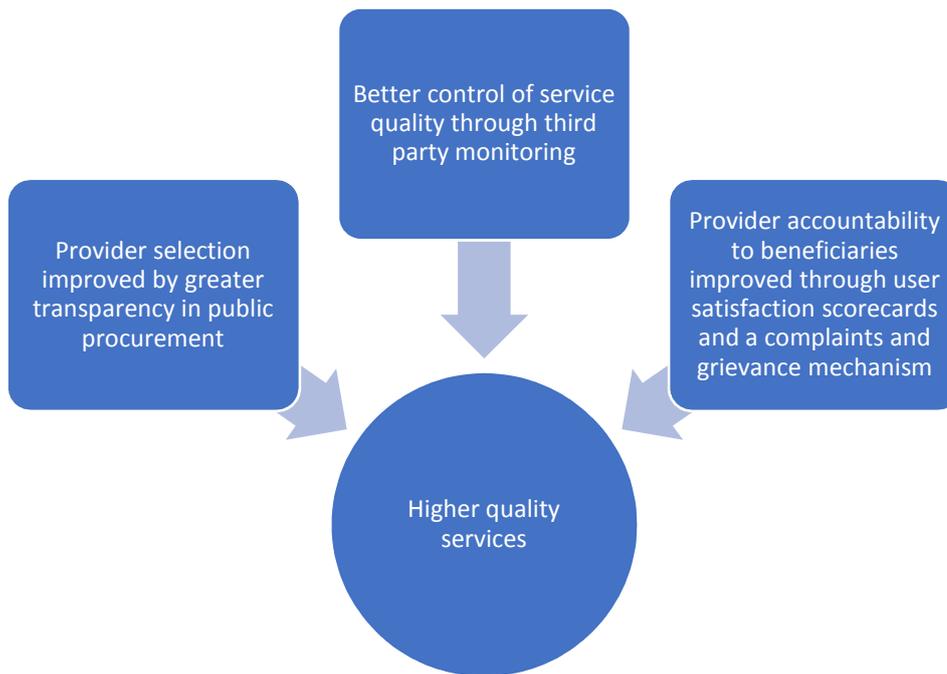
Country Programme performance has been compromised by the poor quality of the services of private service providers, as well as the deficient management and performance of cooperatives. Improving good governance under this strategy through the introduction of transparency and citizen engagement activities can serve to mitigate these weaknesses and deficiencies.

#### ***Objective 1. Improve the quality of the services rendered by private providers through better selection and monitoring, together with greater accountability***

The construction of infrastructure, the installation of equipment and the provision of advisory services to cooperatives have been hampered by the poor performance of private providers (SMEs, research companies and NGOs). The roots of this problem lie (i) upstream, in the selection of service providers who lack the necessary qualifications and (ii) downstream, in the inadequate monitoring of service providers and failure to ensure their accountability.

The new Country Programme will therefore improve the selection of private service providers and the monitoring of their performance, demanding greater accountability. Greater transparency in procurement will improve the selection of providers, while the creation of a third-party monitoring system, user satisfaction scorecards and a complaints and grievance mechanism will improve the monitoring of private service providers and make them more accountable (see Figure 1).

Figure 7 HOW TO IMPROVE THE QUALITY OF THE PRIVATE PROVIDERS



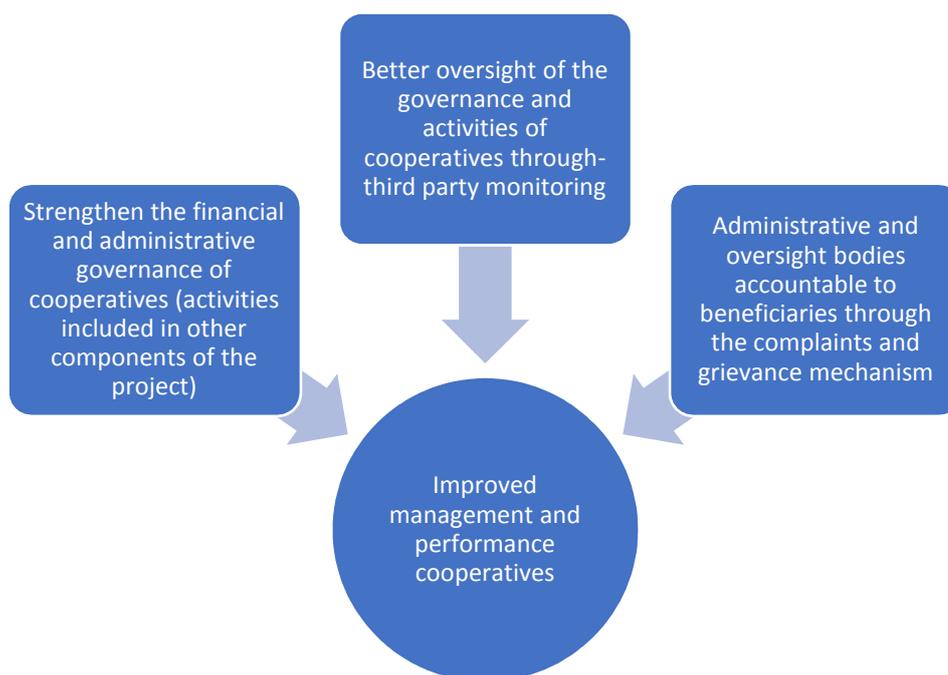
### ***Objective 2. Improve the management and performance of cooperatives***

The poor management and performance of cooperatives, whose leaders are often young and inexperienced, is illustrated in some cases by elite capture of decision-making and project resources, lack of transparency in resource management or even low levels of member participation, in certain cases resulting in the misappropriation or inefficient use of resources (funds or equipment).

Meeting this objective will require an improvement in the management and performance of cooperatives, primarily through better monitoring of their management and activities and greater accountability on the part of their administrative bodies (especially, the board of directors and oversight committee). Two mechanisms will be created for this purpose: (i) third-party monitoring of the administrative and financial governance of cooperatives, the quality of their members' participation and the execution of activities at different stages of the project, and (ii) a complaints and grievance mechanism to solve the **problems encountered by beneficiaries in their cooperatives (see Figure 2)**. These transparency and citizen engagement activities targeting cooperatives complete the capacity building activities conducted under the first project component.

Third-party monitoring, as well as the complaints and grievance mechanism, will cover the monitoring and accountability of private service providers and the administrative bodies of cooperatives (see sections E and F).

Figure 8 HOW TO IMPROVE THE MANAGEMENT AND PERFORMANCE OF COOPERATIVES



### B. Activity 1. Transparency in public procurement

Transparency in public procurement will be improved by increasing open access to public tenders, equal treatment of candidates and transparency in procedures:

- With regard to open access to public tenders: the Country Programme will guarantee open and transparent access to information about the project's procurement needs, as well as selection criteria, procedures and deadlines. Openness and transparency will substantially be improved through greater publicity about procurement needs on a range of platforms: websites of the relevant ministries, journals, official bulletins. The purpose of this publicity is to increase competition and reduce the risk of favouritism.
- With regard to equal treatment of candidates: projects under the Country Programme will ensure that all bids received are considered and all candidates have equivalent information.
- With regard to transparency in the awarding of public contracts: projects must inform any candidate whose bid has been rejected and give the reasons for its rejection. The information on the final results of the selection process will be posted on the PADFA website.

The responsibility for the introduction of transparency activities lies with the public officials charged with procurement for the Country Programme.

The process indicator will be: the percentage of contracts with service providers who obtained information on the selection process (tender announcement – specifications and information on the procedure and deadlines – and the results of the award process) from the PADFA website.

### C. Activity 2: Scorecards on user/beneficiary satisfaction with the services of private providers

To encourage good performance among private providers, the Country Programme will seek regular organized input on beneficiary satisfaction through scorecards for rating the services of these providers and the different projects. The services rated will include

infrastructure and equipment, advisory services and the services of all Country Programme projects.

The scorecards will make it possible to: (i) verify that the services stipulated were actually provided and (ii) quantitatively evaluate the beneficiaries' satisfaction and experience with the different dimensions of service delivery.

Service delivery will be verified through direct information from the beneficiaries on their access to the services. Beneficiary satisfaction can be evaluated through questions asking them to rate some of the following aspects (on a scale of 1 to 5, for example):

- Overall satisfaction with the services
- Satisfaction with the availability of the services
- Satisfaction with the quality of the services
- Satisfaction with the relevance of the services
- Satisfaction with the provider's attitude
- Satisfaction with the provider's availability
- Satisfaction with the timeliness of the services

### **Box 1. Advantages of scorecards in evaluating the accountability and performance of private service providers**

User satisfaction scorecards have several advantages:

- **Citizen input:** They give beneficiaries a voice and ensure that service providers are concerned about their satisfaction and experiences.
- **Communication:** They encourage communication and cooperation between beneficiaries and service providers; they foster discussion.
- **Problem solving:** They enable beneficiaries, service providers and the project to jointly identify problems and their solutions.
- **Accountability:** They make service providers more accountable.
- **Quality of services:** They improve the quality of the services provided.

A third party will design and distribute the scorecards, which may be from private experts (consulting firms, individual consultants) or civil society actors (NGOs, consortium of journalists).

The third party will then be responsible for analysing the scorecards, identifying the key problems and suggesting that the Country Programme team make changes or impose penalties. The third party will report back to the beneficiaries on such measures.

Process indicator: percentage of beneficiaries who have turned in the user satisfaction scorecard, by sex.

Outcome indicator: percentage of beneficiaries satisfied with the services of the providers, by sex (indicator to be disaggregated by type of service – infrastructure, equipment, advisory services).

### **D. Activity 3: Third-party monitoring of private provider and cooperative performance**

The Country Programme will hire an independent external third party to evaluate the performance of private providers and cooperatives to improve oversight of these key actors. Third-party monitoring will make it possible to measure progress in their management and performance and in the delivery of services by private providers and projects.

The evaluations will combine quantitative and qualitative methods and assess the transparency of procedures and the scope, quality and timeliness of the services. They will involve field surveys (including discussion groups and interviews with the actors involved in country programme implementation). The evaluation's findings will inform the supervision missions, mid-term review and final evaluation conducted by IFAD and its government partners.

The outcome indicators should be determined cooperatively with each project team. Part of these indicators should be harmonized with those of the projects' results framework.

#### **Activity 4: Complaints and grievance mechanism**

The institutional and private actors involved in the project will become more accountable with the creation of a complaints and grievance mechanism for project beneficiaries. This mechanism will offer an opportunity to learn about the issues and problems encountered by beneficiaries and provide effective solutions.

At the start of each project, a campaign to inform beneficiaries about the existence and workings of the mechanism will enable them to optimize its use.

The complaints and grievance mechanism will consist of the following steps:



Complaints will be submitted on a form available online or in the project management units. Beneficiaries will also be assigned a unique identification number, which can be used in submitting the complaint. All complaints will be handled by a member of the project team assigned to handle complaints and grievances. Once submitted, complaints and grievances will be sorted by relevance and topic, and an acknowledgment of receipt will be sent to the beneficiary. The handling of complaints will involve verification of their substance and an inquiry into the causes of the problem and the responsibility of the parties involved. Concrete steps will then be taken to address the complainant's problem. Response times will be determined by the project team during the development of the complaints and grievance mechanism.

A complaints and grievances monitoring and evaluation report will be prepared to document all complaints and grievances addressed, their substance, their status, the dates the responses were issued, the dates action was taken, the nature of the action and the date the file was closed.

The project teams will be responsible for developing and implementing the complaints and grievance mechanism with the support of a technical consultant, if necessary.

Cooperatives or youth organisations/networks will play a role in informing their members about the existence of this mechanism and share information about the procedures for submitting complaints and grievances. The indicator will be the percentage of complaints and grievances resolved.

## APPENDIX XIII: ROME-BASED AGENCIES (RBA) COLLABORATION

### 1. Rationale for interagency collaboration.

Achieving the Goals of the 2030 Agenda in Cameroon requires the creation of synergies in the strategies and programmes of the three Rome-based agencies for more effective and efficient procedures and interventions.

To this end, on 1 February 2018, with the facilitation of their respective offices of evaluation, IFAD, FAO and WFP held a workshop to evaluate the three country programmes. With the facilitation of the Government of Cameroon, on the second day of the workshop they held a tripartite interagency dialogue and agreed to pool their efforts to optimise their comparative advantages, increase their technical and financial assistance to Cameroon and take advantage of economies of scale in their respective country programmes.

The interagency dialogue, a continuation of the collaboration policy launched in 2016 by the directors of the three agencies, is consistent with the MoU that they signed to inform country teams about the new collaborative way of working to achieve the SDGs.

### 1. Strategic orientations of the three agencies in Cameroon.

Under its Country Programming Framework (CPF) 2018-2020, FAO intends to assist and support the Government's efforts in three priority areas: i) Priority area 1. Supporting the implementation of national strategies for strong and sustainable growth in the rural sector; ii) Priority area 2. Promoting rural employment opportunities and access to rural resources, with a focus on young people and women; iii) Priority area 3. Developing and implementing policies and strategies to increase rural people's resilience to emergencies and crises.

In its Country Strategic Plan (CSP) 2018-2020, the WFP seeks to improve the food security of households in the Far North, North, Adamaoua and East regions of Cameroon. Specifically, its efforts will involve: i) reducing all forms of malnutrition in children; ii) providing meals to primary schoolchildren in targeted areas; and iii) increasing the income of smallholder farmers and building community infrastructure.

Under its Country Strategic Opportunities Programme (COSOP) 2019-2024, IFAD seeks to contribute to a sustainable increase in the income and food and nutrition security of rural poor people and the creation of jobs, especially for women and youth. Specifically, IFAD's intervention strategy in Cameroon consists of: Strategic objective 1. Sustainable increase the productivity and production of smallholdings and rural enterprises; Strategic objective 2. Increase the income and other benefits to poor rural populations from markets; and Strategic objective 3. Strengthen sector capacity for coordination, policy dialogue, and results management.

### 2. Past or present collaboration

In the past five years, collaboration among the three agencies took the form of isolated activities, including:

- Joint participation in different coordination bodies (CMP-Agriculture, UNCT, SUN, etc.)
- WFP and PAM collaboration in the production of information on food security
- FAO and IFAD collaboration in the formulation and supervision of IFAD projects
- WFP's provision of an office to FAO in Maroua
- Interim representation of FAO by the WFP or IFAD country director and vice versa
- Implementation of a joint project (school gardens) by WFP and FAO

- FAO study on fish feeding in IFAD's aquaculture entrepreneurship project
- WFP purchase of the rice seed produced by IFAD's PADFA project

### 3. Obstacles to collaboration and lessons learned

The collaboration activities mentioned above brought certain obstacles to light that should be considered when defining future collaboration, including:

- Differences in mandates, with WFP and FAO also working in humanitarian assistance
- Differences in implementation modalities. IFAD employs the national implementation modality, meaning that the projects are implemented by the Government, whereas WFP and FAO employ direct implementation
- Differences in national partners
- Differences in financing mechanisms. IFAD uses loans, and FAO and WFP, grants
- Differences in programming cycles. The IFAD COSOP covers a six-year period, while FAO's CPP and WFP's DSP cover a three-year period.
- Staff turnover, especially of country directors, which could affect the collaboration dynamic
- Different priority intervention zones

In terms of lessons learned, the three agencies recognize that success in fighting hunger, poverty and inequality in Cameroon requires promoting the development of smallholder farmers. These agencies also recognize that despite the differences in their intervention and financing modalities, complementarity in their action is possible. This will require strong Government leadership to ensure coordination not only in the rural development and agriculture sector but among the three agencies as well.

### 4. Priority areas of the three agencies

WFP	IFAD	FAO
Urban and rural areas	Rural areas	Rural and peri-urban areas
Far North, North, Adamaoua, East  National food security surveys	Far North, North, North-West, Centre-West, Littoral, South	Resilience programme in the Far North and East Development projects: different areas depending on the intervention

## 5. Priority issues of the three agencies in Cameroon

	WFP	IFAD	FAO
Key issues	School canteens Nutrition Early recovery Resilience Food distribution in general Logistical support for humanitarian aid Capacity building.	Agricultural development Farmers' organisations Rural finance value chain development Promotion of agro pastoral and aquaculture entrepreneurship Youth and women's employment	Early recovery/resilience Health and livestock production SNRM Vegetation protection Support to value chains Environmental protection Aquaculture Youth and women's employment
Target groups	Households experiencing food insecurity Malnourished women and children	Poor and vulnerable rural populations, especially youth and women	Different target groups, depending on the type of project

## 6. Plan of action for future collaboration

After successive consultations, the three agencies agreed to formalise their collaboration in two areas: i) strategic activities and policies and ii) operational activities.

The strategic and policy activities will consist of:

1. Joint food security assessments
2. Support for policy dialogue and sector coordination, especially operationalisation of the rural sector platform
3. Joint planning of the three agencies' national programme evaluations
4. The use of common communication services, sharing costs and related aspects
5. Monitoring of the SDG 1 and SDG 2 indicators and joint publication of progress to national stakeholders

The operational activities will include the formulation and implementation of two pilot projects that will help reduce gender inequalities and improve smallholder food and nutrition security. They are:

1. The Aquaculture Entrepreneurship Promotion Project, which will involve the formulation of a joint project based on the lessons learned from WFP interventions in fish farming, FAO interventions in fish farming with cages and IFAD interventions in youth entrepreneurship in aquaculture value chains.
2. The Inter-Africa Bamboo Smallholder Farmers Livelihood Development Programme, whose objective is to improve the income, livelihoods and resilience of smallholder farmers by increasing their climate-smart participation in bamboo value chains. The sources of funding will be IFAD loans and grants, FAO's TCP, IFAD and FAO SSTC facilities and finally, the GEF-7. A joint RBA proposal under the GEF-7 was agreed on with the Ministry of the Environment.
3. Collaboration between IFAD and FAO is already under way in aquaculture. The Aquaculture Entrepreneurship Promotion Project (PPEA), financed by a specific country grant from IFAD, receives technical assistance from FAO. Within this framework, FAO will also update the aquaculture development strategy in Cameroon and support preparations for a roundtable on resource mobilisation to scale up the PPEA project.

## APPENDIX XIV: PROPOSAL TO THE ABC FUND

## Box 1. leveraging the impact of the Dibambari aquaculture project.

Kamgo Youdom Boris is a young beneficiary of the Aquaculture Entrepreneurship Pilot Project (PPEA) funded by a country specific grant. It was selected by the project in 2016 along with 300 other beneficiaries, following a demand-driven approach, and following sensitization and information activities carried out by the extension workers of the Ministry of Livestock and fisheries. Boris' incubation took place at the Douala aquaculture station which was technologically upgraded by the project. During the incubation, the young promoter learned aquaculture techniques including pond construction, optimal use of production infrastructure, broodstock management, breeding, fish nutrition, farming of table fish, assessment of water quality, and transportation of fish products. In addition to the development of his technical skills, he received management training, notably on the keeping of expenditure and revenue books, cost of production calculations, as well as support for the preparation of his business plan. At the end of the incubation, the young promoter was accompanied for the creation of his business, benefiting from regular visits and advice from the extension workers. 3 years after the start of its activities, the business records 2 modern hatcheries, a pilot training center, and a caged fish production farm on the Dibambari river located 10 km from Douala. This is the first caged fish farm in the coastal region following the dissemination of the technology by FAO in 2014. In 3 years of activities, Boris' farm interned 400 young people who learned aquaculture techniques. He employs 30 people on a full time basis, and produces monthly 5 tons of fish fully absorb by the domestic market.

To date, the young promoter is no longer a small farmer, but a medium size enterprise that aspires to grow. To this end, he created the AGRO WORLD GROUP SARL, and obtained from Government a land concession along the Dibambari river, to scale up its activities through the development of an ecotourism and aquaculture complex. The project will create 1,000 jobs, and have an annual production of 3,600 tons of fish against a current production of 60 tons. The ongoing investment as well as the scaling up project are illustrated in Figures 1 and 2.

To start giving shape to the project, Boris recruited an international technical assistance from China and told IFAD that his biggest challenge is accessing financing to make his next dream a reality as the project is estimated to cost US \$ 6 million.

Against this backdrop, the new COSOP will build on the case of Boris, to innovatively pilot the Agribusiness Capital Fund (ABC Fund), designed to support underserved rural medium-sized enterprises and create jobs and income opportunities by supporting inclusive private-sector development. Co-financing opportunities with IFC were also prospected to that effect.

Figure 1. current cage aquaculture farm on the Dibambari river



Figure 2. Aquaculture and ecotourism complex to be proposed to the ABC Fund.

