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Strengthening National Comprehensive Agricultural Public Expenditure in Sub-Saharan Africa

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FINAL REPORT

BASIC AGRICULTURAL PUBLIC EXPENDITURE DIAGNOSTIC REVIEW

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Republic of Cameroon

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CAADP

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ACRONYMS AND ABBREVIATIONS

(M CFA F)	Millions of CFA Francs
ADF	African Development Fund
AFD	French Development Agency
AfDB	African Development Bank
AFOP	Support Program for the Renovation and Development of Vocational Training in Agriculture, Livestock, and Fisheries
AMO	Support Program for the Improvement of the Performance of Rural Sector Administrations
ARMP	Public Procurement Regulatory Board
BUCREP	Central Bureau of the Census and Population Studies
C2D	Debt Reduction Development Contract
CAADP	Comprehensive Africa Agriculture Development Program
CAPEF	Chamber of Agriculture, Fisheries, Livestock, and Forests
CDC	Cameroon Development Corporation
CEMAC	Economic and Monetary Community of Central Africa
CENEEMA	National Center for Studies and Experimentation of Agricultural Mechanization
CFA F	CFA Franc
CGE	Farm Management Counselor
CGO	Professional Organizations Management Counselor
CGP	Producer Group Advisor
CIFOR	Center for International Forestry Research
COFOG	**Classification of the Functions of Government**)
COOP/CIG	Cooperative Society/Common Initiative Group
DESA	Department of Agricultural Surveys and Statistics, MINADER
DGB	General Directorate of the Budget, MINFI
DGE	General Directorate of the Economy, MINEPAT
DGRCV	Department of Rural Engineering and the Improvement of the Living Environment in Rural Areas
DOPA	Department of Agricultural Professional Organizations, MINADER
DPIP	Department of Public Investment Programming, MINEPAT
ECAM	Cameroon Household Survey
ECCAS	Economic Community of Central African States
EFA	Family-Owned Agro-pastoral Business
EPA	Economic Partnership Agreement
EPA	Public Administrative Establishment
EPIA	Livestock, Fisheries, and Animal Husbandry
ER	External Resources
EU	European Union
FAO	Food and Agriculture Organization
FAO (ADAM)	FAO Agriculture Development Assistance Mapping Tool
FESP	Forest and Environment Sector Program
FL	Finance Law
FO	Farmers' Organizations

GDP	Gross Domestic Product
GESP	Growth and Employment Strategy Paper
GICAM	Cameroon Employers' Association
GP	Producer Groups
HIPC	Highly Indebted Poor Country
ICRAF	International Center for Research in Agroforestry
IDA	International Development Association
IFAD	International Fund for Agricultural Development
IITA	International Institute of Tropical Agriculture
IMF	International Monetary Fund
INS	National Institute of Statistics
IR	Internal Resources
IRAD	Institute of Agricultural Research for Development
IRD	Institute of Research for Development (Formerly ORSTOM)
MDG	Millennium Development Goals
MDRI	Multilateral Debt Relief Initiative
MIDENO	North West Development Authority
MINADER	Ministry of Agriculture and Rural Development
MINATD	Ministry of Territorial Administration and Decentralization
MINCOMMERCE	Ministry of Commerce
MINDUH	Ministry of Urban Development and Housing
MINEPAT	Ministry of the Economy, Planning, and Regional Development
MINEPDED	Ministry of the Environment, Nature Protection, and Sustainable Development
MINEPIA	Ministry Livestock, Fisheries, and Animal Husbandry
MINFI	Ministry of Finance
MINFOF	Ministry of Forestry and Wildlife
MINMAP	Ministry of Public Procurement
MINMIDT	Ministry of Mines, Industry, and Technological Development
MINPMEESA	Ministry of Small and Medium Size Enterprises, Social Economy, and Handicrafts
MINRESI	Ministry of Scientific Research and Innovation
MINTP	Ministry of Public Works
MINTRANS	Ministry of Transport
MTEF	Medium Term Expenditure Framework
NEPAD	New Partnership for Africa's Development
NGO	Non-Governmental Organization
NRFE	New State Financial Regime
OECD	Organization for Economic Cooperation and Development
OPA	Agricultural Professional Organization
PADMIR	Rural Microfinance Development Support Project
PAP	Priority Action Program
PAPDEP	Program to Improve the Programming of Public Expenditure
PB	Program-Budget
PDA	Public Development Assistance
PES	Payment for Environmental Services
PIB	Public Investment Budget

PIDMA	Agricultural Markets Investment and Development Support Project
PLANOPAC	Cameroon National Platform of Agricultural, Forestry, and Pastoral Professional Organizations
PNDP	National Community Driven Development Program
PNIA	National Agricultural Investment Plan
PNVRA	National Agricultural Extension and Research Program
PPBS	Planning, Programming, and Budgeting System
PRSP	Poverty Reduction Strategy Paper
PSAE	Agriculture and Livestock Sector Program
RF	Road Fund
SEMRY	Society for the Expansion and Modernization of Rice Cultivation in Yagoua
SME	Small and Medium-Size Enterprises
SODECAO	Cocoa Development Company
SODECOTON	Cotton Development Company
SOWEDA	South West Development Authority
STA	Specialized Technical Adviser
SV	Agricultural Extension Sector
TFP	Development Partner (DP)
UNDP	United Nations Development Program
WB	World Bank
WHO	World Health Organization
WTO	World Trade Organization
ZV	Agricultural Extension Zone

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2. The process for this Review was highly participative: a Technical Monitoring Unit (TMU) was set up under the aegis of the Secretary General of the Ministry of Agriculture and Rural Development and included representatives of MINADER, MINEPIA, MINFOF, MINEPDED, the Ministry of Finance (MINFI), and the Ministry of the Economy, Planning, and Regional Development (MINEPAT). The members of the TMU served as focal points within their own organizations; these focal points, together with colleagues whom they co-opted, contributed greatly to carrying out the Review by helping to gather data. An inaugural workshop was organized in the World Bank conference hall on May 23, 2013 chaired by Ayissi Timothée, Director of the Department of Agricultural Surveys and Statistics of MINADER, with representatives of the World Bank and the government departments involved participating. The consultants briefed them on the methodology used and the expectations of the Review. A second workshop was held on July 31, 2013 with the participation of the representatives of the Technical Unit and the Ministries involved at which the consultants presented the preliminary results. The draft report was submitted to the TMU on February 19, 2014.

3. The consultants wish to express their thanks to the Cameroon authorities, the DPs, and other non-governmental partners for their welcome, their availability, and their unstinting cooperation. They would especially like to thank Ayissi Timothée and Jeanine Atanga Nkodo, Directors of the Department of Agricultural Surveys and Statistics of MINADER, and all the members of the TMU for their consistent support for the Review.

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SUMMARY

(i). The Cameroon government assigns a crucial role to agriculture in stimulating growth, combating poverty, and job creation. This role is articulated in a variety of political and strategic documents, *inter alia*: the Cameroon Vision 2035 document, the Growth and Employment Strategy Paper (GESP) approved in 2009, and the Rural Sector Development Strategy (ISDR) adopted in 2003, revised in 2006, and currently being amended to bring it into line with the GESP. The GESP, in particular, accords pride of place to the rural sector and recognizes its role in driving economic growth, which it is hoped will average 5.5% between 2010 and 2020, and in combating the poverty rate which should fall from 39.9% in 2007 to 28.7% in 2020. In conjunction with this, a National Program for Food Security (NPFS) (2008−2015) was drawn up in 2007 to combat hunger and food insecurity and cut malnourishment by half, especially among the vulnerable households in rural and peri-urban areas, by 2015. The terms of the agricultural development strategy were given a boost by NEPAD's Comprehensive Africa Agricultural Development Program (CAADP). In July 2003, with a view to assisting the implementation of the GESP through the National Agricultural Investment Plan (PNIA), the government signed the CAADP Compact with its participating partners (the African Union, ECCAS, producers' organizations, civil society, technical and financial partners, and the business sector).

(ii). In implementing the agricultural development strategy, the Ministry of Agriculture requested a review of public expenditure on agriculture as a component of the agriculture sector modeling work being done to create a computable general equilibrium (CGE) model. This request was agreed to by the Planning and Coordinating Agency of NEPAD. The Review falls under the Strengthening National Comprehensive Agricultural Public Expenditure in Sub-Saharan Africa Program, jointly financed by the Bill and Melinda Gates Foundation and the Multi-Donor Trust Fund of the CAADP.

(iii).The objectives of the Basic Agricultural Public Expenditure Diagnostic Review in Cameroon are as follows:

> [a]. Learn from past experience of budget implementation in the agricultural sector, identify bottlenecks, inefficiencies, and deviations from the stated goals, and recommend remedial measures for existing and future programs, with the intention of improving their impact and making them more efficient and equitable.
>
> [b]. Initiate the creation of databases and formulate the required methodology to conduct regular comparable reviews, thereby contributing towards the institutionalization of the process. This database should facilitate the analysis of factors affecting the growth of agriculture on a macroeconomic scale within the framework of a computable general equilibrium model soon to be established. This model will analyze the role of relative prices, public expenditure, and exchange rates on the growth in the sector.

[c]. Assist the government in fostering an environment and management skills focused on results with special emphasis on improving planning, implementation, and budget analysis.

[d]. Improve awareness of the absorptive capacities of the sector by the government and its Development Partners (DPs) to help decide how to increase the financial resources dedicated to agricultural development.

<u>The Nature of Public Expenditure on Agriculture</u>

(iv). Public expenditure in the agricultural sector, in terms of the NEPAD directives, is understood to mean:

a. the budgeted expenditure actually implemented by the three ministries for rural development, namely the Ministry of Agriculture and Rural Development (MINADER), the Ministry of Livestock, Fisheries, and Animal Husbandry (MINEPIA), and the Ministry of Forestry and Wildlife (MINFOF);

b. the expenditure of other ministries providing support services to the agricultural sector including the Ministry of the Environment, Nature Protection, and Sustainable Development (MINEPDED);

c. subsidies to public administration bodies operating in the agricultural sector in the broader sense (including animal husbandry, fisheries, and forestry);

d. spending on projects possibly not itemized in the national budget.

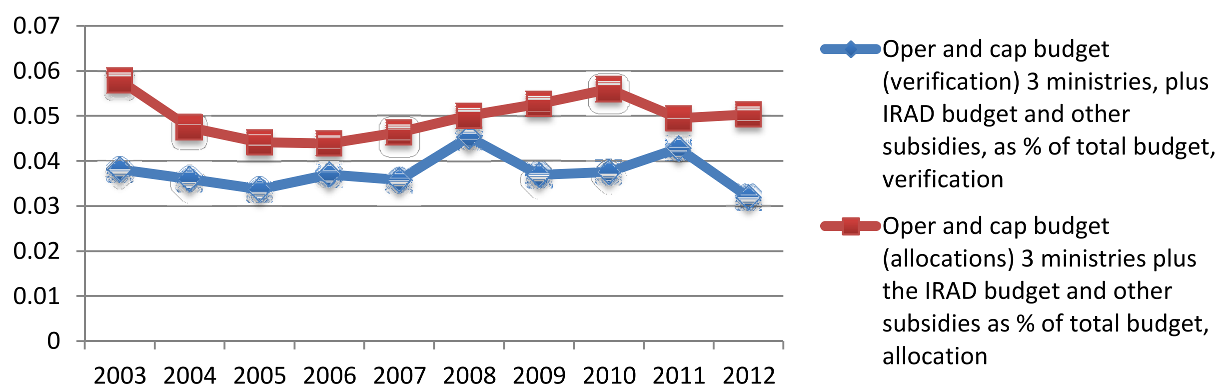
(v). On the other hand, in accordance with NEPAD recommendations (UA/NEPAD 2005), the budgets of public corporations or semi-public commercial organizations were not taken into account; only subsidies that may have been received from the national budget by these bodies were regarded as public expenditure. Similarly, private capital expenditure, including that of the producers themselves, was not included. Expenditure for support of the agriculture sector by NGOs was taken into account where the NGOs received public funding from donors for expenditure of a public nature; also, where an NGO acts as an implementation agency as part of a project budgeted by the State or agreed by the State, the resources it receives have already been included in the budget as external resources.

(vi). The terms of reference of the review cover the ten-year period 2003−2012.

(vii). The study dealt with capital and current expenditure separately. As far as capital expenditure is concerned, the assignment involved consulting all the MINFOF project journals to exclude from the total all capital expenditure relating to the protection of biodiversity and wildlife not earmarked for improvement of forestry management. Where the projects in question included a component for improvement of forestry production management, they were recorded as falling within the scope of agricultural development. Furthermore, the organization chart and all the project log books of the MINEPDEP were analyzed in the study so as to retain only environmental expenditure related to agriculture.

(viii). The data showed that the ratio of public expenditure on agriculture to total budget expenditure in terms of budget allocations, having averaged close to 4% during the 2004−2008 period, rose to 5.8% in 2010 only to fall again in 2011 and 2012 to 5% (Figure 1). Based on commitments, substantial growth over the past few years in the three ministries' capital budgets and other expenditure for the sector in relation to the total public investment budget (PIB) can be observed; this proportion reached 10% in 2011, versus 4% in 2006. However, the operating expenditure of the three ministries (MINADER, MINEPIA, MINFOF) and subsidies continue to be a small part of the total budget in terms of allocations (4% of the budget in 2012 including common expenses and the interest component of debt service) and even less so in terms of implementation (2.9% in 2012). This meager proportion of operating expenditure reflects the relatively small share taken by the operating and capital expenditures of the three ministries, plus that of the Institute of Agricultural Research for Development (IRAD) budget, and subsidies to public corporations in the agricultural sphere, of the total budget (in 2012: 5% of the total on an allocation basis, and 3.2% on a verified basis).

Figure 1. Agriculture sector ministries: relative share of the operating and capital budgets (allocation and verification), plus the IRAD budget and subsidies to EPAs, 2003–2012.



(ix). As a proportion of the primary sector GDP, the budget of the three ministries, plus the IRAD budget and subsidies to public corporations in the sector, increased significantly in the period 2003−2011, growing from 4.3% to 4.5% of the primary sector GDP on an allocation basis, and from 2.9% to 3.6% on a verified basis.

(x). As regards the public capital budget, budget allocations in absolute terms grew very sharply between 2008 and 2012: for MINADER (from 28 to 40 billion CFA francs, or from 2.6% to 3.3% of the GDP), for MINEPIA (from 7.8 to 10.5 billion CFA francs, equivalent to 1% of GDP), and for MINFOF (from 3 to 9 billion CFA francs in 2011 before a decline in 2012). While MINADER benefited from a significant increase in external funding (50%), external funding earmarked for the other two ministries either remained static (MINEPIA) or declined (MINFOF).

(xi). To calculate public expenditure in the agriculture sector using NEPAD definitions, the aid by a number of donors to a number of NGOs for public expenditure, but excluding support for the NGOs' administrative structures, should be included. In the past four years this has ranged between 2.4 and 3.5 billion CFA francs. According to NEPAD principles, expenditure for feeder roads should also not be taken into account. The inclusion of disbursements to NGOs and the exclusion of expenditure on feeder roads only very slightly alters the share of implemented agricultural expenditure in the total state budget (4.6% in 2011 and 4.0% in 2012).

(xii). Expenditure implementation rates have risen (commitments in relation to allocations), reflecting efforts to implement allocations promptly in the first months of the year. In 2011, the rate for MINADER PIB reached 98%, and 79% on a verified basis (86% on internal funding). For MINEPIA, these rates continue to remain low especially as regards external funding, although there has been a noticeable improvement over the past few years.

(xiii). The impact of the increase in capital expenditure on production in the agricultural sector was relatively limited when calculated using national accounts data: for example, the subsistence agriculture subsector, from 2009−2012, only grew by 4.3%, lower than the figure attained in the previous 2005−2008 four-year period. By contrast, good results were achieved in the commercial and export-based agriculture sectors, and in the production of certain crops like rice, potatoes, maize, soya, onions, palm oil, and ground nuts. The primary subsectors that underperformed were livestock production and fisheries.

(xiv). Economic Composition of Expenditure. Scheduled operating expenditure for MINADER, MINEPIA, and MINFOF rose insignificantly compared with strong growth in capital expenditure, and its share of total operating and capital expenditure (verification-based) has dropped markedly from 86% to 48% for MINADER, 85% to 60% for MINEPIA, and 90% to 70% for MINFOF. However, it must be recognized that capital projects contain an operating expenditure component, provisionally estimated as 20% of the total, which increases operating expenses as a percentage of the total.

(xv). Looking at operating expenses, the share of wages and salaries has grown since 2009 and in the 2010−2012 period was 80% to 90% of the total for MINADER and MINEPIA, although slightly lower for MINFOF. At MINADER, 94% of its workforce is deployed in the regions. The ratio of ministry agents to agricultural workers (number of agents per 1,000 producers) varies from 4 in the Littoral Region to 0.2 in the Far North. However, in the North and the Far North, farmers get support from two other public agencies, SEMRY (Society for the Expansion and Modernization of Rice Cultivation in Yagoua) for rice, and SODECOTON (Cotton Development Company) for cotton.

(xvi). Functional Composition of Expenditure. A breakdown of expenditure by activity and by support to various crops was, as a first phase, carried out on the basis of their relationship to capital expenditure using the detailed information obtained from the project logs for MINADER and MINEPIA. The data shows an increase in allocations for all main crops, the total budget allocations for MINADER having grown 50% over this period; the relative share of rice in the total has fallen; the category that covers all other crops combined (palm oil, plantain, potatoes, root vegetables) increased in 2009−2010 in absolute terms reflecting disbursements under various projects. Transversal, regional, and capacity-building projects in the public sector and for administrative bodies took up 50% of the funds allocated.

(xvii). At MINEPIA, the sectors which received the highest allocations were, as expected, veterinary services, infrastructure for animal husbandry, fisheries, and administrative management.

(xviii). The formula for resource allocation can also be calculated using MINEPAT statistics for 2006−2011. These show the weight given to transversal projects that underpin integrated rural development, food security, extension services, and training and professionalization. Data in project journals and in PIB implementation reports enable a breakdown of allocations, but it would be useful to set up a system for monitoring expenditure per project, per operation (sectors, basic infrastructure, training, extension services, and research), and per region. It would also be useful to have access to more detailed data of functional expenditure for core functions (infrastructure, extension services, and training).

(xix). The sharp growth in public capital expenditure in the agriculture sector since 2008 and 2009, both in terms of allocations and commitments, have as yet shown no positive results in terms of value-added growth in the sector for the 2009–2012 period. In fact, growth in the subsistence farming subsector for the period 2009−2012 only amounted to 4.3%, which was a decline by comparison with the previous four-year period 2005−2008. By contrast, good results were achieved in commercial and export agriculture (5.5% average growth). The subsectors which under-performed in the primary sector were animal husbandry and hunting (2.6%), and fisheries (2.2%), lagging behind population growth (3%). The impact of the increase in capital expenditure since 2006 on production needs to be studied. In some key sectors such as rice and cereals, the figures show a correlation between increased public expenditure and increased production. This correlation, however, is less strong for coffee and cocoa, with cocoa production increasing significantly but coffee production declining, despite the considerable resources allocated.

(xx). Regional Allocation of Expenditure. MINEPAT data can be used to analyze MINADER and MINEPIA capital expenditure by region in the period 2006–2011. It shows regional distribution varying between 3% (for the East Region) and 19% (for the North-West Region). This analysis reveals a bias in favor of the North-West Region which benefited from a minimum allocation of 19% of the Public Investment Budget, even though its proportion of food production and rural population are respectively 7% and 12%, and the incidence of rural poverty in this region is only 51%, compared with the poorest regions in the country (Far North: 65.9%, North: 63.7%, Adamawa: 53%). The West and South-West Regions also received allocations which exceeded their contributions to food production. By contrast, the two regions which benefited least were the East and South with allocations of respectively 2.6% and 1.3% of the budget, less than their share of the rural population.

(xxi). Agricultural Research. Agricultural research, which is generally undertaken by IRAD, has suffered, in recent years, from the inadequate funding allocated to it, and from a lack of human resources after a large number of researchers retired. The completion of certain projects, such the National Agricultural Extension and Research Program (PNVRA) which contributed to its budget and ended in 2007, restricted the available resources. This was partially offset by State subsidies granted to it after 2007, as well as by HIPC (Highly Indebted Poor Countries) funding, especially for financing basic seed production. The development of new varieties of cotton, coffee/cocoa, and maize were some of the priority projects for which IRAD enjoys a reputation for excellence regionally. The funds allotted to it in recent years, either expressed as a percentage of GDP or per capita, remain below the level found in most sub-Saharan African countries.

(xxii). Agricultural Extension. To carry out its mandate for producer support, the State has set up a mechanism focusing on extension zones at village level, or sectors in the case of a group of villages or a district. The PNVRA extension program covers a total of 2,460 Agricultural Extension Zones (ZV) and 381 Agricultural Extension Sectors (SV). This mechanism suffers from a shortage of personnel: at ZV level 1,739 posts out of a proposed 2,460 are filled, in other words, 70%; and at SV level, 266 posts of 381, also 70%, are filled. Two-thirds and one-third of this workforce, respectively, are seconded from MINADER and MINEPIA. Previously, in the period 1999/2000 to 2004, this system benefited from financial support from Technical and Financial Partners (TFPs). From 2008, the State started implementing another system providing support and advice through the ACEFA program (Program for the Improvement of Competitiveness of Family Agro-Pastoral Farms) relying on C2D financing (Debt Reduction-Development Contracts). The superimposition of these two overlapping systems resulted in duplicating human, logistical, and financial resources. MINADER and MINEPIA must study how to eliminate duplication caused by these two co-existing mechanisms so as to streamline their operations.

(xxiii). Feeder Roads. To streamline its operations, the policy adopted by the government from the 1990s is based on: (i) privatization of maintenance operations to be restricted to SMEs (Small and Medium-Size Enterprises) and private road engineering consulting firms; (ii) refocusing MINTP (Ministry of Public Works) onto planning, programming and coordination activities, and on policy evaluation; (iii) tasking MINADER with formulating strategies for opening up production areas; (iv) maintenance operations to be the responsibility of The Road Maintenance Fund. Since 2007, the total annual budget for maintenance, asphalting, and rehabilitating feeder roads has remained between 32 and 35 billion CFA francs. Nevertheless, these expenses are significantly below those in MINTP's MTEF (Medium Term Expenditure Framework) and by 2012 the gap had widened to 30%. This suggests that the budget allocations are seriously inadequate for needs.

The Road Fund pays for routine maintenance and the work is overseen by the MINTP which invites tenders and signs contracts with the successful private bidders. In addition to private companies, MINTP also contracts with public administrative bodies or EPAs (SODECOTON, SODECAO, MIDENO, and the like), and foreign companies for the maintenance of feeder roads in their operating zones. In 2011 and 2012 these contracts covered 8,500 and 10,500 km, respectively, which is only 42.5% to 52.5% of the total estimated 20,000 km of feeder roads. Strengthening the feeder road network requires larger budget allocations, but there is a lack of consensus on how much needs to be spent.

(xxiv). Technical Efficiency of the Public Expenditure Preparation, Implementation and Monitoring Process. The new financial regime (Act No. 2007/006 of December 26, 2007) lays the foundations for a results-oriented public administration which replaces the means-based policy formulated by the 1962 Ordinance. The new fiscal system will be implemented gradually, with a five-year transitional phase from 2008 to 2013, the date of the Act's full implementation.

Under the new financial regime, the ministries adopted Medium Term Expenditure Frameworks (MTEFs) as of 2009, and prepared program-based budgets from the 2013 budget year. As regards public procurement procedures, changes have occurred with the establishment in December 2011 of a new Ministry in charge of Government Procurement, and it is still too early to evaluate the impact of this reform. Furthermore, decentralization policies, which came into effect in 2010, gave decentralized local authorities a greater role in the implementation of public capital budget expenditure, but took little account of difficulties in the implementation and monitoring of expenditure.

As regards the MTEFs, the present tendency has been to base the MTEFs on projects currently in the pipeline and new projects under preparation, rather than ensuring the implementation of a well-defined strategy. The current constraints in the MTEFs might be eased with the finalization of the PNIA (National Agricultural Investment Plan) currently being prepared as part of the CAADP. The reliability of the MTEF depends on the quality of the analysis, which has to be undertaken annually, of the allocation of budget resources compared to the sector's performance. The variance between annual implementation of annual expenditure versus initial forecasts, and their impact on the sector's performance, must be carefully assessed. The quality of this analysis depends on the quality of data and will be affected by weaknesses in the provision of information.

(xxv). Program Budgets. Program budgets were individually identified on an experimental basis in the 2012 budget. A document appended to the 2012 budget presents the budget as a program-based budget using a reconciliation table bridging administrative services with programs. In the long term, the objective is to formulate, present, and implement the budget on a program basis. Experience in other countries indicates that the success of a program budget approach greatly depends on clearly defining managerial responsibility for the programs, as well as more-efficient controls in the expenditure chain, which tends to be complex and frequently formal in nature, without ensuring ultimate ministerial accountability. The management and monitoring of program budgets requires a sophisticated IT system, to facilitate coherent data-sorting on budgetary implementation with new classifications of expenses by program, sub-program, actions, and activities. As the new data-processing system, underpinned by donors providing technical support, is not yet in place, program budget monitoring is still weak.

(xxvi). <u>The Challenge of Management and Monitoring</u>. With effect from 2009, each October, ministries have to present their budget implementation Performance Reports, which are then used to help prepare the MTEFs and program budgets. In July, before attending budget meetings, ministries consider the performance reports of the previous year and the Mid-Term Evaluation Report which is prepared by the Department of Studies and Planning. The quality of the Mid-Term Evaluation Report remains plagued by inadequacies in data reporting from decentralized services, as discussed in the following section. The existing Planning, Programming, Budgeting and Monitoring System (PPBS) units that have been set up in the various ministries, currently draft their mid-year assessments of progress, setting out their main actions, activities, and results, program-by-program, in matrix format. The assessments currently only cover a fairly limited number of actions and activities, due to the lack of comprehensive data. More-accurate and detailed reporting of results would make these matrices more reliable and informative.

(xxvii). <u>Decentralization of Budget Implementation</u>. This was enacted by a series of measures beginning with the promulgation on July 22, 2004 of three statutes: No. 2004/017 providing for decentralization, No. 2004/018 setting out the regulations applicable to municipalities, and No. 2004/019 setting out those applicable to regions. Decentralization came into effect with Act No. 2009/11 of July 10, 2009 on the financing of Decentralized Local Authorities, and the actual transfer of powers and resources took place in 2010. Approximately 15% of the capital budget is now managed in a decentralized way.

One weakness in the decentralization process is lack of accurate and timely reporting of data to monitor expenditure.

Another weakness is project management, as municipal councils lack the skills and experience to prepare calls for tender, evaluate bids, and monitor the technical and financial aspects of projects. Remedial measures are under way to enhance municipalities’ operational capabilities, particularly through a partnership agreement with the Ministry of Public Works.

(xxviii). <u>Measures to Expedite Budget Implementation: Procurement Plans and Budget Regulation</u>. A key factor in expediting budget implementation is speed in preparing spending commitment plans for budgeted expenditure at central level. In recent years, the guidelines for budget implementation set February 15 as the deadline for establishing spending commitment plans for each ministry together with concomitant procurement plans. The procurement plans must be fully reviewed (the responsibility of MINMAP since 2012) within one month, which suggests that the first calls for tenders can be issued in April, commitments made in May-June, and payments disbursed only in August-September. This is completely out of step with the farming calendar. This finding suggests that approval procedures for spending commitments must be speeded up as much as possible, and that calls for tender should be issued as soon as the budget is allocated.

(xxix). As for <u>Budget Control</u>, to ensure that cash payouts match cash management expectations, quarterly estimates of commitments are submitted to ministerial heads of department and agencies. In the past, these stage payments could not be rescheduled, which had the effect of reducing the budget implementation rate. Projects with a fixed completion deadline, generally November 30, also contributed further to a spike in budget spending, because disbursement for committed expenses had to be "verified" before year-end without the possibility of carrying them forward. This situation was remedied at the start of the 2013 financial year by the introduction of a system which permitted payment for obligations incurred to be carried forward to the next year, provided that the obligations arose before the end of the fiscal year. The impact of this measure on budgetary implementation has yet to be assessed.

(xxx). <u>Conclusions and Recommendations</u>. A matrix of recommendations is presented below:

Actions Recommended to Improve the Efficacy of Public Expenditure in Agriculture

Authority	Actions	Responsibility
Budget Planning	-- Increase the resources allocated to the agriculture sector as the 4% share of the State budget seems inadequate in terms of the Maputo Declaration. -- Strengthen those areas which appear underfunded, such as feeder roads, water management, rural infrastructure, and fisheries.	Prime Minister's Office, Ministries
	-- Avoid including in budget programs, those actions and activities for which feasibility studies have not yet been finalized. -- Project selection to be made on the basis of economic impact analyses.	Ministries
	-- Ensure that operating expenditure is adequate to maintain capital asses and provide essential services.	DRFP and Technical Directorates responsible for Project Monitoring and Evaluation
	-- Establish a mechanism for budgeting operating expenditure to maintain capital assets.	DRPF and Technical Directorates responsible for Monitoring and Evaluation of Projects
Budget Implementation and Procurement	-- Speed up the procedures for issuing public contracts once the Finance Law is passed. -- Submit commitment and procurement plans at the same time as project budgets, and make tender documents available before the start of the budget year so that calls for tenders can be issued in January. -- Reduce procedural delays. -- Speed up the preparation of tender documentation, and reduce the cost of purchasing them.	MINMAP, MINEPAT, MINFI, MINADER, MINEPIA, MINFOF, MINEPDED
	-- Speed up contract signature procedures.	MINFI, MINMAP and line ministries
	-- Review budget controls so as to boost budget implementation rates; evaluate the operational impact of recent measures that allow payouts to be carried forward to the next financial year. -- The Ministry of Finance must ensure consistency in the implementation of public expenditure.	MINFI
Decentralization	Adopt a number of measures to improve and speed up	MINATD,

	budget implementation through delegated credits: -- Strengthen operational structures at local and regional authority level (CTD). -- Strengthen the capacity of local entrepreneurs involved in construction of rural infrastructure. -- Speed up payments to companies that meet specifications. -- Speed up procurement procedures at municipal level, and reduce delays at MINMAP level when it is involved. -- Finalize the partnership agreement being drawn up between MINTP and municipalities to allow MINTP regional structures to help with project management at municipal level.	National Decentralization Council (PM), MINMAP, MINFI, and ministerial departments concerned
Monitoring and Evaluation	-- Improve information feedback on actual expenditure by the decentralized services and the CTDs. -- Ensure the introduction of an effective IT system for monitoring program budgets. -- Strengthen PPBS units with adequate IT capability to allow them to produce Administrative Performance Projects (PPA) and high quality mid- and end-of-year performance reports. -- Produce impact studies for major projects. -- Strengthen semi-annual assessments of ministries' roadmaps, to cover more actions and activities.	MINEPAT, decentralized department s of ministries concerned, CTD, financial oversight of MINFI
Strategic Guidelines	-- Increase spending on R&D; strengthen IRAD's budget.	MINFI, MINEPAT, MINRESI, MINADER
	-- Update the strategy for feeder roads, to include the need to establish access to remote rural production areas. -- Increase funding for feeder roads.	MINEPAT, MINEPIA MINTP
	-- Study how to eliminate duplications between the two existing agricultural extension support functions. Encourage resource pooling and ensuring their sustainability.	MINADER, MINEPIA
	-- Enhance infrastructure services and offer assistance in animal husbandry.	MINEPIA

INTRODUCTION

1. The agricultural sector plays an essential role in Cameroon's economy and needs to extend its contribution to growth and combating poverty. It currently accounts for 21.7% of GDP and involves 60% of the active population. It plays a determining role in the war on poverty and food insecurity, thanks to the self-provisioning of 2,000,000 agricultural households in the country, and in the supply of food products to neighborhood and urban markets. It is estimated that some 80% of the food requirements of the country's population is satisfied by domestic production.

2. According to national accounts data, value-added growth in the primary sector averaged about 4% between 2003–2012, and exceeded GDP growth (averaging 3.3%), but was relatively high only in 2007 (5.9%) and 2008 (5.2%) and was not able to stay continuously high despite increased public investment in the sector, as is shown below. The government aims to boost the annual growth in economic activity from 2.9% for the 2006–2010 period to an annual average of around 5.5% for the 2010–2020 period, and ultimately to double-digits. The authorities hope to achieve this by strengthening the rural sector to achieve primary sector growth of over 5%, in light of its potential benefits.

3. The Basic Agricultural Public Expenditure Diagnostic Review proposes to throw light on progress made in public spending on agriculture over the course of the last ten years, to evaluate the merits of public involvement and the most recent reforms (particularly decentralization procedures), and also to identify weaknesses as well as measures that could be undertaken to strengthen the effectiveness of this spending. It can thereby contribute to the formulation of policies and interventions in the agricultural sector, and to the implementation of the Growth and Employment Strategy Paper (GESP), being formulated as part of the National Agricultural Investment Plan (PNIA).

4. Government's efforts in the agricultural sector are in line with the Comprehensive Africa Agricultural Development Program (CAADP) adopted by African Heads of State and Government at the Maputo (Mozambique) summit held in 2003. This program is an initiative of the New Partnership for African Development (NEPAD) which is an African Union program. Through this initiative, member States have committed themselves to reaching a minimum threshold of 10% of the national budget allocation for agricultural development, with the goal of achieving an agricultural growth rate of at least 6% per annum.

5. The Regional Economic Communities, including the Economic Community of Central African States (ECCAS), have been tasked by the African Union to assist and coordinate the implementation of the CAADP both at regional level and in member States. In 2011 Cameroon started the process by forming a team dedicated to CAADP implementation.

6. As part of the relaunch of its agricultural development strategy, the Minister of Agriculture expressed the desire that a review of public expenditure in agriculture be undertaken so that past experience in the use of public resources would inform an improvement in performance quality in the medium term. This request was approved by the NEPAD Planning and Coordinating Agency. This review was undertaken by the Strengthening National Comprehensive Agricultural Public Expenditure in Sub-Saharan Africa Program, jointly financed by the Bill and Melinda Gates Foundation and the CAADP Multi-Donor Trust Fund. This program, set in motion by the World Bank, aims to improve the impact of public resources available to sub-Saharan African States in promoting agricultural development and combating rural poverty, a scourge in most of these countries.

7. **In July 2013, to support the implementation of the GESP through the National Agricultural Investment Plan (PNIA), the government signed the Comprehensive Africa Agriculture Development Plan (CAADP) with the various stakeholders** (the African Union, the ECCAS, producer organizations, civil society, technical and financial partners and the business sector).

8. The objectives of the Basic Agricultural Public Expenditure Diagnostic Review in Cameroon are as follows:
(i) Learn from past experience of budget execution in the agricultural sector, identify bottlenecks, inefficiencies, and deviations from stated goals, and recommend remedial measures for existing and future programs, with the intention of improving their impact and making them more efficient and equitable.
(ii) Initiate the creation of databases and formulate the required methodology to conduct regular comparable reviews, thereby contributing towards the institutionalization of the process. This database must facilitate the analysis of factors affecting growth in agriculture on a macroeconomic scale within the framework of a computable general equilibrium model (CGE) soon to be established. This model will provide an analysis of the role played by relative prices, public spending, and exchange rates on growth in the sector.
(iii) Assist the government in fostering an environment and the management skills focused on results with particular emphasis on improving planning, implementation, and budget analysis.
(iv) Improve awareness of the absorptive capacities of the sector by the government and its Technical and Financial Partners (DPs) to help decide how to increase the financial resources dedicated to agricultural development.

9. The report is divided into five chapters:

i. The first chapter sets out the strategic and institutional context;
ii. The second chapter examines the level of public spending in agriculture in Cameroon;
iii. The third chapter analyzes the economic and functional composition of public spending on agriculture (allocative efficiency);
iv. The fourth chapter examines the technical efficiency, preparation, implementation, monitoring, and evaluation processes for agriculture budgets;
v. The fifth chapter contains conclusions and recommendations.

10. The present study will examine spending on agriculture as defined by the NEPAD directives:
i. The anticipated revenues and expenses of the three ministries responsible for rural development, namely the Ministry of Agriculture and Rural Development (MINADER), Ministry of Livestock, Fisheries, and Animal Husbandry (MINEPIA), and Ministry of Forestry and Wildlife (MINFOF).
ii. Expenditure by other ministries whose activities support the agricultural sector, namely the Ministry of the Environment, Nature Protection and Sustainable Development (MINEPDED);
iii. Subsidies to public administrative bodies that operate in the agricultural sector in the wider sense (including animal husbandry, fisheries and forestry);
iv. Expenditure that may be incurred as part of projects not itemized in the budget.

11. Furthermore, in complying with the recommendations of NEPAD (AU/NEPAD 2005), the budgets of public bodies or those which are public-private joint ventures, have not been taken into account; only those subsidies which may possibly be made to these organizations from the State budget have been deemed public expenditure. By the same token, private investments, such as those by the producers themselves, have not been considered. Expenditure to support agricultural development made by NGOs have been taken into account where NGOs receive public funding from donors for expenses of a public nature; or in circumstances where NGOs act as implementation agents within a project budgeted for by the State, or in terms of a contract with the State, where the funding which they receive already forms part of the budget.

12. The terms of reference of the review cover the ten-year period 2003–2012.

1. INSTITUTIONAL AND STRATEGIC SITUATION

1.1 Strategic Situation: National Economic Policy

13. The history of Cameroon has been marked by four major phases of national policy:

i. **The planning period.** From its independence to 1991, Cameroon's development policy was guided by five-year plans that were characterized by extensive State intervention in the economy through State-owned enterprises.

ii. **The structural adjustment period.** In the 1990s, Cameroon launched an economic reform process with the **Structural Adjustment Program (SAP)**, which was supported by the international financial community and most notably established the State's withdrawal from the producing sectors of the economy. The country underwent four structural adjustment programs between 1988 and 2000, two of which predated the devaluation of January, 1994. The programs aimed to restore the State's broad financial equilibrium by rebuilding fiscal savings and production and restoring foreign trade balances. After several inconclusive attempts, Cameroon succeeded in satisfactorily implementing, from July 1, 1997 to June 30, 2000, an economic and fiscal program backed by the International Monetary Fund (IMF) through the Enhanced Structural Adjustment Facility. The conclusion and smooth implementation of this agreement gradually restored Cameroon's credibility within the international financial community and allowed the Heavily Indebted Poor Countries Initiative (HIPC) decision point to be reached.

   Thanks to these programs and, in particular, the resulting structural reforms set in motion, Cameroon's economy returned to stable growth of 4.7% per year from 1997 to 2001, with an inflation rate of around 3%.

iii. **The post-2000 period was marked by the development of poverty reduction and economic growth strategies that laid the foundation for additional economic and financial programs.** IMF support was provided through a Poverty Reduction and Growth Facility (PRGF) agreement. Within the framework of the PRGF-supported program, economic policy took on a new direction, notably with the drafting in **2003 of the Poverty Reduction Strategy Paper (PRSP)**. The PRSP recognized that the improvement in macroeconomic performance had not led to a corresponding improvement in household living conditions, despite the fact that economic growth had generated a solid increase in per capita income (around 2% per year from 1996 to 2001), and a significant 13-point decline in the poverty rate, according to the comparative results of the ECAM-I and II surveys. The PRSP pursued seven strategic pillars: (i) promoting a stable macroeconomic environment; (ii) strengthening growth through economic diversification; (iii) empowering the private sector as the main engine of growth and a partner in the delivery of social services; (iv) developing basic infrastructure, natural resources, and environmental protection; (v) accelerating regional integration within the CEMAC framework; (vi) strengthening human resources, bolstering the social sector, and improving the insertion of disadvantaged groups within the economy; (vii) improving the institutional framework, administration, and governance. After having successfully implemented a PRGF-supported program that had experienced some early setbacks, Cameroon reached the Highly Indebted Poor Countries Initiative (HIPC) completion point in 2006.

iv. **The period of economic recovery that preceded the economic emergence of 2006.** Reaching the completion point allowed the country to transition to medium- and long-term planning with a view to fighting poverty effectively and stimulating the economic recovery. It was in this context that "Vision 2035," which plans to make Cameroon an emerging and democratic country united in its diversity by 2035, was adopted in 2009. The Growth and Employment Strategy Paper (GESP), also adopted in 2009, establishes the reference framework for government action over the period 2010–2020. The GESP objectives are the following: (i) increase the average annual growth rate to 5.5% over the period 2010–2020; (ii) reduce the underemployment rate from 75.8% to less than 50% by 2020; (iii) reduce the income poverty rate from 39.9% in 2007 to 28.7% by 2020; (iv) achieve all millennium development goals (MDGs) by 2020. This document places strong emphasis on the rural sector and recognizes its role as an engine for growth. It stipulates that the first priority is the need to successfully transition the sector towards rural semi-intensive and industrial production, which will help: (i) ensure security and self-sufficiency of domestic consumption, (ii) supply the processing industry and create an internal market and consumption for production sectors, and lastly, (iii) increase exports and thus improve the trade balance. It provides for the modernization of the rural sector production system, carried out through four important structuring programs: (i) developing food, animal, fish and forest production, (ii) improving living standards, (iii) sustaining management of natural resources and (iv) improving the institutional framework.

1.2 Sectoral Strategic Situation

14. Cameroon's rural sector development policies evolved many times over the years in response to economic conditions. They transitioned from the five-year plans of the '70s–'90s, to the new agricultural policy of the 1990s. The agricultural policy, as defined in the five-year economic and social development plans, was based on three main strategies:

- Maintaining and strengthening food self-sufficiency;
- Developing export crops;
- Improving living standards and conditions in rural areas.

15. **The New Agricultural Policy (1990–1998)** focused on consolidating achievements in both self-sufficiency and export income and the significant improvement of performance in the sector. It was implemented in a particular context: the government adopted an agricultural sector adjustment plan in 1990, through which it endeavored to create a strategic framework favorable to private initiatives. Deregulation and privatization

measures aimed at reducing waste and finding more effective forms of governance were thus provided for. The NAP was assigned five objectives: (i) modernize the production system; (ii) ensure food security; (iii) boost and diversify exports; (iv) develop agrifood processing; and (v) balance production chains.

Some of the NAP's achievements included: (i) the successful restructuration of some state-owned enterprises, (ii) the adoption of new laws governing the co-op sector; (iii) the promotion of agricultural interprofessional organizations; (iv) the liberalization of the marketing of agricultural products; (v) the development of microfinance systems, (vi) the implementation of a new agricultural extension strategy; (vii) the liberalization of the agricultural inputs trade; (viii) various projects to strengthen farmers' organizations and improve food security.

As part of the implementation of the liberalization process, the State also did away with administered regulation, leaving agricultural producers little prepared for new relations requiring them to negotiate and develop contractual arrangements with service providers that were generally more experienced. However, none of the five sectoral objectives were met. The NAP was reviewed and reworked in 1999. It served as a foundation for the development of an integrated rural development strategy in 2001.

16. In 2003, Cameroon drafted a **Rural Sector Development Strategy Document (DSDSR)**, which established the framework for all of the sector's development action plans. **This document was revised in 2006.** Its action focuses on four pillars of intervention: (i) modernizing the production system, (ii) improving the institutional framework, (iii) creating an incentivizing environment and, (iv) sustainable management of natural resources. The new ***2020 Rural Sector Development Strategy Document (DSDSR)***, which consolidates subsector strategies in line with the GESP, is currently being drafted under the leadership of the Ministry of Planning and Regional Development (MINEPAT), which is responsible for the consistency of the country's sector development strategies. In the meantime, each subsector has developed its own strategy in line with the GESP.

17. **For the agriculture and rural development subsector,** the strategy aims to strengthen Cameroon's role as a sub-regional agricultural power, with a rural sector that acts as an engine for the national economy, ensuring food security for the population while promoting environment-friendly and sustainable development. In response to the main challenges, the vision is based on four programs, the objective of which is to: (i) improve industry production and competitiveness; (ii) modernize rural and agricultural production infrastructures; (iii) sustainably manage natural resources; and (iv) improve the institutional framework and build the capacities of all State and private stakeholders.

It must be noted that agricultural policy decisions, which were once very centralized, are now made in consultation with various stakeholders: ministries in charge of the Economy, Planning and Regional Development; Finance, Agriculture, and Rural Development; Livestock, Fishing, and Animal Husbandry; Trade; and Research, as well as decentralized regional and local authorities, producers' organizations, NGOs and development partners.

18**. For the livestock, fishing and animal husbandry subsector,** the strategy aims to increase pastoral and fishery production to satisfy not only the nutritional needs of the population and the agro-industry's needs for raw materials, but also to produce surplus for export. This objective will be pursued through four operational programs: (i) developing animal production and industries, (ii) developing fishery production, (iii) improving the health of livestock and zoonosis control, and (iv) establishing a support program to improve the subsectoral institutional framework.

19. In parallel with the implementation of projects and programs, efforts have been made, as of 2009, to improve the subsector's planning framework by: (i) implementing a program to improve the statistical information system for livestock, fishing and animal husbandry, (ii) developing a master plan for livestock sector development, (iii) initiating a process to draft a *Code Pastoral*, and (iv) drafting an aquaculture development plan.

20. The subsector also received help from the World Organization for Animal Health (OIE); their 2006 veterinary service evaluation revealed that the organization of Cameroon's veterinary services did not comply with OIE standards. A gap analysis conducted in early 2011, when compared to the GESP, helped pinpoint the priorities to target in a five-year strategic plan to progressively eliminate the gap.

21. Since 2008, the C2D (Debt Relief and Development Contract) initiatives, implemented as part of cancelling the country's external debt to France, has allowed for the formulation of actions to develop animal and fishery production; the World Bank has also resumed its support of Cameroon's rural sector. The government has taken measures to improve the institutional framework of both subsectors—agriculture and livestock/fishing,—through three programs financed by the Debt Relief and Development Contract with France as part of the debt cancellation. They are: (i) the Support Program for the Improvement of Rural Sector Administrations (AMO) joint project (MINEPIA/MINADER) whose goal is to strengthen statistical analysis capacities and institutional organization; (ii) the Support Project for the Renovation and Development of Vocational Training in Agriculture, Livestock, and Fisheries (AFOP); and finally, (iii) the Program for the Improvement of the Competitiveness of Family Farms (ACEFA).

22**. For the forestry and wildlife subsector**, the aim is to make Cameroon an ecologically viable country, whose forests and wildlife sustainably contribute to economic, social and cultural development. The strategy aims to improve biodiversity management with a view to contributing to economic growth and job creation in a context of sustainable development. This strategy is built on three pillars: (i) the development and sustainable management of forests; (ii) the conservation and sustainable management of wildlife resources; and (iii) the development of forest resources. They are subdivided into four programs: (i) the program for the development and renewal of forest resources, (ii) the program for the conservation and development of wildlife and protected areas, (iii) the program for the development of timber and non-timber forest resources, and (iv) the support program for the management, institutional management and governance of the subsector. The Forest and Environment Sector Program (FESP), which has been in operation since 2003 and open to funding from all donors, as well as contributions from the private sector and civil and non-governmental organizations, aims to help implement Cameroon's forestry and wildlife resource sustainable management policy in an environment-friendly manner. The FESP has become the framework for all forest conservation, management, and sustainable exploitation activities. The FESP Phase 1 (2009–2012) covered all of Cameroon. Its scope of intervention included the forest sector and the environment. Its objective is to implement a coherent framework for all interventions aiming to fulfill the objectives of the country's forestry, wildlife and "green" environment policy and to strengthen the institutional framework in order to implement the sustainable management of forest and wildlife resources policy on an ecological, economic and social level.

23. In parallel, a **National Food Security Program (PNSA) (2008–2015)** was developed in 2007. Its overall objective is to fight hunger and food insecurity in order to reduce by half the number of people suffering from malnutrition, particularly in vulnerable households in rural and peri-urban areas, by 2015. The strategic aims are similar to those of the 2006 DSDSR:

(i) Increase crop, pastoral and fishery production by introducing improved and adapted varieties (breeds) and input supply. (ii) Secure production through water management, soil fertility management, environmental protection, and natural resource conservation. (iii) Improve producers' income, especially women's and young peoples'. (iv) Improve village cereal storage systems, particularly in risk areas. (v) Improve the marketing and processing of crop, animal and fishery production. (vi) Take steps to improve the population's nutritional health. (vii) Set up and strengthen the food-crisis monitoring, alert, and rapid reaction system in risk areas. (viii) Strengthen producers' capacities and their support structures.

24. Furthermore, to tackle the food crisis that led to riots in February 2008, the government drafted an **Emergency Plan** based on a substantial and sustained increase in national production, mainly by reinstating the implementation of special agricultural programs, primarily for plantain, rice, roots and tubers.

25. To support the implementation of the GESP through the National Agricultural Investment Plan **(PNIA), the government recently signed, in July 2013, the CAADP Pact** (Comprehensive Africa Agriculture Development Program) with the various stakeholders involved (the African Union, the ECCAS, producers' organizations, civil organizations,

development partners, and the business sector). The CAADP aims to provide a common framework of principles and objectives with a view to: (i) stimulating and supporting political and technical dialogue on setting investment priorities for the agriculture sector, (ii) strengthening organizational development and the capacities of national stakeholders, (iii) encouraging the involvement of the private sector, producers' organizations, and civil organizations and developing entrepreneurship; (iv) harmonizing the efforts of the government and its development partners. The PNIA document will be available in mid-2014. It will provide the agricultural sector with a unique policy framework and thus improve the choice of projects to be included in this strategy. The priorities of the future PNIA, which will cover the period 2014–20, will involve the following four policy areas: (i) the development of production industries and the improvement of food security and nutrition, (ii) the modernization of production infrastructures in rural areas and the improvement of access to funding, (iii) the sustainable management of natural resources, and (iv) the improvement of the institutional framework and the strengthening of consultation and management capacities in the rural sector.

1.3 Institutional Framework

26. On an organizational level, the rural sector covers the activities of four key ministries: the Ministry of Agriculture and Rural Development (MINADER), the Ministry of Livestock, Fisheries, and Animal Husbandry (MINEPIA), the Ministry of Forestry and Wildlife (MINFOF) and the Ministry of the Environment, Nature Protection, and Sustainable Development (MINEPDED). The institutional evolution of these ministerial departments is shown in Table 1. The Ministry of Agriculture (MINAGRI) became the Ministry of Agriculture and Rural Development in 2005; the Ministry of Forestry and Wildlife was once the Ministry of Forestry, which, in 1992, became the Ministry of the Environment and Forestry (MINEF), which was then split into two separate ministries in December 2004: the Ministry of Forestry and Wildlife and the Ministry of the Environment and Nature Protection (MINEP). The latter became the Ministry of the Environment, Nature Protection, and Sustainable Development (MINEPDED) in December 2011.

27. Each of these four key ministries of the rural sector is composed of central directorates, affiliated structures and bodies (missions or companies), ten regional delegations, 58 departmental delegations, district delegations (with the exception of MINEPDED), and various agricultural, forestry and hunting stations and animal research centers.

Table1: Institutional evolution of the ministerial departments in the rural sector

Period	Name
Agriculture	

1970s to 2005	Ministry of Agriculture
2005 to today	Ministry of Agriculture and Rural Development
Livestock	
1970s to today	Ministry of Livestock, Fisheries, and Animal Husbandry
Forestry	
1981 to November 1992	Ministry of Forestry
November 1992 to December 2004	Ministry of the Environment and Forestry (MINEF)
December 2004 to today	Ministry of Forestry and Wildlife (MINFOF)
Environment	
November 1992 to December 2004	Ministry of the Environment and Forestry (MINEF)
December 2004 to December 2011	Ministry of the Environment and Nature Protection (MINEP)
Since December 2011	Ministry of the Environment, Nature Protection, and Sustainable Development (MINEPDED)

Sources: MINADER, MINEPIA, MINFOF, updated by the authors.

28. In addition to these four key ministries for rural development, other ministerial departments are involved in the sector for such activities as agricultural research (Ministry of Scientific and Technical Research until 2011 and now the Ministry of Scientific Research and Innovation – MINRESI), rural roads (since 2004, the Ministry of Public Works – MINTP), funding (Ministry of Finance – MINFI), economic affairs, planning, and regional development (Ministry of the Economy, Planning, and Regional Development – MINEPAT), decentralization (Ministry of Territorial Administration and Decentralization – MINATD), trade (Ministry of Trade – MINCOMMERCE), the transportation of inputs, rural productions and stakeholders (Ministry of Transport – MINTRANS), property (Ministry of State Property and Land Tenure – MINDCAF), social economy (Ministry of Small and Medium Size Enterprises, Social Economy, and Handicrafts – MINPMEESA), product transformation (Ministry of Mines, Industry, and Technological Development – MINMIDT).

29. These ministries supervise national and regional public bodies that participate in the development of the agricultural sector, as well as commercial organizations such as the

Cotton Development Company (SODECOTON) and the Cameroon Development Corporation (CDC). A list of these bodies is shown in Box 1 below.

Box 1. List of Public Bodies Active in the Agricultural Sector

- **MINADER:**
  - Cocoa Development Company (SODECAO)
  - Cameroon Development Corporation (CDC)
  - Cotton Development Company (SODECOTON)
  - Society for the Expansion and Modernization of Rice Cultivation in Yagoua (SEMRY)
  - South West Development Authority (SOWEDA)
  - North West Development Authority (MIDENO)
  - Upper Nun Valley Development Authority (UNDVA)
  - National Center for Studies and Experimentation of Agricultural Mechanization (CENEEMA)
  - Agricultural Processing Aviation Unit (UNDVA)
  - National Laboratory for the Diagnostic Analysis of Products and Inputs (LNAD)
  - Chamber of Agriculture, Fisheries, Livestock, and Forests (CAPEF)
- **MINEPIA:**
  - Animal Production Development and Exploitation Company (SODEPA)
  - Mission for the Development of Small-scale and Maritime Fishing in Cameroon (MIDEPECAM)
  - Special Mission for Tsetse Fly Eradication (MSEG)
  - National Veterinary Laboratory (LANAVET)
  - *Laboratoire d'analyse des denrées alimentaires* (food analysis laboratory)
  - Livestock (Wakwa, Louguere, Kounden) and fishing stations (32 fishing stations and fish breeding centers)
  - National centers for zootechnical and veterinary training (Maroua, Foumban and Jakiri)
  - Livestock and Fisheries Development Funds (CDEN, CDENO, CDPM)
  - *Institut des arts et métiers nautiques et de la pêche* (Institute for the Nautical Arts and Crafts and Fishing)
- **MINFOF:**
  - National Forestry Development Agency (ANAFOR)
  - *Ecole Nationale des Eaux et Forêts* (ENEF, National Waters and Forestry School)
  - *Ecole de Faune* (Wildlife School)
- **MINEPDED:**
  - National Climate Change Observatory (ONACC)

30. With decentralization, pursuant to Decrees 2010/0242/PM and 2010/0244/PM of February 26, 2010, some powers relating to the **promotion of agricultural production and rural development activities and the promotion of pastoral and fishing production activities** were transferred to municipalities, effective the 2010 budget year. Furthermore, municipalities are already actively involved in forest and wildlife management. They manage the share of financial resources generated by municipal taxes on forestry concessions (20%) and supervise the management of the share belonging to

neighboring communities (10%).[1] Municipal councils also manage communal forests transferred by the State and are also involved in supervising the management of community forests and community-managed declared hunting areas.

32. As one of the non-governmental stakeholders in rural development, the private sector has increased its involvement considerably. There are also numerous producers' organizations, some of which are organized into economic interest networks (GIC), unions, federations, cooperatives and inter-professional organizations. The producers' organizations are the *Confédération Nationale des producteurs de Coton du Cameroun* (CNPCC, National Cameroon Confederation of Cotton Producers), to which SODECOTON is gradually transferring its producer organization management functions, notably the input credits, the *Union des coopératives de café-cacao de l'Ouest* (UCCAO, Coffee-Cocoa Western Cooperatives Union), the North West Cooperative Association (NWCA), and the South West Farmers' Cooperative Association (SOWEFCO). The main inter-professional organizations are: the *Groupement de la Filière Bois du Cameroun* (GFBC, Cameroon Timber Industry Group), the *Conseil Interprofessionnel du Cacao et du Café* (CICC, Cocoa and Coffee Inter-professional Council), the *Réseau des Opérateurs des Filières Horticoles du Cameroun* (RHORTICAM, Cameroon Network of Horticulture Industry Operators), and the Poultry Producers' Association (IPAVIC). Two organizations represent and defend the interests of producers: the Cameroon National Platform of Agricultural, Forestry, and Pastoral Professional Organizations (PLANOPAC) and the *Concertation Nationale des Organisations des Producteurs du Cameroun* (CNOPCAM, Cameroon National Council of Producers' Organizations).

33. A significant number of non-governmental organizations (NGOs) and associations are playing an increasingly important role in rural affairs. Lastly, the Chamber of Agriculture, Fisheries, Livestock, and Forests (CAPEF), after a period of dormancy, is in full renewal after the revitalization of its governing bodies and new strategic directions. It is designed to provide rural entrepreneurs with a form of representation, a means of expression and an instrument for participation, the loss of which has long been a factor in their isolation and marginalization.

A formalized structure for rural development cooperation between the government and DPs has not yet been established. However, the TFPs have two forums for dialogue: the *Groupe Agriculture Elevage* (Agriculture Livestock Group) and the *Groupe Forêt et Environnement* (Forest and Environment Group).

[1] To date, 33 agreements have been signed between the MINFOF and municipal councils.

2. LEVEL OF AGRICULTURE PUBLIC EXPENDITURE

2.1 Objective of the Analysis

34. The objective of the analysis in this section is to use implemented expenditure to measure the relative share of agriculture expenditure, as defined by NEPAD, in the total State budget, and to examine changes in the implementation rate of the State's provisional budget, which is a key indicator of its ability to achieve the budget objectives. It is important to note that, in parallel with the NEPAD initiative, which defines agriculture expenditure using the United Nations Classification of the Functions of Government (COFOG), the FAO launched the Monitoring African Food and Agricultural Policies (MAFAP) initiative, which encourages countries to carry out a detailed analysis of the composition of public expenditure and set up an annual database to show a detailed breakdown that separates payments to producers and operators from general sector-support payments . The MAFAP classification is more detailed than that recommended by NEPAD and also includes expenditure that NEPAD does not take into account (see Box 2 for a comparison of these two classifications).

2.2. The Level of Agriculture Public Expenditure

35. For an analysis based on NEPAD guidelines, agriculture public expenditure is defined as the following items:

(i) Expenditure in the State budget to support rural development (agriculture, livestock, fisheries, forestry, and the environment) under the authority of the ministries administering these sectors, namely: the Ministry of Agriculture and Rural Development (MINADER), the Ministry of Livestock, Fisheries, and Animal Husbandry (MINEPIA), and the Ministry of Forestry and Wildlife (MINFOF), as well as other ministries; this expenditure can be from internal resources or external resources. Subsidies to public administrative entities that are paid out of the common budget must be included. Operating expenditure is monitored by the Ministry of Finance while the MINEPAT monitors capital expenditure. Note that expenditure on conservation activities (national parks, forest protection) is not included when calculating forestry expenditure. Expenditure for non-agricultural water management and environmental management not directly related to agricultural activities is not included either.

(ii) Rural development expenditure under agreements with donors but not included in the State budget. In Cameroon, MINEPAT classifies the data of all DPs that finance public investment projects inside the country as capital expenditure from external resources.

Thus, in principle, using MINEPAT statistics ensures that all donor disbursement is included. Donor disbursements to non-governmental and producers' organizations acting as implementing agencies, meaning that they are not listed in the State budget but make expenditure of a public nature, are also added to this figure.

In contrast, according to NEPAD guidelines, which are based on the Classification of the Functions of Government (COFOG), feeder road expenditure must not be included in the calculation of agricultural development expenditure; instead, it is shown on a separate line as this is useful for the overall analysis.

36. The analysis separately considered capital expenditure and operating expenditure. For capital expenditure, the mission consulted all the MINFOF project journals to exclude from total expenditure all biodiversity and wildlife protection expenditure that did not involve the improvement of timber management. Projects that included expenditure relating to the improvement of forest production management were regarded as agricultural development expenditure. Furthermore, the mission analyzed the MINEPDED organization chart and project journals in order to retain only environmental expenditure related to agriculture. A list of excluded MINFOF and retained MINEPDED projects is provided in Schedule I. The following was added to this expenditure: (i) budget expenditure implemented by IRAD that was not provided from the MINADER budget; (ii) subsidies to Public Administrative Establishments operating in the agricultural sector and paid out of the common budget, including the Seed Fund and the Special Fund for Forestry Development; (iii) expenditure from the Ministry of Scientific Research, the Ministry of Trade, and the Ministry of the Economy, Planning, and Rural Development that was presented as being relevant to the primary sector in the MINEPAT public investment budget implementation reports.

It should be noted that this analysis does not make a distinction between public and private goods in public expenditure, a distinction that is relevant in countries where private goods expenditure (notably subsidies for inputs) is high (Box 3).

Box 2. Agriculture public expenditure: NEPAD's COFOG methodology and the MAFAP (Monitoring African Food and Agricultural Policies) methodology

As part of its Comprehensive Africa Agriculture Development Program (CAADP), NEPAD requires countries to identify government expenditure, as defined by the Classification of the Functions of Government (COFOG) adopted by the United Nations. The agricultural sector covers crop and animal production, forestry and hunting (including non-timber production), and fishery production. However, the NEPAD guidelines exclude expenditure on feeder roads and for purely environmental protection.

Furthermore, the FAO launched an initiative to encourage African countries to maintain a database on the level, and detailed breakdown, of agriculture public expenditure using MAFAP methodology, which covers the same productive sectors (agriculture, livestock, fisheries, forestry) as the COFOG methodology bit supplements it in two ways.

First, the MAFAP analysis broadens the definition of expenditure to include expenditure on education and health in rural areas, water, electricity and rural roads, which are not included in the COFOG definition of expenditure. These categories are considered to be indirect agricultural support, which is added to direct support.

Second, as regards direct agricultural support, the MAFAP analysis requires countries to present an expenditure breakdown that makes a distinction between (i) payments to producers and other agents, such as consumers and processors, for input and equipment subsidies and income support; (ii) expenditure to support the sector, broken down by expenditure for infrastructures, research, training, storage, marketing, and technical assistance. The MAFAP analysis thus requires a more detailed breakdown of expenditure and demands a finer classification than a COFOG-based analysis does.

Box 3. Agriculture Expenditure on Public and Private Goods

Public goods are goods that produce externalities and that an individual can consume without depriving others of its use, such as research and training, the creation and transfer of technology, soil conservation, sanitation, rural roads, animal and plant health, and the operating budgets of public services. Such expenditure respects the two principles of public goods: it is non-excludable and non-rivalrous. In contrast, a private good is a specific product which an individual, by consuming it, deprives others from doing so; private goods include inputs, personal equipment, and direct grants or credits granted to specific individuals.

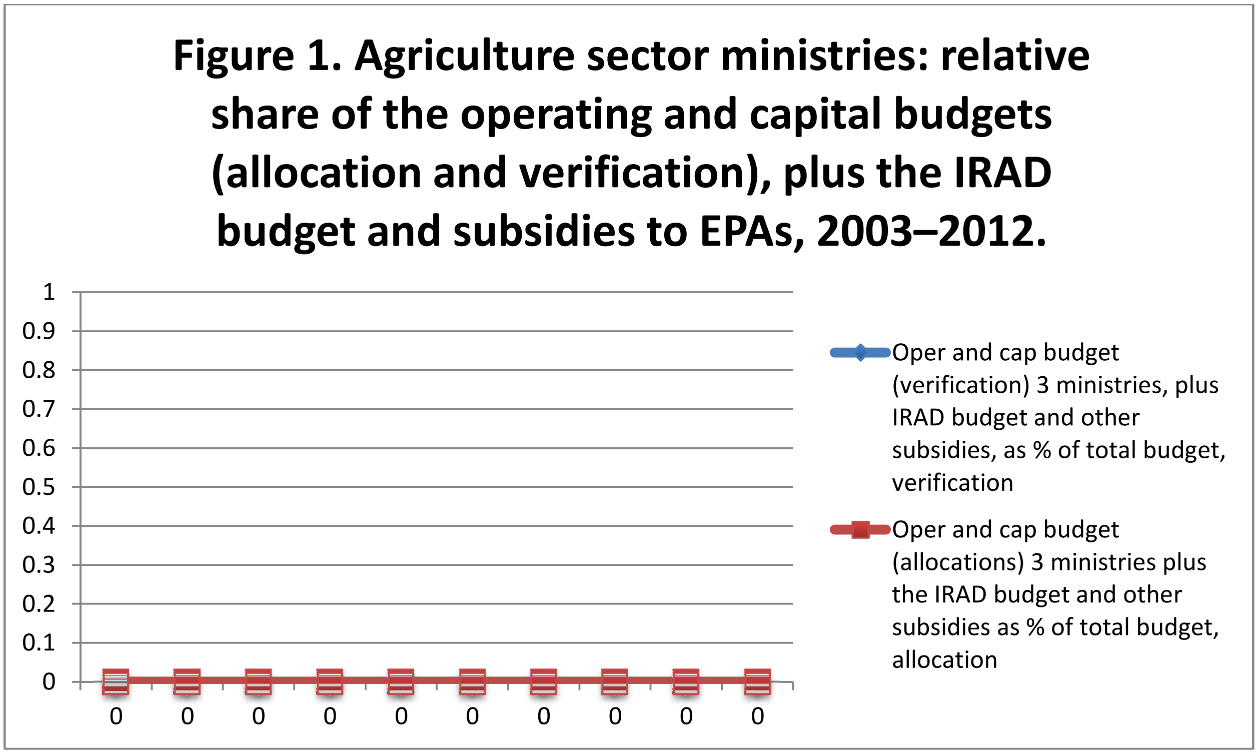
Empirical research on Latin America shows that there is a strong correlation between allocations of agriculture public spending on public or private goods and agricultural growth. For example, a study of several Latin American countries shows that at a constant volume of expenditure, a ten percentage point reduction in subsidy spending increases per capita agricultural income by 2.3 percentage points (Lopez and Galimato 2007). Investing public resources in private goods can facilitate producers' use of seed, fertilizer, and crop protection products and increase short-term production. However, the prolonged expansion of expenditure on private goods to the detriment of public goods restricts rural development because it reduces services that can only be provided by the State.

In the case of Cameroon, expenditure on input subsidies is relatively modest, constitutes part of the expenditure of various regional and industry support projects, and is not easily identified. Consequently, excessive expenditure on private goods is not an issue, but the lessons learned from countries where such spending is high may prove to be a useful guide for the future.

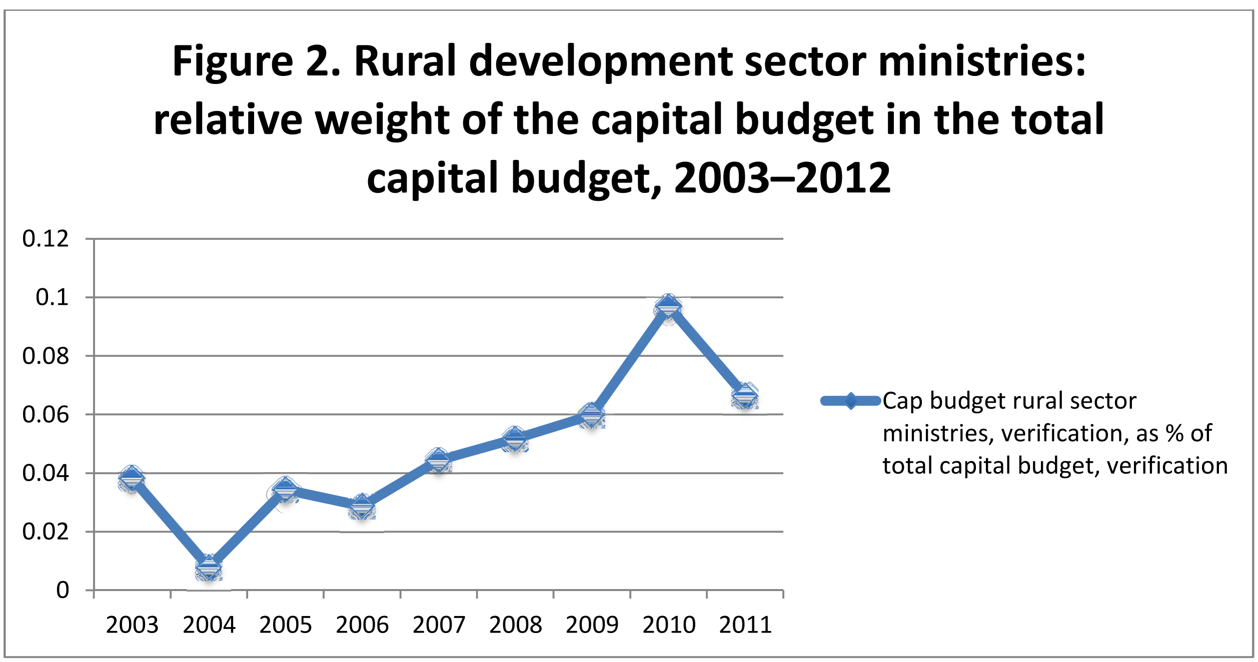
37. According to this data, the budget allocation-based ratio of agriculture public expenditure to total budget expenditure, after hovering around 4% on average during the period 2004–08, increased to 5.8% in 2010 before declining to 5.0% in 2011 and 2012 (Figure 1). Verification-based agriculture public expenditure represented 3.2% of total budget expenditure in 2012. For capital expenditure, the share of the three ministries in the total public investment budget (PIB) has grown considerably over the past several years, reaching 10% in 2011, compared to 4% in 2006 (Figure 2). In contrast, the operating expenditure of the three ministries (MINADER, MINEPIA, MINFOF), and subsidies, continue to account for a small part of the total budget: 4% in 2012, based on budget allocations, and even less based on payment orders (3.2% in 2012, Figure 3). The total expenditure of these three ministries is provided in Figure 4. Lastly, the very modest agricultural capital expenditure by the ministries of planning, trade, and research, which reached roughly 1 billion CFA francs in 2008, must be added.

38. To measure agriculture public expenditure according to the NEPAD definition, the donor aid provided to several NGOs for public expenditure must be added to the budget data. These amounts averaged 2.8 billion CFA francs between 2007 and 2012, peaking at 3.9 billion CFA francs in 2009. These amounts are provided in Table 2; this data comes from the FAO/ADAM (Agriculture Development Assistance Mapping Tool) database. Furthermore, according to NEPAD guidelines, feeder road expenditure must not be considered; it is thus subtracted in Table 2. Taking technical and financial partners' (TFP) disbursements to NGOs into account and excluding feeder road expenditure only makes a very slight change in the budget implementation-based ratio of implemented agriculture expenditure to the State budget, resulting in a ratio of 4.6% in 2011 and 4.0% in 2012.

A detailed list of TFP disbursements to NGOs is provided in Schedule 1, Table L and Figure 17; the biggest donors according to the FAO/ADAM database, are Spain, Germany, Belgium, the European Union, Italy, Switzerland, Canada, and Luxembourg.

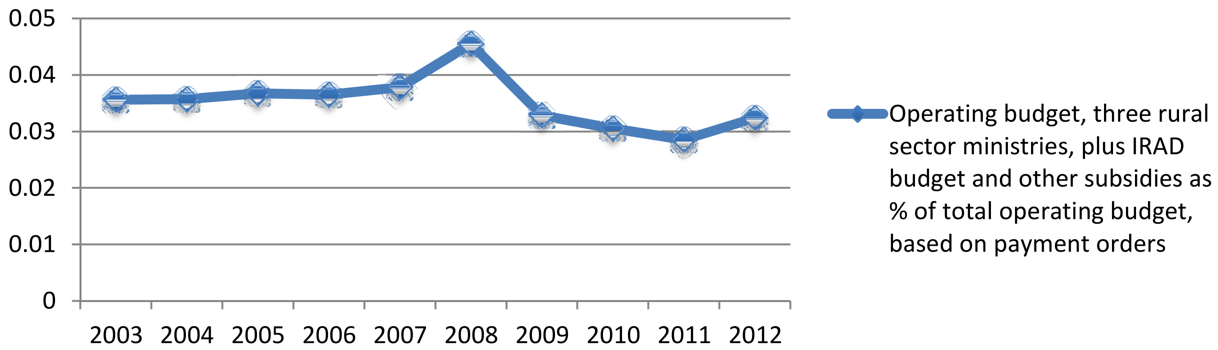


Source: MINFI/DGB, MINEPAT/ DPIP



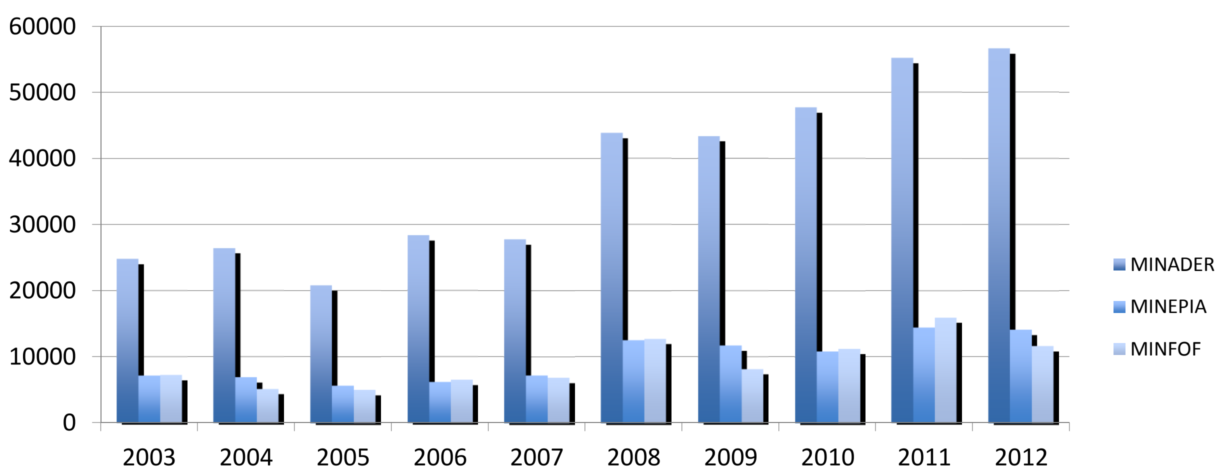
Source: MINEPAT/ DPIP

Figure 3. Operating budget, three rural sector ministries, plus IRAD budget and other subsidies, as % of total operating budget, based on payment orders, 2003–2012



Source: MINFI/DGB

Figure 4. Verification-based total operating and capital expenditure, MINADER, MINEPIA, MINFOF, 2003–2012 (million CFA F)



Source: MINFI/DGB and MINEPAT/DPIP

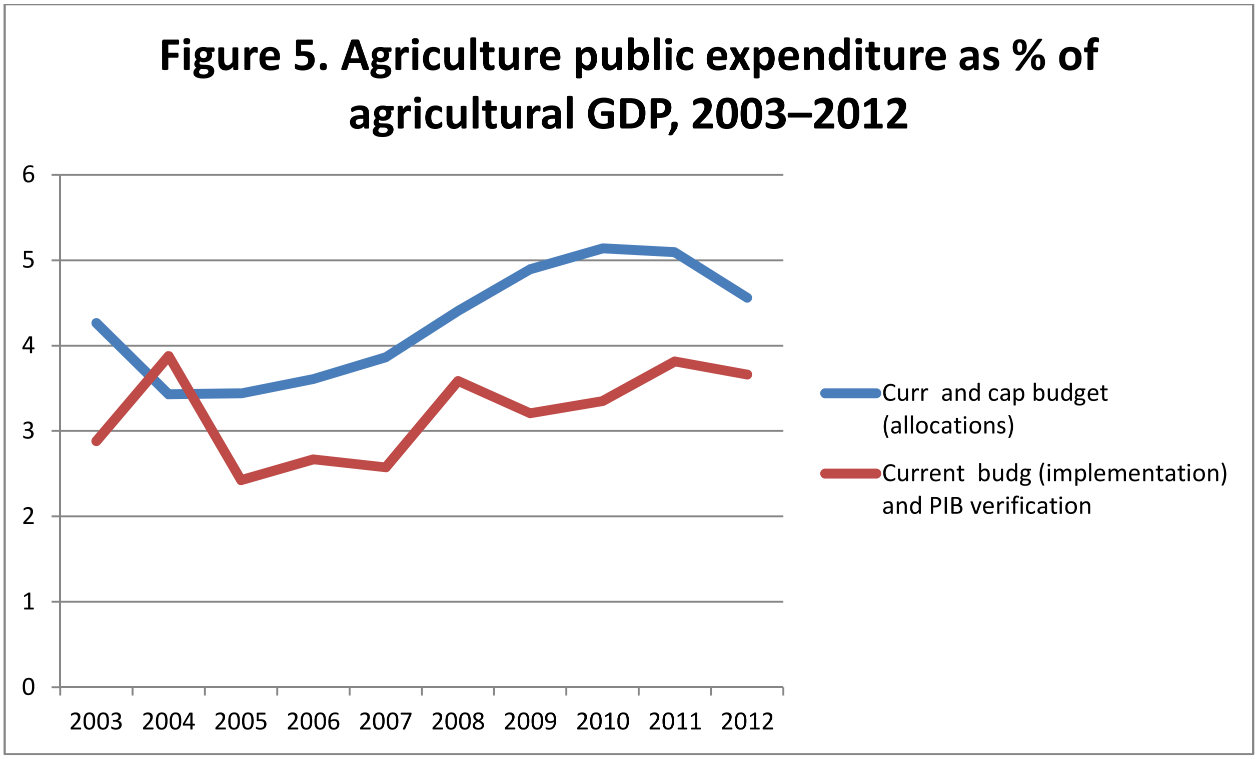
Table 2. Rural development expenditure in % of the State budget, based on payment order (M CFA F)

	Ag sector ministries recurrent, payment order-based	Ag sector ministries capital, verification-based	incl. from ext. resources	DP disbursement to NGOs	IRAD budget and EPA subsidies	Minus feeder road exp.	Total COFOG exp.	Implemented state budget	COFOG exp.-State budget ratio
2003	31000	8566	1198	758	6339	120	47741	1203610	**4.0%**
2004	32467	6121	2271	1062	7862	130	49653	1349273	**3.7%**
2005	29891	1598	978	780	8862	140	41969	1334340	**3.1%**
2006	33436	8457	5818	1131	6602	150	55294	1361287	**4.1%**
2007	32506	9506	2505	2419	11009	160	57785	1601287	**3.6%**
2008	52342	17402	4422	3508	11208	170	88712	1830120	**4.8%**
2009	42115	21390	2778	3899	6846	180	76848	1904728	**4.0%**
2010	39715	30346	1200	2971	9467	234	83466	2118800	**3.9%**
2011	38637	47235	6386	2408	13909	312	108262	2329895	**4.6%**
2012	43952	38745	5157	2120	14572	453	104092	2590653	**4.0%**

1/ includes int. and ext. debt service payments in principal and interest

Source: MINFI, Directorate of the Budget, MINEPAT, donors

39. Looking at primary sector GDP, the budget of the sector's three ministries, to which are added the capital expenditure of other ministries for the sector, the IRAD budget and subsidies to the sector's public administrative establishments, increased significantly in the period 2003–12, growing from 4.3% to 4.5% of primary sector GDP, in terms of budget allocations, and from 2.9 to 3.7% in terms of verification (Figure 5). This ratio is at the lower end of the range in terms of other African countries (lower than Burkina Faso, Senegal, Guinea, and Uganda, close to Kenya and Togo, see Table 3). Note that the very high amounts of public expenditure in agricultural GDP for the agriculture of high-income countries is related to the subsidies they give producers. These subsidies are not targeted for development but rather for income support, which is something low- and middle-income countries cannot afford.



Source: MINEPAT and INS

Table 3. International comparisons of agriculture public expenditure

2010–12

	Share of agriculture in GDP	Share of agriculture budget expenditure in national GDP	Share of agriculture budget expenditure in agricultural GDP
High-income countries			
Australia	3.0%	0.3%	10%
Canada	2.3%	0.5%	22%
EU	2.3%	0.7%	28%
USA	1.6%	0.7%	46%
Middle-income countries			
Turkey	13.0%	2.0%	15%
Mexico	4.0%	0.7%	18%
Venezuela	5.0%	0.5%	12%
China	15.0%	1.2%	8%
Brazil	9.3%	0.7%	8%
Russia	6.0%	1.0%	16%
Ukraine	11.6%	1.3%	11%

Low-income countries			
Cameroon 2012	**20.9%**	**0.9%**	**4.1%**
Burkina Faso 2004–2011	33%	2.7%	8.2%
Senegal, 2009	13.7%	2.8%	20.4%
Côte-d'Ivoire	23%	0.6%	2.5%
Guinea, 2003–12	22%	1.50%	6.8%
Uganda	32%	1.5%	4.7%
Tanzania	45%	1.2%	2.7%
Ethiopia	44%	2.7%	6.1%
Kenya	29%	1.3%	4.5%
Togo	41%	1.9%	4.6%

Source: World Bank. Years vary by country, between 2010 and 2012

40. A budget-allocation based examination of the public investment budget, in absolute terms, reveals that growth was stronger between 2008 and 2012: for MINADER (from 28 to 40 billion CFA francs, or 2.6 to 3.3% of GDP), for MINEPIA (from 7.8 to 10.5 billion, equal to 1% of GDP), and for MINFOF (an increase from 3 to 9 billion in 2011, followed by a decline in 2012) (Figures 6 to 9). While MINADER benefited from a strong increase in external resources (50%), the external resources for the two other ministries either remained unchanged (MINEPIA) or declined (MINFOF).

41. The expenditure implementation rate rose (when calculated as a verification/allocation ratio), reflecting efforts to start budget implementation promptly in the first few months of the year. Expenditure commitment is contingent on the sector ministries issuing calls for tender in January and February, as well as their approval by MINEPAT and the Ministry of Public Contracts. Thus, the PIB commitment rate for MINADER (commitments compared to allocations) was 98% in 2011, while the verification rate was 79% (86% on internal resources, Figures 10 and 11).[2] For MINEPIA, these rates have increased rapidly in the past few years, peaking in 2011 (86% commitment rate, 74% verification rate, Figures 12 and 13) before declining in 2012. For MINFOF, the commitment and verification rates were high in 2011 and 2012, after being very low from 2005 to 2009, when the forest-environment sector program was in the start-up phase (Figure 14).

Note that the implementation rate (commitment/allocation ratio) for capital expenditure from external resources is much lower. This reflects the significant delays in the implementation of projects funded by external resources (approval of financing

[2] Commitment rate = commitments as % of budget allocations; verification rate = verifications as % of budget allocations.

agreements, setting up steering and management entities), which are often difficult to predict.

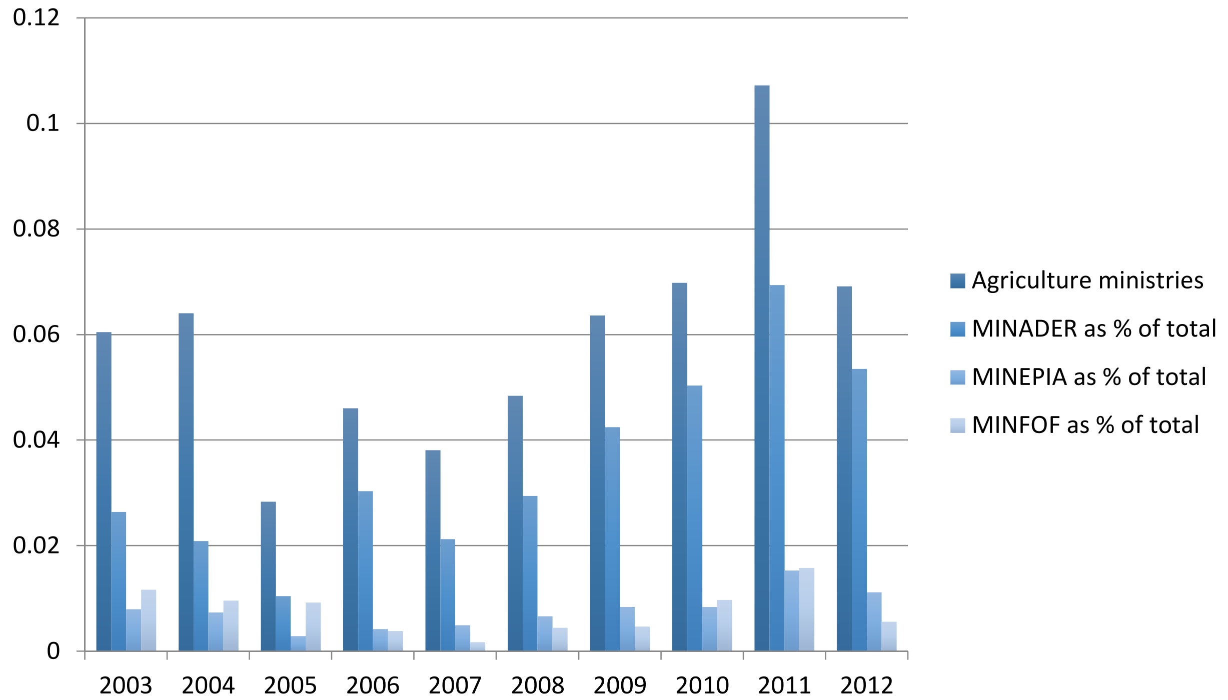
Lastly, the verification rate (the verification/commitment ratio) is significantly lower for delegated credits than for the central services (Table 4); this may be due in part to delays in reporting.

Table 4. Verification rate, delegated credits, and central services

		2010	2011	2012
Verification/Commitment, in %				
MINADER				
	Headquarters	98.8%	84.3%	82.5%
	delegated credits	37.7%	59.1%	65.3%
MINEPIA				
	Headquarters	n/a	87.8%	75.4%
	delegated credits	n/a	46.0%	83.0%
MINFOF				
	Headquarters	45.2%	118.2%	94.3%
	delegated credits	n/a	81.8%	78.2%

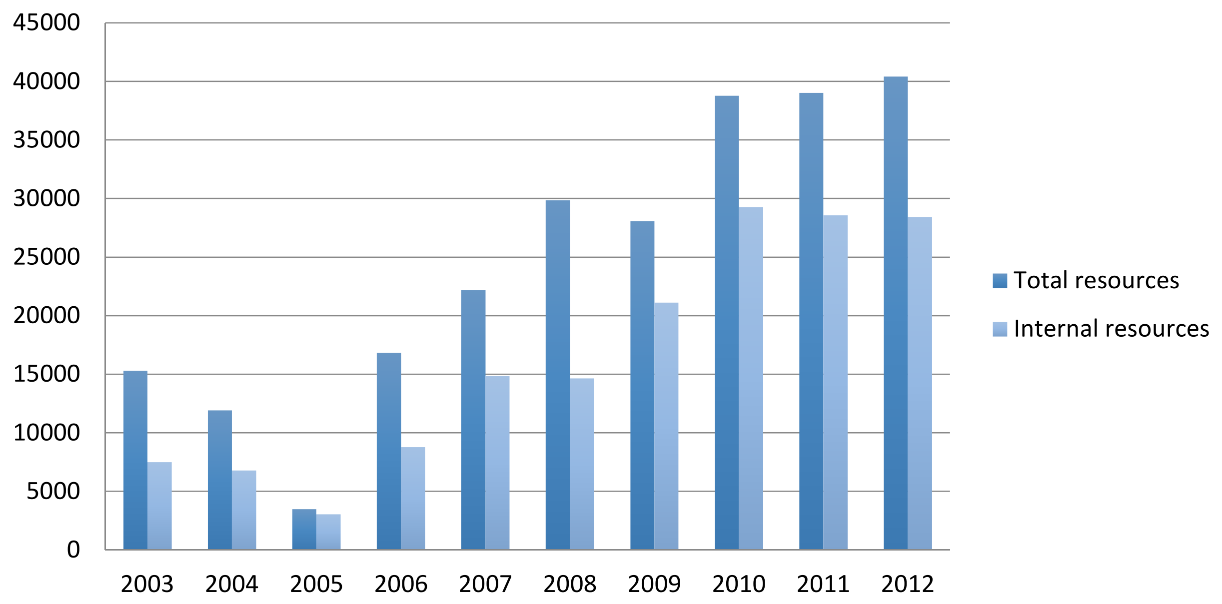
Source: MINEPAT, PIB implementation report

Figure 6. PIB, commitments: agriculture sector ministries as % of total PIB, 2003–12

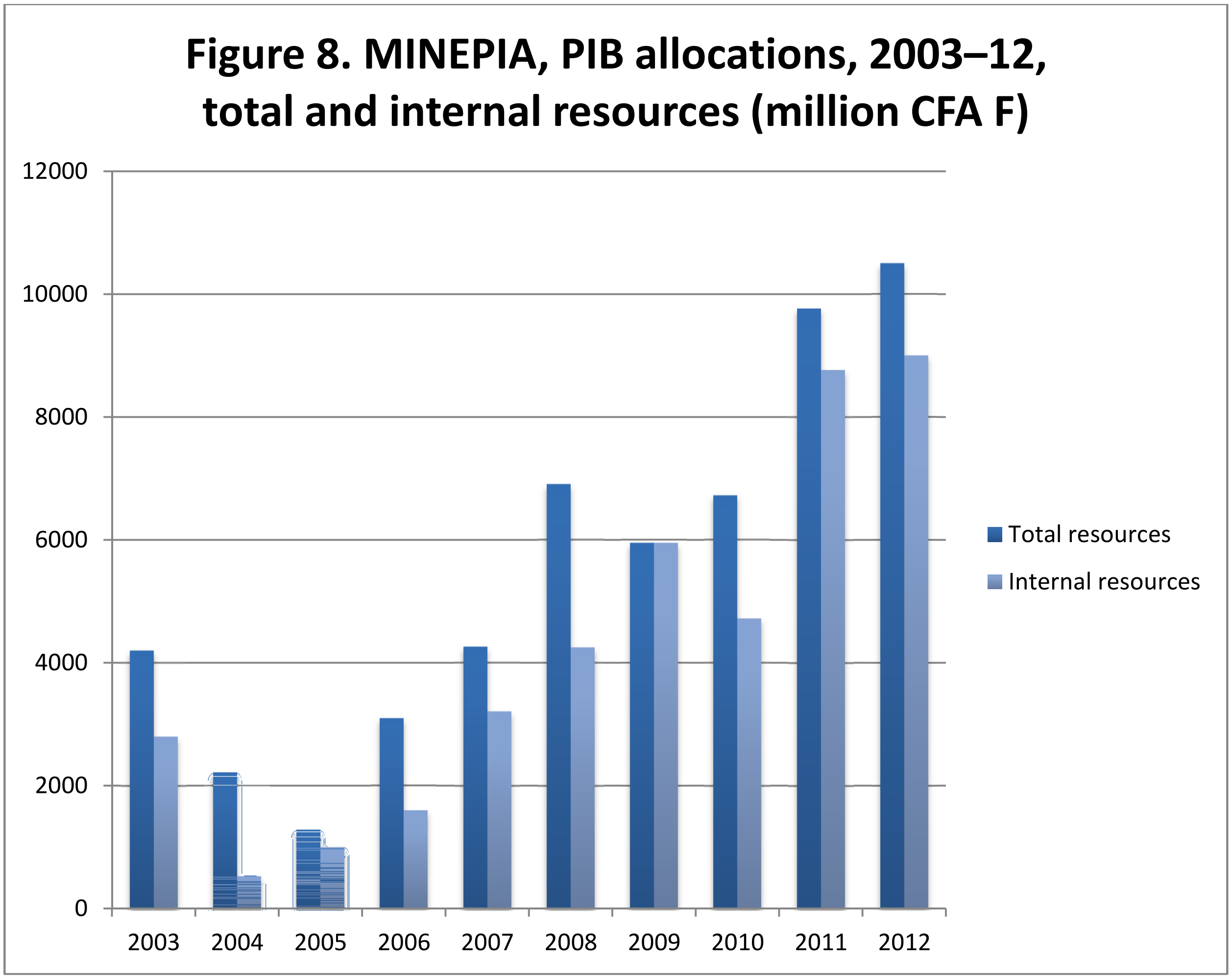


Source: MINEPAT, PIB implementation reports

Figure 7. MINADER, PIB allocations, 2003–12, total and internal resources (million CFA F)



Source: MINEPAT, PIB implementation reports



Source: MINEPAT, PIB implementation reports

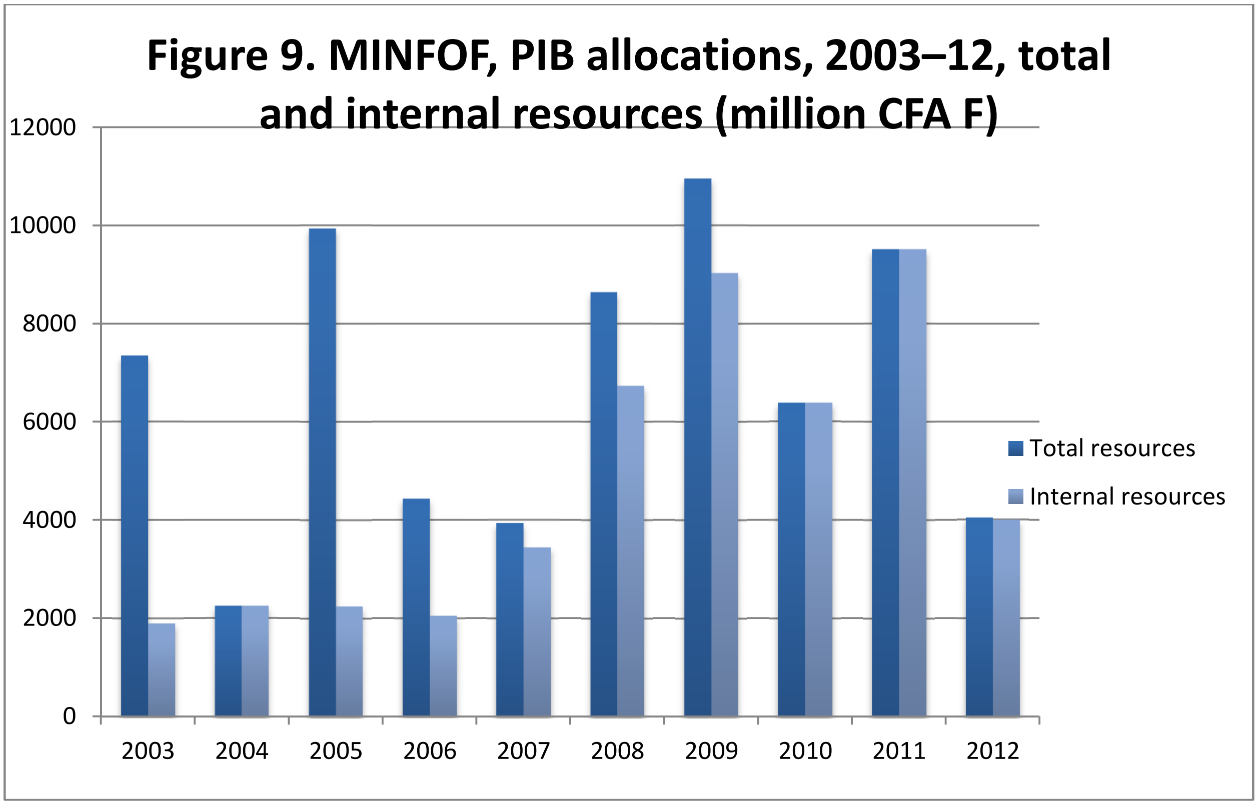
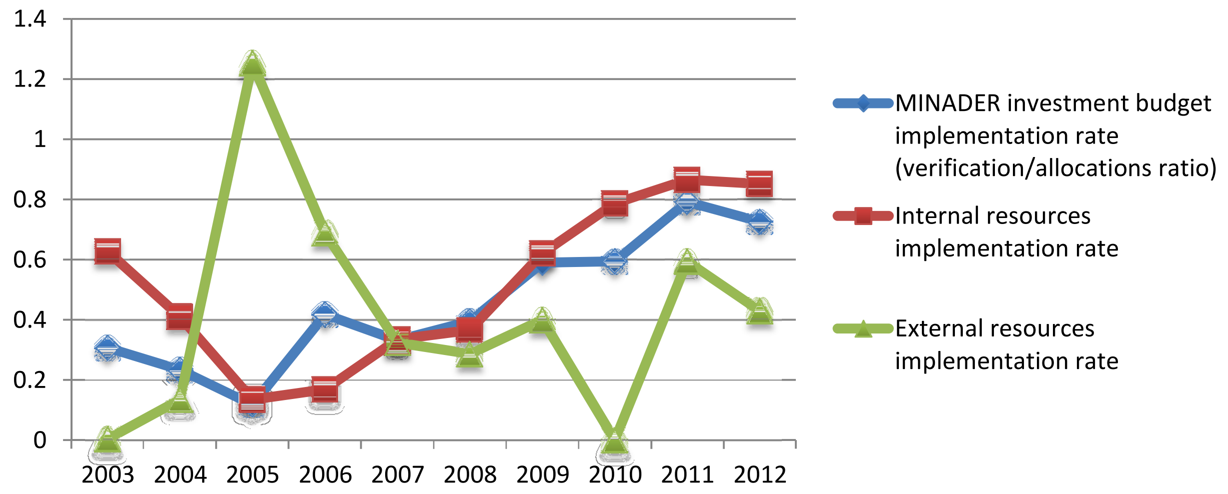


Figure 9. MINFOF, PIB allocations, 2003–12, total and internal resources (million CFA F)

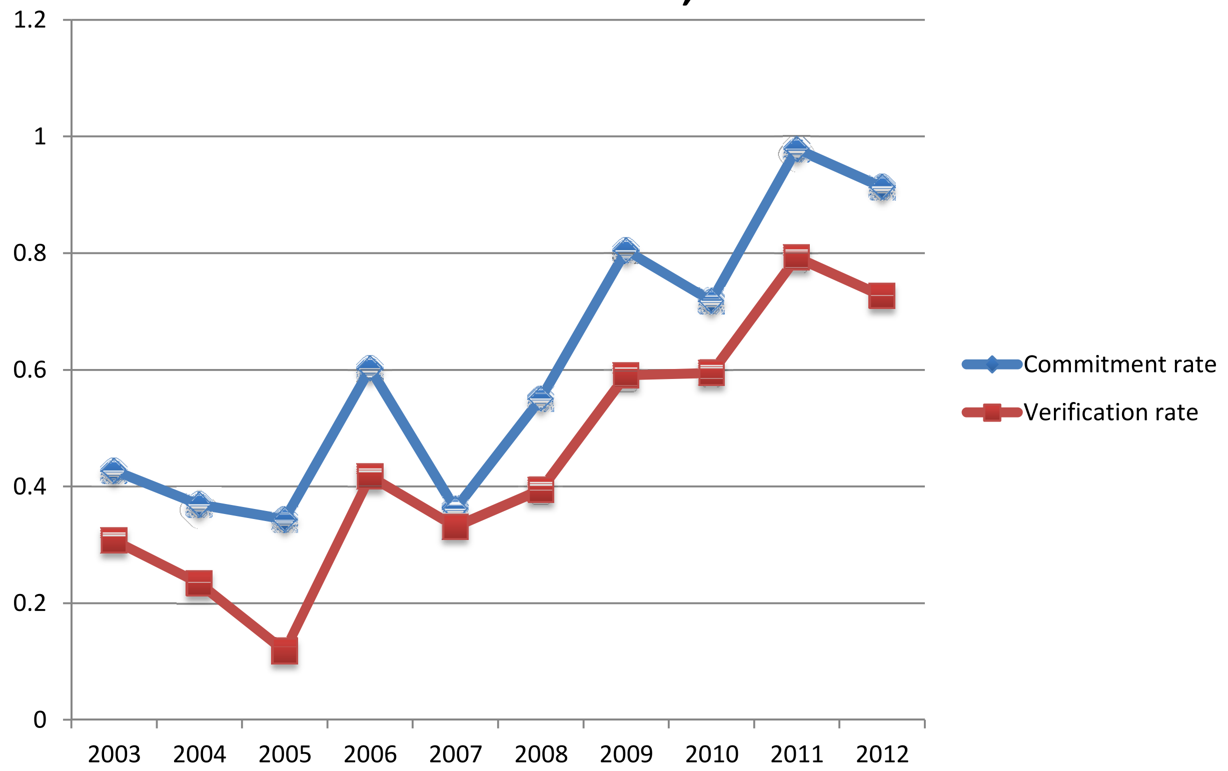
Source: MINEPAT, PIB implementation reports.

Figure 10. MINADER, PIB 2003–12, total investment budget implementation rate, internal and external resources, verification-based



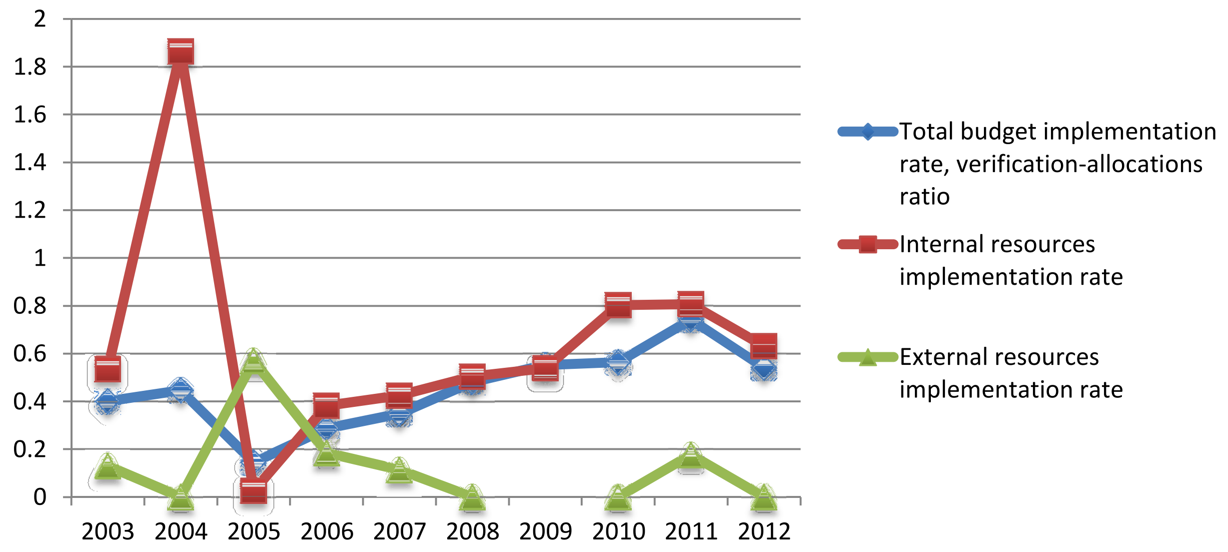
Source: MINEPAT, PIB implementation reports.

Figure 11. MINADER, PIB, commitment and verification rates, 2003–12

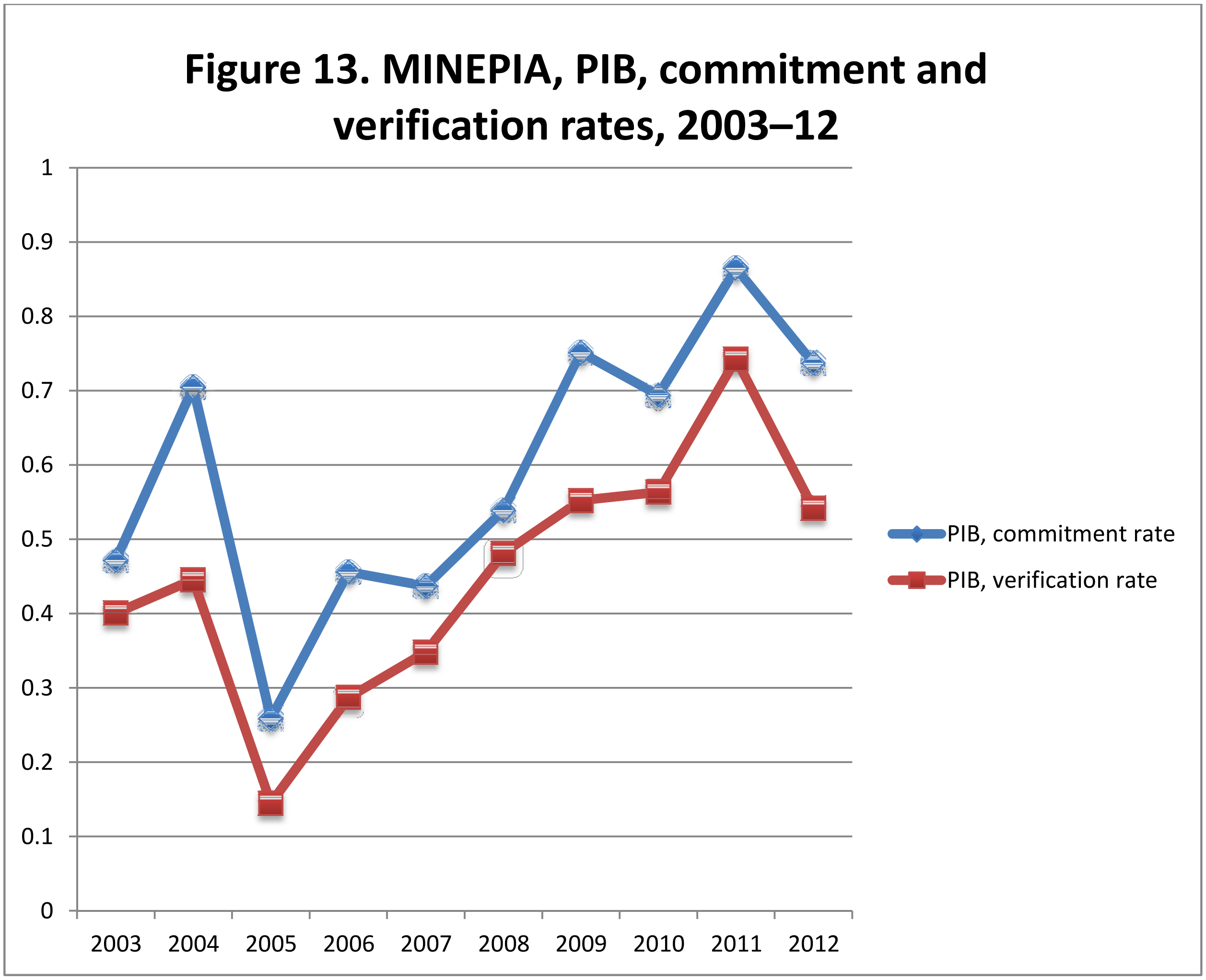


Source: MINEPAT, PIB implementation reports. Commitment rate: commitment-allocation ratio; verification rate: verification-allocation ratio.

Figure 12. MINEPIA, PIB 2003–12, investment budget implementation rate, internal and external resources, verification-based, 2003–12

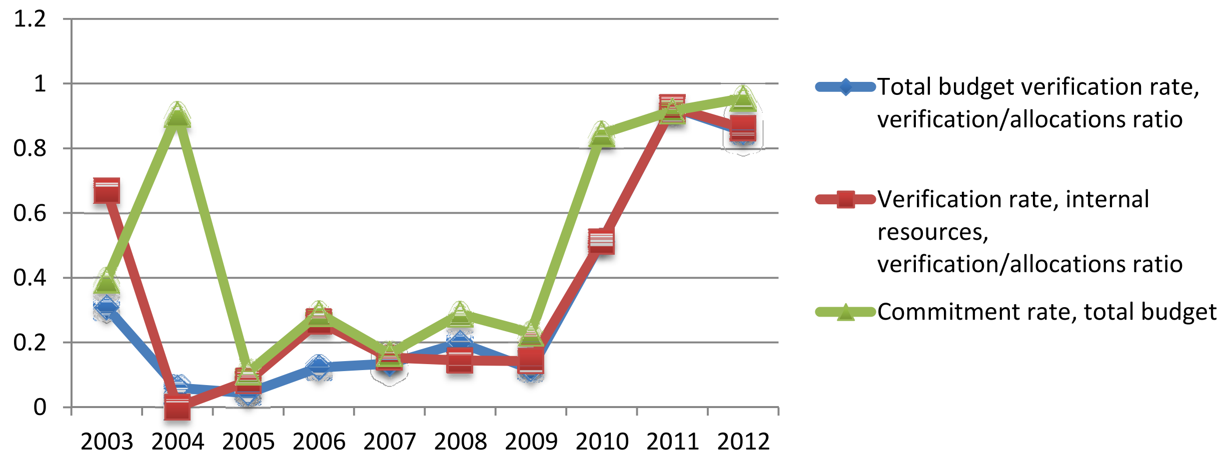


Source: MINEPAT, PIB implementation reports



Source: MINEPAT, PIB implementation reports. Commitment rate: commitment-allocations ratio; verification rate: verification-allocations ratio.

Figure 14. MINFOF, PIB 2003–12, commitment and verification rates, total and internal resources

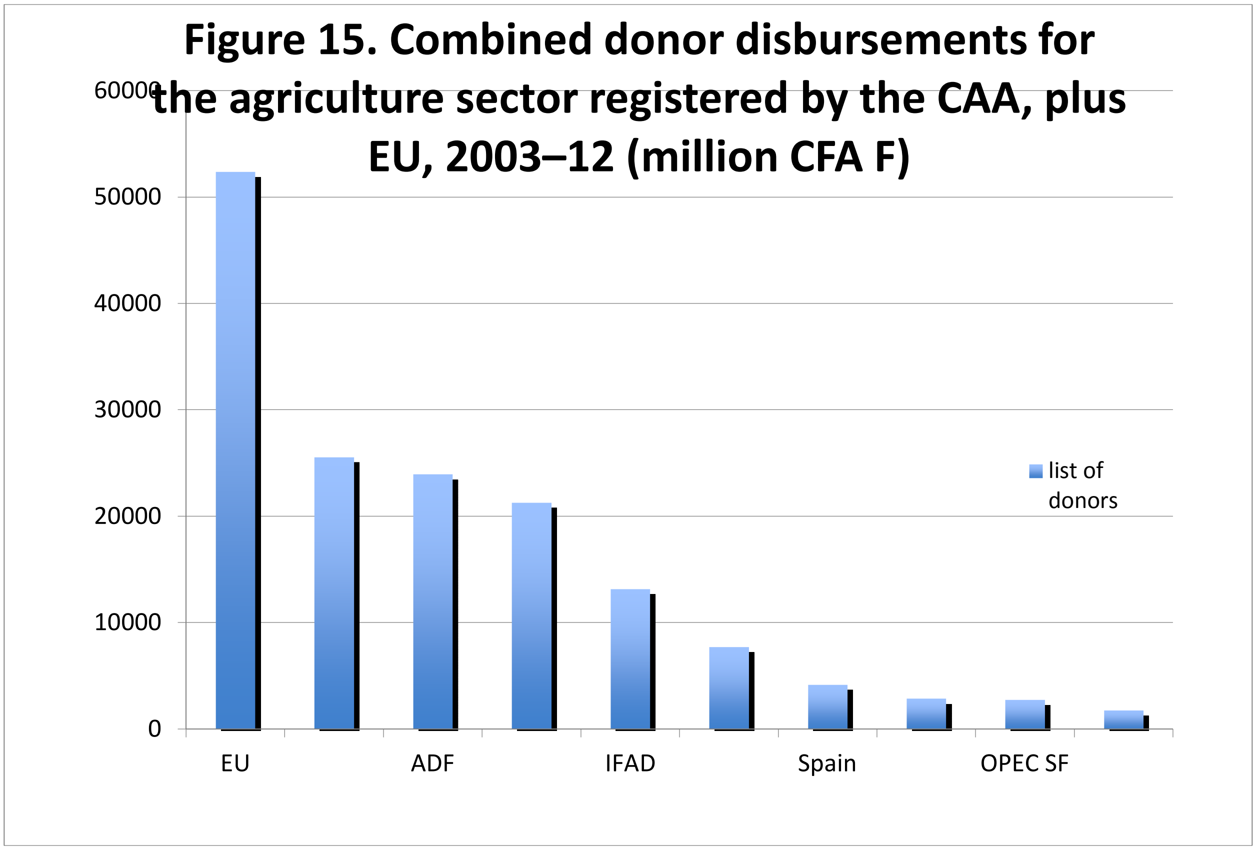


Source: MINEPAT, PIB implementation reports

42. Note that disbursements by the *Caisse Autonome d'Amortissements* (CAA, Autonomous Amortization Fund) from external resources after 2005 are higher than the total commitment and verifications from external resources shown in the MINEPAT PIB implementation reports (Figures 15 and 16); this discrepancy is due to the fact that the MINEPAT data shows the actual implementation rates obtained from the project managers, while the majority of CAA disbursements are used to provide working capital in accounts opened for projects at banks, and which are thus used gradually over time. Disbursements of European Union funding do not pass through the CAA; we therefore used data obtained from the EU Delegation in Cameroon. As illustrated in Figure 15, the sector's biggest donors are, in order, the EU, the IDA, the IDB, the ADF, China and the IFAD. These figures do not include funding from debt cancellation (HIPC, MDRI and C2D), which is regarded as internal resource.

Looking at the breakdown by field of intervention, on amounts disbursed from 2003 to 2012, reveals that the highest amounts were allocated to the forest-environment, community development, and regional development sectors, as well as to support agro-pastoral professional development (Fig. 16).

Additionally, Figure 17 shows TFP funding of NGOs and civil organizations. The major fields of intervention are family farming support, aid for professional training and jobs for young people, support for professional organizations, irrigation schemes, research, livestock and fishing development, forest management, and combating animal diseases and desertification.



Source: CAA and EU Delegation

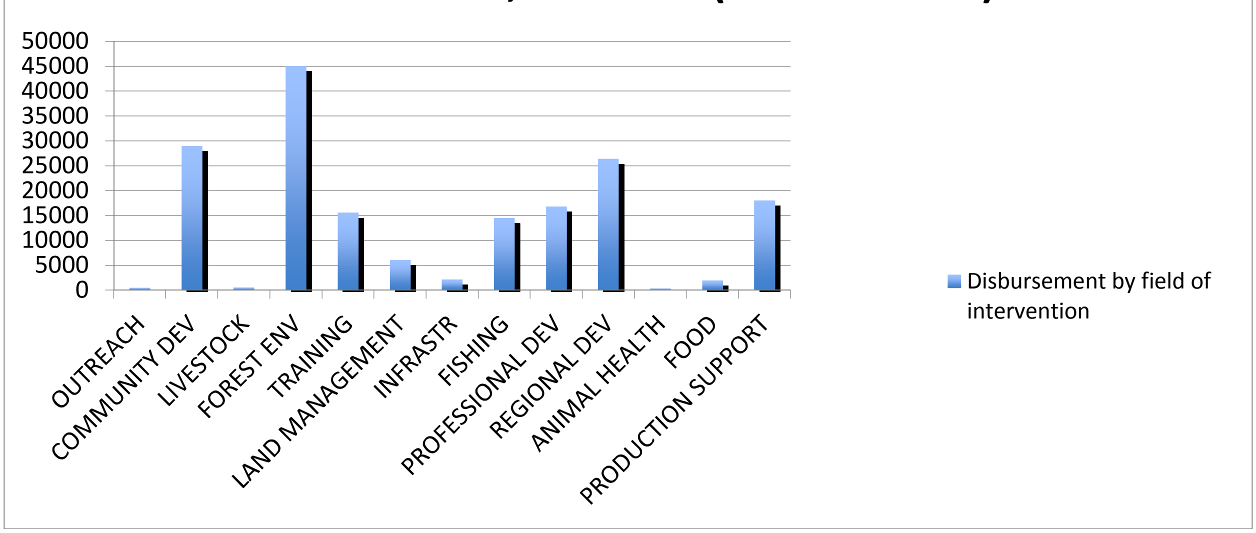


Figure 16. CAA disbursements by field of intervention, 2003–12 (million CFA F)

Source: CAA and MINEPAT, PIB implementation reports

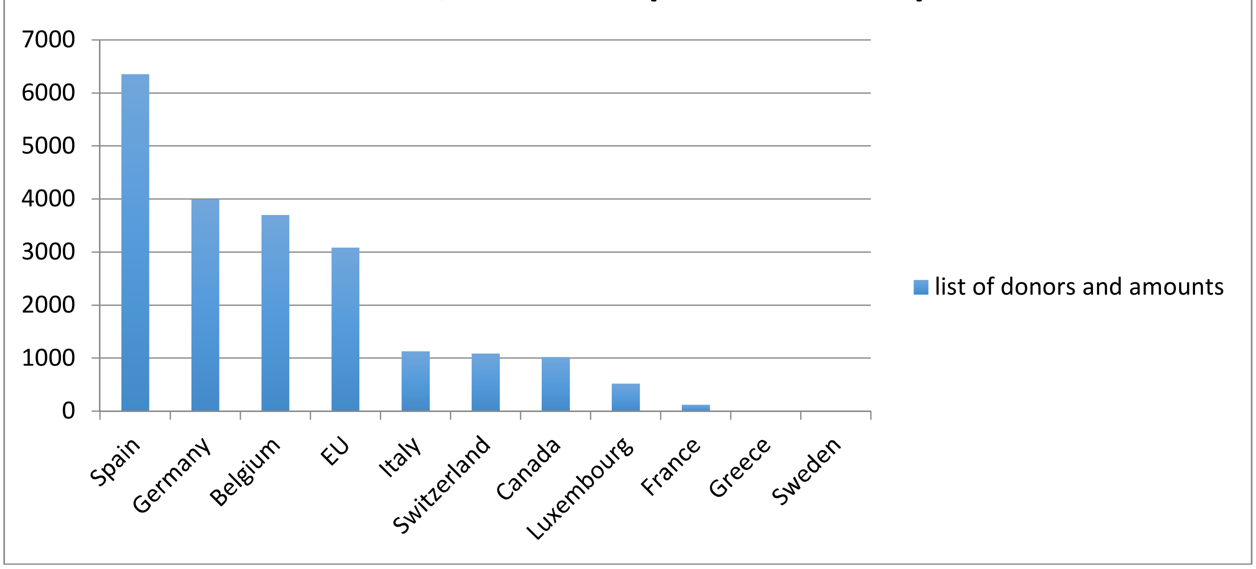


Figure 17. Combined TFP disbursements to NGOs, 2003–12 (million CFA F)

Source: FAO/ADAM database

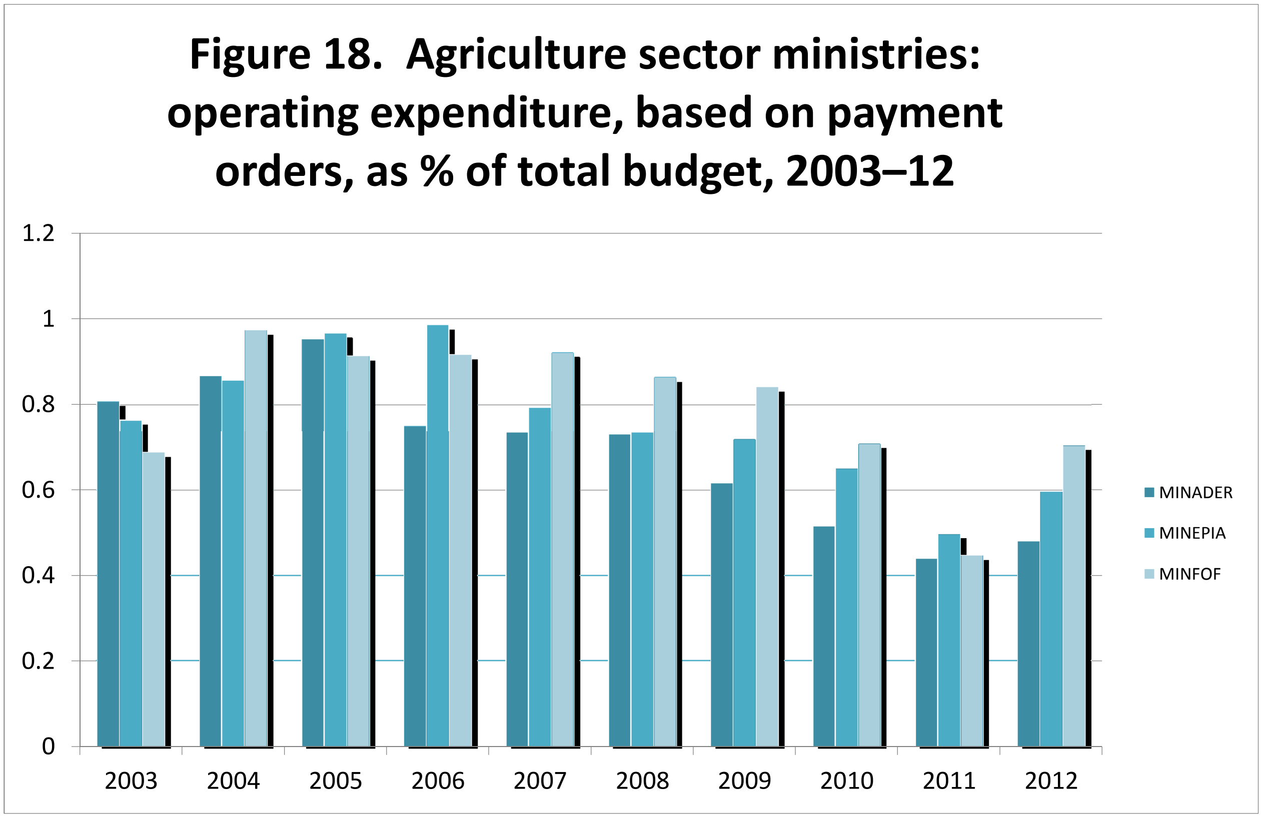
3. PUBLIC EXPENDITURE IN AGRICULTURE: ECONOMIC AND FUNCTIONAL COMPOSITION, REGIONAL DISTRIBUTION

3.1 Objective of the Analysis

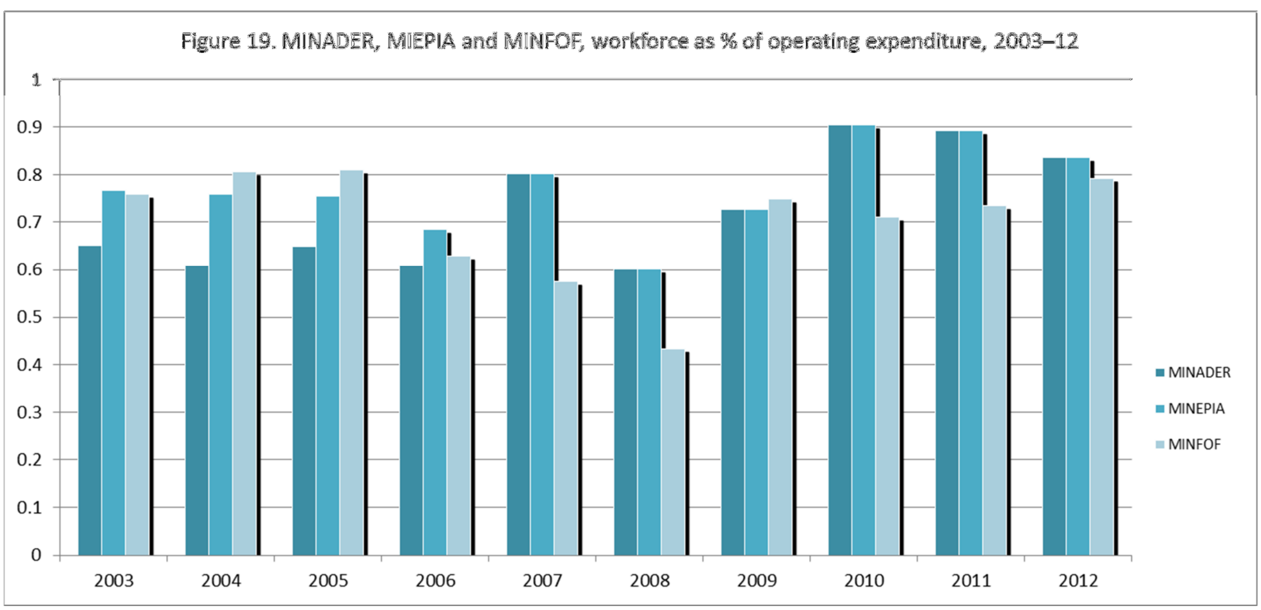
44. We analyze the economic and functional composition of expenditure to determine whether available resources are allocated in a way that maximizes desired outcomes, and whether inefficiencies in allocations are identifiable. The analysis first addresses the economic allocation of expenditure between operations and capital investment, and the allocation of personnel between regions. We then review the functional allocation of expenditure among the various crop types, and among productive subsectors. We examine correlations between public expenditure and changes in production. Lastly, we analyze expenditure allocation by region to determine whether allocations are consistent with indicators such as the size of the rural population, and the volume of agricultural production.

3.2 Economic Composition of Expenditure

45. Based on payment orders from MINADER, MINEPIA, and MINFOF, which are available for the 2004 to 2012 period (for 2003, personnel figures are estimates) operating expenses increased slightly, compared to the surge in investment expenditure; thus, the share of operating expenses in total expenditure (verification based) dropped significantly from 86% to 48% for MINADER, from 85% to 60% for MINEPIA, and from 90 to 70% for MINFOF (Figure 18). These figures can be explained by the fact that the government's commitment to combat the 2008 food crisis shifted most of its resources to capital investment. However, it must be emphasized that project expenditures that are classified as investments contain a significant proportion of recurring expenses and inputs that projects then distribute. Based on a sample of projects, this proportion may account for around 20% of expenditures classified as investment. Adjusting for this, operating expenses in 2012 would increase from 48% to 58% of the total expenditure for MINADER, from 60% to 67% for MINEPIA, and from 70% to 76% for MINFOF.



1/ Sources: MINFI/DGB, MINEPAT/DGE. Total established from operating expenses, payment orders, capital investment expenses, verification. For 2003, the workforce is an estimate.

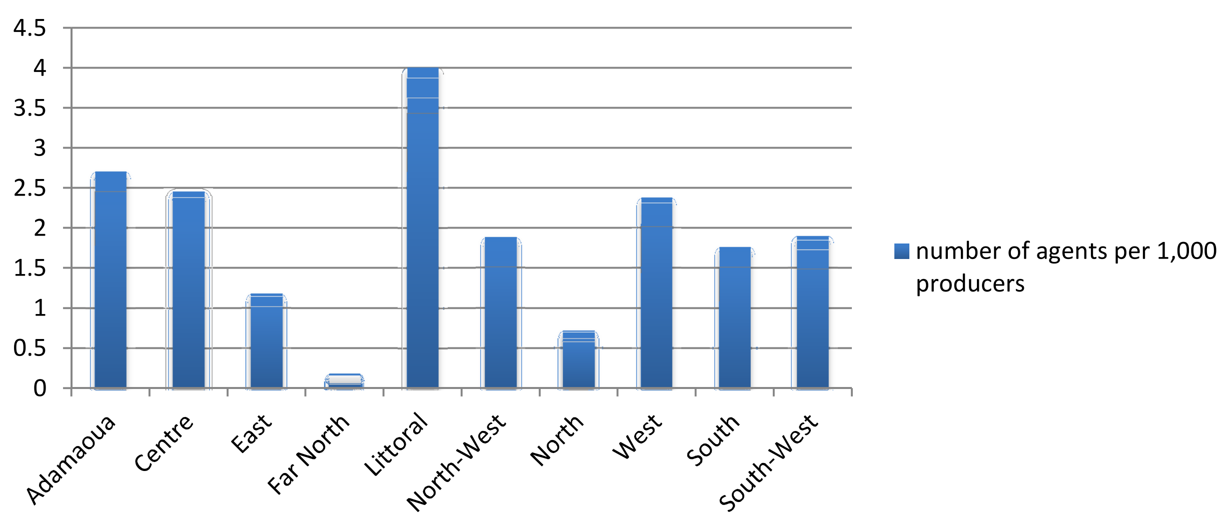


Source: MINFI/DGB, estimate for 2003.

46. Payroll as a share of operating expenses grew after 2009, and from 2010 to 2012 it accounted for 80% to 90% of total operating expenses for both MINADER and MINEPIA, although slightly less for MINFOF. (Figure 19). At the same time, the purchase of goods and services, and transfers, as a proportion of total expenditure declined for all three ministries after 2009. If expenditures are corrected for the 20% of project costs incorrectly classified as investment, the share of payroll in operating expenses in 2012 would fall by around 16% for MINADER, 9% for MINEPIA, and 6% for MINFOF.

Looking at personnel distribution, 94% of MINADER staff are deployed in the regions (Figure 20). The agent/producer ratio—that is, the number of ministry agents per 1,000 producers—varies between 4 in the Littoral Region and 0.2 in the Far North Region. Nevertheless, it should be noted that in the North and Far North Regions, producers get support from two other public agencies: SEMRY for rice production and SODECOTON for cotton production.

Figure 20. MINADER: Regional delegations for agriculture and for rural development: agent-producer ratio per region

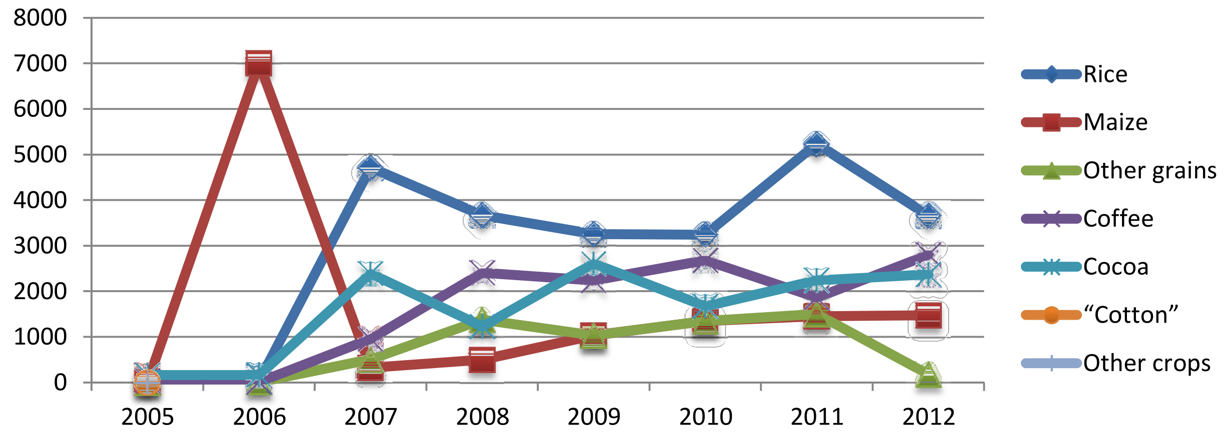


Source MINADER/ DOPA

3.3 Functional Composition of Expenditure

47. Based on detailed information obtained from MINADER and MINEPIA project journals, functional composition of expenditure, per activity sector and per crop assistance, was analyzed relative to investment expenditure. Project journals are an essential source of information for breaking down agricultural expenditure into broad categories, from food crops and cash crops, to capacity building projects and transversal projects. A review of MINADER project journals showed an increase in allocations for all main crops (Figure 21) from 2007 to 2012, during which total budgeted funds appropriated for MINADER increased by 50%. The share of rice relative to total allocation fell, even though its allocation increased in absolute terms. The "other crops" category (which includes palm oil, plantain, potato, and tubers) showed a significant increase in absolute terms from 2009 to 2010 as a result of some project disbursements. Transversal projects, regional projects, and capacity-building projects in the public sector as well as the construction of administrative facilities, absorbed around 50% of allocated resources (Table 5). Figure 22 shows a breakdown of MINADER and MINEPIA projects by subsector from 2005 to 2012. Food and cash crops absorbed 39% of resources, veterinary services and livestock 5%, fisheries 3.3%, transversal actions 22%, regional actions 8.4%, funding for construction and capacity-building 12%, and extension 6%. Data from Project Journals as well as from PIB implementation reports can be used to evaluate the breakdown of allocations, but it would be useful to create a mechanism for monitoring expenditure per project, function (e.g., sector support, basic infrastructure, training, extension, research) and regions. It would also be useful to have more-detailed data of operating expenses per main function (e.g., infrastructure, extension, training).

Figure 21. MINADER, project journals: allocations to main crops, in millions of FCFA, 2005–12



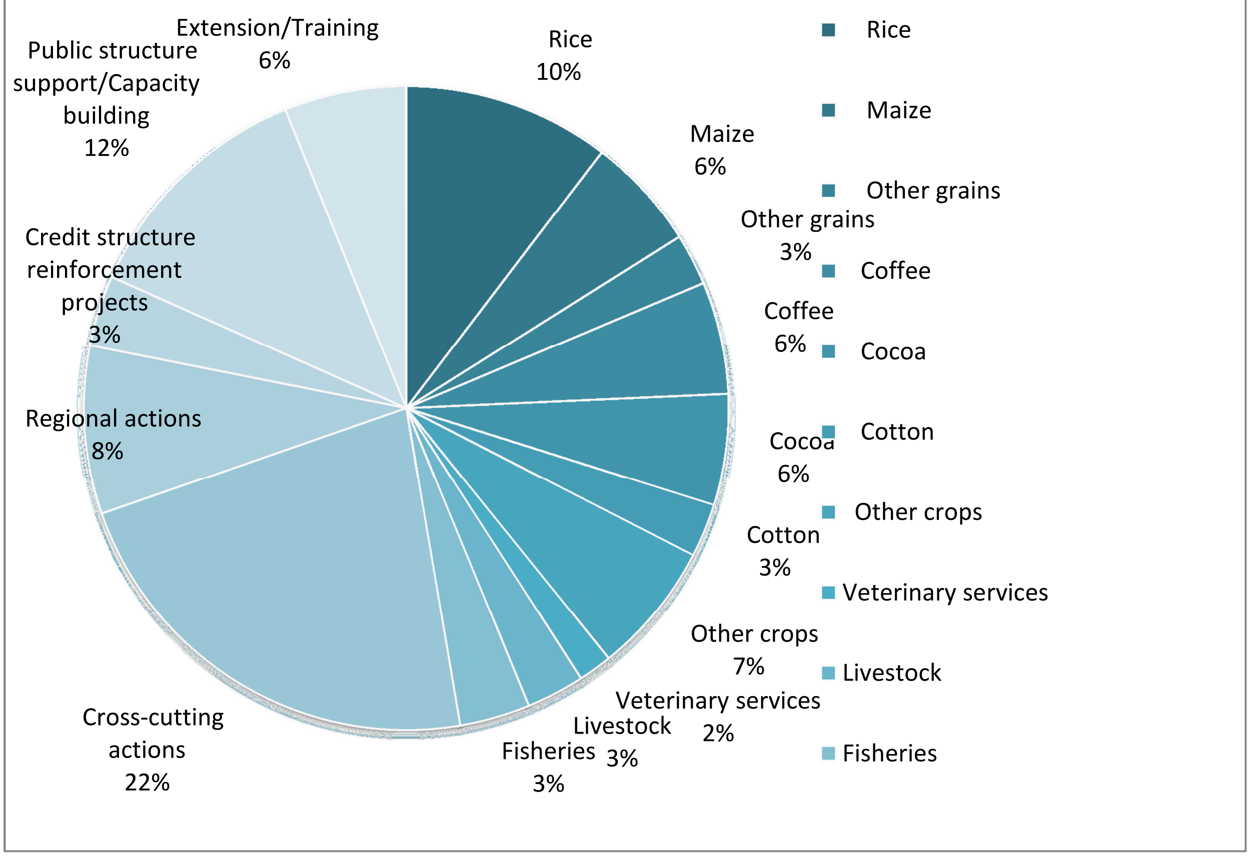
Source: Compiled by the authors using data from MINADER project journals

Table 5. MINADER PIB, Resources allocated to main sectors, to infrastructure and other actions 2005–12 (millions of CFA F and %)

	2005	2006	2007	2008	2009	2010	2011	2012
Total MINADER PIB Allocation	**3503**	**16830**	**22178**	**29868**	**28084**	**38783**	**39033**	40431
Project Journals Total	3286	16624	21913	29716	27029	33140	34373	33931
Rice	3.1%	0.2%	21.5%	12.3%	12.1%	9.8%	15.2%	10.8%
Maize	0.0%	42.1%	1.5%	1.7%	3.8%	4.1%	4.2%	4.3%
Other grains	0.0%	0.0%	2.3%	4.6%	3.8%	4.1%	4.4%	0.5%
Coffee	1.3%	0.0%	4.3%	8.1%	8.3%	8.1%	5.4%	8.2%
Cocoa	5.0%	1.0%	10.9%	4.1%	9.7%	5.0%	6.5%	7.0%
Cotton	0.0%	0.0%	4.6%	1.8%	4.6%	2.4%	3.8%	3.8%
Other crops	4.9%	12.6%	3.3%	4.6%	7.8%	7.6%	5.9%	12.7%
Cross-cutting actions	28.3%	27.4%	34.4%	20.9%	21.1%	22.2%	22.4%	30.8%
Regional actions	7.5%	6.6%	6.1%	15.7%	9.9%	13.3%	2.8%	7.8%
Credit structure reinforcement projects	3.5%	3.3%	0.7%	3.4%	4.6%	2.4%	8.9%	3.7%
Public structure support/Capacity building	46.5%	6.5%	10.3%	7.4%	11.0%	11.1%	13.4%	6.4%
Extension/Training	0.0%	0.3%	0.0%	13.7%	2.6%	9.9%	5.7%	2.4%

Source: Assembled by the authors using data from MINADER project journals

Figure 22. MINADER and MINEPIA, average allocations per sector, as % of total, 2005–12



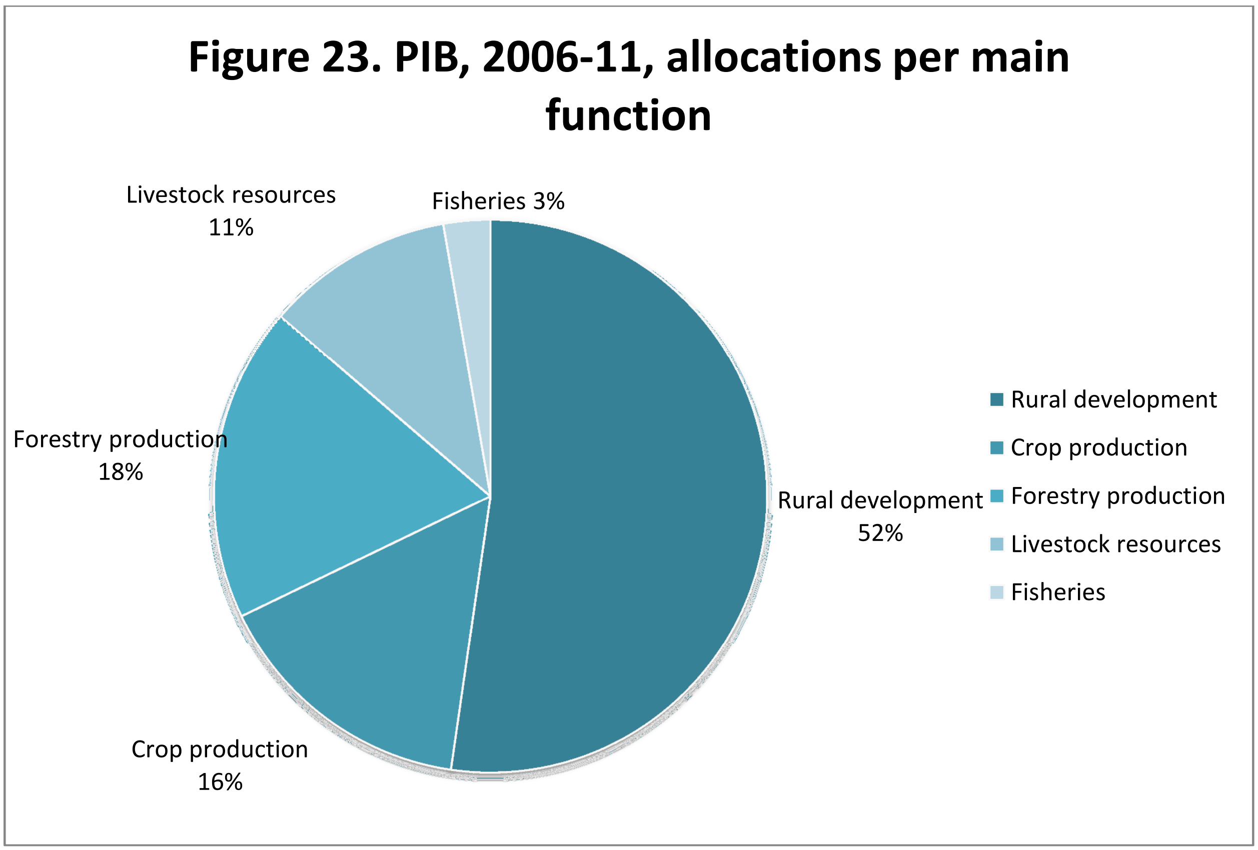
Source: Compiled by the authors using data from MINADER and MINEPIA project journals

48. For MINEPIA, the areas that received the largest allocations were, as expected, the veterinary services, livestock infrastructure, fisheries and administrative management. Using these funding allocations as a guide, it is difficult to judge whether priorities were sufficiently addressed, as all subsectors need public investment. Year-on-year fluctuations

in allocations also reflect how quickly projects can be implemented, which are subject to chance factors that are difficult to control.

49. From 2006 to 2011, for which MINEPAT investments can be broken down per main and secondary function, the agricultural sector received an average allocation of 40 billion CFA francs per year. This amount was allocated as follows (Figure 23):

- Rural development: 52%,
- Crop production: 15%
- Forestry production: 18%
- Livestock resources: 11%
- Fisheries: 3%



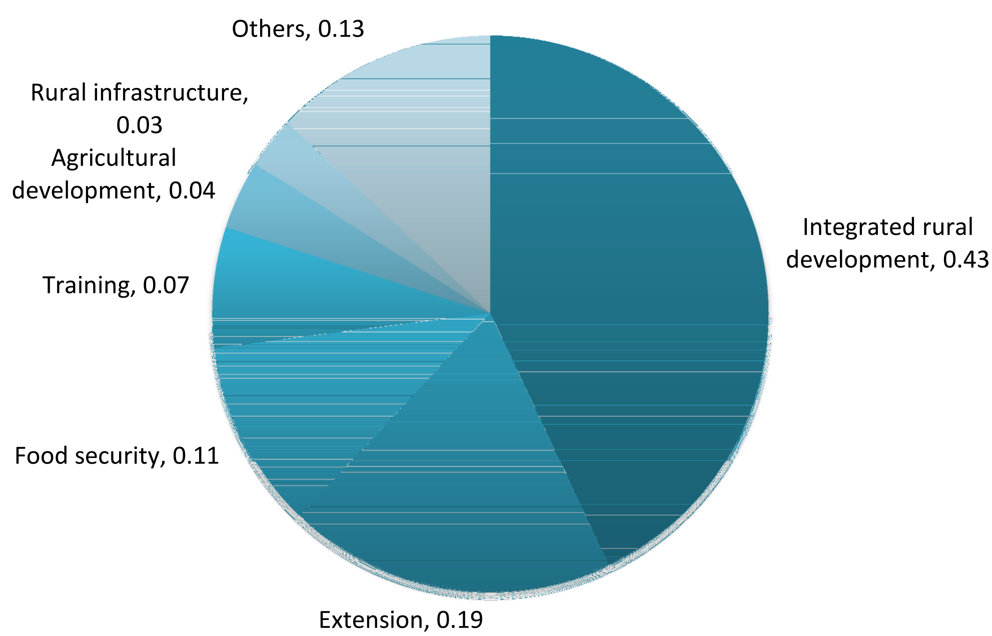
Source: MINEPAT, PIB implementation reports

Looking at the "rural development" function, the areas that received the most resources relative to the total for the function are shown in Figure 24: Integrated rural development, which includes transversal projects (43%), food security (11%), extension (19%) as well as training and professionalization (8%). Hydro-agricultural development and rural infrastructure received, respectively, 4% and 3% of the total.

"Crop production", cocoa-coffee and grains each received approximately one third of total allocations (MINEPAT data could not be broken down by coffee and cocoa). Under "livestock resources", livestock infrastructure received two thirds of the allocation, livestock health 23%, administration 26%, and training 11%.

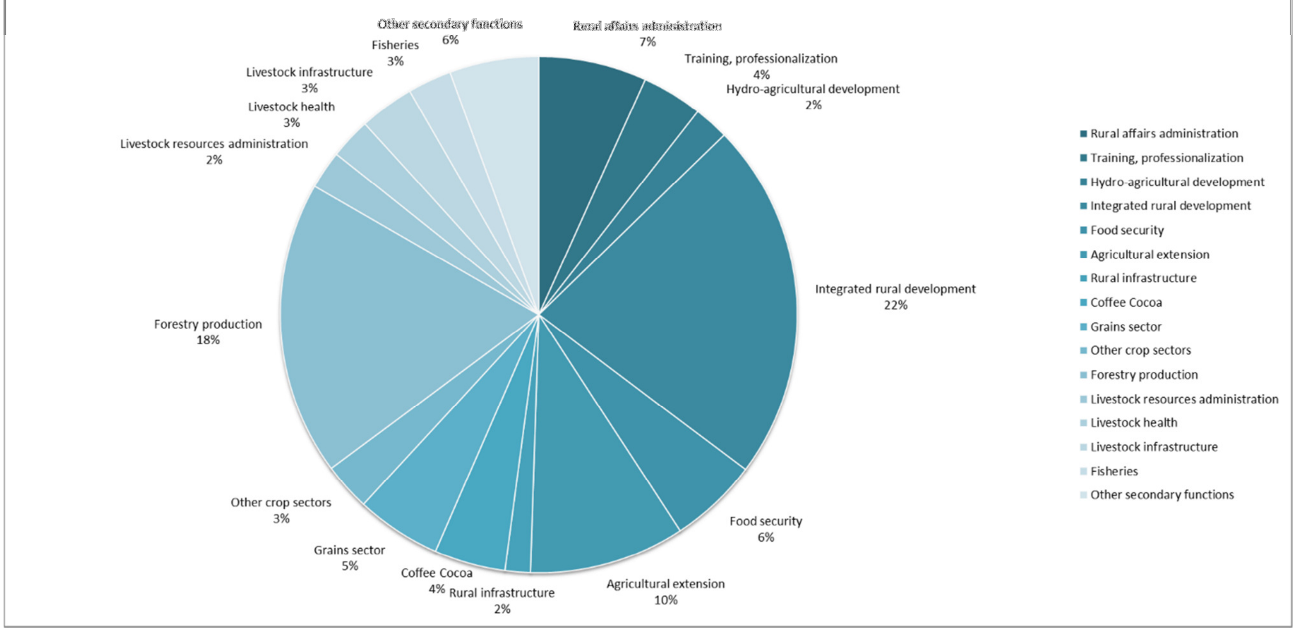
Figure 24 shows the allocation to the main "rural development" category broken down by secondary function.

Figure 24: PIB, 2006–11, composition of rural development expenditure



Source: MINEPAT, PIB implementation reports

Figure 25. PIB, 2006–11, allocations per secondary functions



Source: MINEPAT, PIB implementation reports

50. Based on the data analysis, and the priorities outlined in strategy documents for the rural sector and for subsectors, some key factors seem to be underfunded. Specifically, these are:

(i) At MINADER: water management and hydro-agricultural development, infrastructure for improving access to production enclaves, research, producer support, and extension.

(ii) At MINEPIA: extension, training trainers, veterinary services, and fisheries. Its animal health remit (see Schedule IV), which allows it to commission private veterinarians, should boost the supply of veterinary services outside the public structure and reduce pressure on the public purse.

51. In general, allocation of investment resources to the three ministries can be reviewed to determine whether distribution is consistent with the sector's size and contribution in the national economy. In reviewing capital budget allocations between 2009 and 2012, the three ministries MINADER, MINEPIA, and MINFOF (Figures 26 and 27) received budget allocations that were not entirely in line with the relative weight of their sectors, although the differences are relatively small. Specifically, whereas MINADER received 70% of total funds allocated to the three ministries, food and cash crop production in addition to exports represented 75% of primary sector share of GDP. Livestock received 12% of

allocated funds, which was in line with its contribution to the primary sector. Silviculture received 14% of allocated funds, which was higher than its 8% contribution to the primary sector. Fisheries received 4% of allocated funds, lower than its 5% contribution to the primary sector.

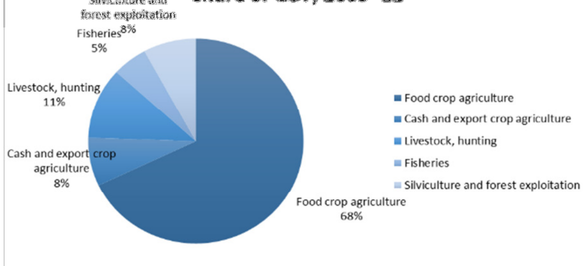


Fig 26. Composition of the primary sector as share of GDP, 2009–12

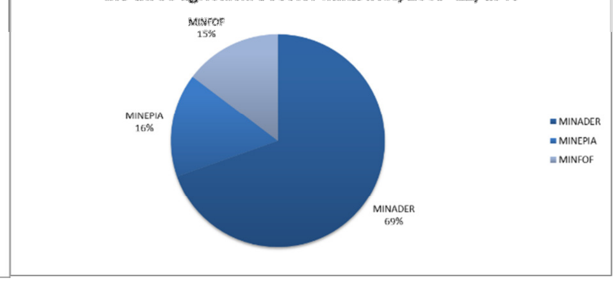


Fig 27. Breakdown of investments (allocation-based) for the three agriculture sector ministries, 2009–12, as %

3.4. Relationship between Public Investment in Agriculture and Production Growth

52. The surge in public investment in the agricultural sector since 2008 and 2009, in the form of either allocations or commitments, has yet to produce clear results in terms of greater added value in the sector from 2009 to 2012, as shown in Figure 28. Indeed, growth in the agricultural subsector of food crop production grew by only 4.3% from 2009 to 2012, which was less than the growth obtained in the previous four-year period of 2005 to 2008. Promising results, however, were achieved in the cash and export crop sector, with an average annual increase of 5.5%. In the primary sector, the subsectors that saw the least improvement were livestock and hunting, and fisheries, at 2.6% and 2.2%, respectively, both growing less than the average population growth rate of 3%. Higher levels of production in food crops did not meet domestic demand, which explains the country's heavy dependence on imports of some products, especially grains, as shown in Table 6. Nevertheless, a large proportion of plantain and vegetable production is exported to other countries of the sub-region (Gabon and Equatorial Guinea).

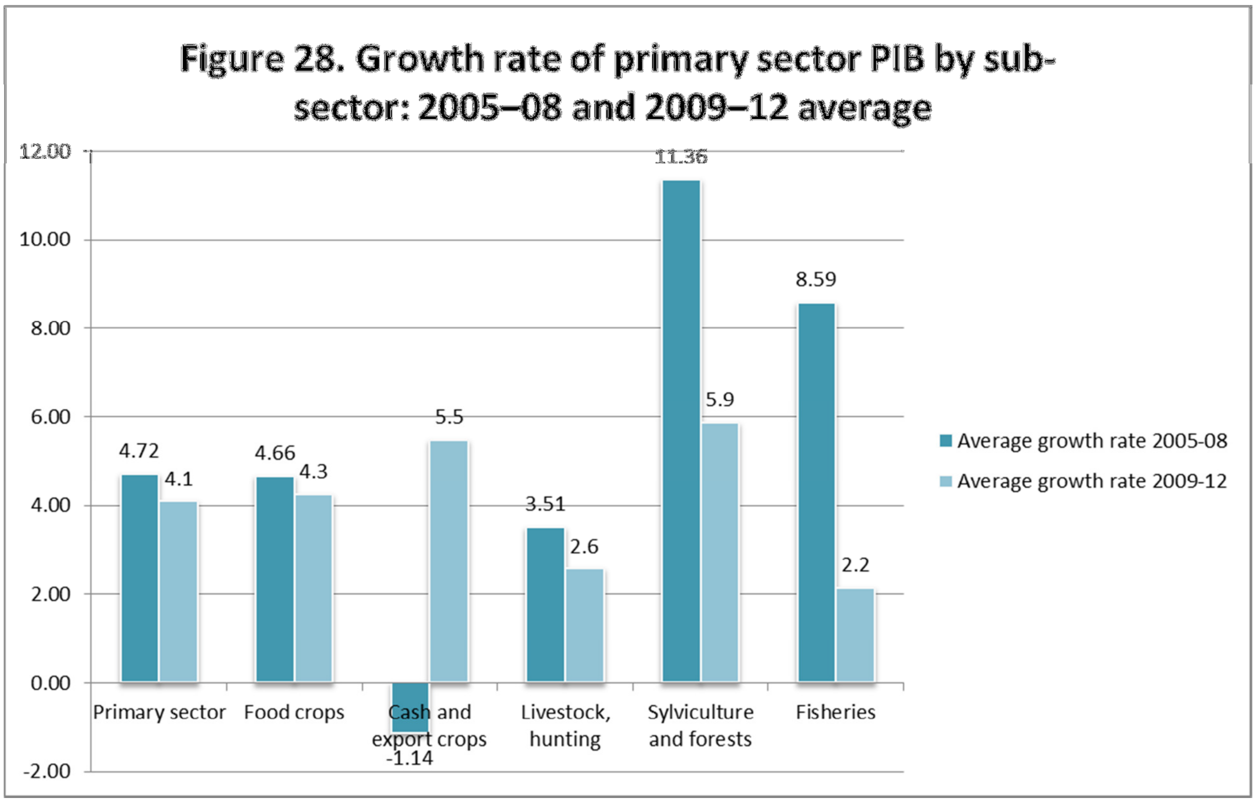
Table 6: Import dependency rate for some food products

Productions	2003	2004	2005	2006	2007	2008	2009	2010
Grains (excl. beer)	22.66	29.39	20.78	19.75	25.8	27.4	25.93	32.2
Vegetable oils	8.53	15.38	7.08	26.96	8.39	10.3	1.90	16.8

Fish and seafood	50	96	56.54	86.84	67.2	61.1	71.30	79.6
Meat	4.26	55.71	2.68	3.169	3.96	1.70	0.67	0.11

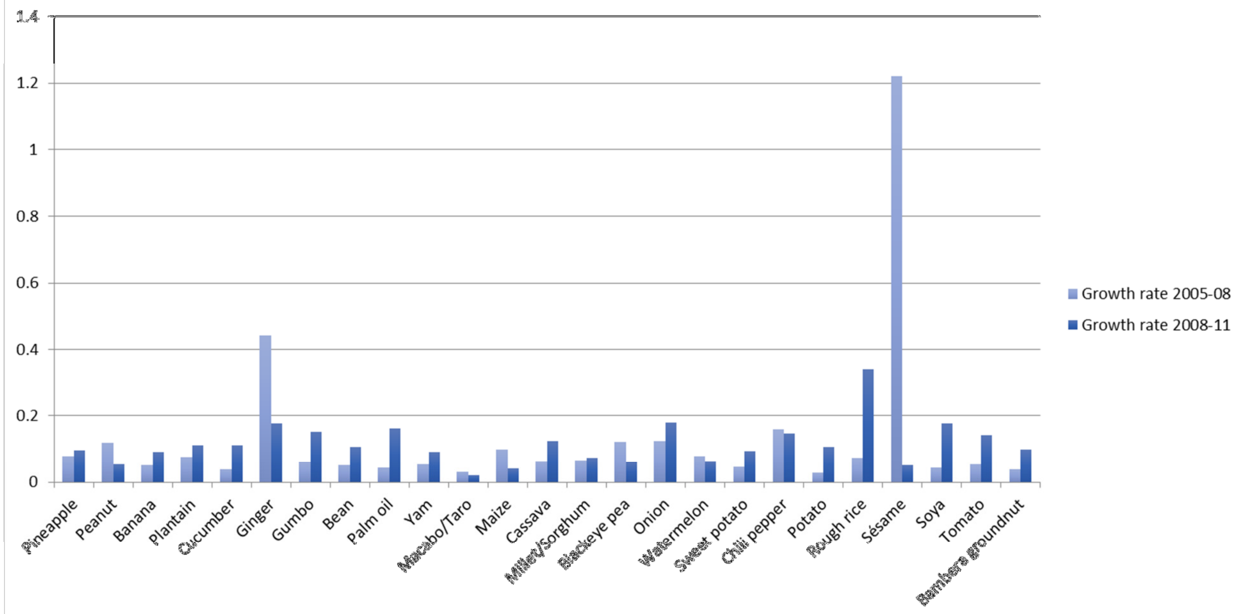
Source: INS; Dependency rate defined as the percentage of consumption met by imports.

However, according to MINADER/DESA statistical data, some crops, such as tomatoes, onions, paddy rice, soya, potato, sweet potato, palm oil, experienced relatively strong growth from 2008 to 2011. (Figure 29).



Source: INS

Figure 29. Agricultural production: Average growth rate 2005–08 and 2008–11, Source: MINADER-DESA

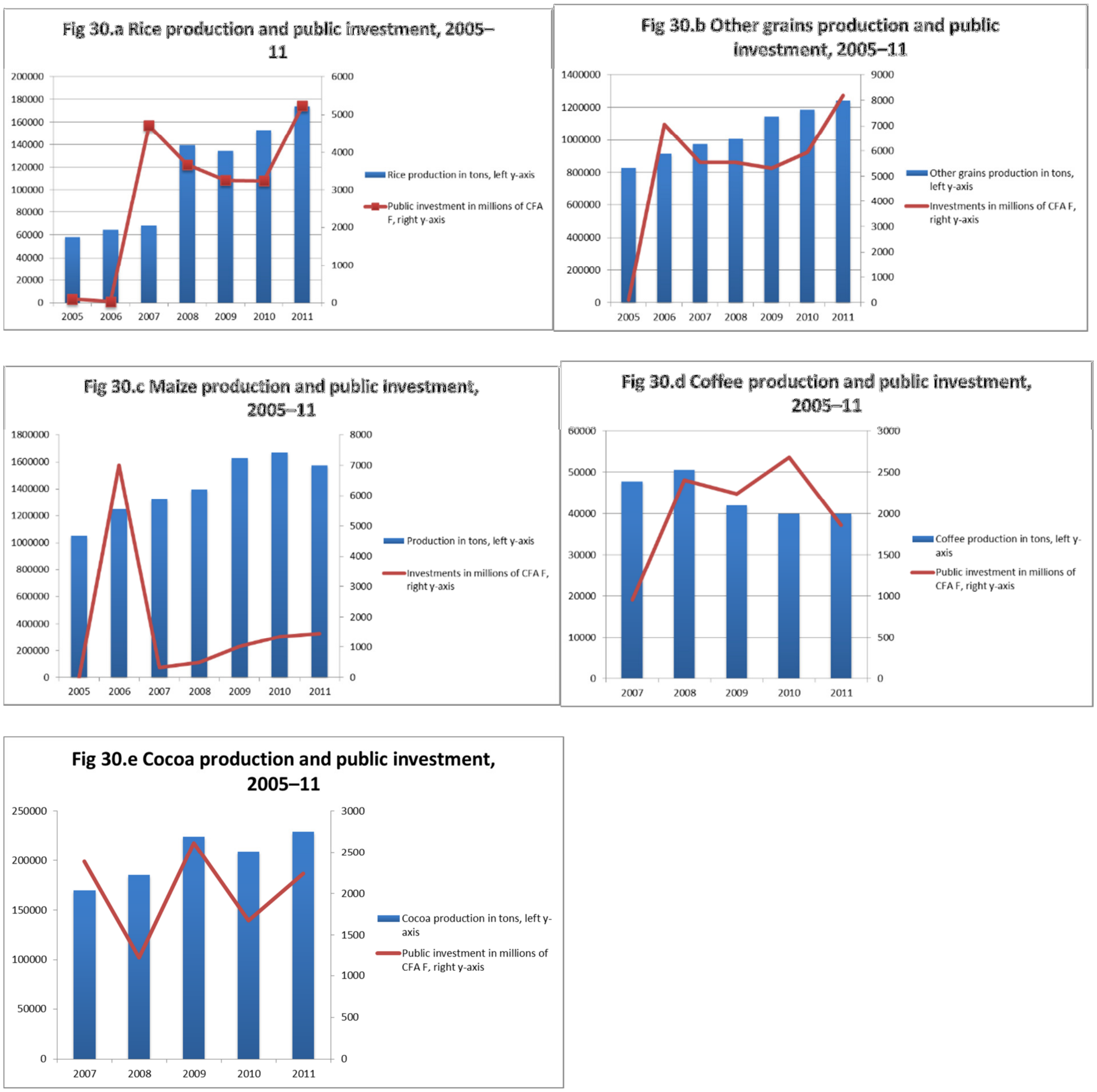


Source: MINADER/DESA

The impact on production of increasing investment from 2006 onwards warrants analysis. Based on PIB data, resources allocated to crop production increased from 9.3 billion CFA francs in 2006 to 16 billion CFA francs in 2012. Analyzing statistics for production of main crops shows the following annual growth rates from 2006 to 2011: rice (22%), potato (7%), maize (4.7%), soya (12%) yam (7%), onion (14%), palm oil (11%), peanut (6.4%), pineapple (9%), cocoa (10%), plantain (9.5%). For most of these crops, rising levels of production were the result of using larger surface areas. Yields, however, have stagnated. Only ginger, onions, tomatoes and potatoes showed an increase in yield for the period. For grains (rice, maize, soya) and tubers (yam, peanut), yields have stagnated since 2007.

The figures show a correlation between an increase in public expenditure in some large sectors, such as rice and grains, and growth in production. The correlation is less significant for coffee and cocoa; increase in cocoa production was strong, but coffee production declined despite significant resources allocated to both (Figure 30). For the livestock, fisheries, and forestry subsectors, INS data for the same period shows a modest average growth rate for livestock and fisheries, of 2.9% and 2.2%, respectively, and a higher average growth rate for silviculture and forestry at 16.6%. It is important to note that the strong growth in silviculture and forestry cannot entirely be attributed to public investment since this subsector is composed largely of private firms.

Figure 30. Public investments and production for some crops

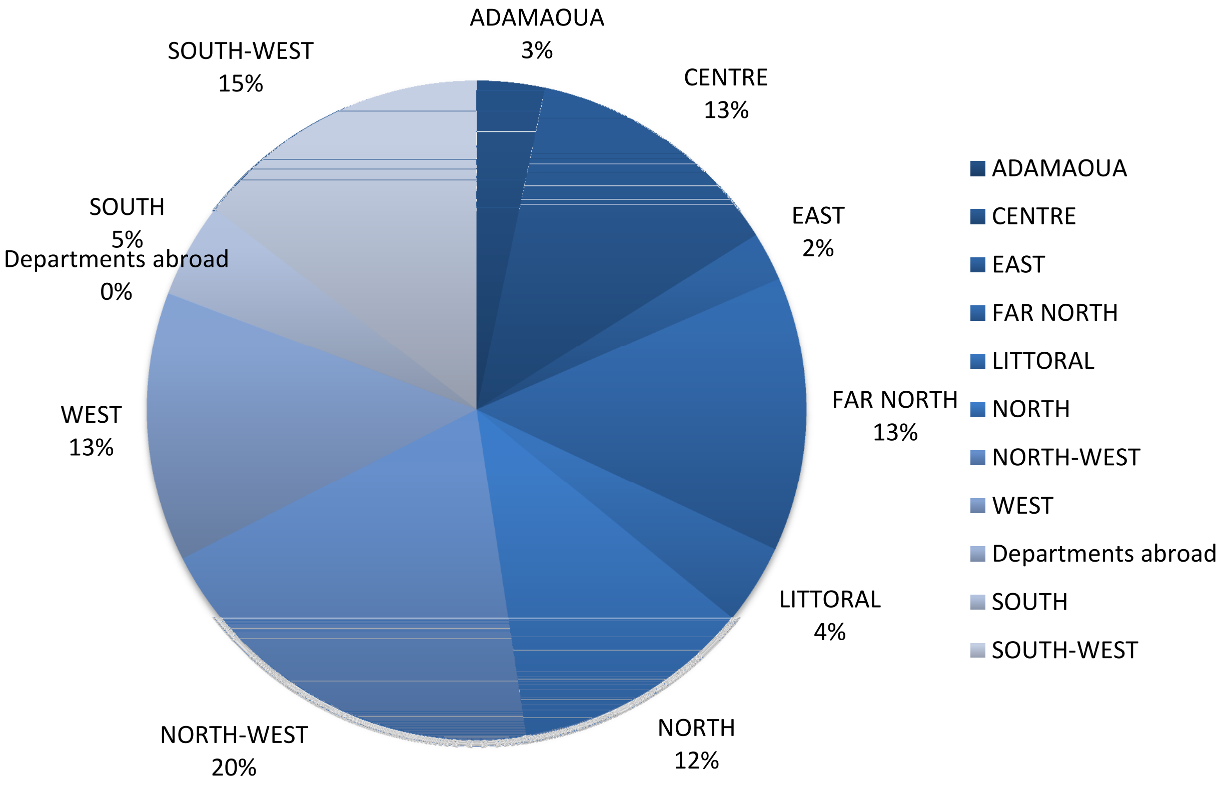


Source: MINADER DESA and MINEPAT

3.5 Regional Allocation of Investment Expenditure

53. MINEPAT data was used to analyze MINADER and MINEPIA investment expenditure from 2006 to 2012 region by region (Figures 31 and 32). The analysis showed that distribution of MINADER expenditure varied regionally from 2% (East Region) to 20% (North-West Region), whereas at MINEPIA, larger shares were allocated to the South-West (46%), Adamawa (13%), and Far North (12%).

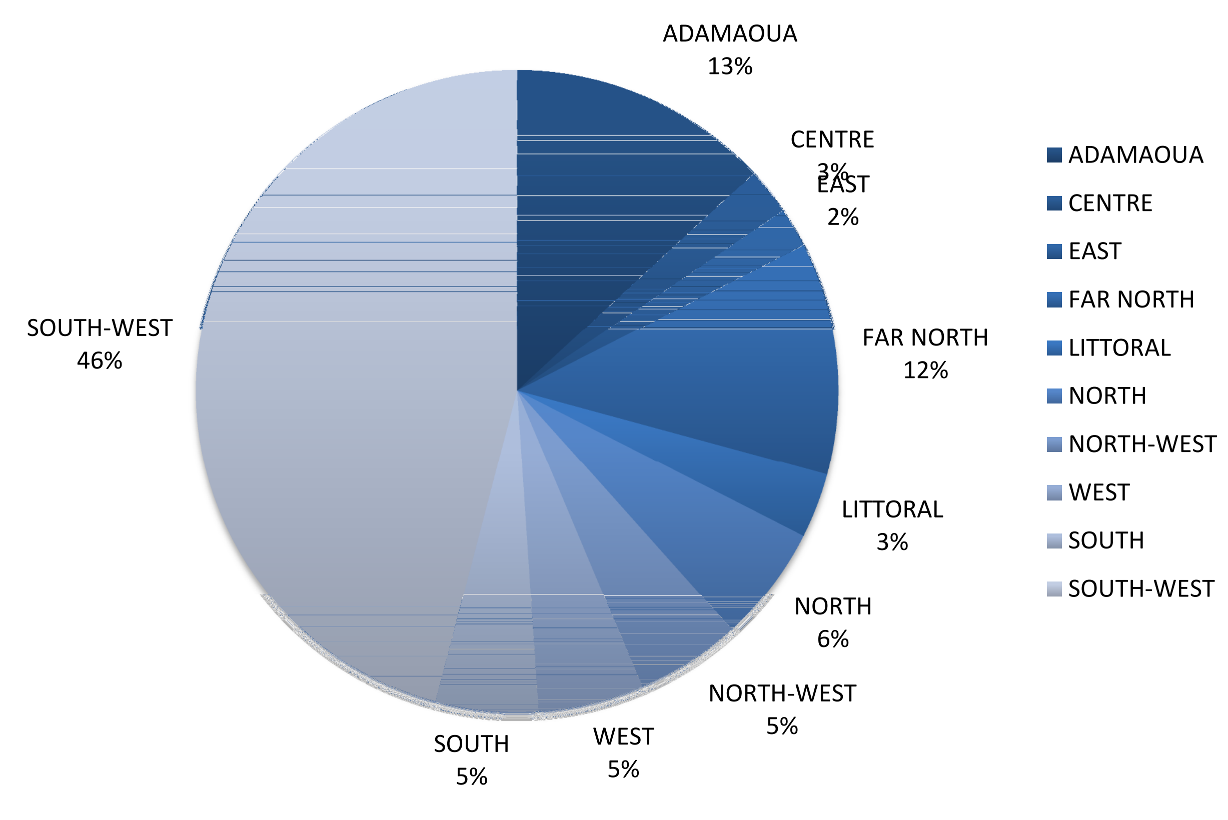
Figure 31. MINADER PIB: average investment allocation by region, 2006–12



Source: MINEPAT, PIB implementation reports

For both MINADER and MINEPIA, the 2006–2012 average for these allocations was compared with each regions' share of the country's rural population, the incidence of rural poverty,[3] distribution of the poor, as well as its share of domestic crop production, which, as stated earlier, contributes to 67% of agriculture's share of GDP (Table 7).

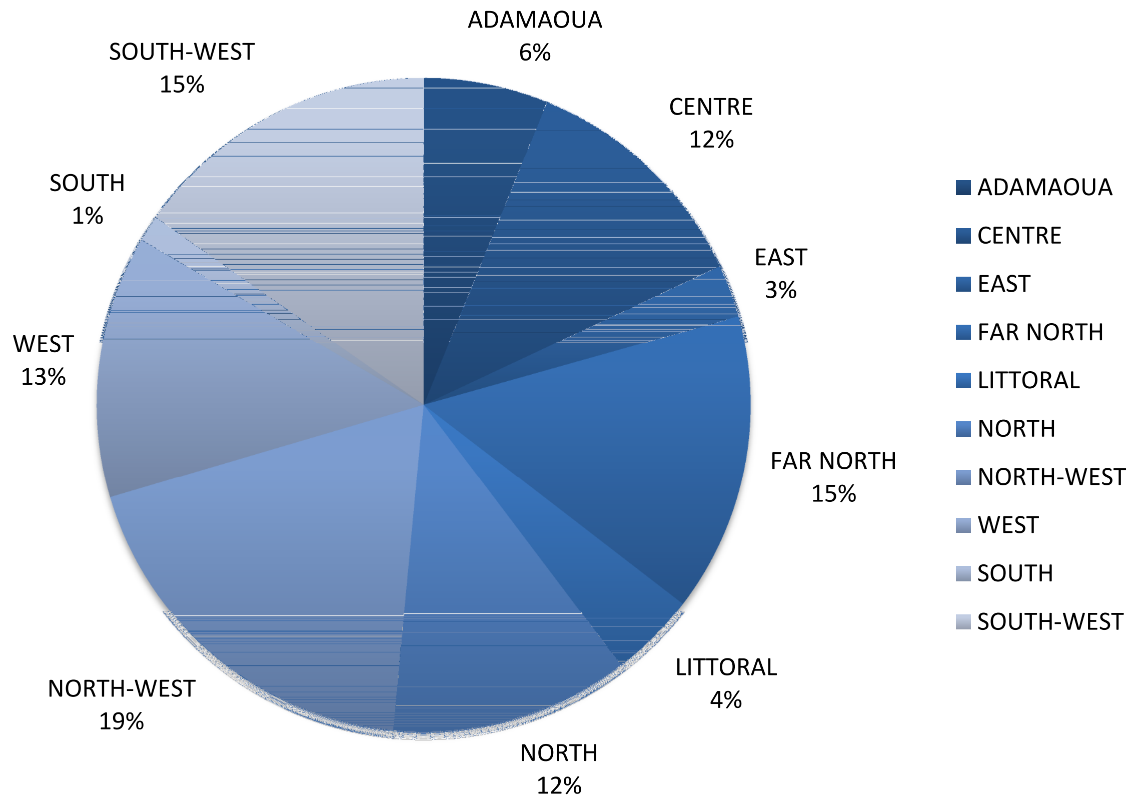
Figure 32. MINEPIA PIB: average investment allocation by region, 2006–12



Source: MINEPAT, PIB implementation reports

[3] Defined as the proportion of individuals or households considered poor in a rural population.

Figure 33. MINADER and MINEPIA PIB: average investment allocation by region, 2006–12



Source: MINEPAT, PIB implementation reports

Table 7. MINADER and MINEPIA distribution of capital investment allocations from 2006 to 2012 compared with regional shares of rural population, incidence of rural poverty and crop production (in %)

Regions	Average allocation (%) 2006-12	Rural population (%) 2012	Incidence of poverty 2007	Regional distribution of the poor (%)	Crop production (%) 2007-11
Adamawa	6.2	6	53	6.9	4
Centre	11.9	10	41.2	7.9	21
East	2.6	5	50.4	5.9	16
Far North	14.8	27	65.9	29.9	10

Littoral	4.3	2	31.1	2.7	10
North	11.8	14	63.7	15.7	4
North-West	18.9	12	51	13	7
West	13	11	28.9	7.7	10
South	1.3	5	29.3	2.4	10
South-West	15.3	8	27.5	5.5	7
TOTAL	100	100		100	100

Source: MINEPAT PIB implementation report, ECAM 3 for incidence of poverty, and population census (BUCREP, 2010)

54. This analysis reveals a heavy bias favoring the North-West Region, which received an average allocation of 19% of PIB funds, whereas the region's share of domestic crop production and rural population was 7% and 12%, respectively; moreover, the incidence of rural poverty in this region was only 51%, which is below the poorest regions of the country (Far North 65.9%, North 63.7%, Adamawa: 53%).

In addition, both the West and South-West Regions with 13% and 15% of allocations, respectively, received resources that far exceeded their contribution to domestic crop production (10% and 7%, respectively), and their share of the rural population (11% and 8%, respectively). The North Region, with 12% of allocation, received an amount in line with its share of rural population (14%), but higher than its contribution to domestic crop production (4%).

At the opposite end, the Far North Region, accounting for 27% of the country's rural population, with an incidence of poverty measured at 65.9%, and contributing 10% to domestic crop production received only 15% of allocations. This region, which falls within the Sahel, remains vulnerable to myriad problems including food insecurity, attacks on fields by seed-eating birds and locusts, destruction of crops by pachyderms, desertification, as well as recurring flooding related to climate change.

The East and South Regions received allocations (2.6% and 1.3%, respectively) that fell short of their contribution to the country's crop production and rural population.

The Centre Region, with 12% of allocation, received an amount in line with its share of rural population (10%), but higher than its contribution to national crop production (21%). The Adamawa Region, with 3% of allocation, received budget resources in line with its contribution to domestic crop production (4%), but lower than its share of the country's rural population (6%).

The overall picture that emerges shows unfairness in the regional distribution of PIB, and that the regions with the highest rates of poverty do not receive additional resources, which hampers attempts to reduce poverty. This assessment was shared by MINEPAT in its National Progress Reports of Millennium Development Goals published in 2012, indicating that the MDG of eradicating extreme poverty and hunger by 2020 remains uncertain if current trends continue. Moreover, INS data (ECAM II and III) show that rural poverty worsened from 2001 to 2007, increasing from 52.1% to 55%; the most affected regions were the Far North (increasing from 56.3% to 65.9%), North (50.1% to 63.7%), Adamawa (48.8% to 53%), and East (44% to 50.4%). The only regions that experienced a decline in rural poverty were the Centre (from 48.2% to 41.2%); Littoral (from 35.5% to 31.1%); West (from 40.3% to 28.9%); North-West (from 52.5% to 51%); South (from 31.5% to 29.3%) and South-West (from 33.8% to 27.5%).

3.6 Agricultural Research

55. Research in agriculture, which is mainly carried out by IRAD, has been neglected in recent years due to a lack of funding, as well as a shortage of personnel following the early retirement of researchers.

Box 4. Agricultural Research. Principal Data

The national system for agricultural research in Cameroon (SNARA) is run by the Institute of Agricultural Research for Development (IRAD) created in 1996, with support from international research centers, such as CIRAD, CIFOR, IRD, ICRAF, IITA, among others.

National agricultural research covers five areas: Annual crops, perennial crops, animal husbandry, forestry-soil-environment, rural socioeconomic environment.

IRAD is organized as follows: One General Directorate, five Regional Centers covering five agro-ecological zones, one Regional Center for plantains at Njombé, one Regional Center for the Dja reserve environment, one Specialized Center for research on marine ecosystems at Kribi, one Specialized Center for research on palm oil at Dibamba, and 28 General or Specialized Research Stations such as the National Herbarium.

Human resources: 200 researchers. One quarter of the workforce has reached IRAD's retirement age, which, at 55, is considered early when compared to 65 for university professors, and for those IITA researchers not retiring. Unfortunately, even though a pool of young researchers were recruited in 2000, poor working conditions prompted most to leave.

IRAD has produced interesting research, which has been taken up by a number of operators such as subsector ministries, public and private entities (e.g., SODECOTON, MIDENO, SODECAO, SOWEDA, SOCAPALM and notably producers' organizations). The economic crisis in the 1980s led to a decline in public funding for research. Research activity was later bolstered in the 1990s by the National Agricultural Extension and Research Program (PNVRA) which received financial assistance from the World Bank and the African Development Bank. Since the end of this program, agricultural research has slowed. After the crisis, research projects continued to receive direct funding and national top-up funding from the government, along with bilateral and tender-based research funding.

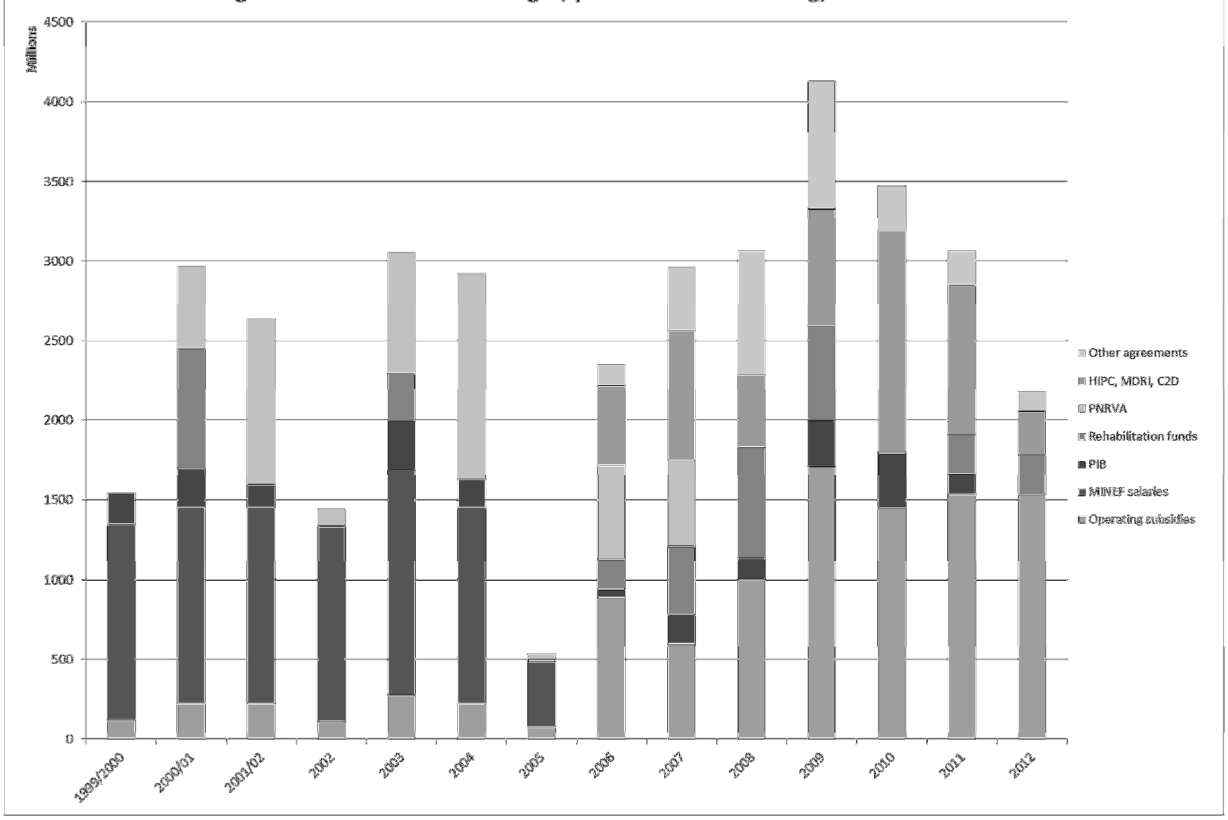
Currently, the government funding available for research is slightly less than one-third of pre-1990 levels. These reduced resources hamper efforts to carry out projects effectively.

IRAD has produced interesting research (including improving yields of basic seed for several crops such as higher quality cotton fiber, higher potential yields of cocoa by 1.5 metric ton/ha, and of milk by 10 to 15 liters/cow/day, advances in production technology for livestock feed, etc.) that warrant preservation and extension.

Research priorities focus on research stations investigating how to eliminate production constraints, onsite research to improve adaptation of research station results to the circumstances of small producers and to preserve genetic material; pay rises for researchers; and changes to the retirement age.

The completion of some projects, such as the PNVRA, which provided budget funding and ended in 2007 (Figure 28), has trimmed available resources; these cutbacks have been partially offset by government grants, which have increased since 2007, and occasionally by HIPC funding, specifically to meet the production costs of basic seed. The development of new varieties of cotton, coffee/cocoa, and maize is one priority activity for which IRAD enjoys a reputation of excellence at regional level. Funds mobilized during the last few years, either as a percentage of GDP or per capita, remain below the level observed in most Sub-Saharan African countries (Table 8). IRAD is in the process of finalizing its 2013 to 2018 strategic plan, split into two three-year operational plans, which should receive additional assistance from the government. (For more details, see Box 4).

Figure 34. 2000–12 IRAD budget, per source of financing, millions of CFA F



Source: IRAD

Table 8. Budget allocated to agricultural R&D in sub-Saharan Africa

	Year of review	Total amount Millions (USD)	Amount per capita (USD)	% GDP
Cameroon	**2011**	**7.9**	**0.4**	**0.03**
Malawi	2007	180.1	12.9	1.7
Uganda	2007	359.8	11.6	1.1
South Africa	2007	4,976.6	102.4	1.05
Kenya	2007	277.8	7.4	0.48
Senegal	2008	99	8.0	0.48
Tanzania	2007	234.6	5.8	0.48
Gabon	2008	78.7	58.3	0.47
Ghana	2007	120.1	5.0	0.38
Zambia	2008	55.3	4.6	0.37
Mali	2007	37.4	3.0	0.28

Mozambique	2007	42.9	2.0	0.25
Nigeria	2007	583.2	3.9	0.2
Burkina Faso	2004-2011	8.1	0.5	0.1
Togo	2005-2010	2.0	0.4	0.07

Source: World Bank

Notes: For most countries, these data include applied research led by the government, universities and tertiary education institutes, the private sector and non-profit organizations. The data for other countries are in USD "purchasing power parity" (exchange rate calculated by the UNDP to account for the real value of 1 USD in the countries in question); the data for Togo is in USD.

3.7 Agricultural Extension

60. The Ministry of Agriculture and Rural Development (MINADER), as part of its responsibility to develop and implement government policy for agriculture and rural development, shares the mission of **agricultural extension** with the Ministry of Scientific Research and Innovation (MINRESI) as well as with other administrations such as the Ministry of Livestock, Fisheries, and Animal Husbandry (MINEPIA). The main objectives of agricultural extension are to ensure food security of populations, improve sector productivity and competitiveness, attract foreign currency through exports, and combat rural poverty. To carry out its mission to provide extension agents in the field, the government has implemented a system of extension zones at village level and extension sectors at multi-village or district level. The National Agricultural Extension and Research Program (PNVRA) extension map divides the country into 2,460 Agricultural Extension Zones (ZV) and 381 Agricultural Extension Sectors (SV). Agricultural extension suffers from a shortage of personnel: At ZV level, 1,739 out of 2,460 posts, or 70%, are filled; at SV level, 266 out of 381 posts, or 70%, are filled. Two-thirds of extension agents are MINADER personnel and one-third are MINEPIA personnel. Previously, extension received financial support from TFPs from 1999/2000 to 2004. In view of the program's many achievements, the government decided to continue to support agricultural extension with HIPC financing from 2006 to 2010, and with internal financing since 2011. The table in Box 3 shows that total funding for extension fell from 4 billion CFA francs in 2000 to 2002 to less than 2 billion CFA francs after 2010. The most recent overview of PNVRA, covering the first quarter of 2013, highlights a number of weaknesses in the program, notably: (i) the tendency of PNVRA personnel to overlook advisory support and instead operate within donors' project structures which offer better conditions; (ii) the slow disbursement of funds by regional and departmental treasuries; (iii) transport equipment breakdowns, and lack of spare parts; (iv) insufficient funds for training and retraining of personnel.

61. In the future, MINADER intends to raise the level of advisory support to meet the needs of next-generation agriculture. This will entail not only the appointment of additional personnel at senior management levels—such as three agronomist engineers to assist the Head of Agricultural Mission, who previously operated alone—but also improvements to the work environment by building an office and standby living quarters, and provision of a minimum level of equipment (e.g., GPS, computer system, borehole, generator, and means of transport), and a demonstration farm. Carrying out this new vision requires more financial and human resources than are currently being provided.

62. Otherwise, beginning in 2008, the government launched a program Supporting Family Farming Competitiveness (ACEFA) with C2D financing. This program implements an advisory support approach to Family-Owned Agro-pastoral Businesses (EFA) and to Agricultural Professional Organizations (OPA) coupled with financing of projects headed by these organizations. The pilot phase of this program which was rolled out in ten *départements* across five regions (Adamawa, North, West, South-West and South), provided the opportunity to fine-tune methods and tools, and finance a number of projects. The projected amount for Phase 1, which ended on July 31, 2012, was 14.16 billion CFA francs. The first phase began with the recruitment of 236 Producer Group Advisors (CGP), each monitoring ten Famers' Groupings; 20 Specialized Technical Advisors (STA), two per *département*; ten Farm Management Counselors (CGE), one per *département*; and 25 Professional Organizations Management Counselors (CGO).

Phase 2, launched on August 1, 2013 for a period of four years, will extend the program to all ten regions of the country. Eventually, 280,000,000 EFAs will be directly affected, or 23% of Cameroon's 1.2 million EFAs. This represents a penetration rate of 15% of the total rural population.[4]

These numbers could nevertheless be improved if increased funding to build CGP capacity per *département* were made available to this program. The budget for Phase 2 is shown in the table below.

Table 9. ACEF program Phase 2 budget (in thousands of CFA F)

Components	Year 1	Year 2	Year 3	Year 4	Total
Advisory support	4,841,185	5,030,905	6,830,186	8,563,175	25,265,452
Financing of FO projects	1,828,838	2,681,260	7,438,326	10,026,882	21,975,307
Agro-pastoral professionalization	457,600	747,600	407,600	387,600	2,000,400
Coordination	2,190,247	1,384,247	1,389,247	1,455,247	6,418,986

[4] It is estimated that 280,000 EFAs will be directly affected. With the average household being five people, this means 1,400,000 out of a total 9,314,928 individuals in rural areas in 2010 according to data from the third general population census.

Miscellaneous and unplanned					4,625,358
Grand total	9,317,870	9,844,,012	16,065,359	20,432,903	60,285,503

Source: ACEFA Program

Schedule III details the comparative elements between the two existing advisory support tools.

63. Fundamentally, the two tools serve a nearly identical overall objective, specifically, to contribute to raising the income of family farms by providing advisory support to improve agro-pastoral and fishing sector productivity; more simply, the objective is to reduce rural poverty. Additionally, both tools have the same project owners (MINADER and MINEPIA), and are expected to cover the country's ten regions, and target EFAs and all agro-pastoral and fishing sectors.

64. Despite the common overarching goals of these two tools, differences exist in terms of specific objectives, strategies and guidelines, components, main activities developed as well as the advisory support mechanism. Whereas the advisory support mechanism of the PNVRA consists of administrative structures (i.e., regional technical groups, *départemental* technical groups, SVs and ZVs) that report solely to their respective hierarchies, the advisory support mechanism of ACEFA consists of a combination of managers from administrative structures recruited competitively and made available to basic organizations or second- or third-level organizations with which managers sign agreements to guarantee support, and to professional associations and joint bodies (administration-profession). Note that these agreements are subject to evaluation by these organizations and are not renewed unless satisfactory results are obtained. It therefore can be assumed that the ACEFA program promotes a results-based culture and empowers producers' organizations, unlike PNVRA which addresses neither of these issues. Moreover, ACEFA possesses more sophisticated tools and offers better work conditions to its personnel in comparison to PNVRA, and has a financing tool that contributes to better use of its advisory support. In contrast, the PNVRA depends entirely on its partners to finance support activities.

65. Under PNVRA, the average workload[5] for a single zonal extension agent is eight OPs; Under ACEFA, the average workload for a single Producer Group Advisor (CGP) is ten to twelve Famers' Groupings (GP). It was observed that 70% of PNVRA advisors were also employed by the ACEFA program. These individuals accumulate logistical resources provided by the two programs (e.g., vehicle, motorbike, premiums, office equipment, telephone), but find themselves incapable of serving both, and so sacrifice PNVRA.

[5] PNVRA: Activity report conducted in 2012, January 2013.

Consequently, there is a reduction in the availability rate of personnel under the PNVRA program,[6] from the stated rate of 71% to the actual rate of 34%. In other words, the ACEFA program contributes to running down PNVRA personnel, and a large portion of PNVRA resources are used for other purposes.

66. The expenditures made by the two programs since 2008 are shown in Table 10 below:

Table 10. Expenditures made by PNVRA and the ACEFA program (in CFA F)

Expenditure	2008	2009	2010	2011	2012
PNVRA[7]	1,740,773,291	1,632,600,000	1,801,486,800	1,497,507,316	1,632,482,739
ACEFA[8]	228,334,478	1,552,204,658	3,938,471,408	5,293,749,569	1,874,602,317
Total	1,969,107,769	3,184,804,658	5,739,958,208	6,791,256,885	3,507,085,056
MTEF projected costs[9]	6 525 000 000	**6,774,000,000**	**7,659,000,000**		
Gap[10]	-4,555,892,231	-3,589,195,342	-1,919,041,792		

Source: Authors' calculations

These expenditures, although showing a net increase, fell short of stated requirements under MINEPIA and MINADER MTEFs. This points to the need for increased funding, but also for frugal management of resources to raise effectiveness.

Box 5. The "Projet d'Appui au PNVRA" and ACEFA Program: Two Advisory Support Programs Providing Assistance to Producers since 2008

1. The PNVRA

Providing advisory support to producers or agricultural extension are fundamental missions of the government. Advisory support includes actions that ensure the transfer of technical innovations,

[6] According to the PNVRA activity report conducted in 2012, only 2,316 out of 3,243 posts were filled under the PNVRA program, or a theoretical availability rate of 71%. In reality, this rate is much lower, at around 34%, after subtracting the 1,190 agents straddling both programs.

[7] Average rate of consumption of allocated credits: 90%

[8] Sources: 2008, 2009 and 2010 accounting and financial auditing reports, 2011 and 2012 ACEFA accounting department estimates.

[9] MINADER and MINEPIA MTEF costs

[10] The financing gap is equal to total expenditure made less MTEF costs

strengthen the technical capacities of producers (i.e., farmers, livestock breeders, fish harvesters and farmers), and provide advice and support to producers. In terms of advice, the agent takes on the responsibility of connecting with other actors in domains for which he is not competent.
To do this, the government must allocate the appropriate personnel to all these structures, to provide them with means of transport (vehicles or motorbikes), and to ensure their operation and maintenance by offering bonuses.
The table below shows mobilized funds per donor (in CFA F)

Years	UNAIDS	IFAD	IDA	HIPC	National Budget	Total
1999/2000	4,024,950	523,407,228	1,278,219,673		510,000,000	2,315,651,851
2000/2001		661,754,531	1,653,632,178		1,757,898,980	4,073,285,689
2000/2001		661,754,531	1,653,632,178		1,757,898,980	4,073,285,689
2002		800,323,804	1,808,910,586		1,619,900,000	4,229,134,390
2003		347,977,916	2,545,443,087		300,000,000	3,193,421,003
2004			2,336,336,426		679,750,000	3,016,086,426
2005					960,658,000	960,658,000
2006				1,000,000,000	1,296,745,000	2,296,745,000
2007				1,084,000,000	1,240,926,000	2,324,926,000
2008				955,754,545	978,438,000	1,934,192,545
2009				1,207,000,000	607,000,000	1,814,000,000
2010				1,392,652,000	609,000,000	2,001,652,000
2011				0	1,663,897,018	1,663,897,018
2012				0	1,813,869,710	1,813,869,710
2013				0	1,262,039,000	1,262,039,000

Source: MINADER, DOPA/SD Vulgarisation

HIPC Funds financed acquisition of equipment such as vehicles and motorbikes; recruitment of 122 zonal extension agents, raising the agent-producer ratio in production priority areas; the salaries of drivers; feedback workshops and programs throughout the country; and capacity-building of personnel.

Funds mobilized by the national government are channeled through the PIB of MINADER (2/3) and MINEPIA (1/3), and transferred to an account opened at the General Treasury and managed in accordance with MINFI guidelines on the execution, monitoring, and auditing of budget implementation of the government, public administrative institutions, decentralized territorial collectivities, and of other publicly funded entities. The budget headings for expenditures paid for with this funding are as follows:

- Support for implementation of productive units;
- Acquisition of special technical equipment, regional and national feedback workshops, and planning of activities;
- Building capacity of actors;
- Competitive research funds;
- Support for assessments of agro-pastoral and fishing operations;

Only investments (e.g., acquisition of vehicles and motorbikes), bonuses, and research-extension interface are managed centrally. The rest of the expenditure is distributed locally through delegation of credits allocated to delegates at regional or *départemental* level. The rate of consumption of credits varies between 80% and 100%.

2. The ACEFA Program

Launched in the fourth quarter of 2008 for a period of 48 months, the program receives funding from C2D. The program's overarching goal is to help increase the incomes of family farms by improving the competitiveness of their production. The program is made up of four main components:

- Component 1: Advisory support. EFAs and GPs receive advisory support that helps them to improve management of their production; OPAs receive specific advisory support that helps them to carry out their missions (supply, commercialization, negotiation, representation and defense of interests, etc.);
- Component 2: Financing of projects headed by producers' organization. Producers' organizations (GPs and OPAs) receive financial support in the form of grants to implement projects that have a direct positive impact on EFA incomes and competitiveness, and on the environment.
- Component 3: Agro-pastoral professionalization. National and regional platforms, as well as the Garoua agro-pastoral professionalization centre (CRPA) receive financial support for operations; the skills of OPAs managers are bolstered to improve their organization and management, and to develop OPA's strategic vision;
- Component 4: Coordination. The program targets as a matter of priority two categories of beneficiaries: EFA members of Famers' Groupings (GIC, economic interest grouping), and second- and third-level OPAs (unions and federations of GIC, cooperatives and unions of cooperatives).

The overall cost of Phase 1 of the project ending in August 2012 was 14.16 billion FCFA, of which 9.4 billion was disbursed.

The program's principles for intervention are the following:

- Producers ask for assistance: Advisory support and grants are provided to those requesting them, which favors the most reactive organizations and producers;

- Funding is used for productive investments: Grants to OPs cover only the investment expenses of productive projects. Recurring costs must be covered by beneficiaries' own resources or loans;

- Projects are equally co-managed by the government and the profession: Disbursement of grants, availability and evaluation of advisors are done jointly to guarantee good governance and draw decision making closer to beneficiaries;

A techno-economic approach is used: Advisory support considers the economics of production, management of producers' organizations, and the development of services rendered (i.e., support to production, supply, processing, and commercialization).

The advisory support system implemented at *départemental* level includes: a Farm Management Counselor (CGE), a Specialized Technical Advisor in crop production (CTS/PV), a Specialized Technical Advisor in livestock production (CTS/PA) and 30 Producer Group Advisors (CGP). The standard used for the CGPs is one CGP for ten to twelve groupings (one grouping includes ten to twenty producers). These advisors are recruited competitively among civil service personnel of MINADER and MINEPIA, and a contract is signed between the project, the Advisor, and the beneficiary grouping. The program allocates to the Advisor equipment (e.g., motorbike, office equipment, telephone) and supplementary operational allowance (e.g., petrol and oil, motorbike maintenance, around 25,000 CFA F/month). The average annual cost of an Advisor is estimated at 5,800,000 CFA F, including salary, allowance, operating costs, equipment depreciation, and training.

An evaluation conducted in 2011 by the consortium CA 17 International/Agro PME, 36 months after project startup, showed that the program had reached input stabilization and operational tools and procedures. Specifically this included: a system of advisory support to OPs and OPAs implemented in ten pilot departments overseen by trained agents with program expertise; co-management bodies also implemented, which are able to execute their missions of building capacity; procedure methods and manuals are accessible, well documented, and tested and amended according to actors' expectations. The report drew conclusions on the project's relevance, in that it provides a tailored response to optimizing financial resources allocated to farmers' projects by proposing advisory support that meets their actual needs. The report also offered conclusions on the project's effectiveness, observing that other projects financed without advisory support encountered substantial problems in implementation or failed outright. However, the report did not deliver a verdict on the program's effectiveness as the timing of the report afforded insufficient perspective.

In terms of sustainability, the report documents the problem of actual availability of government agents, and the inability to count on real participation by beneficiaries at a significant level. After four years of activities (Phase 1), the program has already deployed a total of 236 CGPs in ten departments over five regions of the country. To provide country-wide coverage, the program intends to recruit 1,700 additional Advisors. Eventually, the program may affect around 280,000 producers in the agricultural/silvicultural/pastoral/fisheries sectors, or 24% of rural producers.

Instances of duplication of resources between PNVRA and ACEFA were observed. Around 70% of ACEFA program Advisors come from PNVRA and act on behalf of both programs. Some are allocated two vehicles/motorbikes (one from PNVRA and another from ACEFA), two bonuses, etc. These circumstances can only be a source of waste.

3.8 Rural Roads

56. In the past and especially in the last two decades, the roads subsector has been characterized by actions that tend to favor construction of new infrastructure without real consideration for operating maintenance costs or the suitability of design for use. Maintenance of such roads fell in full to the government, and to a lesser extent, to public authorities. Although this approach may have been sustainable during Cameroon's rapid economic development in the early 1980s, it must be noted that since the economic crisis beginning in 1986 the stock of roads has inevitably been deprived of capital.

Under these circumstances, the government adopted in June 1996 the Transport Sector Program (PST) which aimed to build capacity in road maintenance through more efficient use of available resources, by seeking a balance between prudent investment and road maintenance costs. This objective resulted in policy that focused on the following points:

- Disengagement of the government from execution and control of road maintenance work in favor of the private sector;
- Implementation of a sustainable mechanism for financing road maintenance of priority networks that would guarantee the permanent availability of funds;
- Implementation of a payment mechanism to pay firms quickly and efficiently;
- Reform of public procurement procedures to expedite the process and increase transparency;
- Definition of a new institutional framework to refocus MINTP departments on planning, scheduling, budgeting, and supervising road maintenance work.
-

57. The strategy of rehabilitation and maintenance of rural roads, which constitutes an integral part of the Transport Sector Program, was adopted in April 2000. It focuses on addressing more specifically roads that are not classified as part of the priority network by drawing upon support from municipalities. This strategy is integrated into the government's objective of combating rural poverty, and improving the living conditions and productivity of rural populations. The strategy is bolstered by the decentralization process, which seeks to transfer responsibilities to municipalities in order to encourage better management of the local road network. Specifically, this strategy will:

- Clarify the classification of the road network between priority, rural roads, and private roads;
- Transfer to municipalities the stock of rural roads and project-management responsibilities for this network;
- Involve private firms for technical advice, and if necessary, as project manager or delegated project owners at the request and on behalf of municipalities;
- Involve beneficiary populations in decision-making, road maintenance and management, especially for stormwater gates;
- Ensure the promotion of local firms and design offices within public procurement procedures;
- Establish rehabilitation and maintenance of rural roads within an efficient and sustainable system of financing/budgeting to ensure regular provision of services on the network allowing road use throughout the year as much as possible;
- Integrate environmental considerations in road maintenance work;
- Encourage the use of labor intensive techniques in maintaining roads.

58. Nevertheless the implementation of this strategy, which should be updated, is hampered by numerous constraints, especially: (i) the failure to adopt the regulatory framework for rural road management that would entail full involvement by municipalities and beneficiaries; (ii) the limited capacity of municipalities and beneficiaries (Road

Committees) to ensure regular post-rehabilitation road maintenance and management of stormwater gates; (iii) the lack of legal recognition of several road committees. It is important to note that road maintenance campaigns are often disrupted by: (a) funds release procedures that are unsuitable given seasonal constraints affecting works; in fact, as a result of procedures related to startup and closing of budgetary operations in conjunction with slow execution of public procurement, almost all of the dry season is wasted; (b) SMEs lack equipment for public infrastructure-type works; (c) delays observed in transferring shares of revenue from the Road Fund. This results in under-consumption of credits allocated, which are inadequate to begin with.

59. Management of construction, maintenance, and rehabilitation of rural roads is spread between the Ministry of Public Works (MINTP), which defines road policy, including for rural roads, MINADER, which formulates strategies on improving accessibility of production regions, and the Road Fund, which finances maintenance operations. The road network is estimated to total 35,000 km, but more detailed mapping carried out with a geographic information system (GIS) raises the estimate for rural roads to 80,000 km (Box 5). The existing resources are insufficient to maintain 35,000 km of road, and therefore a large proportion of the 80,000 km are currently abandoned. The MINTP, the project manager for rural roads, signs contracts with private firms upon conclusion of the public tendering process, or signs agreements with State companies and public administrative authorities such as SODECOTON, SEMRY, SODECAO, SOWEDA, MIDENO. These agreements covered 8,500 km of rural road in 2011, and 10,800 km in 2012.

Since 2010, resources provided in MINADER's budget to open and rehabilitate feeder roads that improve accessibility of production regions have been transferred to decentralized local authorities (351 rural municipalities). Mayors have become delegated project managers for the work, for which they launch calls for tenders, select private firms, and monitor and accept work. At the same time, the management of Road Fund resources previously reserved for rural roads which came within the competence of the Directorate of Rural Roads at the MINTP, has since been transferred to municipalities. A decree from the President of the Republic signed in 2012 designated mayors as the authorizing officers of the Road Fund alongside the ministries of MINTP, MINDUH, and MINTRANP.

The lack of experience among municipal councils in drafting tender documents, selecting bidders, and verifying work may negatively affect implementation periods and quality of work. To overcome these shortcomings, MINTP's departmental delegates are to provide support in project management delegated to municipalities, for example for drafting tender documents, setting specifications, etc. A draft partnership agreement between the MINTP and each of these 360 municipalities is being drawn up by MINTP. Under these agreements, technical resources such as a road network map for each municipality will be made available to each municipal council. The municipal council will be responsible for updating the map.

The municipalities also benefit from a number of support programs similar to the National Community Driven Development Program (PNDP) financed by IDA.

The available data show that the funds allocated to rural roads each year for asphalting, maintenance (including funds transferred to the Road Fund for maintenance), and rehabilitation have been relatively unchanged since 2008, between 32 and 35 billion CFA francs (Table 10). Analysis of the MTEFs of MINTP from 2006 to 2012 indicates that rural roads required funding of around 33.8 billion CFA francs on average per year with a gradual increase. Since budget allocations have not increased since 2009, creating a widening gap between the requirements stated in MTEFs and budget allocations. In 2012, this gap was 30%.

Box 6. Rural Roads (RR). Principal Data

The priority rural network requiring maintenance originally estimated to include 12,000 km now includes 35,000 km. A proportion of this network has been abandoned due to the lack of funding and should be rehabilitated.

Financing of rehabilitation: PIB (internal and external funding).

Some external financing has ended, such as the IDB/OPEC project ending in 2006. The Projet d' Appui à la Compétitivité Agricole (PACA), financed by IDA, is currently supporting the rehabilitation of 500 km.

Improving accessibility of production regions is a major concern of the government. It has therefore created a task force in anticipation of work that will be required, and which will be managed by MINTP, using machinery from MATGENIE. The needs in terms of improving accessibility of production regions are estimated at 25,000 km. Feeder roads that improve accessibility are those that connect villages to agricultural production and whose straight-line distance does not exceed 5 km.

Rural roads connecting villages that exceed a straight-line distance of 5 km come within the jurisdiction of MINTP and their maintenance is paid for by funds from the Road Fund.

Identification of feeder roads to be cleared is done by the Decentralized Entities of MINADER, occasionally without consultation with municipal councils. In principle, municipal councils issue Municipal Development Plans.

Resources provided in MINADER's budget to open and rehabilitate feeder roads that improve accessibility of production regions were transferred to Decentralized Municipalities (351 Rural Municipalities). Municipal councils ensure delegated project management of the road work, launching calls for tender, selecting private firms, monitoring and accepting work.

The Road Fund finances regular maintenance of roads for which project management is ensured by MINTP. The ministry launches calls for tenders, and signs contracts with the private firms selected. In addition to private firms, MINTP signs agreements with some public enterprises or EPAs (e.g., SODECOTON, SODECAO, MIDENO) and forestry companies for maintenance of rural roads in their areas of operation.

The Road Fund releases 12% of its funds annually, or 10 billion CFA francs, to pay for the maintenance of rural roads. Since these resources are inadequate, MINTP has adopted a policy of itinerant maintenance.
Rehabilitation cost: 10 million CFA francs per km to re-lay the road surface, 15 to 20 million CFA francs per km when degradation is significant.
Asphalting cost: 100 million CFA francs per km.
The cumbersome public procurement process bears noting.

Table 11. MINTP Budget for construction, maintenance and rehabilitation of rural roads (source M from 2006 to 2012, in millions of CFA francs

ACTIVITY TYPE	2006	2007	2008	2009	2010	2011	2012
Maintenance of Priority Rural Roads 1/	5,674	6,036	6,629	7,292	2,304	6,600	10,030
Maintenance of Non-Priority Rural Roads	547	2,779	2,303	2,533	3,871	1,500	1,000
Rehabilitation of Rural Roads	9,049	174	21,586	18,095	13,456	612	6,517
Asphalting of Rural Roads	-	-	-	-	10,000	10,000	12,000
Clearing Rural Roads	2,251	4,781	4,636	4,610	2,250	3,350	3,900
Total Rural Roads	***17,521***	***13,769***	***35,154***	***32,530***	***31,881***	***22,062***	***33,447***
Required funding stated in MTEF	**16,664**	**31,221**	**24,011**	**26,741**	**45,900**	**44,818**	**47,142**

1/ Funds transferred to Road Fund

Sources: MINTP, and authors' calculations

4. TECHNICAL EFFICIENCY IN THE PREPARATION, IMPLEMENTATION, AND MONITORING OF AGRICULTURE EXPENDITURE

67. Far-reaching innovations have been introduced in the past few years to enhance the preparation, implementation, and monitoring of public expenditure so as to improve consistency in budgeting decisions, expedite implementation, and afford a greater role to decentralized local authorities. The new financial regime (Act No. 2007/006 of December 26, 2007) lays the foundation for a more results-based public administration, replacing the means-based approach formulated by the 1962 Ordinance. The new fiscal system will be implemented gradually, with a five-year transitional phase from 2008 to 2013, the date of the Act's full implementation.

68. Under the new financial regime, the ministries adopted medium-term expenditure frameworks as of 2009, and prepared program-based budgets from the 2013 budget year. As regards procurement procedures, changes took place after the establishment, in December 2011, of a new ministry for Public Procurement, so it is still too early to assess the impact of this reform. In addition, decentralization, which came into effect in 2010, assigns a greater role to decentralized local authorities in the implementation of the budget, but can give rise to difficulties in the implementation and monitoring of expenditure.

69. The progress of implementation rates of ministries' capital budgets in the medium term were studied in Chapter 2. The data shows an improvement from 2009 in both spending commitments (commitments in relation to allocations) which exceeded 90% in 2011 and 2012, and spending implementation rates (implementation in relation to allocations) which came to about 80%. The rates are lower when external funds are involved because of delays in implementing projects funded by external resources (approval of financial arrangements, establishment of steering committees, and management units). Faster implementation requires speedier procedures for commitment and procurement plans; concrete recommendations are set out in Section 4.3.

4.1 Changes in Budget Planning since the Introduction of MTEF and Program-Based Budgets

70. **MTEFs.** The introduction of MTEFs in 2009 was a factor in rationalizing the budget preparation process. It allows for the inclusion of budget items in a coherent manner with specific objectives and with a clearly outlined strategy; in this way, requests for budget allocations can be justified in terms of the policy of a sector in the medium term. In any event,

the reliability of a MTEF depends on the effectiveness of selection criteria priorities, and on the quality of the assessment of budget funding allocations on sector performance, which has to be carried out annually. The impact assessments of annual expenditure on sector performance are critical for improving planning strategy. The reliability of this assessment depends on the quality of the data on the results achieved, and the quality of information feedback.

71. **Program-based Budgets.** In Act No. 2007/006 of December 26, 2007 introducing the State Financial Regime, budget planning was introduced and came into force in 2013 (see Box 7). Programs were introduced on an experimental basis in the 2012 budget. A document appended to the 2012 budget presented the budget in the form of a program-based budget using a reconciliation table bridging administrative services with programs. Going forward, the goal is to draw up, present and implement the budget on a program basis. This provides an opportunity to rectify the inadequacies in means-based budgeting by focusing on results and leading to: (i) an improvement in the quality of public expenditure; (ii) greater administrative flexibility; (iii). greater accountability for those responsible for the management of their allocations and in the achievement of results.

With the introduction of program budgets as from 2012, each ministry was required to set the objectives for these programs, defined in terms of operations and activities, and to assess the results achieved. The existing Planning, Programming, Budgeting and Monitoring System (PPBS) units set up in the various ministries, currently draft their mid-year assessments of progress at the ministries, setting out their main actions, activities, and results, program-by-program, in matrix format. The assessments currently only cover a fairly limited number of actions and activities, due to the lack of comprehensive data. More-accurate and detailed reporting of results would make these matrices more reliable and comprehensive.

72. Since 2012, the ratification of programs in terms of the MTEFs has been effected by a Planning Conference organized by the Inter-ministerial Committee on Program Review (CIEP), which evaluates their general coherence. At present there is a tendency to base the MTEFs on current projects and new projects in the preparation phase, but the goal of an MTEF ought to be assuring the application of sectoral strategies through the mobilization of the necessary resources, and ensuring that there is a choice between alternative projects. In the agricultural sector, the current shortcomings of MTEFs ought to be resolved when the PNIA (National Agricultural Investment Plan), which is currently under preparation in terms of the CAADP, is finalized.

73. The PNIA, presently being drawn up, provides the medium-term strategic framework for planning, coordination, and alignment of the full range of interventions in the rural sector for

the 2014−2020 period, and will form the framework within which the METFs will operate. As explained in the preparatory document for the CAADP, "*The PNIA takes into account the needs, lessons, and gaps in capital investment and for sector operations on a seven-year time horizon (2014−2020). It provides an overview of the whole range of programs and projects in the sector, both under way and in the planning phase, and informs the PPBS (Planning, Programming, and Budgeting System) chain in each ministry involved in rural sector development (MINADER, MINEPIA, MINFOF, MINEPDED, MINEPAT, MINRESI, MINSANTE, and so on)*."

74. **Challenges for Management and Monitoring.** Experience in other countries shows that the success of a program-based budget approach greatly depends upon clearly defining managerial responsibility for the programs, as well as considerable efficiency in the expenditure chain, which tends to be complex and frequently formal in nature, without ensuring that the responsible ministers are duly accountable (conclusions of the Report on the Plan for the Modernization of Public Finance ratified in April 2013). The management and monitoring of program-based budgets requires a sophisticated IT system, to facilitate coherent data-sorting on budgetary implementation with new categorizations of expenses by program, sub-program, actions, and activities. Because the new data-processing system, aided by donors in the form of technical support, is not yet in place, the program budget monitoring is still weak. It is therefore essential to give priority to the implementation of a new IT system. It will also be critical to carry out studies in a more systematic fashion on the impact of the various projects and programs so as to evaluate their efficacy, both in absolute and comparative terms.

75. **Performance Reports.** With effect from 2009, ministries had to present Performance Reports in October concerning the implementation of their budget; these Performance Reports ought to help facilitate the preparation of MTEFs and program budgets. In July, before attending budget meetings, ministries should be able to refer to the performance reports of the previous year and the Mid-Term Evaluation Report prepared by the directorates for financial resources, the directorates for study and programming, and the monitoring departments with the support of regional delegations. MINADER and MINEPIA draw up evaluation matrices for the policy direction at mid-year, which take the place of mid-term evaluation reports. These matrices are fairly broad, and lack detail due to inadequate feedback of information from decentralized services, as discussed in the next section. The finalization of the PNIA makes the strengthening of the monitoring and evaluation function imperative, since its present inadequacy hampers the speedy adoption of corrective measures that are needed to keep the program going.

Box 7. Program Budgeting (BP). Key Data

A program is defined in Article 8 of the new financial regime as "a range of actions to be undertaken in a public body for the achievement of an objective specified as part of its functions" and which applies to the relevant "chapter" (Article 9 of the new financial statute).

A program refers to a particular grouping of credits. This new approach entails greater accountability for ministries in the reporting of results.

With program budgeting, each ministerial division has to draw up an Administrative Service Performance Plan (PPA). This plan should contain a summary of the information concerning the programs of the relevant ministry as well as the anticipated outcomes at the completion of the relevant programs.

The assessment of the PPA for the budget year "x" should lead to the drawing up of an Annual Performance Report (RAP) for the year "x + 1" that will in future be part of the financial regulations. The **PPA assists in replacing a means-based philosophy by a results-orientated culture at all levels in public administration.**

As far as sectoral ministries are concerned, program budgeting promotes a more effective presentation of objectives and make them easier to defend in budget meetings.

As far as technical coordination with MINFI and MINEPAT is concerned, program budgeting promotes an accurate analysis of sectoral ministries' proposals in budget meetings; it enables MINFI to prepare its introductory memorandum to the budget, it acts as a basis for monitoring implementation after the budget's adoption. It forms the basis for discussion in the Finance and Budget Commission.

In parliament it becomes the reference document for monitoring and evaluating programs.

Given the multi-annual nature of budget planning, the introduction of programs may require commitments which go beyond the budget year. In addition, to reconcile the requirements of an annual budget with credits for multi-annual programs, two new concepts were introduced in the 2013 budget: Commitment Authorizations (AE) and Credit Payments (CP).

AEs constitute the maximum extent of expenditure that can be undertaken in a period not exceeding three years. By contrast, CPs constitute the ceiling of an expense that can be scheduled or actually paid in terms of an expenditure commitment included in the AE. CPs represent the annual tranche of AEs. When an expense has been debited but not paid, credits can be carried forward; these roll-overs take the form of a provision itemized in the next year's budget. However, credits not committed are cancelled at the end of the budget year.

AEs should, particularly for program budgeting purposes, result in: (i) improved flexibility in budget control; (ii) improved project implementation; (iii) greater relevance of MTEFs.

4.2 Management of Resources Allocated to Decentralized Local Authorities

76. Budget decentralization was introduced in a series of Acts beginning with the promulgation on July 22, 2004 of three statutes: Act No. 2004/017 providing for decentralization, No. 2004/018 setting out the regulations applicable to municipalities, and No. 2004/019 setting out the regulations applicable to the regions, followed by the issue, in 2005, of the "Document d'orientation stratégique sur la mise en oeuvre de la décentralisation" ("Strategy Paper on the Implementation of Decentralization") prepared by the ministry with responsibility for decentralization (MINATD). This came into effect with Act No. 2009/11 of July 10, 2009 which set out the fiscal system for the Decentralized Local Authorities and the effective transfer of responsibility and resources commencing in 2010.

The powers transferred by Prime Ministerial decree were as follows: (i) at MINADER, the acquisition of seeds and pesticides, surveillance of and combating phytosanitary diseases, the development of small-scale rural infrastructure, community mobilization for local development; (ii) at MINEPIA: the establishment and management of communal animal husbandry and agro-pastoral perimeters, delimitation and coordinated management of agro-pastoral areas, protection of underground and surface water resources through community monitoring; (iii) at MINFOF, management of forests transferred by the State becoming communal forests, supervision of communal forests, supervision of community wildlife areas, management of financial resources collected from royalty payments for forestry concession leases payable to municipalities (20%), and the supervision and management of the portion payable to neighboring communities (10%). To date, 33 contracts have been signed between MINFOF and municipal councils; (iv) at MINTP, a new roads classification has been introduced for the purposes of decentralization. Three categories of roads have been introduced:

- National roads, managed by the State;

- Regional roads which include former *département* roads and regional roads, managed by the State (these were transferred to the regions when the latter were re-established);
- Municipal roads (all other roads, rural and urban) to be managed by the 360 municipal councils;

It is to be noted that this transfer is taking place gradually, and to date only responsibility for the development of rural infrastructure has been transferred to MINADER, the establishment and management of infrastructure and equipment for animal husbandry to MINEPIA, and the management of communal forests, management of financial resources collected from royalties for communal forests, as well as management supervision of royalties payable to neighboring communities, in respect of MINFOF.
Approximately 15% of the capital budget is managed in a decentralized manner.

77. The conclusion can be drawn from the analysis set out in Box 8, that information feedback on monitoring is a weak link in the decentralization process. Another weakness is project management because municipal councils have neither the expertise nor experience to prepare calls for tender, evaluate bids, and monitor the technical and financial aspects of projects. This is compounded by local businesses' limited ability to target key markets.

In addition, since the establishment of MINMAP, municipalities which previously had District Tender Commissions are no longer responsible for procurement, as this activity has been entirely devolved to MINMAP. For example, tender documentation sent to MINMAP in January 2013 for the maintenance of an essential network, had still not resulted in concrete agreements by February 2014, fourteen months later. Such a situation can only hamper spending in the sector and impact negatively on growth.

Action is needed to: (i) ensure more reliable provision of information; (ii) enhance the project management skills of the local authorities; (iii) expedite procurement procedures by raising MINMAP's intervention threshold, which had already been raised to 100 million CFA francs in 2013. Measures are already under way to increase project management capacity through draft partnership agreements between MINMAP and each of the 360 municipalities currently being drawn up by MINTP, and MINTP departmental officials have been asked to focus on municipalities' project management skills. In future, periodic evaluation will be required to improve municipalities' project management capacity.

Box 8. Budget Decentralization: Impact on Budget Implementation, Information Monitoring, and the Quality of Services

1- **Implementation**: Decentralization of the national budget was provided for by Act No. 2009/11 dated July 10, 2009 relating to the fiscal system of the decentralized local authorities, which came into effect in 2010. Some 15% of the budgets of MINADER and MINEPIA are managed in a decentralized manner. From 2012, at the beginning of the financial year, delegated credits for the regions were made as a credit document.

After the introduction of the PROBMIS software in 2013, delegated credits were automatically transferred at the beginning of the year.

2- **Procedure for Credit Commitments**: As regards credit transferred to municipalities, the procedure is as follows:

- Commitments by the municipalities
  - Commitment approval by the Financial Controller
  - Authorization of the implementation of the works and handing over of the same to a Works Committee, including local technical experts from the ministry where the project has been handed over to a local council;
  - Ratification of the expenditure by the local authority;
  - Payment to the contractor.

3- **Information Feedback**. Each month, regional representatives of the ministries in the sector will meet under the aegis of the MINEPAT delegate to review implementation of the PIB. These reports are sent to the Executive Officer for Investment at MINEPAT. At regional level quarterly reports are sent to the Regional Head.

At regional level, the Sub-Committee for Monitoring and Evaluation of the PIB will meet monthly with technical officers and the Financial Controller, chaired by the president of the regional committee.

In accordance with the provisions of Ministerial Directive No. 08/008/BAC/MINFI/DGB/DES, of July 28, 2008 the Local Financial Controllers (FC) carry out duties involving the collection, recording, and transmission of information on the allocation and commitment of delegated credits (including credits from HIPC, MDRI, C2D, as the case may be).

Each month the Local Financial Controllers submit data to the District FCs, who, in turn send it, after verification, to the Departmental FC. From there it goes to the responsible Regional FC and finally to the Budget Directorate-General. The timetable is laid down with set deadlines, and the referral procedure has to be completed within 20 days of the month end to which the data refers.

However, it should be noted that the Financial Directorates of the sectoral ministries do not receive the information on the implementation of the decentralized budget relevant to their sectors.

This situation is regrettable since the National Fiscal System requires the latter to provide Performance Reports on the implementation of their budgets which requires full information on implementation at local level.

This problem is exacerbated by the fact that the local authorities do not adhere to the terms of reference they sign with contractors who are obliged to provide their implementation reports on the projects awarded to them. Problems in implementation are further aggravated because circulars from the minister responsible for budget implementation prior to 2013, gave to MINMEE and MINTP engineering responsibility for infrastructure delegated to local and regional authorities (CTD) by MINADER. This situation therefore excludes MINADER's Technical Services from works acceptance committees, and thus from the technical monitoring of implementation, even though the ministerial department has at its disposal the Association of Rural Engineers who have expertise in the construction of such infrastructure. Note that this situation was rectified in 2013.

4- Quality of Services. The poor quality of services remains a vexing question. Municipal councils do not have the skilled staff to ensure technical monitoring of services. However, the ministries have transferred to them the authority and PIB funding to finance the construction of these works locally. PIB resources cannot be released for technical monitoring purposes. Furthermore, the ministries provide technical personnel in their decentralized structures but without the financial resources to carry out actual technical monitoring of the construction works delegated to the CTD.

Discussions are under way as to whether the operating budgets of the ministries should be used for the deployment of technical personnel, or whether these costs should be borne by municipal resources. The matter will be settled by the National Council for Decentralization chaired by the Prime Minister who is head of government.

MINTP has taken steps to facilitate the implementation by municipalities of the projects which have already been assigned to them. A partnership agreement between MINTP and each of the 360 municipalities is being drawn up by MINTP. Furthermore, departmental officials from MINTP have been requested to provide support for project management at municipal level (preparation of calls for tender, quantity surveying and the like).

4.3 Measures for Expediting Budget Implementation: Public Procurement Procedures and Budget Control

78. A key factor in expediting budget implementation procedures is the swift preparation of budget commitment plans at central level. In recent years the deadline for the submission of budget implementation plans was February 15, in which implementation plans by ministry are set out, and these have to be accompanied by procurement schedules. At present, consideration of these procurement plans, which has fallen to MINMAP since 2012, must be completed within a period of one month, from which it can be assumed that the first calls for tenders can only be issued in April, commitments made in May–June, and payments effected from August–September.

79. It was shown in the study carried out in 2010 by MINEPAT/GIZ, entitled "**Analysis of Factors Impeding Cameroon's Ability to Absorb Foreign Aid**," ("**Analyse des facteurs limitant la capacité du Cameroun à absorber l'aide étrangère**") that procurement procedures and processes operate as a major brake on the absorption of public aid for development. A study entitled: "*Performance du système de passation des marchés publics et l'analyse de pertes financières et des coûts économiques liées aux dysfonctionnements du processus de passation des marchés publics au Cameroun*" ("*Performance of the public procurement system and an analysis of financial losses and economic costs linked to dysfunctions in the procurement process in Cameroon*") undertaken by MINEPAT/GIZ/PAED in April 2011, offered the following findings:

- Cameroon's procurement code complies with recognized international practice characterizing modern procurement systems with respect to competition rules, transparency, efficiency and cost-effectiveness;
- The procurement system is not applied;
- Several deficiencies were apparent in procurement namely: (i) the complexity of the process; (ii) excessive costs of tender documentation, which restricts the entry of small- and medium-sized enterprises; (iii) delays in the preparation of tender documents; most tender documents are not available until June; about one-quarter of planned procurement is not effected within the financial year; (iv) lack of confidence among many economic operators due to delays in payment for work completed.

The study assessed financial losses due to these problems at about 2%, and the economic costs at about 20% of all projects budgeted for. It made 80 recommendations of which 15 are urgent. We have attached these recommendations as appendix II to the present report, given their pertinence, their impact on public expenditure, and the fact that they are still applicable.

80. In light of the above, it must be emphasized that delays occasioned by the present procurement system make it unsuited to the agricultural sector whose activities remain dependent on the seasons and consequently on climatic changes. In tropical areas, the start of the growing season remains March 15, so, in order to be effective, support to producers (seed, phytosanitary or veterinary products, fertilizer, training, agricultural machinery and equipment, and so on) must be available to them at least one month beforehand, in other words by February 15. Furthermore, this timetable is difficult to apply. **It is recommended that measures be adopted to expedite, as much as possible, the approval procedures for commitment plans and launching calls for tender**. For example, it would be possible to submit commitment and procurement plans at the same time as the draft budget, and for invitations to tender to be available before the start of the financial year so as to initiate implementation from January. Raising the threshold for authorizations from MINMAP from 50 to 100 millions CFA francs, decided in 2013, hasspeeded up the procedures for smaller procurements, but should be matched by faster procedures at MINMAP for procurements it is responsible for approving.

81. **Budget Control and Cash Flow Bottlenecks**. As regards budget control, to ensure that cash payouts during the year match cash management expectations, quarterly commitment estimates are submitted to the heads of the ministerial departments and agencies. In the past, these estimates could not be rescheduled, which had the effect of reducing the budget implementation rate. Projects with a fixed completion deadline, generally November 30, further compromised budget spending, because disbursements for committed expenses had to be "verified" before year-end without the possibility of carrying them forward. This state of affairs was rectified with the introduction of commitment authorizations and credit payments from the start of the 2013 financial year, though the requirement that credit commitments be incurred before the end of the budget year, for payment rescheduling to the following year to be possible, nevertheless remained in force. Credits not committed by the financial year end are cancelled. Therefore, authorizations for commitments available at the end of the financial year for a program cannot be included in the carry-overs. The principle of quarterly commitment quotas has been retained, as well as a precautionary withholding of 10% of payments for goods and services; although certain budget items are still exempt.

It should be noted that in 2013 cash-flow problems resulted in the treasury frequently blocking requests for the withdrawal of funds from the spending ministries, which contributed to a reduction in the rate of expenditure implementation.

5. CONCLUSIONS AND RECOMMENDATIONS

82. Public expenditure in the agriculture sector, including expenditure by IRAD and subsidies to public administration bodies operating in the agriculture sector, which had amounted to almost 4% of total budget expenditure in the 2004−2008 period, rose to above 5% of the total in 2011 and 2012. The capital expenditure proportion of the global capital budget for ministries involved in the agriculture sector rose sharply in the period, reaching 11% in 2010 versus 4% in 2006. By contrast, operating expenditure, including subsidies to public administration bodies, still made up an insignificant part of the budget (2.9% in 2012). In terms of the NEPAD definition, public expenditure in the agriculture sector, which includes aid disbursed to NGOs for public expenditure, apart from support to administrative organizations, but excluding expenditure for feeder roads, was calculated at 4.4% of the total State budget for 2011 and at 3.8% in 2012. The implementation rate for capital expenditure has risen over the past few years, the commitment rate in particular. This is evidence of greater efficiency in budget management and greater determination to reduce delays in the implementation of projects. However, the sharp increase in public capital expenditure in the agriculture sector since 2009 has produced disappointing results in terms of value-added growth in the primary sector which amounted on average to 4.1% in the 2009−2012 period as against 4.7% between 2005−2008.

83. Functional analysis of capital expenditure in the agriculture sector based on project journals, reveals that the growth of capital expenditure from 2007 to 2012 benefited most of the major subsectors (rice, other cereals, coffee/cocoa, other crops). The sectors that appear to be underfunded are agricultural water supply, infrastructure to increase accessibility to production areas, research, veterinary services and fisheries.

IRAD provides the primary agricultural research service, but its resources were reduced after 2009 when the National Agriculture Extension and Research Program, financed by the World Bank and the ADB, came to an end. Resources dedicated to it over the past few years, both in terms of percentage of GDP and per capita, are lower than the levels seen in most sub-Saharan African countries.

Feeder roads are another sector in which resources have not increased significantly over the past four years; a comparison between funds itemized in the Ministry of Public Works' MTEF and budget allocations reveal an average gap of 35% over the past three years.

Agricultural extension services are a critical element for the authorities' action to enhance agricultural production. The launching of the ACEFA project with a support and advisory structure in pilot regions, which will gradually be extended to all areas, gives rise to the problem of aligning these new structures with the already existing structures of the PNVRA.

84. Budget planning and preparation was improved with the introduction of the MTEFs in 2009 and program-based budgets from 2012. Experience in other countries indicates that the success of a program budget approach heavily depends on defining managerial responsibility for the programs clearly, as well as on considerable efficiency in the expenditure chain, which tends to be complex and frequently formal in nature. Improving performance analysis requires enhanced planning, budgeting and monitoring structures within the various ministries. In particular, monitoring the implementation of program budgets requires a sophisticated IT system, which is not yet in place. Annual performance reports and mid-term evaluation reports play an essential role in improving the quality of ministerial submissions at budget conferences, but their worth is compromised by delays in the feedback of information. Similarly, the six-monthly evaluation reports only cover part of the annual program of actions and activities. The METFs ought to play a strategic role in the formulation of sectoral policies but tend to be confined to a presentation of existing projects. The PNIA which is currently being drafted will, in the medium term, be integrated in the METFs and define the national strategic framework, for planning, co-ordination, and alignment of the entirety of interventions in the rural sector for the 2014–2020 period. The implementation of the PNIA will require the strengthening of monitoring and evaluation structures, to ensure that necessary remedial measures are swiftly implemented.

85. Management of resources at decentralized level presents enormous challenges, both in terms of efficacy in carrying out expenditure, due to weaknesses in project management and local implementation capacity, and in the feedback of information. Recent partnership initiatives between MINTP and municipalities and the assistance of MINTP departmental officials in project management are a step in the right direction.

86. Despite improvements in rates of expenditure commitment, more needs to be done to expedite the implementation of expenditure during the course of the year. The principle of budget control should be made more flexible to allow early expenditure commitments in the first part of the year. The introduction of the concepts of authorizing commitments and carrying

credits forward will facilitate payment procedures over several financial years, while retaining the requirement that expenses be committed before the end of the year, failing which budget allocations will be lost. Public procurement procedures act as a brake on the absorption of public development aid and budgetary implementation of internal resources. The excessive costs of tender documentation presents a stumbling block for small- and medium-sized enterprises; access to documentation should be eased, and project documentation should be available from the beginning of the budget year to cut delays.

Conclusions and recommendations are presented in the matrix below (Table 12).

Table 12. Proposed actions to improve efficiency in public spending in agriculture

Authority	Actions	Responsibility
Budget programming	-- Increase the resources allocated to the agriculture sector as the 4% share of the State budget appears inadequate in terms of the Maputo Declaration. -- Strengthen those areas which appear underfunded, such as feeder roads, water management, rural infrastructure, and fisheries.	Prime Minister's Office, Ministries
	-- Avoid the inclusion in budget programs of those actions and activities for which feasibility studies have not yet been finalized. -- Project selection to be made on the basis of economic impact analyses.	Ministries
	-- Ensure that administrative expenditure is sufficient for maintaining capital goods and for providing essential services.	DRFP and Technical Directorates responsible for Monitoring and Evaluation of Projects
	-- Establish a mechanism for budgeting for operating expenditure on maintenance of capital items.	DRFP and Technical Directorates responsible for Monitoring and Evaluation of Projects
Budget Implementation and Procurement	-- Speed up procedures for issuing public contracts after the promulgation of the budget. -- Present commitment and procurement plans at the same time as the project budget, and make tender documents available before the start of the budget year so that calls for tender can be issued in January.	MINMAP, MINEPAT, MINFI, MINADER, MINEPIA, MINFOF, MINEPDED

	-- Reduce procedural delays. -- Speed up the preparation of tender documentation, and reduce the cost of purchasing it.	
	-- Speed up contract signature procedures.	MINFI, MINMAP and line ministries
	-- Reassess budget regulations so as to boost budget implementation rates; evaluate the operational impact of the recent measures which allow for carrying forward credit appropriations to the following financial year. -- The Ministry of Finance must ensure consistency in the implementation of public expenditure.	MINFI
Decentralization	Adopt a number of measures to improve and speed up budget implementation through delegated credits: -- Strengthen operational structures at local and regional authority level (CTD). -- Enhance the capacity of local entrepreneurs involved in construction of rural infrastructure. -- Speed up payments to companies that meet specifications. -- Speed up procurement procedures at municipal level and reduce delays at MINMAP level, when it is involved. -- Finalize the partnership agreement being drawn up between MINTP and municipalities to allow departmental structures of MINTP to promote project management at municipal level.	MINATD, National Decentralization Council (PM), MINMAP, MINFI, and ministerial departments concerned
Monitoring and Evaluation	-- Improve information feedback on actual expenditure by the decentralized services and the CTDs. -- Ensure the introduction of an effective IT system for monitoring program budgets.	MINEPAT, decentralized departments of ministries concerned, CTD, financial oversight of MINFI

	-- Strengthen the PPBS units with adequate IT capacity to allow them to produce Administrative Performance Projects (PPA) and high quality mid- and end-of-year performance reports. -- Produce impact studies for major projects. -- Strengthen semi-annual assessments of ministries' progress, detailing monitoring of actions and activities.	
Strategic Guidelines	-- Increase spending on R&D; strengthen IRAD's budget.	MINFI, MINEPAT, MINRESI, MINADER
	-- Update the strategy for feeder roads, so as to include the need to improve access to remote production areas. -- Increase funding for feeder roads.	MINEPAT, MINEPIA MINTP
	-- Study how to end the duplications observed between the two existing support consultancies. Give support to pooling resources and ensuring their sustainability.	MINADER, MINEPIA
	-- Enhance infrastructure services and offer assistance in animal husbandry.	MINEPIA

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DATA

duction by region 2007–2011 (in tons)

	2007	2008	2009	2010	2011	**Average 2007–2011**
	566,498	585,666	601,239	653,456	690,485	**619,469**
	2,595,773	2,767,154	3,204,813	3,640,180	3,804,781	**3,202,540**
	2,071,241	2,120,253	2,306,880	2,538,167	2,555,534	**2,318,415**
H	1,237,942	1,309,071	1,391,121	1,484,245	1,680,594	**1,420,595**
	1,373,152	1,396,829	1,524,252	1,623,800	1,726,161	**1,528,839**
	403,369	415,892	831,766	881,856	849,444	**676,465**
ST	1,105,321	1,173,594	946,353	946,767	979,735	**1,030,354**
	1,238,728	1,296,838	1,552,555	1,794,199	1,847,094	**1,545,883**
	1,206,593	1,348,103	1,530,291	1,642,919	1,643,265	**1,474,234**
ST	788,154	812,251	1,011,188	1,271,339	1,463,043	**1,069,195**
	12,586,771	13,225,651	14,900,458	16,476,928	17,240,136	**14,885,989**

pilation of authors based on MINADER/DESA databases

duction by region (in %)

	2007	2008	2009	2010	2011	**Average 2007–2011**
	5%	4%	4%	4%	4%	**4%**
	21%	21%	22%	22%	22%	**21%**
	16%	16%	15%	15%	15%	**16%**
H	10%	10%	9%	9%	10%	**10%**
	11%	11%	10%	10%	10%	**10%**
	3%	3%	6%	5%	5%	**4%**
ST	9%	9%	6%	6%	6%	**7%**
	10%	10%	10%	11%	11%	**10%**

SOUTH-WEST	6%	6%	7%	8%	8%	**7%**
Total	100%	100%	100%	100%	100%	**100%**

Source: Compilation of authors based on MINADER/DESA databases

Table A.3: **Budget data in billions of CFA francs (current rate)**

A- Estimated State Budget (Finance Law)	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Current Expenses	1,244.70	1,346.0	1,367.5	1,420	1,680.4	1,483.5	1,660.4	1,953.3	1,891.0	2,007.8
Goods and Services	211.85	258.85	228.3	339.2	376.3	407.6	511.8	552.8	340.9	568.2
Salaries	455.00	455.00	475.0	446.0	479.0	510.0	560.77	628.8	685.0	735.00
Subsidies and Transfers	156.15	165.15	163.77	207.74	235.69	258.34	287.14	353.93	494.3	417.0
Pensions						95.00	100.00	110.00	121.00	121.00
Interest	86.30	158.0	74.2	58.0	49.00	47.00	37.40	37.80	45.00	39.60
Foreign Debt	66.30	137.00	52.60	32.0	35.00	32.00	27.40	30.60	25.00	21.40
Domestic Debt	20.00	21.00	21.60	26.00	14.00	15.00	10.00	7.20	20.00	18.20
Capital Expenses (IR and ER Allocations)	264.30	271.00	353.50	441.0	570.58	792.4	640.51	616.66	680.00	792.20
Internal Resources[1]	140.00	201.00	256.00	331.0	460.58	654.4	500.51	456.66	474.00	526.00
Including HIPC, MDRI, C2D	40.17	70.00	65.00	129.1	193.30	176.4	16.32	85.44	37.80	30.00
External Resources	67.30	70.00	97.50	110.0	110.00	138.0	140.00	160.00	206.00	206.00

Total	**1,509**	**1,617**	**1,721**	**1,861**	**2,251**	**2,276**	**2,301**	**2,570**	**2,571**	**2,800**
B- State's Implemented Budget										
Current Expenses	1,049	1,169	1,055	1,097	1,151	1,396	1,490	1,611	1,842	1,807
Implementation Rate	84%	87%	77%	77%	68%	94%	90%	82%	97%	90%
Goods and Services	321	414	337	381	436	512	540	613	550	575
Implementation Rate	151%	160%	147%	112%	116%	126%	106%	111%	161%	101%
Salaries	421	450	414	419	435	561	629	634	685	706
Implementation Rate	93%	99%	87%	94%	91%	110%	112%	101%	100%	96%
Subsidies and Transfers	126	141	175	211	230	286	289	331	563	474
Implementation Rate	81%	86%	107%	102%	97%	111%	101%	93%	114%	114%
Pensions	66	64	77	72	84	94	104	117	117	132
Implementation Rate						99%	104%	106%	97%	109%
Interest	181	164	129	87	50	37	33	33	45	51
Implementation Rate	209%	104%	174%	150%	103%	79%	87%	86%	99%	129%
Foreign Debt	154	138	111	73	37	33	29	26	31	25
Implementation Rate	232%	101%	211%	227%	104%	102%	105%	86%	122%	117%

Domestic Debt	27	26	18	15	14	4	4	6	14	20
Implementation Rate	135%	122%	84%	56%	99%	30%	37%	86%	70%	110%
Capital Expenses (IR and ER Verifications)	154.15	160.04	50.31	246.66	331.16	392.01	414.28	508.14	487.48	583.00
Implementation Rate	58%	59%	14%	56%	58%	49%	65%	82%	72%	74%
Internal Resources [1]	104.00	114.32	22.91	167.80	286.55	318.86	347.65	302.33	354.90	459.70
Implementation Rate	74%	57%	9%	51%	62%	49%	69%	66%	75%	87%
Including HIPC, MDRI, C2D	1.75	37.24	7.28	14.67	56.00	29.55	102.54	57.61	7.26	11.70
Implementation Rate	4%	53%	11%	11%	29%	17%	628%	67%	19%	39%
External Resources	50.15	45.73	27.41	78.86	44.62	73.14	66.62	205.80	132.58	123.30
Implementation Rate	75%	65%	28%	72%	41%	53%	48%	129%	64%	60%
Total	**1,219**	**1,331**	**1,278**	**1,366**	**1,542**	**1,967**	**1,931**	**2,067**	**2,603**	**2,245**
Implementation Rate (% of Liquidation Base)	**81%**	**82%**	**74%**	**73%**	**68%**	**86%**	**84%**	**80%**	**101%**	**80%**

Sources: Finance Law; MINFI; GDB; Article IV of IMF Report; MINEPAT: PIB Implementation Reports

C- MINADER Expenses (in billions of CFAF)	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Capital Expenses (Liquidation)	4.71	3.48	0.98	7.03	7.34	11.78	16.58	23.05	30.93	29.38

Internal Resources (IR), including HIPC, MDRI, and C2D	4.71	2.79	0.41	1.49	4.96	5.36	13.11	23.05	24.72	24.22
% of total capital expenses (IR)	5%	2%	2%	1%	2%	2%	4%	8%	7%	5%
External Resources (ER)	0.03	0.69	0.57	5.54	2.38	4.36	2.78	0.00	6.21	5.16
% of total capital expenses (State ER)	0%	2%	2%	7%	5%	6%	4%	0%	5%	4%
Current expenses, Scheduling	20.06	22.9	19.8	21.3	20.4	32.1	26.8	24.7	24.3	27.2
Goods and Services	6.0	7	6	5	4.794	8.861	4.56	4.494	3.959	4.892
% total State expenses for Goods and Services	2%	2%	2%	1%	1%	2%	1%	1%	1%	1%
Salaries	13.06	13.9	12.8	12.9	15.4	15.4	17.458	20	20	22
% total expenses State Personnel	3%	3%	3%	3%	4%	3%	3%	3%	3%	3%
Transfers and Subsidies	1.0	1.9	1.3	2.9	0.20	7.80	4.7	0.006	0.04	0.017
% total expenses for State transfers and subsidies	1%	1%	1%	1%	0%	3%	2%	0%	0%	0%
Total of MINADER Expenses	24.77	26.42	20.78	28.35	27.76	43.84	43.38	47.73	55.23	56.63
% total State expenses	**2.03%**	**1.98%**	**1.63%**	**2.08%**	**1.80%**	**2.23%**	**2.25%**	**2.31%**	**2.12%**	**2.52%**
Rural Paths Expenses from MINADER Budget	0.12	0.13	0.14	0.15	0.16	0.17	0.18	0.234	0.312	0.453
MINADER Implemented Budget Excluding Rural Paths	24.65	26.29	20.64	28.20	27.60	43.67	43.20	47.49	54.92	56.17
MINADER Implemented Budget Excl. Rural Paths / State Implemented Budget	**2.02%**	**1.97%**	**1.61%**	**2.06%**	**1.79%**	**2.22%**	**2.24%**	**2.30%**	**2.11%**	**2.50%**

D- MINEPIA Expenses (in billions of CFAF)										
Capital Expenses (Liquidation)	1.68	0.99	0.19	0.89	1.48	3.32	3.29	3.79	7.25	5.69
Internal Resources (IR), including HIPC, MDRI, and C2D	1.50	0.99	0.03	0.61	1.36	2.14	3.21	3.79	7.07	5.69
% of total capital expenses (IR)	1%	1%	0%	0%	0%	1%	1%	1%	2%	1%
External Resources (ER)	0.18	0.00	0.16	0.28	0.12	0.00	0.00	0.00	0.18	0.00
% of total capital expenses (State ER)	0.4%	0.0%	0.6%	0.4%	0.3%	0.0%	0.0%	0.0%	0.1%	0.0%
Current expenses, Scheduling	5.4	5.9	5.5	6.1	5.7	9.2	8.5	7.1	7.2	8.5
Goods and Services	1.00	**0.95**	**0.94**	**1.37**	**1.10**	**1.68**	**0.99**	**0.67**	**0.78**	**1.377**
% total expenses State Goods and Services	0.3%	0.2%	0.3%	0.4%	0.3%	0.3%	0.2%	0.1%	0.1%	0.2%
Salaries	4	**4.50**	**4.14**	**4.19**	**4.61**	**5.54**	**6.14**	**6.38**	**6.42**	**7.08**
% total expenses for State Personnel Salaries	0.9%	1.0%	1.0%	1.0%	1.1%	1.0%	1.0%	1.0%	0.9%	1.0%
Transfers and Subsidies	0.40	**0.48**	**0.41**	**0.55**	**0.03**	**2.01**	**1.33**	**0.01**	**0.01**	**0.005**
% total expenses for State transfers and subsidies	0.3%	0.3%	0.2%	0.3%	0.0%	0.7%	0.5%	0.0%	0.0%	0.0%
Total of MINEPIA Expenses	7.08	6.92	5.68	7.00	7.22	12.56	11.74	10.85	14.45	14.15
% total State expenses	**0.6%**	**0.5%**	**0.4%**	**0.5%**	**0.5%**	**0.6%**	**0.6%**	**0.5%**	**0.6%**	**0.6%**

E- MINFOF Expenses (in billions of CFAF)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Capital Expenses (Liquidation)	2.26	0.13	0.42	0.54	0.53	1.72	1.29	3.27	8.82	3.45
Internal Resources (IR), including HIPC, MDRI, and C2D	1.27	0.00	0.18	0.54	0.53	0.73	1.29	3.27	8.82	3.45

% of total capital expenses (IR)	1.22%	0.00%	0.80%	0.32%	0.18%	0.23%	0.37%	1.08%	2.48%	0.75%
External Resources (ER)	0.99	0.13	0.25	0.00	0.00	0.06	0.00	0.00	0.00	0.00
% of total capital expenses (State ER)	1.97%	0.29%	0.91%	0.00%	0.01%	0.08%	0.00%	0.00%	0.00%	0.00%
Current expenses, Scheduling	4.59	5.0	4.6	6.0	6.3	11.1	6.8	8.0	7.2	8.2
Goods and Services	0.5	0.65	0.81	1.82	2.69	5.07	1.73	2.26	1.88	1.69
% total expenses for State Goods and Services	0.16%	0.16%	0.24%	0.48%	0.62%	0.99%	0.32%	0.37%	0.34%	0.29%
Salaries	3.79	4.05	3.73	3.77	3.6	4.8	5.1	5.7	5.3	6.5
% total expenses for State Personnel Salaries	0.9%	0.9%	0.9%	0.9%	0.8%	0.9%	0.8%	0.9%	0.8%	0.9%
Transfers and Subsidies	0.3	0.32	0.06	0.41	0.01	1.18	-	0.05	0.02	0.02
% total expenses for State transfers and subsidies	0.24%	0.23%	0.03%	0.19%	0.00%	0.41%	0.00%	0.01%	0.00%	0.00%
Total of MINFOF Expenses	**6.85**	**5.16**	**5.02**	**6.54**	**6.83**	**12.77**	**8.12**	**11.28**	**16.01**	**11.66**
% total expenses State	**0.6%**	**0.4%**	**0.4%**	**0.5%**	**0.4%**	**0.6%**	**0.4%**	**0.5%**	**0.6%**	**0.5%**
COFOG Current Expenses (65% of total operational budget)	**4.49**	**4.91**	**4.58**	**5.85**	**6.29**	**10.64**	**6.83**	**7.99**	**7.19**	**8.20**

F- Projects outside MINFOF Budget	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Mengana Gorilla Site Preservation Project			0.02	0.12	0.03	0.03	0.65			
Campo MA'AN Project			0.015	0.12	0.02	0.08	0.32			
Rehabilitation of Protected Areas, Parks, and Reserves			0.101		0.095	0.218	0.854			
National Program for Wildlife Enhancement and Repopulation in Protected Areas							0.1			

Green Spaces Development				0.025						
Korup Project			0.01							
Protected Areas Preservation and Development					0.16				0.3	0.427
Development of National Buildings and Parks, and Protected Areas									0.59	0.398
National Biodiversity Program, GTZ			0.025							
Mbam & Djerem Park Development			0.01	0.277						
Mefou Park Development				0.07	0.07					
Water Points and Rehabilitation of National Parks			0.093							
Support to Parks and Zoological Gardens			0.06	0.1	0.086	0.08	0.107	0.1	0.05	0.1
Sea Turtle Protection					0.006					
Support to Lobéké National Park			0.01							
Garoua Wildlife College, Support to Trainers			0.01	0.06	0.01	0.106	0.222		0.045	
Waza National Park Development and Feasibility for Douala Zoological Garden							0.021			
Total Expenses for Projects outside MINFOF Budget			**0.35**	**0.77**	**0.48**	**0.51**	**2.27**	**0.10**	**0.99**	**0.93**
Total Expenses based on liquidation of Projects outside MINFOF budget			**0.18**	**0.39**	**0.24**	**0.26**	**1.14**	**0.05**	**0.49**	**0.46**
COFOG Capital Expenses of MINFOF	**2.26**	**0.13**	**0.25**	**0.16**	**0.29**	**1.46**	**0.15**	**3.22**	**8.33**	**2.99**
Total of MINFOF COFOG Expenses	**6.74**	**5.04**	**4.83**	**6.01**	**6.59**	**12.10**	**6.98**	**11.21**	**15.51**	**11.19**

G- MINEPDED Expenses (in billions of CFAF)	2,003	2,004	2,005	2,006	2,007	2,008	2,009	2,010	2,011	2,012
Capital Expenses (Liquidation)				0.29	0.08	0.80	0.29	4.23	1.58	1.67
Internal Resources (IR), including HIPC, MDRI, and C2D				0.00	0.08	0.36	0.29	4.23	1.58	1.52
% of total capital expenses (IR)				0.00%	0.03%	0.11%	0.08%	1.40%	0.44%	0.33%
External Resources (ER)				0.02	0.00	0.00	0.00	0.00	0.00	0.15
% of total capital expenses (State ER)				0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.12%
Current expenses, Scheduling										
Goods and Services			0.16	0.59	1.07	2.32	1.14	1.28	1.33	1.21
% total expenses State Goods and Services			0.05%	0.15%	0.25%	0.45%	0.21%	0.21%	0.24%	0.21%
Salaries			0.4	0.4	0.4	0.5	0.6	0.56	0.58	0.53
% total expenses for State Personnel Salaries			0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Transfers and Subsidies							0.01	0.01	0.01	0.01
% total expenses for State transfers and subsidies			0.000%	0.000%	0.000%	0.000%	0.003%	0.003%	0.002%	0.002%
Total of MINEPDED Expenses			0.56	1.27	1.55	3.63	2.03	6.09	3.50	3.42
% total expenses State			**0.04%**	**0.09%**	**0.10%**	**0.18%**	**0.11%**	**0.29%**	**0.13%**	**0.15%**

H-Agriculture-related Projects Approved by MINEPDED	**2,003**	**2,004**	**2,005**	**2,006**	**2,007**	**2,008**	**2,009**	**2,010**	**2,011**	**2,012**
FESP, CIDA				0.005						
Sustainable Development of Natural Resources, GEF, UNDP				0.015	0.11	0.35	1.2	0.07		
Support to Environmental Protection and Renewal and Natural Resources										
Support for Environmental Protection and the Replenishment of Natural Resources, GEF				0.125						
Benoue Basin Development Project					0.285		0.1	0.15	0.15	0.15
Study of the Environmental Compensation Mechanism Related to the Preservation of Forest Ecosystems						0.03				
Budget Support to Prepare the Environmental Management Manual of Forest Use						0.01	0.02			
Operation Green Sahel						0.8	0.8	1.12	1	1
Preservation of Mangrove Ecosystems							0.1	0.12	0.12	0.12
Fight against Water Hyacinths								0.15	0.15	0.15
Total G				0.145	**0.395**	**1.19**	**2.22**	**1.61**	**1.42**	**1.42**

I- Operational Subsidies (in Billions of CFAF)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012

National Forestry Development Agency (ANAFOR)	-			0.50	0.60	0.65	0.17	0.40	0.45	0.60
National Center for Studies and Experimentation of Agricultural Mechanization (CENEEMA)	0.25	0.23	0.22	0.20	0.55	0.45	0.30	0.30	0.30	0.30
Chamber of Agriculture, Fisheries, Livestock, and Forests (CAPEF)	0.65	0.70	0.73	0.90	0.90	1.00	0.85	0.85	0.85	0.85
North-West Livestock Development Fund (CDENO)	0.08	0.15	0.15	0.15	0.25	0.25	0.25	0.25	0.25	0.45
Gulf of Guinea Fisheries Regional Committee									0.04	
FAO/WFP Management Committee	0.33			0.30	0.41	0.32	0.20	0.20	0.20	0.20
North Livestock Development Fund (CDEN)	0.08	0.20	0.30							
Maritime Fishing Development Fund	0.08	0.50	0.50							
Binguela Farmer Field School									0.50	0.60
Farmer Support Fund										0.35
Revolving Fertilizers Fund for Producers' Federations									1.00	
Seed-growers' Fund							0.40	1.00	1.00	0.20
Special Forest Development Fund	2.00	2.00	2.50	3.00	2.00	2.00	2.00	2.00	2.00	2.00
Institute of Agricultural Research for Development (IRAD)	0.75	0.70	0.90	0.80	1.38	1.13	1.00	1.00	1.00	
Noun Upper Valley Development Authority (UNVDA)	0.14	0.65	0.35	0.15	0.30	0.20	0.20	0.20	0.30	0.30

North-West Development Authority (MIDENO)	0.28	0.53	0.33	0.35	0.40	0.45	0.25	0.25	0.25	0.25
South-West Development Authority (SOWEDA)	0.25	0.25	0.20	0.25	0.55	0.35	0.25	0.25	0.25	0.25
Mandara Mountains Comprehensive Development Authority (MIDIMA)	0.25	0.08	0.10	0.15	0.22	0.28	0	0.20	0.20	0.20
Studies and Development Authority of the North (MEADEN)	0.20	0.20	0.20	0.20	0.32	0.38	0.17	0.17	0.17	0.20
Ocean Development Studies Mission (MEAO)	0.30	0.30	0.38	0.30			0.25	0.25	0.25	0.25
Cereal Board (OC)	0.35	0.27	0.20	0.30	0.30	0.30	0.20	0.20	0.20	0.20
Cocoa-Coffee Seed-Growing Project				0.14	0.23	0.28			0.20	0.20
Animal Production Development Company (SODEPA)					-	0.20	0.10	0.10	1.00	0.20
Cocoa Development Company (SODECAO)	0.70	0.08	0.85	0.08	1.00	1.00	1.00	1.00	1.00	1.40
Society for the Expansion and Modernization of Rice Cultivation in Yagoua (SEMRY)	0.25	0.29	0.52	0.30	0.50	0.30	0.30	0.30	0.50	0.60
Aerial Agricultural Treatment Unit	0.18	0.02	0.02				-	-		
Total H	**7.10**	**7.14**	**8.43**	**8.07**	**9.91**	**9.53**	**8.09**	**8.92**	**11.91**	**9.60**

J- Special Funds (in Millions of CFAF)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Certification Fees for Plant Treatment Products		101.28	101.28	101.28	101.28	101.28	101.28	101.28	101.28	101.28
Seed Growers' Own Funds										123

C.D.E.N	60	50	50	100	150	200	150	80	350	300
C.D.E.N.O.	50	50	306	120	200	100	50	50	150	150
CPDM	200	200	600	600	600	500	736	600	750	700
IRAD Own Funds				335	661	842	841	622	660	550
Total I	**310**	**401**	**1,057**	**1,256**	**1,712**	**1,743**	**1,878**	**1,453**	**2,011**	**1,925**
Total I (in billions of CFAF)	0.31	0.40	1.06	1.26	1.71	1.74	1.88	1.45	2.01	1.93

Sources: MINADER/DRCQ, MINFI-PSREP, IRAD

K- Agricultural Expenses Implemented by Other Ministries	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
MINRESI										
IR and ER Allocation	0.03	0.03	0.025		0.035	0.035	0.035	0.035	0.035	0.035
IR						0.035				
ER						0				
Commitment		0	0		0.035	0.035	0.035	0.035	0.035	0.035
IR						0.035				
ER										
Liquidation			0		0.035	0.035	0.035	0.035	0.035	0.035
IR						0.035				

ER										
MINCOMMERCE										
ER/IR Allocation	0	0	0	0	0.246	1.182	0.200	0.200	0.200	0.200
IR						0.482				
ER						0.7				
Commitment	0	0	0	0	0.096	0.474	0.200	0.200	0.200	0.200
IR						0.474				
ER										
Liquidation	0	0	0	0	0.093	0.474	0.200	0.200	0.200	0.200
IR										
ER										
MINEPAT						0				
Total Resources Allocation	0	0.995	0		0.27	0				
IR	0	0.07	0	0.026	0.12	35.54				
ER	0	0.925	0	0.04	0.15					
Commitment		1.517								
IR		0.07			0.12	0				
ER		1.447		0	0	32.227				
				0		0				

Liquidation		1.517			20	0				
IR		0.07		0	20	29.5				
ER		1.447		0	0	0				
MINMIDT										
IR and ER Allocation					0	0.05				
IR						0.05				
ER						0				
Commitment					0	0.1				
Liquidation						0.075				
Total J										
Allocation	0.03	1.025	0.025	0	0.551	1.267	0.235	0.235	0.235	0.235
Commitment	0	1.517	0	0	0.131	0.609	0.235	0.235	0.235	0.235
Liquidation	0	1.517	0	0	20.128	0.584	0.235	0.235	0.235	0.235

Source: MINEPAT/DPIP: PIB Implementation Reports, Authors' Estimates

L- Disbursement of Public Aid to NGOs and CSOs by the Main TFPs (in Millions of CFAF)	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	2,012
Germany	0	0	293.0	436.3	514.2	419.0	707.7	626.0	599.3	399
Belgium	516.6	648.0	235.4	125.5	28.8	376.0	502.8	543.0	351.2	370
Canada	40.7	37.2	115.1	68.3	24.0	8.8	245.8	148.1	229.4	102
Spain	30.04	111.55	95.05	147.18	1379.28	1348.85	1508.05	792.14	304.21	635
France	0	0	0	0	0	0	70.69	27.94	9.36	12
Greece				17.6						18
Italy	0	53.1	0.0	0.0	76.5	154.8	298.8	153.0	280.9	113
Luxembourg	0	0	0	102.1	72.1	84.0	47.1	34.6	126.4	52
Switzerland	170.2	212.5	41.9	49.8	120.1	58.3	281.1	0.0	46.8	109
Sweden	0	0	0	0.05	6.87	5.49	1.56	0.00	1.03	2
European Union	0	0	0	184.0	197.0	1052.8	235.6	646.6	458.9	308
Total L (in Millions of CFAF)	**757.5**	**1062.3**	**780.3**	**1130.9**	**2419.0**	**3508.1**	**3899.3**	**2971.3**	**2407.6**	**2119.7**

Source: FAO (ADAMS mapping tool)

ANNEX II: Recommendations to Improve the Public Procurement System

Framework	
Framework does not promote an effective system	1. Draw up a progress report, assess the impact of reforms undertaken in 2005 and 2008 and publish the results
Too many rules	2. Pursue ARMP efforts to provide text manuals and endeavor to assemble all implementation instruments into a single collection.
Rules poorly mastered by stakeholders	3. Enable improved access to legal documents (including the Internet) and ensure good communication about the availability of the texts.
Stakeholders	
Insufficient training/professionalization	4. Finalize the setting up of a certifying continuous education system for the various stakeholders involved in public contracts. Draw up measurable criteria for positions pertaining to the Contracting Authority and Public Contract Committees
Poor motivation (career, payment, working conditions)	5. Systematize implementation of the assessment system for Contracting Authorities by the ARMP. Develop an assessment system for the performance of other stakeholders (CPM, payments department, and companies). Provide a system for senior staff motivation (bonuses, career plans). Ensure the timely payment of stakeholders. Guarantee the improvement of working conditions by equipping institutions with working logistics (premises, office equipment, and vehicles).
Corruption	6. Pursue measures undertaken to fight corruption and implement rapid-results initiatives (RRI) adopted within the framework of the strategy to fight against corruption.
PROCEDURES	
Maturation and preparation of the projects	7. Bidding documents must be available when preparing the budget. Studies for year "n" projects must be carried out in year "n - 1".
Lack of quality control during procurement process	8. Supporting procedures with technical assistance (e.g., a consultant) from the preliminary stages until the acceptance / payment or expand the role of the Independent Observer (IO) to enable them to ensure effective control throughout the process. 9. Ensure the quality of the assessment grid and provide for the use as much as possible of the “yes/no” binary notation.
Occurrence of several proceedings that cause delays and increase costs	10. Rapidly adopt the 2009 Order proposed by the Public Contracts Regulatory Board to determine compensation for committee meetings on a flat per-project basis rather than per session. In the medium term, assess the relevance of the existing control system
Delays and quality during execution	11. Clarify the roles of Project ownership and Project management and include legal services in the preparation of the draft contract.
GUIDANCE	
Poor organization of the system	12. Adopt a common system for public contracts as concerns project management, which is based on the objectives of the Growth and Employment Strategy Paper. Develop contract services as a contracts unit within the Office of the Contracting Authority. Anticipate delegating the powers of the Contracting Authority to the staff of the Ministerial Contracting Authorities.
Remedies and Sanctions Poorly implemented	13. Establish a competent authority for ensuring an amicable settlement. Examine the current performance of the system for remedies and sanctions by conducting a study.
Transparency and archiving not guarantees	14. Ensure accessibility to existing data via the Internet (contracts, remedies, list of people who are excluded from the procedure) for anyone interested, preferably electronically (Internet).

	In the Public Contracts Code, specify the responsibility of Contracting Authorities as regards archiving.

Source: MINEPA|T|/GIZ/PAEDP, 2011: *Performance of the public contracts system and analysis of financial losses and economic costs due to malfunctions of the public contracts process in Cameroon.*

ANNEX III: Comparison between the PNVRA Support Project and the ACEFA Program

Criteria	**National Agricultural Extension Support Project (PNVRA)**	**ACEFA Program**	**Remarks**
Background and Justification	Preserving the achievements of the PNVRA	Family-owned Agricultural businesses (EFA), a driving force for the competitiveness of Cameroonian agriculture and a vital factor for poverty reduction in rural areas	Justification of the PNVRA not relevant
Contracting Authority:	MINADER/MINEPIA	MINADER/MINEPIA	
Overall Objective	Contribute to improving the productivity of agro-fishery farms and therefore increase revenue	Contribute to increasing the incomes of family farmers by improving the competitiveness of their farms	Almost similar

Criteria	National Agricultural Extension Support Project (PNVRA)	ACEFA Program	Remarks
Specific Objectives	Sustainable improvement of agricultural production and producers' income Improve the guidance performances of government ministries involved Promote the creation of viable business associations capable of providing services to their members in the areas of production, input supply, technology transfer, etc . . . Promote support and counseling as a new approach for agricultural guidance Promote the emergence of private businessmen as substitutes of the state in the agricultural guidance of Farmers' Organizations, who shall in turn, pay for the services that are rendered to them.	Improving the technical mastery of production, economic management, and access to innovations in family-owned farms. Building capacities for production and valuation of products from family-owned farms. Improving services rendered by OPAs (especially supply and marketing.)	The PNVRA gives more room to promotion in a context that requires greater action instead. On the contrary, ACEFA places producers at the center of its actions (enterprise) and provides them with decision-making tools.
Components	1- Development of the potential of agricultural farms and products 2- Support for the marketing of agricultural products. 3- Improvement of the use of agricultural inputs and equipment 4- Conservatory management of natural resources and environmental preservation 5- Improvement of the vision of producers 6- Management and coordination	1- Establishing an organizational support and counseling mechanism 2- Financing projects conducted by Farmers' Organizations and Agricultural Professional Organizations (OPAs) 3- Agro-pastoral professionalization 4- Coordination, monitoring, and management	Both seek performance through agricultural development and sustainability
Major activities developed	Supporting FOs in the formulation and implementation of their production projects, capacity building of FOs and basic extension agents, development of technical and economic specifications, facilitation of contractual relations between FOs and businessmen, implementation of partnership agreements signed in connection with other projects and programs (PADMIR, PSCC, NCCB, PRODERIP, etc . . .)	Establishing the mechanism for accompanying and counseling organizations and supporting Farmers' Organizations and OPAs in the development, implementation and evaluation of their projects, supporting the operation of joint bodies for project selection, financing, monitoring, and evaluation of funded projects, analyzing the performance of family-owned	

Criteria	National Agricultural Extension Support Project (PNVRA)	ACEFA Program	Remarks
		farms (EFA Monitoring Center).	
Intervention strategies and principles	Building the technical capacities of FOs and agricultural extension departments based on the producer needs and a system of research upon request.		Financing and joint management seem to be undeniable assets for the ACEFA Program. However, their sustainability is not guaranteed.
Targets	Basic groups and 2nd and 3rd level organizations	Basic groups and 2nd and 3rd level organizations	Focus on the same targets
Target sectors	All agro-pastoral and fishery sectors	All agro-pastoral and fishery sectors	Guidance to the same sectors
Coverage	All agro-pastoral and fishery sectors	All agro-pastoral and fishery sectors	PNVRA coverage rate: 83% ACEFA penetration rate: 15%
Established Support and Counseling Mechanism	A Regional Technical Group (RTG) made up of 5 senior staff per region, (2) a Divisional Technical Group (DTG) made of about 5 senior staff per division. The RTG and the DTG ensure supervision in their sphere of competence, (3) the Extension Sectors—SV (a total of 381 SV) (4) Extension zones (a total of 2460 ZVs) 70% of which have the necessary personnel. Personnel is assigned by way of transfers made by the two ministers.	4 Proceedings: (1) Departmental Advisory/Support Committee, a guidance and monitoring organization, (2) the departmental assembly of farmers, consisting of the Farmers' Organizations and OPAs accompanied by advisors, (3) local committees of organizations, which represent organizations represented by advisors, (4) the Departmental Technical Unit (CTD) consisting of: 1 CTD supervisor, 1 Technical-Economic Advisor, 1	The PNVRA's mechanism is made up of only administrative senior staff drawn from MINADER, and MINEPIA, while that of ACEFA is made up of senior staff from the above ministries, bodies representing the profession, and joint bodies (administration-profession) 70% of the PNVRA staff is also part of the ACEFA mechanism. logistic support and incentives received twice

Criteria	National Agricultural Extension Support Project (PNVRA)	ACEFA Program	Remarks
Working conditions of technical personnel		Motor cycle or vehicle, allowances for servicing motorcycles to CGPs: 25,000 CFAF /month, the project takes care of repairing major breakdowns and replaces used out tires In addition to the public service salary, personnel enjoy monthly indemnities, office services, and telephone services	The ACEFA program offers better working conditions
Impact and sustainability	It is difficult to assess the impact	Appreciable	The sustainability of ACEFA is yet to be proven

ANNEX IV: Veterinary Health Mandate

Box 6. Veterinary Health Mandate (HM). Principal Data

The fight against animal diseases and protecting the health of populations by inspecting animal and fished-based food products falls under the jurisdiction of the government, and thus the representatives of the Ministry in charge of Veterinary Services.

The VHM is the act by which the State confers part of its missions in the fight against animal diseases[11] and the inspection of animal and fish-based food products to a veterinarian operating in a private practice (referred to as an agent), according to well-defined terms of reference.

The VHM is governed by Decree No. 2001/955/PM of November 1, 2001, which establishes the conditions for granting and using the Veterinary Health Mandate to the fight against major animal diseases and the inspection of animal and fish-based food products.

The VHM covers all or part of the following activities: (1) sanitary prophylaxis operations directed against diseases known to be contagious, (ii) veterinary health inspection operations.

[11]Animal diseases transmissible to humans

Interventions carried out by a Health Veterinarian under the Veterinary Health Mandate are compensated. These operations are supported by the State and the beneficiaries.

The categories of mandates to be assigned, and the nomenclature of collective prophylaxis and animal health operations within the framework of the Veterinary Health Mandate was established by Order No. 0013/MINEPIA of 20 July 2010

Three categories of mandates are provided for: (i) Category **A** for the execution of the collective prophylaxis of diseases legally deemed to be infectious and require compulsory vaccination; Category **B** for monitoring, health prophylaxis, and animal health of diseases legally deemed to be infectious; category **C** for veterinary health inspections of animal and fish-based food products and their derivatives.

The nomenclature of VHM-related operations is as follows:

A. For prophylaxis and animal health:

-visits to farms

-isolation, confinement, quarantine, and the observation of animals or herds infected or suspected of being infected

-identification and marking of animals for vaccination

-samples for diagnosis or for epidemiological investigations

-disinfection of the livestock premises and equipment

-destruction of animal carcasses

B. Regarding veterinary health inspection:

-examination of animals at the entrance of meat-packing facilities and slaughterhouses

-examination of live animals transported by rail or road

-examination of carcasses in meat-packing facilities and slaughterhouses

-veterinary health inspection of fishery products and their derivatives during import and export

-veterinary health inspection of animal-based food products during importation and exportation

-veterinary health inspection of animal and/or fish-based products in fish stores, fisheries, shops, supermarkets, mass catering facilities, and transport vehicles;

-veterinary health inspection of milk, dairy products, and their derivatives during processing, preparation, storage, and in sales areas;

-veterinary health inspection of game, eggs or egg products;

-sampling of animal or fish-based food products and their conveyance to sample analysis laboratories;

-destruction and denaturing of products seized and declared unfit for consumption.

The holder of the VHM is subject to the technical control of the Ministry in charge of Veterinary Services.

The Joint Order No. 00104/MINEPIA/MINFI of July 30, 2010 establishes the compensation rates for Health Veterinarians and the shares paid by farmers. These rates take three factors into consideration, namely: the vaccination tax paid to the State, the fees of Health Veterinarians, and the cost of the vaccine.

The recovery of such costs is ensured by the Revenue Collector of the Program to Secure Livestock and Fisheries Revenue as concerns taxes and by the Health Veterinarian as regards the fees and the actual cost of the vaccine.

A PACA-funded study on the "Development of the Veterinary Health Mandate mapping in Cameroon" was conducted in July 2011 by MINEPIA.

To date, no Veterinary Health Mandate has been issued. MINEPIA undertook to start this process in 2013 with a pilot phase which will focus on two diseases: (i) Cattle FMD (Adamawa and North-West) and (ii) PPR throughout the national territory. The bidding documents are currently being finalized and the calls for expression of interest will soon be published.