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**Country Development
Strategy Statement**

FY 1986

CAMEROON



February 1984

Agency for International Development
Washington, D.C. 20523

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COUNTRY DEVELOPMENT STRATEGY STATEMENT UPDATE

CAMEROON

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USAID/Cameroon

February 23, 1984.

Introduction

In conformance with AID/W instruction for brevity, this CDSS Update does not intend to be a self-contained document. Rather, it presupposes basic familiarity with the approved CDSS, subsequent updates, and Congressional Presentation narratives. Analysis and exposition of individual projects and their specific relation to strategy objectives will therefore be limited.

In relation to the CDSS Update guidance on the subject of research priorities, the interested reader is referred to 82 Yaounde 6014.

Relation of Country Strategy to Objectives of
Regional(Africa Bureau) Strategy

Although less comprehensive than the African Bureau strategy, which covers all sectors and sub-sectors, the individual country strategy developed and approved for Cameroon fits perfectly with those elements of the regional strategy relevant to the Cameroon program.

As with the regional strategy, the primary focus of the Cameroon program is on agriculture. The goals of this program parallel those on page 40 of the Africa Bureau's Strategic Plan:

"Creation of national policies and programs that give (Cameroonian) farmers adequate incentives. . ."

"Building of self-sustaining (Cameroonian) institutions that provide appropriate technology, inputs and services..."

"Support for institutional and human resource development programs that provide the means for greater participation...."

The major ongoing projects which address these long-term goals include: the Agricultural Education Project (development of the Dschang Agricultural University); the National Cereals Research and Extension Project (development of Cameroon's Institute for Agricultural Research); the Agricultural Management and Planning Project (development of the Ministry of Agriculture's capabilities in data collection/statistical analysis and sectoral studies/planning); and the North Cameroon Seed Multiplication Project (development of Cameroon's capacity to produce and

distribute required quantities of improved seed varieties).

Present planning for new project starts which will complement this strategy include Agricultural Extension (development of stronger and more efficient linkages between the farmer, research, university and rural development organizations) and Secondary Agricultural Education (strengthening of technical education institutions which produce lower, mid-level personnel to staff the extension, rural engineering and other services of the ministry, parastatals and, in the future, the private sector).

These activities have been added at the specific request of the Ministry of Agriculture and the Ministry of Plan and reflect the GRC's recognition of the predominant capability of the U.S. in the fields of agricultural education, technology and extension.

In the education sector, USAID/Cameroon's strategy has focused on improvements in primary education as a key element in strengthening the well-being and future productivity of the rural agricultural areas. The Mission's new project start in FY 84 (Support to Primary Education) will address many of the identified problems listed on page 61 of the Africa Bureau's Strategic Plan:

- inefficiencies, i.e. high drop-out and repetition rates.
- shortage of qualified teachers.
- lack of management and administrative skills.
- inappropriate educational technology for the African environment.

- high recurrent costs due to inefficiencies.

This activity is also consistent with the "program priorities" listed on page 64 of the AFR Strategic Plan.

Present planning for future activities to begin in FY's 85 or 86 includes a bilateral project in development management. Although the Mission is presently only in the initial study and investigation stage preparatory to elaboration of a PID for this activity, the basic thrust is also consistent with the Africa Bureau's program priorities for the Education and Human Resources sector as listed in the strategic plan.

In the Population sector the Mission continues to pursue its low-key approach on population/family planning activities. GRC officials are increasingly becoming sensitized to the issue and are showing greater concern. Effective use of the Futures Group (RAPID presentation) has been the prime catalyst in directing this trend. The Mission is encouraged by the success of its present tactics. The slow but steady growth of interest in the population question is best served in Cameroon by keeping slightly ahead of the issue rather than risking adverse and counterproductive reaction by getting behind and pushing. This "leading" strategy will encompass continued offering of short-term training

activities (U.S., third-country and in-country), research activities on the impact of population on development, assistance with informational programs directed through private and church-affiliated organizations, long-term training in public health, demography and family planning, and dialogue whenever the opportunity arises. All of the above are planned to be carried out through regional and central funding. The Mission is nevertheless alert to the opportunity of a significant, bilaterally funded population program when it deems the time to be propitious and the GRC requests it. The Mission believes that its present low-key strategy will lead to just that within the not too distant future.

The Mission has deliberately eschewed planning for a major bilateral program in the Health sector in order to enhance the effectiveness of its concentration on agricultural and human resource development. It has nevertheless undertaken a major, regionally-funded research project (with a prime focus on Cameroon) in schistosomiasis. This decision was based on a combination of factors: The relevance of schistosomiasis debilitation to increased agricultural productivity; the uniqueness of Cameroon as a schistosomiasis research site (i.e., the in-country existence of three varieties of the disease); and the existence of an established research organization with which the U.S. research institution could establish an effective and long-lasting relationship.

Other interventions in the Health sector will remain limited, in the near future, to assisting Cameroon take maximum advantage of regional and centrally funded opportunities such as CCCD, SHDS, short-term training and attendance at seminars/workshops, and relevant information programs.

The above activities in the Health and Population fields, while less comprehensive than the Africa Bureau's strategy for those sectors, are consistent with individual elements of that strategy and are complementary to USAID/Cameroon's concentration on agriculture.

Progress in the Four Priority Areas

As stated in the Mission's January 26, 1983 submission for the Annual Review of the Agency's Four Priority Areas of Concentration: "The central goal of increased food production... implies a long term perspective.... No dramatic achievements other than steady progress toward this goal should be expected over the CDSS planning period through 1988." The Mission is satisfied that such steady progress is being made.

Institutional Development, Research and Technology Transfer:

As the Mission has previously pointed out, the above three priority areas are intrinsically entwined within the Cameroon program. As such, they are being addressed in combination rather than separately.

A recent evaluation of the National Cereals Research and Evaluation Project pointed to satisfactory progress in the establishment of practical research activities, strengthened planning and management of research programs by the counterpart research institute, the development of effective extension packages, and the establishment of effective relationships with international research institutions. The same evaluation nevertheless pointed out that the relatively short time-frame of the project was inconsistent with the long-range nature of

research, allowed insufficient time to develop trained and experienced Cameroonian research staff to replace expatriate researchers, and did not provide sufficient time for the establishment of permanent and effective linkages with the extension services (which are lagging behind). The evaluation also pointed out that, while implementation was on target with the Project Paper, the initial project design was of insufficient scope to meet the greater potential and impact which could be realized with additional time and resources. As a result, USAID/Cameroon is preparing a project amendment which will extend the time-frame of the project into the 1990's, augment the numbers of expatriate researchers, add a farming systems research component, and provide academic training for additional Cameroonian counterpart researchers as well as an expanded time-frame available for returned participants to understudy with their expatriate counterparts. In addition to the greater impact this will have on the research institute itself and the production of research results, the extension will more effectively serve the longer-range goals of establishing permanent and functioning linkage between research, the Agricultural University, the extension services and other client organizations.

Progress on the Agricultural Education Project (Agricultural University at Dschang) is getting underway. It is nevertheless too early in the long-range time frame of this activity to

identify results other than satisfactory implementation progress. The University of Florida technical assistance advisors presently on board are being effectively integrated into the faculty planning staff, Cameroonian faculty are being processed for advanced academic training in the U.S., and A&E work for the construction component (while behind schedule) is progressing. Discussions have begun on the development of closer association between the university and the research institutions for agriculture, livestock and forestry. The recent absorption of the previously autonomous parent organization for these institutes (the general Delegation for Scientific and Technical Research) into a newly created Ministry for Higher Education and Scientific Research will greatly facilitate these endeavors to integrate research into the university structure.

Significant progress is being made in the Cameroon program to develop statistical collection and analysis capability within the Ministry of Agriculture. The first ever, country-wide agricultural census is now getting underway with technical assistance from USDA/OICD. Completion of the census and processing of data is targeted for early calendar year 1985. A recent evaluation of this Agricultural Management and Planning Project nevertheless revealed the same design shortcomings as the National Cereals project, i.e., an insufficient time frame in which to firmly institutionalize the technology and skills being

transferred and the anomaly of concluding the project just as reliable data for analysis and planning are beginning to be produced and just as trained participants are returning from the U.S. USAID/Cameroon is therefore preparing a Project Paper Amendment which will extend the time and resources available to the project to accomplish the following: provide additional practical experience, under tutelage of the ongoing technical assistance team, with computer programming, data processing and analysis; assist with annual follow-up agricultural surveys; provide continued economic analysis and planning assistance to enhance the practical planning and policy formulation use of the data; and provide academic training for additional counterparts to fill identified gaps. The extension represents a follow-on phase but the vehicle of an amendment will ensure the maintenance of continuity and momentum to this thus far successful undertaking.

The North Cameroon Seed Multiplication project is just approaching its first cropping season and seed will not be available for distribution and sale until after the harvest. Intensive discussions are being undertaken between USAID, MIDEVIV, and the Ministry of Agriculture on the economics of seed production and seed farm operations in order to eliminate past inefficiencies and unnecessary costs. This is the first step in establishing a dialogue on the necessity for parastatal efficiency, the requirement to observe basic business accounting practices in farm

operations and product marketing, and the desirability of eventual privatization.

Policy Dialogue: Since the relinquishment of power by former President Ahidjo in September of 1982, the policy-making structure of the GRC has been in a state of flux with several ministerial restructurings and reshufflings in ministerial posts. This has made policy dialogue difficult since important participants in such dialogue have kept changing. In January of 1984, President Biya won a popular mandate as President of Cameroon on his own right (rather than as President by constitutional succession) and has followed this up with a cabinet change reflecting this personal mandate. The present "Biya Cabinet" should now remain relatively constant, allow everyone to settle into their posts, and facilitate the effectiveness of a long-range dialogue.

Short-range dialogue has nevertheless been pursued by USAID/Cameroon with satisfactory results:

The Ministry of Livestock had previously prohibited the inclusion of livestock data from the upcoming agricultural census and had demanded that the collection of any data relevant to livestock be excised from census questionnaires. Given the importance of livestock to almost all Cameroonian farmers, the exclusion of such data would have prevented the census from

producing an accurate image of rural production and resources. Intensive discussion among USAID, the Ministry of Plan and the Ministry of Agriculture was successful in raising the issue to the level of the Presidency where it was decided in favor of the USAID position for inclusion of such data.

Within the context of the Agricultural Education, National Cereals Research, and the upcoming Agricultural Extension and Secondary Agricultural Education projects, continuing dialogue on institutional linkages remains fundamental and will be integrally designed into the latter two projects.

A recent informal evaluation by USAID of the terminated first phase of the North Cameroon Seed Multiplication project has assisted in bringing dialogue on cost effectiveness and proper accounting procedures (for host-country contributions) to the ministerial level and will hopefully lead to the institution of outside audit services and the introduction of a verifiable income/expenditure accounting system for the non-USAID project inputs. This is an essential factor in the establishment of true cost of production figures and the basis for setting an economically viable selling price of seed.

A recent evaluation of the North Cameroon Livestock and Agriculture Development project has surfaced a new socio-environmental problem for northern Cameroon which will lead

to a hitherto unexpected policy problem for the GRC in which USAID may be able to contribute an important dialogue role. The pressure for usurping traditional grazing lands for development into areas of sedentary crop culture is becoming intense. This is resulting from both population pressures and a lack of coordination between the Ministries of Agriculture and Livestock. USAID/Cameroon intends to pursue this policy problem through an intensive joint review of the recent evaluation with the Ministries of Plan, Agriculture and Livestock.

As indicated in the previous section, the Mission is relatively content with progress it has achieved relative to dialogue on the issue of population and family planning. The Mission intends the pursuit of such dialogue to be a continuing process.

Economic Policy Initiative: All of the above are within the context of specific problems relevant to USAID/Cameroon's ongoing program and near-term planning. The recent evolution of AID into the ranks of major donors to Cameroon, as a function of both annual assistance levels and sponsorship of major projects, has given the USAID mission a voice of growing influence with the GRC and an entree at the policy-making levels that had not previously existed. The USAID Director and the Ambassador have consulted on the application of the Economic Policy Initiative in Cameroon. Both the Mission and Embassy agree that this initiative presents a timely opportunity for AID to begin a long-range sector support

intervention specifically related to policy change in the area of input subsidies. An outline of this proposal is presently being prepared in the Mission and will be submitted shortly to AID/W for discussion. Although the opportunities to apply the African Initiative in Cameroon are not limited to this one area, it is the first and most relevant to the USAID country strategy in which to start such an economic policy dialogue.

The present time is propitious for the U.S.G. to increase its policy dialogue and influence with the GRC. The new "Biya cabinet" in many respects represents a cabinet of bilingual technocrats with a concern for management efficiency in government. There also appears to be an increasing receptivity towards the "American system" among many of the new ministers. The new Minister of Commerce and Industry (key to private enterprise and investment), although Francophone, was an AID funded ASPAU scholar in the U.S., spent many years as economics officer at the Cameroon Embassy in Washington and most recently has been Director General of the Chase Manhattan Bank in Cameroon. The Minister of the newly created Ministry of Women's Affairs, also francophone, is an ex-AFGRAD scholar who received her Master's degree in economics and finance in the U.S. The Minister of Health (anglophone) was most recently Delegate General of the former General Delegation for Scientific and Technical Research (now absorbed into a new Ministry) and was responsible for planning an intensive seminar on research planning and management to be held later this year and for which he requested AID's assistance in funding participation by the National Academy of Science. The new Minister of Higher

Education and Scientific Research is the previous Director General of the Agriculture University at Dschang where he was intimately involved with the inception of the AID assistance project. He was most recently Minister of the Plan and Industry where he was closely involved with and supportive of the entire AID program. The Minister of Agriculture comes from the banking profession and has a high degree of interest in accountability, efficiency and the private sector. The Vice-Minister of Agriculture received his Master's degree and PhD in the U.S. A new ministry of Data Processing and Public Contracts has been created for the specific purpose of "lightening" the administrative and bureaucratic role of the Presidency. The previous administrative oversight role of the Office of the Prime Minister has been deleted from the cumbersome bureaucratic process with the elimination of the position and the office. The Office of the Presidency has become newly interested in short-term U.S. training opportunities (a reverse in previous attitudes). The Ministry of Public Service, the General Delegation for Administrative Reform, and the Office of the Presidency have all evinced enthusiasm for an in-country management seminar to be conducted by the University of Pittsburgh for the Secretaries General of all ministries.

The above highlights the vast present and future potential for increased policy dialogue relevant to the Agency's priority areas and to Cameroon's own development program. Such dialogue can not,

however, be initiated and sustained on the simple basis of reasonable people reasoning together but, in the context of the developing world, requires the resources necessary to embark upon new and expanded initiatives.

Private Sector: As has been repeatedly emphasized, the private sector in Cameroon is alive and well and the climate for its continued expansion and contribution to the economic development of Cameroon is encouraging.

The most direct involvement of the USAID/Cameroon Mission in the private sector is through the North Cameroon Seed Multiplication project in which the Mission is attempting to encourage the eventual privatization of this operation. Success in this initiative should have ramifications over a wide-range of parastatal operations in Cameroon. Even in the event that future privatization should not occur, the project should have significant impact in introducing sound business and management practices into parastatal operations.

USAID will be working closely with the complete U.S. Mission in Cameroon as a member of the Private Sector Working Group to facilitate U.S. private sector investment in Cameroon. As Cameroon has been designated one of the "Group 1" countries, a basic investment strategy is being prepared by this working group for future follow-up action.

The problems to be faced will lie more in exciting the interest of the U.S. private sector (which would do its own spade-work if so inclined) rather than in attempting to forge any fundamental change in GRC receptivity or policy.

It is presently envisaged that the Mission's planned proposal under the African Initiative will contain a significant private sector element relevant to the future distribution and marketing of agricultural inputs.

PETROLEUM RESERVES

Country-specific guidance for Cameroon's CDSS update instructed the Mission to comment on "the ramifications of recent reports that the oil reserves of Cameroon will be depleted in the next ten years and how that would affect the development program."

For a detailed analysis of the Cameroon Petroleum sector, the interested reader is referred to Embassy airgram A-012 of May 11, 1983 which transmitted USAID/Cameroon's study entitled "The Cameroonian Petroleum Industry: Present Situation and Future Prospects."

In general, the AID program in Cameroon would be unaffected by a depletion of petroleum reserves and the end of foreign exchange earnings from that resource. The AID program strategy, as well as that of the GRC, is in fact predicated on that eventuality. To paraphrase former president Ahidjo's incessant theme: "Before oil there was agriculture. After oil there will be agriculture."

Cameroon is more than cognizant of the transient, non-renewable nature of its petroleum resources and the concomitant necessity for its development program to be firmly based on the agricultural sector and the industrial sub-sectors which other natural resources can competitively sustain.

Petroleum earnings are viewed as a temporary windfall which will provide Cameroon with a certain margin over the next decade to propel the country towards the take-off stage - a stage which will be based on renewable resources. The next decade will therefore see Cameroon investing heavily in infrastructure development and, in essence, outfitting itself with the tools to sustain long-term development. The AID program, along with that of many other donors, complements the GRC's efforts and is specifically designed to assure Cameroon's ability to sustain future economic growth in the absence of petroleum revenues.

Cameroon's oil and revenues are not being utilized to meet recurrent costs. The eventual disappearance of this financial resource should therefore not affect Cameroon's ability to provide sustained backing to the institutional support system being sponsored by the AID program in the agricultural and education sectors. The foregoing is, of course, based on the assumption of successful developmental progress by Cameroon in the industrial, trade, agriculture and other revenue-producing sectors over the next decade.

The question of total reserves itself remains unanswerable at the present time. Present estimates of known reserves indicate an end of production in the mid 1990's. Exploration is nevertheless continuing. The September-October 1983 edition of Africa Report

stated: "Projections for Africa to the year 2000 indicate the potential discovery of another 7 billion tons of oil and 350 billion cubic meters of natural gas, representing respectively 12.7% and 13.7% of new resources likely to be uncovered throughout the world in the next 17 years." Part of those projected discoveries may well be found in Cameroon - and then again they may not. Prudently, Cameroon's development strategy is based on the latter premise.

It is interesting to note that the GRC and the World Bank are presently collaborating on the design of a general equilibrium model for economic analysis and planning by the GRC. As reported in the Fall/Winter 1983 volume of the World Bank's publication, Research News: The GRC is earning sizable revenues from the sale of crude oil that is expected to continue for 10 to 15 years. The GRC faces major decisions on how to use this one-time windfall to bring about a permanent increase in productivity, avoid the macro-inflationary problems experienced by other oil exporters, and ease the transition to an eventually decreasing reliance on oil revenues. The model is being designed to analyze the impact of alternative investment programs and other public policies on growth and productivity, and on the allocation of resources among different sectors. It is noteworthy that this is the first Computable General Equilibrium (CGE) model to be constructed for an oil-surplus economy with a predominantly agricultural base.

PROGRAM MANAGEMENT

The country-specific guidance for the CDSS update instructed the Mission to "include a description of the Mission's successful management undertakings to reduce the number of marginal projects and how the resulting concentration of Mission resources is contributing to the achievement of strategy goals..."

In mid-1980, the USAID/Cameroon Mission was encumbered with 56 separate management units. This included activities in the bilateral program, participation in regionally and centrally funded activities, PVO activities, and intensive studies relevant to the design of future activities.

In developing a new strategy for the AID assistance program in Cameroon, it was quickly determined that successful implementation as well as significant developmental impact required a concentration of AID's limited manpower and financial resources by sharply focusing the strategy and concentrating activities within it, reducing the number of discrete activities and increasing the size, scope and time-duration of those selected for retention.

This process of consolidation took several forms: First, and easiest, was a review of the Mission's portfolio of projects in the planning stage and the elimination of those deemed

inconsistent with the new strategy. This exercise eliminated 14 new projects proposed in the FY 82 ABS. Secondly, a review of ongoing activities was undertaken to determine those which were of marginal importance to the overall development program or were of questionable economic feasibility, and therefore candidates for elimination. This process resulted in the early termination of only one project but, equally significant, resulted in the decision to forego any second-phase planning or extensions of eight activities which were allowed to run their course through the established PACD. Thirdly, a selective withdrawal from Mission participation in a large number of small but time-consuming regional and centrally funded projects significantly reduced the Mission workload and allowed staff members to concentrate their efforts on effective implementation of the retained portfolio. This latter process remains a continuing mission policy.

The GRC unwittingly assisted USAID/Cameroon early on in the process of program consolidation by unilaterally rejecting two poorly conceived major bilateral projects in the Health sector which otherwise would, at the present time, have been consuming a large percentage of Mission staff time and financial resources.

In the interest of brevity, the interested reader is referred to the November 17, 1983 briefing memorandum to the AA/AFR from

AFR/CA and AFR/PD entitled "Project Implementation: the USAID/Cameroon Case", for details on specific actions and procedures which the Mission has introduced to enhance successful implementation of its reduced portfolio.

All of the above has and is assisting Mission progress towards the achievement of strategy goals in several ways. Obviously, the concentration of staff time and efforts on a limited number of activities increases the effectiveness of implementation and enables project problem areas to receive the adequate and in-depth attention which they require. Successful implementation leads to goal achievement. Most importantly, the concentrated program is targeted toward a matrix of interconnecting institutions, all of which impinge significantly on the major goals of the USAID/Cameroon program and which mutually support and reenforce the developmental role of the others.

The consolidation of the program has resulted in a portfolio of projects of major importance and interest to the GRC. This has increased the Mission's ability to engage in dialogue at the highest levels of the GRC on policy matters and project issues. Although AID assistance levels approximate only one-fifth of that provided by the World Bank or France, the importance, significance and, success of the individual projects and their relevance to Cameroon's own development program provides the Mission with a

relative influence far in excess of its modest financial contribution. Cameroon represents the one single AID-assisted country in sub-Saharan Africa that can realistically aspire to join the NIC group of foreign assistance graduates within the foreseeable future. Increased impact of AID's role in this development process is only limited by levels of assistance and available staff to implement an expanded program.