Evaluation of the European Union’s cooperation with the Republic of Cameroon

Executive summary

Objectives of the evaluation

The evaluation’s objectives are:

- To provide the relevant European Union (EU) services and the wider public with an independent and global evaluation of its past and present co-operation and partnerships with the Republic of Cameroon.
- Identify key lessons and recommendations in order to improve the current and future EU strategies, programmes and actions.

The evaluation covers the time period from 2007 to 2012, which corresponds to the last year of the 9th European Development Fund (EDF) (2007) and the 10th EDF (2008-13) until 2012.

The evaluation also considers and examines EU co-operation instruments outside EDF, especially its support to the banana sector and civil society through the thematic budget lines.

The evaluation questions cover the EU support in the fields of justice, public finance management, civil society organisations (CSOs), governance in the forest sector, the road sub-sector, rural development in the Great North (“Grand Nord”) and the banana sector. Two cross-cutting questions on coherence and coordination are included.

The evaluation criteria include: relevance, effectiveness, efficiency, impact, sustainability and the value added of the EU support.

Country context

Cameroon is a middle-income country. Its economy is the region’s most diversified one. Yet, the proportion of the population living under the
national poverty line stays relatively high, especially in the rural areas where it is above 50%. The government elaborated a new Growth and Employment Strategy Paper (“Document de stratégie pour la croissance et l’emploi” - DSCE) in 2010. The objectives of the DSCE are:

i) to increase growth to a 5.5% annual average over the period 2010-2020,
ii) reduce unemployment from 75.8% to below 50% in 2020; and
iii) bring the poverty rate down from 39.9% in 2007 to 28.7% in 2020.
Cameroon has benefited from a substantial debt reduction after the country reached the threshold requirements under the Heavily Indebted Poor Countries Initiative (HIPC) in 2006. The country is characterized by a low aid-dependency, with over-seas development aid amounting to less than 3% of its GDP.

The country witnessed unprecedented anti-government demonstrations and hunger riots in 2008. That same year, the country’s Constitution was revised and the provisions on presidential term limits abolished. In power since 1982, President Paul Biya was re-elected in 2011, while the Cameroon People's Democratic Movement maintained its majority in Parliament.

**EU’s co-operation context**

EU support is characterized by a change in strategic orientations at the beginning of the evaluation period, following the mid-term review of the 2002-2007 co-operation strategy in 2004 and the adoption of a new strategy under the 10th EDF for 2008-2012. Notably, the EU did not retain the provision of budget support as an option for delivering its aid, as initially foreseen in the context of its macro-economic and institutional support. Instead the EU reoriented its support towards the promotion of good governance. Furthermore, the second concentration area shifted away from transport in 2002-2007 to economic integration and trade in 2008-2012. Notwithstanding this shift in strategic focus, the EU has on the whole maintained continuity in its support at sector level (apart from justice). In terms of net annual disbursement, the EU stands at the 4th rank in 2010-11, after France, Germany and the World Bank. The financial envelope foreseen under the National Indicative Programs (NIP), financed by the EDF, amounted to 164 M € for the 2002-2007 period and 241 M € for the 2008-2012 period. The EU has also delivered assistance to Cameroon through its
thematic budget lines, incl. the “bananas” budget line, as well as within the framework of its regional strategy and indicative programmes for Central Africa (2002-2007 and 2008-2012).

### Evaluation methodology

The evaluation was conducted in four main phases: inception phase (January to March 2013), desk phase (March to June 2013), field phase (June to October 2013) and synthesis phase (November 2013). A seminar took place in Cameroon beginning of February to present and discuss the draft final report.

The evaluation team based its final observations on triangulation of different data sources and data collection methods. Field visits were conducted in the North and in Douala and focus groups were organised with the civil society and international donors. The main challenges were time constraints, document availability, and staff turn-over both in the EU Delegation (EUD) and in the Ministries.

### Main findings

#### Support to policy reforms

The EU approach has been to accompany the government and pace its support in line with the country’s sectorial priorities and reform programmes. However, this approach has not produced the intended results in all sectors.

In the **justice sector**, there is no doubt that EU support is relevant in that it adequately reflects the government’s priorities and population needs. This alignment to the country’s priorities and needs only makes sense in a context of strong political appropriation. However, the weak engagement by the Cameroonian authorities and key institutions has remained highly problematic, and, poor dialogue around EU support has further aggravated this situation. The Ministry of Justice had different expectations and some beneficiary institutions were not sufficiently involved or sensitised during the design and implementation phases of the EU support.

In **public finances**, the EU played a leading role during the consultation between donors and the government on the elaboration of the Public
Finance Management Modernisation Plan ("Plan de Modernisation des Finances Publiques – PMFP"). Thanks to continuous technical and financial support over several years, the EU has been able to contribute considerably to the launch of a programme-budget approach in the country. Its historical support to the Chambre des Comptes (Audit Bench) was also effective in building the latter’s capacity, even though the institutional context, in which the Audit Bench operates, has remained uncertain. The EU has also shown to be flexible, by accepting to take over from the World Bank support to the installation of a human resources management software. EU support to Public finance management (PFM) reforms has, however, remained confined to financial and technical assistance, with far and few between opportunities for policy dialogue since 2009, when the PMFP was adopted.

In the transport sector, despite commitments made by the government and long-term EU institutional support, all the reform elements that were critical to national road maintenance (incl. financing, programming, selection, implementation, monitoring) and were central to EU support have faced significant blockages.

**Support to private sector**

EU financial and technical assistance, as part of the “Special Assistance Frame-work”, has contributed to productivity gains in the banana sector. EU support has also allowed a better consideration of environmental issues and an improvement in workers’ conditions. Productivity gains nevertheless reached a plateau at the beginning of the evaluation period, as a result of a rise in production costs and a drop in yields and exportations since 2009. As a result, the EU support would have only helped the banana sector to survive, be-cause of continued erosion in competitiveness on the European market.

Finally, the EU has insofar as possible, introduced complementarities between the National Indicative Programme and other EU cooperation policies and instruments. The private sector support projects that were carried out in the context of the Economic Partnership Agreement are a good illustration of EU efforts to reach greater coherence and continuity. Yet, these efforts have remained largely insufficient and have not produced the intended effects.

**Capacity building**

EU support has contributed to building the capacity of the country’s institutions, but issues of sustainability remain unresolved.
EU support has helped to boost the participation of civil society organisations (CSOs) in policy dialogue by building their capacity and establishing networks and platforms over the whole country. Yet, much remains to be done to ensure their professionalization and lasting institutional development. There are only very few competent thematic networks able to dialogue with the authorities on an equal footing, and in so doing, bring a credible and recognised contribution to the design and monitoring of development policies. Moreover, the legal framework regulating the CSOs is far from perfect, and the government has continued to show some reluctance in fully engaging with civil society.

In the field of PFM, the transition towards a programme-budget approach remains fragile: Many ministries do not have strategies that are aligned to the DSCE and the links between strategies, medium-term expenditure frameworks, and the investment budget are still loose. Moreover, due to delays in the implementation, EU activities that were envisaged to consolidate the reforms could not be executed.

For rural development, EU support to the structuration and reinforcement of peasants groups, has provided a sound basis to sustainable results in all the reviewed projects. This support, however, has suffered from the relatively short intervention period, which means many of the benefiting structures have remained fragile.

**Impact on population**

Some projects have had direct impacts on the population’s well-being:

In the justice sector, the most vulnerable populations directly benefited from EU support, by enhancing the inmates’ living conditions and offering them judicial assistance. The EU support in the Great North was also concerned with assisting vulnerable people. Although the EU alone cannot cover the whole of the Grand Nord region’s needs, its interventions nonetheless permitted the rehabilitation or construction of social infrastructures (roads, schools, water supply) and contributed to an increase in agricultural production in the targeted zones. EU support also helped to establish a cereal stocks replenishment and management system in many villages. Resilience problems and food self-sufficiency have however not been resolved; at the local level, peasants groupings have diverted the replenished cereal stocks away from their initial objective to finance other more lucrative activities; at the national level, the Observatory on food insecurity, a main component of EU support, was not put in place.

In the transport sub-sector, the EU contributed to an improvement in traffic conditions on the Douala-Chad-Central African Re-
corridor: it rehabilitated critical sections and improved road security (on the Douala-Yaoundé section). The EU intervention in favour of road protection also contributed to reduce freight overload.

**Co-ordination**

The EU is seen as key actor to multi-donor co-operation in Cameroon. The EU delegation was fully involved in the multi-partner committee (“Comité Multi-Partenaires”) meetings since 2010 and was lead in four (later three) co-ordination sub-groups. Although the government participates in the committee meetings, this aid architecture does not provide an effective platform for dialogue on monitoring the implementation of the DSCE.

At an operational level, partners successfully prevented their interventions from overlapping and ensured their complementarity. Yet, donors rarely take the time to harmonise their positions on the government’s policies, unless explicitly requested by the government. Aside from a few, largely disappointing, exceptions, the EU has not participated in joint donor financing initiatives, as it was envisaged in the High Level Fora on Aid Effectiveness. The country’s weak public finance management and lack of policy dialogue opportunities largely explain this situation.

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**Main conclusions**

1. The strategic repositioning between the 9th and the 10th EDF—emphasising governance and the private sector—has led to a more diffused strategic vision. A major inherent difficulty of the EU financing modalities is that the EU Delegation in Cameroun has had limited control over key interventions in the “trade and regional integration” sector (bananas) and little involvement in the Economic Partnership Agreement negotiations.

2. EU support to Cameroon is well-aligned with the country’s priorities. This strategy of alignment is based on the assumption that the Cameroonian government genuinely owns policies and reforms that the EU supports. Yet, this assumption has proved largely unrealistic in the Cameroonian context.
3 The EU fully assumed its leadership role in the government-partners dialogue, by combining its co-presidency of the Multi-Partner Committee with its leadership in four sub-groups. None of its demands for monitoring, reporting and dialogue with the government were fully satisfied.

4 With the exception of EU and other donors’ alignment with the country’s priorities, commitments made within the framework of the Paris Declaration have been slow to materialise. Neither the government nor the EU seems to be ready to fully invest in its implementation.

5 The EDF programming is mainly based on a N+3 “project” approach. This financing modality does not take into account the ambitions of EU interventions, most of which follow a longer-term sector-based approach.

6 The EU has maintained a close relationship with Ministries and other beneficiary institutions. In every sector, except justice, it has successfully taken into account their absorption capacity. Its approach, however, has not always been conducive to broad inclusive consultation with all the key actors and institutions.

7 The EU still experiences difficulties linked to quality, supervision and maintenance with the construction and refurbishment of infrastructure. The EU has not managed to solve these issues in the field of road construction and other areas either.

8 The EU’s EDF programmes have overall contributed to reinforcing the capacity and competency of the beneficiary institutions. Activities have remained substitution activities in some sectors; others have focused on capacity building but not been sufficiently assimilated to ensure sustainable results. Deeply ingrained governance problems often persist.

9 More direct interventions have permit- ted an improvement of the population’s living conditions in the short run. Yet, this approach is similar to one linking emergency aid with rehabilitation and development, in Fragile States, and may not always be justified in a country like Cameroun.
Main recommendations

1 As the EU is finalising its focal sectors under the 11th EDF, the added value of the different financing modalities within the National Indicative Programme and the relevance of other Community instruments and policies should be subject to more explicit linkages.

2 The EU should start integrating elements of political economy more systematically and visibly during the design and implementation of its support. Solutions to mitigate these political economy constraints could then be better explored.

3 The EU, with other donors, should re-visit its monitoring, reporting and dialogue expectations for the programmes it supports within the context of the DSCE. These expectations should be discussed and communicated clearly with the government.

4 The EU should continue to take the lead in the consultation process between donors and the government, and, in particular, insist on the need for a roadmap on possible scenarios, benchmarks and options for harmonised aid in Cameroon.

5 The EU should move towards a more holistic approach to capacity building, by giving greater consideration to all the dimensions of institutional development (incl. leadership issues, public function culture and political context).

6 The ongoing design of the 11th EDF programmes could build on the specific results and challenges mentioned in this evaluation, especially in the justice sector, public finance management, rural development and road construction.