PD-ABP-652

USAID CAMEROON

ASSESSMENT OF PROGRAM IMPACT

FY 1991

NOVEMBER 30, 1991

Date: December 09, 1991

To: Myron Golden, AFR/CCWA

From: Jay P. Johnson, Director

Subject: USAID/Cameroon Assessement of Program Impact

Please find attached USAID/Cameroon's API for FY 1991. A combination of staff turnovers, unexpected departures, and an unanticipated expansion in the work load contributed to delaying our completion of the API.

In response to guidelines submitted by AFR, we have slightly restructured the API format. Although it is about 7 pages shorter than last year's, it still exceeds the recommended length. Otherwise, the report complies with the guidelines. Consistent with our strategic objectives, the major focus of the API, particularly Section III, is on measuring increases in efficiency in the public- and private-sector as a result of our interventions. We have also tried to measure the impact of this increased efficiency on target groups. It is important to emphasize, however, that while we have generated significant levels of highly important efficiencies in the private and public sectors, the full impact of these efficiencies will, in some cases, take several years to occur. Many critical factors which are limiting that impact are beyond our control. The most important of these are Cameroon's continuing economic decline and the continuing low price of the commodities being liberalized, e.g., coffee and cocoa.

We are confident the API provides important insights and data regarding the impact of our program. At the same time, where clarification or additional information is needed, we will do our best to provide them. We look forward to receiving any comments or questions you may have regarding the API.

I. Special Factors Affecting the USAID/Cameroon Program

During the past year a major political impasse developed in Cameroon when the GRC refused to acquiesce to the demand of a coalition of newly formed political parties that a sovereign national conference be held. In response to the government's refusal to accept its demand, in June the opposition organized a program of civil disobedience and economic boycotts aimed at pressuring the government to accept a national conference. Although six months of confrontation have fallen far short of their primary objective--government acceptance of a national conference--they have exacerbated an already declining economic and budgetary situation and have occasionally resulted in violence. Moreover, notwithstanding numerous efforts at bridge-building by both sides and even by external sources, including the US Embassy/USAID Cameroon (which arranged for and financed the services of NDI; see discussion below), the two sides still have not reached a consensus on either political objectives or the means for their achievement.

This situation emerged following the promulgation of political liberalization measures in November 1990. In early 1991, a number of political parties registered. Many of them quickly became dissatisfied with the conditions under which they were forced to operate, citing harassment, restrictions and intimidation by the government.. Then, in response to what they perceived as an attempt to subvert the democratization process, in April 1991 the main opposition parties formed an opposition coalition. The coalition demanded that the government agree to hold a sovereign national conference at which the ground rules and fundamental institutions of Cameroonian political life would be rewritten and reconfigured.

The government refused, and in June 1991 the opposition coalition organized a program of civil disobedience under the label "Operation Ghost Town" (OGT). OGT called for strikes, withholding of tax payments, and other acts of civil disobedience in most of Cameroon's major urban economic centers. The effectiveness of OGT has varied by location and over time. Although the budgetary and economic impact of the OGT boycotts cannot be precisely evaluated, they have clearly had a dampening effect on new investment activity and have reduced government revenues.

In an effort to break the impasse, in July the Prime Minister and, subsequently, the five main opposition leaders requested the National Democratic Institute for International Affairs (NDI)1/ to assess the status of Cameroon's transition to democracy. In a further effort to bridge the impasse, in mid-October the President announced his decision to hold a tripartite meeting (including government, opposition, and independent leaders in Cameroon) to draft electoral and media access codes to be applied in parliamentary elections, which he announced will be held February 16, 1992.

The announcement of this conference raised the hopes of Cameroonians that an end to the long-standing and costly political impasse might finally be in sight. It also resulted in a dramatic decline in OGT participation. However, within ten days of the October 30 start-up of the Tripartite Meeting,

---

1/ The NDI is an international organization that works with political parties and other institutions to promote, maintain and strengthen democratic institutions in new and emerging democracies.

representatives of the major opposition parties walked out twice. Nearly one week after the second walkout, most, but not all, opposition leaders returned following the signature by the parties of a compromise agreement. Under this agreement the government accepted, among other things, to include constitutional issues on the meeting agenda and to grant a moratorium on the payment of taxes by businesses that were affected by the OGT. (In the midst of the second walkout, the NDI report arrived in Cameroon. Although the report is objective, its analysis does provide considerable support to opposition demands with respect to the electoral law and election procedures and the need for constitutional changes.)

One of the major outcomes of the Tripartite Meeting is confusion among the population and division within the opposition's ranks. Another outcome is the creation of a subcommittee on constitutional reform. This subcommittee is to discuss such fundamental issues as (1) the structure of the state--whether it will be federalist under a weak central government or only administratively decentralized under a strong central government; (2) whether and to what extent there will be separation of power among the executive, legislative and judicial branches; and (3) whether there should be a senate and a constitutional court. The Tripartite Meeting also made some progress in drafting the access to media and electoral codes.

Despite the enormity of the constitutional issues under consideration, the government appears to be holding to the mid-February election date. That parliamentary elections will occur at that time is far from certain, however. The non-signatory opposition leadership met following the conference and adopted a resolution that effectively rejected the compromise that had brought the other opposition leaders back to the conference, also rejecting, by implication, the results of the conference. At the same time, some opposition parties have agreed to suspend OGT until the 3rd of January, 1992, to test the Government's good faith in implementing its side of the compromise.

Thus, it is unclear whether Cameroon is moving toward concensus or a further stand off. If the latter, progress toward the Mission's strategic objectives is likely to be extremely limited or even negative in FY 1991/92.

II. Progress Toward Overall Country Program Goal

The basic conditions for achieving the Mission's program goal of sustainable, market-oriented and broad-based economic growth remain as stated in last year's API submission. The most fundamental condition is that an efficient/competitive private sector must gradually assume the lead role. This requires that the financial and administrative burden imposed by the public sector be systematically reduced and that the efficiency with which public goods and services are produced be increased.

In its previous API report, the Mission identified a broad set of macro-economic and social indicators of transition progress. It also included some of the social benefits and costs likely to be associated with structural adjustment. These indicators are quantified in Table I. In adopting these country-trend indicators, the Mission counted heavily on: (1) country data traditionally reported by the IMF/IBRD (national accounts and sector-specific information on production, prices, employment, etc); (2) on-going agriculture sector data collection and policy analysis as well as special studies to be conducted under the CAPP project; (3) the periodic National Household Survey (NHS) to be managed by the Ministry of Plan (MINPAT) with support from the

IBRD, AFDB, CIDA and GTZ; and (4) the Demographic Health Survey (DHS) being conducted by MINPAT with financial and technical support from the RD/POP DHS project.

Because none of these data sources is fully up-to-date, and one, the NHS, has not yet begun, the Mission found it necessary to interpret and adjust available data to render them current. Thus, with respect to country-trend data, FY 1990/91 should be seen as an interim year for the API report.

A. Macro Economic Indicators

1. Economic Growth

Revised national accounts have not been published by IMF over the past year. However, the Mission was able to obtain updated (unpublished) IMF data for GDP. Notwithstanding the limited breakdown of the data (consumption/investment only), the Mission used it, because we considered it to be more realistic than existing published data. The revised data presented in Table I indicates that, measured in constant prices, GDP again declined by over 3% in FY 1990/91. This was in spite of a significant, if temporary, increase in the world market price for oil that occurred between about August 1990 and May 1991. Thus, including the baseline year FY 1987/88, when GDP declined by an estimated 9%, total cumulative real GDP decline at the end of FY 1990/91 is estimated at over 19%. Current IMF projections show a continuing sharp decline (-12%) through FY 1992/93.

The FY 1990/91 decline can be accounted for by several factors. One factor is the reduction in economic activity caused by the economic boycotts and other forms of civil disobedience described in Part One of the API. This, in addition to the arrears owed by the government to the private sector, has resulted in expatriate firms continuing to leave Cameroon.

In addition, major changes that have occurred over the past 18 months in Cameroon's cocoa and coffee marketing systems have disrupted their functioning. The National Produce Marketing Board (ONCPB) went bankrupt and was liquidated, leaving behind huge arrears at all levels in the system. In addition, both the coffee and the cocoa markets are being liberalized in accordance with the SAP, thus creating temporary uncertainty. These changes, in turn, have exposed a cooperative movement that is extremely weak. Cooperatives are generally inappropriately structured and lack basic capabilities and incentives to participate effectively and efficiently in private, competitive marketing systems. In addition, cooperative debt structure is so negative that cooperatives are unable to obtain commercial bank credit for either marketing outputs or procuring inputs for their members.

A third major factor accounting for the economic decline is the continued reduction in para-public sector and private sector employment. Approximately 12,000 para-public employees have been let go over the past 18-24 months. Although no reliable figures exist for unemployment or underemployment in the private sector, a number of major marketing centers, including Douala, Bamenda, Bafoussam, Maroua and Garoua, have gone through several months of "Operation Ghost Town," which, particularly during the first 2-3 months, resulted in reduced economic activity. Formal private-sector employment almost certainly declined as a result.

A fourth factor influencing the economic decline has been the reduction in government expenditures, particularly investment expenditures, which have declined by more than 50% since 1987/88. In addition, the government owes huge arrears to public employees for salaries and benefits.

The economic picture is far from totally negative. As will be discussed in more detail below, under the SAP, important policy reforms dealing with interest rates and price controls, the trade regime, investment approvals, the banking sector, commercial laws, public administration, etc. have been occurring. The policy reforms have generated and will continue to generate efficiencies at all levels in the economy. For example, efficiencies realized under the Fertilizer Subsector Reform Program (FSSRP) and those emerging under the Program for the Reform of the Agriculture Marketing Sector phase one (PRAMS - I), the Program for the Reform of the Export Processing Sector (PREPS), and the still evolving robusta coffee and cocoa reform programs show great promise. (See Part II, Table Two).

However, to the extent that the current political and broader policy uncertainties continue, the time it takes to fully realize the benefits of these reforms will be increased.

2. The Public-Sector Burden

As used here, the term public sector refers to both the civil service and the para public, or state enterprise (SOE), sectors. The phrase "public-sector burden" encompasses both the financial burden imposed by the inefficient public sector's salaries and operating costs and the administrative burden, or transaction costs, the public sector imposes on the rest of the economy in the form of unnecessary licenses, permits, authorizations, police check-points, taxes, procedures, etc. (The transaction-costs burden will be dealt with through policy reforms aimed at reducing the discretionary authority of the public sector. These reforms will be discussed in Section 3, "Increasing the Role and Efficiency of the Private Sector".)

The financial burden is largely a function of over employment in the public sector. After the government meets its salary bill, it has little money left to cover other operating costs. A major outcome is an increasingly inefficient public sector. Thus, the serious need to reduce public employment is uncontestable. On the other hand, with nonfarm modern (formal) sector unemployment roughly estimated at 50,000, or over 9% of the estimated 572,000 modern sector employees in 1990 1/, the GRC's reluctance to seriously cut public civil service employment is understandable. Moreover, with large numbers of secondary school and university graduates coming on the labor market, the pressure to go slow on public sector reforms will likely increase.

Nevertheless, the problem has to be dealt with. Government revenues continue to decline, and, as mentioned, almost no room remains for further cuts in nonsalary operating costs and investment costs.

Given the severe pressure this has created, the GRC is beginning to make serious progress on administrative reform. In addition to having

1/ Source: IBRD Report: "Staff Appraisal Report, Republic of Cameroon, Social Dimenstions of Adjustment Project, April 24, 1990".

significantly cut salary-related expenditures, the government has initiated important studies to identify/rationalize the roles of public agencies in a liberalized environment, the tasks associated with those roles, and the personnel required to carry out those tasks. The objective of these studies is to provide information to develop a more accountable and efficient public bureaucracy. Although not stressed, the IBRD's assumption is that a more efficient public bureaucracy will involve significantly fewer personnel.

Because of the seriousness of the financial burden, the payroll problem is the major focus of the five indicators of change in the public-sector financial burden. The assumption is that if the wage bill can be reduced sufficiently, the overall public budget can be reduced or, at a minimum, held steady, while nonsalary recurrent expenditures are increased, thus enabling improvements in public-sector efficiency. Based on this assumption, the key indicators of change in the public-sector financial burden being monitored are:

--reduction in payroll outlays
--reduction in the number of public employees, including (SOE) employees
--reduction in the ratio of wage outlays to total recurrent expenditures
--reduction in the number of SOE's
--reduction in government expenditures relative to GDP.

It is important to emphasize that identifying changes in these measures is difficult. Even before the crisis, expenditure data was hard to obtain. During this period of sharply declining revenues, expenditures have been particularly difficult to determine. Normally routine lower-level expenditure decisions are being made at very high levels on a day-to-day, unpredictable basis in response to pressures from all directions, and arrears are systematically being incurred to cover shortfalls.

The Mission was aware of this problem when it selected public expenditure and public employment indicators. It anticipated the administrative reform program studies under the SAP would provide reliable information on both. Although about two years behind schedule, those studies are now underway and data is expected to be available for next year's API. In the meantime, the Mission is using existing IMF/IBRD data that those institutions have recently adjusted on the basis of emerging information.

With respect to the first indicator, a reduction in payroll outlays, IMF figures show less than a 1% reduction. However, significant progress should occur in FY 1991/92. In June, 1991, the government passed (and is implementing) a finance bill designed to reduce civil service allowances and benefits by approximately 10% of the payroll costs, or an estimated FCFA 26 billion.

With respect to reducing the number of public employees, the results are in some cases mixed, and in others unclear. On the civil service side, there is an official freeze on new hiring, and retirement is mandatory once an employee reaches the established age (currently 55 for civil servants). However, there is no reliable data indicating that civil service numbers have actually been reduced. The above-mentioned ministry-by-ministry studies of civil service roles and efficiency are expected to result in specific recommendations for reductions in public-sector employment. These studies are now well along for the Ministries of Finance, Plan and Civil Service. The results of these studies are expected to be available for next year's API report. On the SOE side, important progress is being made. The World Bank estimates that approximately 12,000 public enterprise employees have been let go over the past two years. Further reductions are expected. Nevertheless, progress in reducing para-public employment even further has been constrained because of declining budgetary resources to cover the costs of restructuring, in particular, severance payments for redundant employees.

The ratio of civil service salary expenditures to total recurrent expenditures is clearly improving, having dropped from about 50% in FY 1987/88 to 44% in FY 1990/91. A further decline is projected for FY 1991/92, to 42%. However, it appears likely that most of the nonsalary recurrent expenditures are going toward interest payments on domestic and foreign debt. Mission experience regarding GRC contributions toward recurrent costs associated with AID-funded projects strongly suggests that GRC contributions to nonsalary operating costs are declining.

With respect to reductions in the number of SOE's, important progress has been made in the past two years. The public enterprise reform commission has taken decisions on 67 of the 150 registered SOE's. Of the 67, 28 are to remain in the state's portfolio to be restructured, 21 have been or are being liquidated, and 18 are being privatized. (Included among those already privatized is the seed production and processing facility previously owned by MIDEVIV, the now-liquidated food parastatal. This AID-financed facility has been taken over by Pioneer Seed International, an American company.) The SAP called for 38 to remain in the state's portfolio, 12 to be liquidated, and 6 to be privatized. Thus, the actual program has gone far beyond that envisaged in the SAP. However, as stated above, implementation of these decisions has been constrained by lack of budgetary resources to finance either the arrears of the SOE's to be privatized or the restructuring of those to be retained in the state's portfolio.

Figures provided by the IMF indicate that total government expenditures as a percent of GDP increased by about 1% in FY 1990/91 over the previous year, to 21%. These figures project a small further increase to 22% in FY 1991/92, notwithstanding a projected 9% decline in GDP. Given the current political and economic uncertainty and the lack of liquidity in the commercial banking system, it is not surprising that the private sector's share of GDP is declining. With further significant decline in the GDP projected, this trend is likely to continue until the private sector's confidence in the political and economic environment can be restored. One important condition for restoring confidence is more rapid progress toward structural reform. The need for a shift of resources from the recurrent to the capital budget and at the same time for improvement in the relationship between salary and nonsalary operating costs is clear. The need for more rapid progress in liberalization and privatization of private goods and service markets and in rationalizing the legal/regulatory environment is paramount.

3. <u>The Role and Efficiency of the Private Sector</u>

We are persuaded that, due largely to the continued deepening of Cameroon's economic decline, the pace of privatization of factor and product markets has slowed since our last API submission. This conclusion is consistent with data generated under our FSSRP, PRAMS-I and PREPS activities.

Nevertheless, the GRC has made important progress over the past year, including the further elimination of quantitative trade restrictions, the removal of all import licensing requirements, the removal of controls on interest rates, and the removal of price controls on all goods, except for a few "strategic goods". In addition, they are well along in liberalizing the labor code, the commercial code, and the cooperative law as well as in restructuring of the banking sector.

The Mission is relying on the following indicators to measure changes in the private sector's role and performance:

--growth in private investment
--improvement in the ratio of private to public sector investment
--improvement in the ratio of private to public sector employment
--reductions in marketing costs of input i.e. from the port to the farm gate
--increases in the percentage of FOB prices received by producers for their output.

Regarding changes in both the level of private investment and the ratio of private to public investment, it is a question of which is declining faster. Considering that the World Bank is providing financing for, and is otherwise pressuring Cameroon to increase public investment, and that the public sector is more willing than the private sector to invest in a high-risk environment, it is reasonable to assume that public-sector investment will grow faster (or decline more slowly) than will private-sector investment during the next few years. However, this situation could change rapidly if the political impasse is resolved, and the new, more liberal investment code and Free Trade Zone regime become fully operational.

With respect to the ratio of private- to public-sector employment, the data is unclear. The most recent World Bank data (1984-89) on the evolution of employment in Cameroon (initially provided by Cameroonian authorities) includes parastatals under the private sector. Given the GRC's control over parastatals as well as its clear use of parastatals as part and parcel of the political patronage system, USAID/Cameroon includes parastatals as part of the public sector. Thus, World Bank data is of limited use in measuring changes in public and private sector employment levels.

Nevertheless, the data may provide indicative information if properly interpreted. For example, data for the period 1987-89 shows private and parastatal employment increasing by 35%, but public-sector employment increasing by only 7%. Since one can assume the report's authors were aware that the parastatal sector would experience a net decrease in employment, one can also assume that the 35% increase is projected to take place in the private (non parastatal) sector. Based on this interpretation of available Bank data, Table I shows a slight improvement in the ratio of private- to public-sector employment in both FY 1990/91 and FY 1991/92. (Moreover, the informal private sector, using self-generated investment funds and those obtained through the informal tontine system, has a very positive impact on employment.)

With respect to measuring changes in private-sector efficiency, the Mission's primary interest is, as mentioned, in the efficiency of factor and product markets in the agriculture sector. The Mission has selected two proxi measures of efficiency related to reform activities in which we are directly engaged, FSSRP and PRAMS I. Under FSSRP we are using the cost of delivering fertilizer from the port to the farmer as one measure of private sector market efficiency. In FY 1990/91 this cost declined by 5%, bringing the total decline under FSSRP to 35% since 1988. Our second measure is the difference between the farmgate price received by arabica coffee farmers and the FOB price at the port paid by foreign buyers. In FY 1990/91 farmers received 50% of the FOB Douala price. This represents an increase of 13% over FY 1985/86, the last year before the precipitous decline in world coffee prices.

B. Social Indicators

1. Measuring the Social Impact of the Transition to a Market Economy

In its FY 1990 API submission the Mission indicated it expected to have both the MINPAT Household and Demographic Health surveys available. The Household Survey is at least one year behind schedule, and the Demographic Health Survey is completed but not analyzed. In addition, the IMF/IBRD annual reports are now more than 18 months old, and the data on which they are based is even older. In Cameroon's rapidly changing economic environment, 18-24 months is an important time gap. Therefore, the Mission has, where feasible, revised the data to render it more current. The Mission based its revisions on more recent information obtained from other sources, (e.g., GRC budget allocation data and special studies).

In two important cases, the health-sector and the education-sector, the need to rely on this revised information has resulted in less useful indicators. In both of these sectors, the Mission was forced to rely on the GRC official budget, which shows allocation figures only. Actual expenditures can vary significantly from the allocation figures stated in the budget. The two-fold purpose of including health-sector and education-sector budget data is (a) to indicate the priority the GRC places on these two important social sectors, as measured by the percent of the total GRC budget allocated to them, and (b) to indicate changes in the efficiency of service delivery in these sectors, as measured by changes in the portion of the recurrent budgets devoted to nonsalary operating costs.

In support of administrative reforms called for under the SAP, studies of the public sector are currently planned or under way. They should greatly improve the quality of information on actual budget expenditures over the next one to two years. In the meantime, in response to these data limitations, the Mission is emphasizing the following indicators, which we believe provide the most reliable indicators of social trends in the context of the SAP:

--GDP per capita

--Infant mortality rates

The combination of an approximately 3% decline in GDP and a 2.9% increase in population resulted in a further decline in GDP per capita of over 9%. This continues a trend that began after 1985/86, when GDP per capita was at its peak of 408,430 CFA (over $1,430 at the current exchange rate). The total decline since FY 1985/86 is over 28%. Current projections indicate GDP per capita will continue to decline through 1993/94. Absent a significant improvement in the price of Cameroon's major export commodities and/or a significant devaluation of the CFA, these projections are judged valid.

The long-term trend in infant mortality rates is clearly downward. Although USAID Cameroon does not yet have updated (1991) figures on infant mortality rates (IMR), a comparison of the 1978 level of 113/1000 and the 1987 level of 88/1000 indicates a 22% drop over that 9-year period. (The 1978 figures are based on a national fertility survey; the 1987 data comes from census figures). Several factors suggest this figure has dropped even further. Important among these factors are the increased number of women with primary educations reaching child-bearing age, increases in coverage rates for vaccination and other preventive measures, and improved nutritional status.

On the negative side, however, is the nearly 30% decline in GDP per capita that has occurred over the past five years. This decline has, among other things, resulted in reduced public expenditures in the health sector and reduced user capacity to afford health care. The USAID-financed 1991 DHS will provide a better indication of the net impact of these contradictory forces on IMR. New estimates should be available early in 1992.

Program Logframe Country Trend Indicators

	Baseline Year FY 87/88	FY 89/90	FY 90/91	FY 91/92	FY 92/93	FY 93/94
B. SOCIAL INDICATORS						
1. Population						
- Total Population (millions)	1988/89 = 10.0	11.4	11.7	12.1	12.42	12.8
- Population Growth Rate	2.9	2.9	2.9	2.9	2.9	2.9
- GDP Per Capita (CFA)	408,430	308,330	290,854	255,950	241,451	234,843
- Life expectancy at Birth	55	56.2		57	59	61
- Infant Mortality Rate (per 000)		88				80
- Illiteracy rate		43.8	-	-	-	-
2. Food, Health and Nutrition						
- Index of Food Production Per Capita (1979-81 = 100)	1985-87 average 87					
- Per capita supply of calories/day	1989 = 2080	NA	NA			
- Percent of total expenditure allocated to food						
. Urban (average)	1983-4 = 22%					
. Rural (average)	= 52%					
3. Health Sector Budget (CFA, Billions) . TOTAL sector budget			26.6	25.4		
. Percent of Total National Budget			4.8%	4.6		
. Recurrent Health Budget/expenditure (Billions of CFA)	1989/90 = 24.0	25.9	22.8	24.4	24.4	24.4
- Personnel	20.2	19.3	19.0	19.5	19.5	19.5
- Medications	1.9		2.9	3.0	3.0	3.0
- Other Operating costs	1.9	1.9	1.0	1.9	1.9	1.9
- Ratio (Personnel/total operating costs)	84.2	80.4	83.6	80%	80%	80%
4. Education Sector Budget (CFA, Billions) . Total Sector budget			106.9	116.6		
. Percent of total National Budget			19%	20%		
. Recurrent Primary/Secondary Education Budget	1988/89	75	69.0	74.8	75	75
- Personnel	59.3	60	61.8	66.2	65	65
- Operations/Maintenance (Residual)	3.5	8.7	3.2	4.6	6	6
- Subsidies for private schools	6	6	4	4	4	4
- Ratio (Personnel/other operating)		80%	95.0%	94.0%	86%	86%
. Recurrent University Education Budget			24.9	26.1		
- Subvention to all University Branches	18.3	19.8	17.9	19.1		
- Scholarships	(NA)	(NA)	7.0	7.0		
TOTAL Education	(NA)	(NA)	93.9	100.9		
Ratio of Primary/Secondary to Univ.	(NA)	(NA)	73.5%	74%		

Program Logframe Country Trend Indicators

	Baseline Year					
	FY 87/88	FY 89/90	FY 90/91	FY 91/92	FY 92/93	FY 93/
4. Employment in Modern Sector						
TOTAL	572,000	500,000	NA			
Public Sector	176,600	188,300	187,760			
. Civil Service	60,000	70,000	70,000			
. Other Public Sector (contracts)	116,600	118,300	117,760			
Parastatal	71,964	65,964	59,964			
Private Sector	323,000	280,000	NA			
Ratio of Public- to Private-Sector Employment						
Number of SOEs (note)	1960-1984					
	94	102 1/	120			
GRC Subsidies to SOEs (in Billion of CFA)	13	NA	NA			

1/ There are another 18 SOEs regarding which their year of creation is unknown

	Baseline Year FY 87/88	FY 89/90	FY 90/91	FY 91/92	FY 92/93	FY 93/94
A. Macroeconomic Indicators						
1. Gross Domestic Product		(billions of 87/88 FCFA)				
GDP (constant Prices)	3,770	3,515	3,403	3,097	2,994	3,006
Consumption	3,057	2,904	2,753	2,505	2,413	2,405
Gross investment	829	545	470	437	443	460
2. Balance of Payments						
Exports	604	668	707	620	585	588
Oil	236	230	236	162	127	106
Non-oil	368	437	471	458	458	481
Imports	-708	-607	-547	-482	-462	-463
Oil	-45	-34	-28	-24	-20	-18
Government	-136	-123	-86	-61	-58	-58
Other	-527	-450	-433	-397	-385	-387
Trade Balance	-104	61	160	137	123	125
Services (net)	-127	-119	-148	-144	-154	-146
Transfers (net)	-43	-15	-16	-31	-30	-30
Current account balance	-274	-73	-5	-38	-61	-52
3. Government Revenue and Expenditure						
Total Revenue	599	434	503	508	493	492
Oil	207	138	202	130	95	88
Other	392	297	300	378	398	404
Private sector	385	293	297	369	385	388
Public sector	7	4	4	9	12	16
TOTAL EXPENDITURE	813	695	708	681	650	600
Current	530	538	572	557	525	500
Wage	265	262	260	234	220	210
Non Wage	265	276	312	323	295	290
Ratio of wages to other total recurrent expenditure	50%	48%	45%	42%	43%	42%
Expenditure	283	157	135	124	125	100
Government Expenditures as Percent of GDP	21.6%	19.8%	20.8%	22%	21.7%	20%

III. Progress Toward Strategic Objectives

Continued, though unsteady and uneven, progress was made during this API period toward achieving both of the Mission's strategic objectives. However, the combined impact of the ongoing political impasse and the closely related ongoing economic decline in Cameroon increasingly threatens future progress under both. The Mission is, therefore, closely monitoring the evolution of the political and economic situations and their impact on progress in meeting our strategic objectives and the objectives of specific portfolio activities. Our monitoring efforts provide the basis for the following overview of progress.

A. Strategic Objective One: Increase the Role and Efficiency of Private Markets in Cameroon.

The major thrust of the Mission's activities in support of this objective is twofold and sequential: The first step is the creation of fully liberalized policy regimes with respect to selected commodities or services. These policy regimes will aim at removing distortions of free market conditions by redefining public- and private-sector roles in the marketing of those commodities/services. The second step is the implementation of a transition process that aims at privatizing the market systems for those commodities/services while also minimizing the social cost of the transition.

Using this approach, our most advanced policy reform effort is the Fertilizer Subsector Reform Program (FSSRP), authorized in 1987. Major progress was reported in last year's API. Due largely to the continued decline of Cameroon's economy, the uncertainty created by the political impasse, and the ripple effect caused by the collapse of the Bank of Credit and Commerce International (BCCI), progress has been limited this past year. The economic decline resulted in a significantly reduced effective demand for fertilizer. It also created uncertainties that caused major importers/distributors to delay plans for investing in bulk blending plants, retail sales outlets, and other activities that will eventually further increase the efficiency and size of Cameroon's fertilizer market. The collapse of the BCCI also negatively impacted the FSSRP. The FSSRP Fiduciary Bank, the Bank of Credit and Commerce, Cameroon (BCCC), is an independent subsidiary of BCCI. It is responsible for managing the FSSRP subsidy and loan funds. With the collapse of BCCI, the public lost confidence in BCCC, prompting the GRC to impose restrictions on the bank's operations. As a result, Cameroon's commercial banking sector has been unwilling to deal with BCCC, effectively paralyzing the FSSRP program since July 1991. BCCC is currently being restructured, a process that should be concluded by the end of CY 1991. Based on currently observed importer and commercial bank activity, the FSSRP is expected to resume normal operations by the end of the year, following a five-month hiatus.

The impact of these unanticipated events on progress under the FSSRP has been mixed. On the positive side, the efficiency of the fertilizer market in Cameroon has increased measurably. Key indicators of this impact are: (1) average delivered price to wholesale markets, which declined again in 1990, by 1.5% and (2) the price per ton delivered to farmers, which rose only 4% in 1990 (the same increase as in 1989) in spite of a 14% reduction in the unit subsidy and a 2% rise in the price of fertilizer arriving at the port.

There have been other encouraging developments during 1990. The private sector responded to market signals, as evidenced by a reduction in importation tonnage in 1990 to allow stocks from an over-optimistic 1989 importation to be sold. Additionally, the number and types of agents involved in fertilizer distribution continue to proliferate. Increasingly, these agents include smaller private traders and retailers. And, despite a decrease in importation tonnage in 1990 (from 64,000 T in 1989 to 22,000 T in 1990), sales to distributors and other end-users actually increased in 1990 (25,000 T in 1989 to 44,000 T in 1990).

On the negative side, the total amount of fertilizer imported in FY 1990/91 declined precipitously in response to reduced demand. The decline in demand is largely a function of (1) the continued economic decline, (2) the related low level of international prices (and, thus, producer prices) for coffee and cocoa, (3) the build-up in arrears to coffee/cocoa producers, and (4) the transitions occurring in the cocoa/coffee markets following the liquidation of the marketing parastatal ONCPB and the liberalization of these markets.

The Program for the Reform of the Agriculture Marketing Sector - Phase One (PRAMS I) project is focused in the North West and West Provinces. It is in the North West province that "Operation Ghost Town" has been perhaps most effectively and persistently carried out. For almost five months, the province was nearly inaccessible for five days each week. Thus, a series of important seminars to be held at the three tiers of the North West Cooperative Association (NWCA), i.e., cooperative, union and apex levels, to lay out the restructuring objectives of PRAMS I had to be delayed. A planned audit also had to be delayed, as did negotiation of the memorandum of understanding (which lays out the objectives, strategy and content of the NWCA restructuring effort) and the arrival of Peace Corps Volunteers. These factors, combined with the delays in the selection of and contracting with a firm to provide long-term technical assistance, mean that the privatization component of PRAMS-I is now several months behind schedule.

Notwithstanding these setbacks, important progress has been made in the reform of the arabica coffee marketing system. The basic market liberalization regime is in place. In addition, a memorandum of understanding has been negotiated with NWCA, the North West Cooperative Association apex organization, regarding objectives and strategy for restructuring the institutional arrangements of NWCA's organizational and operating rules and procedures. New internal marketing arrangements (NIMAs) have also been agreed upon; they were successfully applied in the FY 1990/91 coffee marketing campaign. Moreover, NWCA and UCCAO (cooperatives operating in the West Province) set their own farmgate price (in consultation with the GRC) for the FY 1990/91 season, and both organizations successfully carried out the FY 1990/91 marketing campaign. As indicated in Table I, not only did producers receive a slightly higher percentage of the world market price, they were also paid cash on the spot for their output, the latter for the first time since 1984. In addition, the ownership of equipment and other assets valued at up to FCFA 1.5 billion is being transferred from ONCPB to NWCA under the PRAMS-I program.

In addition, the Mission was instrumental in drafting a new, liberal cooperative law, which, if passed into law by the National Assembly, will provide the necessary legal framework for restructuring NWCA and the entire cooperative movement.

The impact of the continued economic decline on the Credit Union Development Project has also been mixed. Although savings levels increased by about 4%, membership failed to increase for the first time in several years. Moreover, lending to credit unions from the CAMCCUL central liquidity facility declined by 5%. This decline was in large part a result of decreased demand for credit. In addition, CAMCCUL has experienced severe delays in gaining access to its funds on deposit in the shaky commercial banking system. With the restructuring of that system, this problem has begun to ease somewhat. Over the past year it has succeeded in reducing by 9% the very high loan deliquency rate within its member credit unions. This success was largely a function of improved debt collection procedures and, to a lesser extent, writing off bad debts, i.e., those delinquent by more than one year.

Progress in implementing policy reforms under the Program for the Reform of the Export Processing Sector (PREPS) has also been delayed. The delay results primarily from the political uncertainty generated by "Operation Ghost Town", from the risk-averse behavior of the private sector facing that uncertainty, and from the lack of budget resources, which also result partly from OGT.

Nevertheless, some progress has been made over the past year. The basic policy liberalization regime is firmly in place, and the National Office of the Industrial Free Zones (NOIFZ) has been legally established, with a temporary Board of Directors. In addition, a draft decree defining the objectives, operations and structure of the Administrative Services Office (the one-stop-shop for streamlining customs clearance, tax payment, various licences, etc.) will be submitted to the Ministry of Commerce and Industry in December for approval. Moreover, to minimize the negative impact of the delays, the NOIFZ, with GRC and USAID support, is putting in place a temporary user application approval process for use while a long-term process is being finalized. If the political impasse is resolved soon, FY 1991/92 will likely see major accomplishments under the newly established PREPS reforms.

B. Strategic Objective Two: Increase the Efficiency with which Public Services in Agriculture (Food) Research, Higher Agriculture Education and Health are Provided.

When our institutional development activities in the public sector began in the 1980's, prior to the economic crisis, their primary thrust involved traditional institution building through training, technical assistance, construction, etc. However, in the context of (1) Cameroon's deepening economic and financial crises, (2) the SAP, which is designed to alleviate those crises, and (3) the Mission's 1990/94 CDSS, which reoriented the Mission objectives vis a vis the public sector, the emphasis under those activities shifted toward introducing policy/structural reforms aimed at enhancing efficiency and sustainability. These reforms have focused on introducing measures to reduce operating costs, introducing, where feasible, cost-recovery measures that require users to help pay the cost of delivering services, and intensifying the use of the existing public facilities and equipment.

The declining economic/financial situation has impacted the Mission's institution building activities in two ways. On the one hand, it has induced the GRC to accept reforms aimed at reducing costs, decentralizing the financing and management of public services, and making fuller use of existing infrastructure and equipment. On the other hand, the longer and deeper the economic decline, the greater the negative impact on the national economy and budget and on the ultimate financial sustainability of the institutions being built.

What is becoming increasingly clear is that, absent major and unanticipated improvements in the world price of Cameroon's major exports, the central government's finances will be extremely tight for an extended period of time (3-6 years). Hence, the need for increased emphasis on cost cutting, cost recovery and increasing efficiency.

Agriculture Education

As the data in Table II indicates, through cost cutting, cost recovery and more intensive use of its human and physical resources, the University Center at Dschang (UCD) is improving efficiency as well as improving its prospects for long-term financial sustainability as a first-class institution of higher education. For example, over the past three years UCD has reduced operating costs by 30%-40% by reducing faculty and student allowances for housing, furniture, salary supplements, fuel, luncheons, representation, etc., and perks such as transportation, vehicles, etc. These steps have resulted in a cumulative reduction between 1988/89 and 1990/91 of 54% in per-student-costs. Fifteen percent of this reduction occurred over the past year.

The UCD is also employing a wide and expanding array of cost-recovery and revenue-generating mechanisms to increase its financial autonomy. These mechanisms include offering on-demand specialized seminars and training programs. In addition, UCD was recently granted the authority to enroll private students on a self-financing basis. It is expected that up to 1,000 paying students will eventually attend UCD. The UCD is also seeking a policy change that would permit it to create a special private foundation into which private donations could be channeled. The money could be invested and the interest used to finance high priority activities, such as research.

Table II includes several indicators designed to capture improvements in the quality (relevance) as well as in the efficiency of UCD operations. While the number of domestic/foreign student applications - a proxi measure of perceived quality - remained about the same in 1990/1991, a major increase is expected in 1992/93, the first school year during which open enrollment will be in force. (UCD began recording student application figures only in 1990.) A more direct proxi indicator of education relevance is the extent to which UCD graduates are employed by the private sector or are self-employed. This indicator will take on greater significance as UCD enrolls increasing numbers of privately financed students. Another important indicator of relevance is the increased staff time UCD devotes to research and outreach. As shown in Table II, staff time devoted to research and outreach increased by nearly 50% over the past year. Table II also indicates a significant (12%) increase in the absolute number of female clients of UCD's research and outreach activities.

Primary Health Care and Maternal Child Health

Cost recovery through co-financing and use intensification within a community co-managed health delivery system are also a major thrust of the Maternal Child Health/Child Survival project (MCH/CS). Under this approach, local communities pay for drugs at a significant markup and pay fees for services. This revenue defrays the cost of resupply of essential drugs and of other important recurrent costs. The GRC has formally adopted this community co-managed and co-financed strategy as national policy, and it promulgated a law to legalize the sale of drugs at all health centers. With the help of a coordinated donor effort, this strategy is being implemented in parts of all ten provinces. With donor assistance, the GRC plans to gradually introduce the system throughout the country.

In the target provinces (Adamaoua, South and Far North), the number of community co-financed health facilities has expanded from 8 in 1987/88 to 43 in 1990/91 (see page 24 of Table II). These facilities are generating between CFA 60,000 and CFA 180,000 per month (see page 28 of Table II). Community co-financed hospitals are generating between CFA 150,000 and 300,000 per month. Significant accomplishments are also being achieved in the extension of family-planning information and services. For example, couple-years of protection increased approximately 10% over the past year. Vaccination coverage rates are low, but increasing.

Although the baseline data on utilization is still being collected, available evidence suggests that utilization rates for community-financed health centers have remained steady. This utilization has occurred in spite of stock-outs of certain medications over the past year and in spite of the economic crisis, which has resulted in steep declines countrywide in health center utilization.

National Cereals Research

Under the NCRE project, the primary thrust of efficiency-enhancing measures is toward fuller and more effective use of research resources, whatever their origin. This fuller and more effective utilization includes: (1) reduction of research operating expenditures per researcher (8% reduction in FY 1990/91); (2) realignment of staff to increase emphasis on on-farm adaptive research (18% increase in on-farm research staff in FY 1990/91); (3) systematic increases in the involvement of client producers in the research process (50% increase in farmer/women participation in research implementation in FY 1991); (4) a shift in emphasis toward sustainable production technologies that are less dependent on imported inputs (17% increase in budget dedicated to developing such technologies in FY 1990/91); and (5) a requirement that all NCRE-supported research activities be subject to benefit/cost calculations (10% of NCRE activities were subject to benefit/cost scoring in 1990/91--up from zero percent in 1989/90).

Agriculture Policy Analysis

As Table II indicates, the Cameroon Agriculture Policy and Planning project (CAPP) made little progress over the past year with respect to policy analysis/studies. Although data on traditional agriculture production and sales was made available in provisional form for the period 1985-89, it has yet to be officially released. The project was evaluated in October, and the final evaluation report is expected by the end of December. In its draft report the evaluation team recommended that the project be substantially restructured and reoriented to render it more efficient. The major recommendations include: (1) emphasis on assisting only two operational ministries (agriculture and livestock); (2) greater emphasis on policy analysis and monitoring in support of the SAP (a list of SAP-related studies is to be developed with the Minister of Structural Adjustment/IBRD); (3) reduced cost and increased efficiency/speed of data collection/processing and increased dissemination of information (formal schedule for data release to be published); and (4) seeking multiple sources and multiple disciplines for conducting policy analysis (greater use of resources external to participating ministries will be fostered).

The Mission plans to review the evaluation recommendations with participating GRC ministries and reach agreement on actions to be taken for restructuring and reorienting the project. It is likely that API targets and indicators related to this project will be revised at that time.

TABLE II

COUNTRY
PROGRAM
LOGFRAME

CAMEROON: ASSESSMENT OF PROGRAM IMPACT [API] OCTOBER 1991

STRATEGIC OBJECTIVE NO. ONE	INDICATORS	Baseline Value/Date	Actual Levels FY 1990	Actual Levels FY 1991	Expected Levels of Achievement FY 1992	Expected Levels of Achievement FY 1993	Expected Levels of Achievement FY 1994
Increase the role and efficiency of private markets	1. Major Agriculture factor and product markets progressively liberalized/ privatized	In 1987 GRC heavily controls markets for - fertilizer - arabica coffee - robusta coffee - cocoa	Fertilizer market liberalized/ privatized	Arabica market partially liberalized/ privatized	Robusta/cocoa markets partially liberalized/fully privatized	Arabica market fully liberalized/ privatized	Robusta/cocoa markets fully liberalized/ privatized
	2. Ratio of unsubsidized farm-gate fertilizer price to FOB Europe price decreases 1/	1987-88 ratio of 3.28:1	2.05:1	2.15:1	2.0:1	1.8:1	1.8:1
	3. Producers receive higher percentage of FOB price for arabica coffee	1985/86 producers receive 37% of FOB price	37%	50%	50%	65%	65%
	4. Increased private sector employment in export processing sector under PREPS FTZ.	Zero employment. PREPS approved 1990	Zero employment	Zero new employment	300 2/ people	700 people	1,500 people

1/ A lower ratio indicates decreasing marketing costs including purchase price, shipping costs, port clearance, domestic distribution costs and profit margin.

2/ Projection shifted by one year in response to start-up delays.

OBJECTIVES	INDICATORS	Baseline Value/Date	Actual Levels FY 1990	FY 1991	Expected Levels of Achievement FY 1992	FY 1993	FY 1994
Target 1.1 Liberalization/privatization of fertilizer importation and distribution markets results in increased efficiency	1. Reduction in domestic fertilizer distribution costs	1987 domestic distribution cost of 36 CFA/kg	30% reduction to 25 CFA/kg	Additional 5% reduction, to 24 CFA/kg	Additional 5% reduction, to 23 CFA/kg	No Change	No Change
	2. Reduction in average fertilizer delivery time 1/	1987 delivery time 12-18 months	67% reduction, to 4-6 months	4-6 months	4-6 months	4-6 months	4-6 months

Source: Annual Fertilizer Review

OBJECTIVES	INDICATORS	Baseline Value/Date	Actual Levels FY 1990	FY 1991	Expected Levels of Achievement FY 1992	FY 1993	FY 1994
Target 1.2 Liberalization/privatization of internal/external marketing of arabica coffee	1. Increased competition	1989 State controls 100% of internal/external marketing system in NW and - UCCAO has monopoly in West	State authorizes NWCA to market 40% of arabica in NW - West unchanged	State authorizes NWCA to market 100% of arabica in NW - West unchanged	No Change	Co-op monopoly eliminated. 100% of arabica marketed under competition	
	2. Reduction in marketing cost	1989/90 marketing cost of 284 CFA/kg	No change, 284 CFA/kg	15% reduction, to 241 CFA/kg	Additional 10% reduction, to 217 CFA/kg	Additional 5% reduction, to 206 CFA/kg	Additional 5% reduction, to 196 CFA/kg
	3. Reduction in quality discount of NW arabica coffee	1987/88 quality discount of 5.8%	21% reduction, to 4.6%	No change, 4.6%	Further 13% reduction, to 4%	No change, 4%	Further 12% reduction, to 3.5%

Source: PRAMS I Annual Report

1/ Time from placement of order to delivery

OBJECTIVES	INDICATORS	Baseline Value/Date	Actual FY 1990	Levels FY 1991	Expected FY 1992	Levels of FY 1993	Achievement FY 1994
Target 1.3							
Increase the role/ efficiency of community-level financial service markets	1. Increase Total CAMCCUL savings	1988/89 savings (CFA 10.5 Billion)	10.7 Billion	11.1 Billion	11.6 Billion	12.3 Billion	12.9 Billion
	2. Increased Membership	71,500 in 1989	76,100	74,700 1/	79,900	87,900	96,680
	3. Loan delinquency rates (more than 2 months overdue)	1989 rate of 35%	34%	25% 2/	20% 3/	18%	15%
	4. Increased lending to Credit Unions from CAMCCUL central liquidity facility	1988/89 lending at CFA 30 million	CFA 21 million	CFA 20 million	CFA 21 million	CFA 22 million	CFA 23.8 million
	5. Women's Participation in CAMCCUL Program	In 1991:					
	- Credit committees	16.7%	Not available	See Baseline	20%	25%	30%
	- Education committees	26.6%			28%	30%	35%
	- Supervisory committees	10%			12%	15%	20%
	- Membership committees	27%			20%	30%	35%
	- Credit Union Employees	42%			44%	45%	48%

Source: CAMCCUL Annual Reports

Target No. 1.4							
Increase efficiency/ diversity of export marketing by establishing a privately managed Free Zone regime.	1. Number of new private export investments undertaken 4/	From 1970 to 1990, 14 firms established	Project authorized in 1990	None	7	14	25

1/ Reductions largely a function of significant Cameroon Development Corporation layoffs.
2/ Reductions are largely a function of improved debt collection procedures.
3/ Reduction is a function of both improved debt collection and bad debt writeoffs.
4/ Export investments involving firms that export 80% or more of their total output.

Doc. pages 1-11, 0116C, 12/06/91

OBJECTIVES	INDICATORS	Baseline Value/Date	Actual FY 1990	Levels FY 1991	Expected FY 1992	Levels of Achievement FY 1993	FY 1994
	2. Number of separate GRC entities involved in typical investment approval	1990 GRC entities are 30	See Baseline	No Change	1 entity NOIFZ	1	1
	3. Time required to approve a typical investment proposal	1990 time of 6-18 months	See Baseline	6-18 mos	30 days	30 days	30 days
	4. Time required to clear goods through customs	1990 time of 4-8 weeks	See Baseline	4-8 wks	4 wks	3 wks	2 wks

Source: PRAMS Annual Reviews

STRATEGIC OBJECTIVE NO. TWO	INDICATORS	Baseline Value/Date	Actual FY 1990	Levels FY 1991	Expected FY 1992	Levels of FY 1993	Achievement FY 1994
Increase efficiency with which public services in agricultural (food) research, higher agricultural education and health (in 3 provinces) are provided.	1. Expanding retention rates and declining expenditures per researcher indicate increased efficiency in IRA/NCRE generation of economically relevant and acceptable staple food technologies at reduced cost/researcher	1990 one-year retention rate for 10 staple food (SF) crop varieties calculated at 60% in on-farm trials; retention for other technologies 20%	See Baseline	One-year retention for 4 additional SF technologies calculated at 60% for varieties; 20% for other technologies	Multi-year retention for rate for 7 SF technologies calculated at 50% for varieties; 20% for other technologies	One-year retention for 4 additional SF technologies calculated at 60% for varieties; 20% for other technologies	Multi-year retention rate for 15 SF technologies calculated at 50% for varieties; 20% for other technologies
		1990 SF and farming system (FS) program expenditures at CFA 3.7 million per researcher	See Baseline	3.4 million per researcher	3.0 million per researcher	3.1 million per researcher	3.1 million per researcher
	2. Increased policy impact of MINAGRI MINEPIA information and policy analysis capabilities (CAPP)	1990 MINAGRI/MINEPIA influence on SAP policy analysis/Reform not significant 1990	See Baseline	Three policy studies conducted for MINEPIA (Importance TBD)	TBD Policy studies to support SAP carried out for ag/livestock sector 1/	TBD Studies	TBD Studies
	3. More relevant student training at lower per student cost at UCD	- 0% hired by private 2/ sector or self-employed (1990-92)		Students graduating thru 1992 are still government employees		50% in private sector within one year of graduation	60% in private sector within one year of graduation
		- cost per student CFA 2,900,000 1989/90	CFA 1,330,434	CFA 1,127,119	CFA 1,000,000	No change	No change

1/ The CAPP project evaluation of September/October 1991 called for much greater support of SAP. As of submission, the reorientation of the program was not yet agreed upon.

2/ Increased private sector hiring of UCD graduates is used as a proxy indicator for efficiency.

OBJECTIVES	INDICATORS	Baseline Value/Date	Actual Levels FY 1990	FY 1991	Expected Levels of Achievement FY 1992	FY 1993	FY 1994
	4. Increased access to high quality, community-managed and co-financed, integrated PHC/MCH services in Adamamoua, South and Extreme North Provinces (Target Provinces)	Only 8 community-managed and co-financed health facilities operational in 1990	See Baseline	43	60	75	90

Source: Annual Project Reports

OBJECTIVES	INDICATORS	Baseline Value/Date	Actual Levels FY 1990	FY 1991	Expected Levels of Achievement FY 1992	FY 1993	FY 1994
Target 2.1 Expanded analysis and outreach aimed at ensuring the value and acceptability of improved technologies under actual farming conditions	1. Annual farm-level economic/technical farmer assessments	Only 4 assessments in 1985	16	31	31	31	31
	2. Increased economic analysis of returns to research operations	0% of IRA research operations subject to B/C or scoring in 1990	See Baseline	10%	20%	30%	50%
	3. Improved staff and budget ratios show increased farming systems Program role in research priority setting, design and implementation	. FS Program staff to SF commodity staff ratio of 1:2.2 in 1990	See Baseline	Ratio of 1:1.8	Ratio of 1:1.8	Ratio of 1:1.8	Ratio of 1:1.8
		. FS program budget to SF program budget ratio of 1:3.0	See Baseline	Ratio of 1:1.8	Ratio of 1:1.8	Ratio of 1:1.8	Ratio of 1:1.8

OBJECTIVES	INDICATORS	Baseline Value/Date	Actual FY 1990	Levels FY 1991	Expected FY 1992	Levels of Achievement FY 1993	FY 1994
	4. Increased farmer/ women participation in research implementation of SF and FS program trials on farmers' fields 1/	10 % implemented by farmers in 1985	See Baseline	30 %	35 %	35 %	35 %
		40% on-farm trial participants are women in 1990 2/	See Baseline	45%	45%	50%	50%
	5. Increase no. of collaborative tests and demonstrations with extension service	450 collaborative tests/demonstration in 1990	See Baseline	3,400	3,600	3,700	3,800
	Increase in percent of FS program budget allocated to collaboration	20% of FS budget for collaboration in 1990	See Baseline	30%	35%	40%	40%
	6. Increase no of trials focus on sustainable Ag themes	5 in 1990	See Baseline	18	18	20	25
	7. Increased consideration of natural resource sustainability in selection and testing of new varieties/ cultural practices	Sustainable impact assessment statements for 0% of staple food and FS program trials in 1990	See Baseline	Statements for 25%	Statements for 50%	Statements for 65%	Statements for 80%

1/ Refers to overall research portfolio (including on-station breeding work)
2/ Does not include the North, where the Islamic culture presents a special circumstance.

OBJECTIVES	INDICATORS	Baseline Value/Date	Actual Levels FY 1990	FY 1991	Expected Levels of Achievement FY 1992	FY 1993	FY 1994
	8. Expanded emphasis on sustainable ag technologies based on % of SF/FS program budgets	10% SF and FS program budgets applied to developing sustainable technologies in 1990	See Baseline	25%	30%	35%	40%

Source: IRA Annual Review

OBJECTIVES	INDICATORS	Baseline Value/Date	Actual Levels FY 1990	FY 1991	Expected Levels of Achievement FY 1992	FY 1993	FY 1994
Target 2.2 Increase generation of data and analysis on smallholder and modern ag and livestock sectors in support of SAP	1. Reliable data on performance of smallholder factor and project markets obtained from surveys at minimum costs	In 1989 Problems with the DEAPA sample, processing delays and costs reduce value of data.	No Change	Revised sample frame/ collection methodology data entry system and data set tested	Annual survey carried out using new frame. Data published by date TBD 1/	Data published by TBD 1/	Data published TBD 1/
	2. Current data made available on large scale producers in Ag sector	In 1990 Incomplete date sporadically available is frequently out out of date.	No Change	Initial contacts with major producers. Basic tables established	Current data published by TBD 1/	Current data published by TBD 1/	Current data published by TBD 1/
	3. Ag sector review published on timely basis covering smallholder amd modern sector	In 1989 ASR not published	No Change	ASR not published	ASR published by April 92	ASR published by April 93	ASR published by April 94
	4. Reduction in annual cost of data collection system	TBD 2/	Not applicable	Not applicable	Study of data collection costs	TBD	TBD

Source: IRA Annual Review

1/ New dates to be established during upcoming project review to be based on recent project evaluation
2/ Based on evaluation recommendation, an analysis of the cost of the data collection system under DEAPA will be conducted in early CY 1992.

Doc. pages 1-11, 0116C, 12/06/91

OBJECTIVES	INDICATORS	Baseline Value/Date	Actual FY 1990	Levels FY 1991	Expected Levels of Achievement FY 1992	FY 1993	FY 1994
Target No. 2.3 Increase UCD's capacity *to generate relevant* education, outreach and research products for which there is effective demand at sustainable overall costs.	1. Increased demand *reflected by:*						
	- Applications from nongovernment financed students	Baseline to be established in 1992/93 school year	Not applicable	Not applicable	Not applicable	1000	4000
	- Requests for research/ outreach support 1/	Data collection starts in FY 92		Data collection systems designed	TBD	TBD	TBD
	- Increased number of nongovernment-financed students attend UCD 2/	0 students in 1991/92	NA	NA	NA	210	500
	- Increased number of foreign students attend UCD	18 foreign students in 1990	See Baseline	19	25	50	100
	2. Increased relevance: - faculty time devoted to research and outreach	In 1990: 87% teaching 10% research 3% outreach	See Baseline	45 35 20	35 35 30	35 35 30	35 35 30
	- Increasing number of incoming female students	9% of incoming degree students in 1989	No Change	10%	15%	20%	25%
	- Women remain major clients of research/ outreach	40% of 3700 clients are women in 1990	See Baseline	37% of 4,500	37% of 4,500	40% of 4,500	40% of 4,500
	3. Increased financial *self-sufficiency thru:* - expanded cost recovery	2.5% of UCD budget is self-generated in 1990	See Baseline	3.5%	4.5%	15%	20%
	- Increased revenues *from grants, awards* and contracts	CFA 51.8 million (1990-91)	See Baseline	CFA 51.8	CFA 57.0	CFA 60.0	CFA 60.0

Source: UCD Annual Report

1/ Systems for collecting this data designed *in FY 1991 and will be tested in* FY 1992

2/ University obtained authorization to admit privately funded students in September 1991. The first of these students will be admitted for the 1992/93 school year.

Doc. pages 1-11, 0116C, 12/06/91

OBJECTIVES	INDICATORS	Baseline Value/Date	Actual FY 1990	Levels FY 1991	Expected FY 1992	Levels of FY 1993	Achievement FY 1994
	- Matriculation costs increasingly covered by student fees	10% in 1990	See Baseline	10%	10%	15% 1/	20%
Source: UCD Annual Report							
Target 2.4 Increase the capacity of Cameroon's health system to provide more accessible, integrated (PHC/MCH) and higher quality services at user affordable prices and at sustainable overall costs in targeted Provinces	1. Increased utilization of upgraded health centers in South, Adamoua and Extreme North Provinces.	Data from sentinel clinics is being collected in 1990	See Baseline	Utilization of community co-financed health centers fairly steady despite steep decline in health ctr utilization nationwide due to econ crisis.	10% increase	20% increase	30% increase
Source: Based on limited sample survey							
	2. Increased funds available from cost recovery measures to partially support the non-salary operating costs of PHC in targeted Provinces.	No community-financed (CF) health centers in 1990	See Baseline	CF Health Centers generate CFA 60,000 to 180,000 per month	CFA 100,000 to 200,000 per month	CFA 100,000 to 200,000 per month	CFA 100,000 to 200,000 per month
		No CF hospitals in 1990	See Baseline	CF hospitals generate CFA 150,000 to 300,000 per month.	CFA 200,000 to 350,000 per month	CFA 200,000 to 350,000 per month	CFA 200,000 to 350,000 per month
Source: Routine reports from MCH/CS and SCF/CARE Projects and special study							

1/ Increase will be generated by admission of privately funded students in FY 1992/93

OBJECTIVES	INDICATORS	Baseline Value/Date	Actual Levels FY 1990	FY 1991	Expected FY 1992	Levels of FY 1993	Achievement FY 1994
	3. Increased contraceptive prevalence rate for modern methods.	3% modern methods estimated in 1990	See Baseline	3%	4%	TBD	TBD
Source: DHS Survey							
	4. Increased sales of contraceptives by health centers, social marketing distributors and pharmacies as measured by couple-years of protection (CYP) indicator	30,000 CYP in 1990	See Baseline	33,000 CYP	37,000 CYP	41,000 CYP	45,000 CYP
SOURCE: Special study of health providers and social marketing program							
	5. Increased numbers of public and private PHC/MCH facilities offering supervised FP planning information and services	21 facilities 1990	See Baseline	30	40	45	60
SOURCE: Special study							
	6. Increasing vaccination coverage rates for children and women of reproductive age. 3 target provinces	15% measles Est. 20% DPT/Polio 3 Est. 15% TT2 Est. in 1989	See Baseline	Measles 37% DPT/Polio 3 31% TT 23%	No survey planned		50% measles 60% DPT/Polio 3 45% TT2
SOURCE: National DHS EPI coverage survey December 90							

Program Goal

- Sustainable, Market-Oriented and Broad Based Economic Growth

Strategic Objectives / **Program Targets**

- Increase Role and Efficiency of Private Markets
  - Liberalization/privatization of fertilizer importation and distribution markets
  - Liberalization/privatization of internal/external marketing of arabica coffee
  - Liberalization/privatization of internal and external marketing of robusta coffee and cocoa
  - Increase role/efficiency of Community-level financial service markets
  - Increase efficiency/diversity of export marketing by establishing a privately managed free trade regime
- Increase Quality/Efficiency of Public Services delivery in Ag (food) Research, Higher Ag Education and Health Sectors
  - Increased IRA generation of economically relevant and producer accepted staple food technologies at sustainable overall research costs
  - More economically relevant student education provided at lower sustainable (lower) per student cost
  - Increased policy impact of MINPAT/MINAGRI/MINEPIA information/analytical capabilities at sustainable overall costs
  - Increased access to high quality, community co-managed/co-financed integrated PHC/MCH