REPUBLIQUE DU CAMEROUN ***Paix – Travail – Patrie*** **********	**REPUBLIC OF CAMEROON** ***Peace – Work – Fatherland*** **********

BUDGETARY ORIENTATION DEBATE

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2025-2027 MEDIUM TERM ECONOMIC AND BUDGETIRY PROGRAMMING DOCUMENT

PREPARATION OF THE 2025 STATE BUDGET

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LIST OF ACRONYMS AND ABBREVIATIONS

CA	**:**	Commitment Authorisation
AFD	**:**	French Development Agency
EPA	**:**	Economic Partnership Agreements
APME	**:**	Agency for the Promotion of Small and Medium Enterprises
APU	**:**	Public Administration
ARV	**:**	Antiretrovirals
AfDB	**:**	African Development Bank
PIB	**:**	Public Investment Budget
WB	**:**	World Bank
BUCREP	**:**	Central Bureau of Censuses and Population Studies
C2D	**:**	Debt Reduction and Development Contract
CAA	**:**	Autonomous Sinking Fund
CAMCIS	**:**	Cameroon Customs Information System
CAMPHIA	**:**	Cameroon Population based HIV Impact Assessment
AFCON	**:**	African Cup of Nations
MTBF	**:**	Medium-Term Budgetary Framework
ECCAS	**:**	Economic Community of Central African States
CEMAC	**:**	Economic and Monetary Community of Central Africa
CHAN	**:**	African Nations Championship
NPDC	**:**	National Public Debt Committee
COMIFAC	**:**	Central African Forestry Commission
COPPE	**:**	Physical Headcount of State Personnel
PA	**:**	Payment Appropriations
UHC	**:**	Universal Health Coverage
RLAs	**:**	Regional and Local Authorities
DGB	**:**	Directorate General of Budget
DGC	**:**	Directorate General of Customs
DGT	**:**	DGT: Directorate General of Taxation
DGTFMC	**:**	DGTFMC Directorate General of the Treasury, Financial and Monetary Cooperation
BOD	**:**	Budgetary Orientation Debate
DP	**:**	Division of Forecasting
MT-EBPD	**:**	Medium-Term Economic and Budgetary Programming Document
GESP	**:**	Growth and Employment Strategy Paper

SDR	:	Special Drawing Rights
ECAM	:	Cameroonian Household Survey
CFAF	:	African Financial Cooperation Franc
ECF	:	Extended Credit Facility
FEICOM	:	Special Council Fund for Mutual Intervention
IMF	:	International Monetary Fund
HALCOMI	:	Operation Stop Illicit Trade
HIMO	:	High Labour Intensity
CT	:	Corporate tax
FL	:	Finance Law
MICS	:	Multiple Indicators Cluster Survey
MINEDUB	:	Ministry of Basic Education
MINESEC	:	Ministry of Secondary Education
MINFI	:	Ministry of Finance
MW	:	Megawatts
OECD	:	Organisation for Economic Co-operation and Development
OPEP	:	Organisation of Petroleum Exporting Countries
OTA	:	Fungible Treasury Obligation
2IP	:	Initial Impulse Programme
PAJER-U	:	PAJER-U: Support Programme for Rural and Urban Youth
PAK	:	Port Authority of KRIBI
PANEJ	:	National Action Plan for Youth Employment
PAREC	:	Support Programme for Education Reforms in Cameroon
EFP	:	Economic and Financial Programme
PIAASI	:	Integrated Support Project for Actors in the Informal Sector
GDP	:	Gross Domestic Product
PIISAH	:	PIISAH Integrated Agricultural and Fisheries Import-Substitution Plan
APP	:	Annual Performance Project
PPP	:	Public Private Partnership
SVP	:	Socially Vulnerable Person
STYP	:	Special Three-Year Youth Plan
APR	:	Annual Performance Report
FRS-OPE	:	Fiscal Regime of the State and Other Public Entities
OIR	:	Ordinary Internal Resources
TR	:	Transferred Resources
SEND	:	Committed Undisbursed Balances

SIGIPES	**:**	Computerized System for Integrated Management of State Personnel and Payroll
NDS30	**:**	National Development Strategy 2020-2030
NHC	**:**	National Hydrocarbons Corporation
SONARA	**:**	National Refining Company
CET	**:**	Common External Tariff
TSFO	**:**	Table of State Financial Operations
STPP	**:**	Special Tax on Petroleum Products
VAT	**:**	Value Added Tax
EU	**:**	European Union
US	**:**	United States
XDR	**:**	Special Drawing Rights ou Droits de Tirages Spéciaux (FMI)

INTRODUCTION

The laws of 11 July 2018 relating respectively to the fiscal regime of the State and other public entities, and the Code of transparency and good governance in the management of public finances in Cameroon have enriched the process of elaborating the finance law with a crucial stage that is the Budgetary Orientation Debate (BOD). Indeed, article 11 of the abovementioned fiscal regime stipulates that: (1) *"Each year before 1 July, the Government transmits to Parliament the medium-term framework documents…, accompanied by a report on the macroeconomic situation and 'a report on the execution of the budget for the current fiscal year'; (2) "On the basis of these documents and reports, Parliament organizes a Budgetary Orientation Debate in public session, but without a vote."*

The Budgetary Orientation Debate allows Parliament to intervene upstream of the budgetary procedure to contribute to and ensure the definition, by the Government, of a sound and effective budgetary policy. This is the place for parliamentarians to ensure the realism of the macroeconomic hypotheses underlying the draft budget in preparation and to give their opinion on the Government's budgetary choices.

In addition, the BOD offers the Legislature the opportunity to debate each year with the Government the sustainability of public finances, through better monitoring of public deficits and debt; the challenge being to create conditions for the adoption of finance laws permanently favourable to macroeconomic balance and stability.

The Medium-Term Budgetary Framework (MTBF), the Medium-Term Expenditure Frameworks (MTEF), the report on the macroeconomic situation and the report on the execution of the budget for the current fiscal year, required by the law governing the fiscal regime of the State and other public entities for the holding of the BOD, are likely to enable the Government and Parliament to meet this fundamental requirement for the transparency of public finances. However, for practical reasons, readability and consistency, the Government has taken the option of merging the content of these tools and reports into a single document called the "Medium-Term Economic and Budgetary Programming Document" abbreviated EBPD. The latter includes all the information necessary for a better assessment of the strategic options and budgetary orientations retained for the conduct of the economic and social development policy of the nation over the 2025-2027 period in consistency with the 2030 National Development Strategy.

The 2025-2027 Medium-Term Economic and Budgetary Programming Document (EBPD) falls in line with the holding of the sixth session of the BOD counting for the elaboration of the initial 2025 finance law, of which it defines the contours of budgetary policy and overall projections of resources and expenses.

In 2024, the BOD is being held in a context of uncertainties linked to inflationary tensions at the national and sub-regional levels. Despite this difficult context, the Government remains determined to meet numerous challenges, in particular those linked to the implementation of the 2030 National Development Strategy (NDS30) and the continuation of the Economic and

Financial Programme (EFP) concluded in 2021 with the International Monetary Fund (IMF) and supported by all technical and financial partners.

The EBPD submitted to Parliamentary discussion was adopted by the Government in Cabinet Meeting, in accordance with articles 26 and 28 of the decree of 31 May 2019 to set the State budget calendar. It is structured around four (4) chapters:

- the first two chapters are respectively devoted to the description of the macroeconomic context, both at the national and international levels, and to the presentation of the public finance situation;
- the third and fourth chapters are orientation chapters devoted to the formulation of the overall objectives of public policies implemented in the different sectors for the triennium on the one hand and to the overall budgetary policy accompanied by budgetary perspectives over the 2025-2027 period on the other hand.

CHAPTER I: MACROECONOMIC SITUATION AND OUTLOOK

This chapter presents the recent situation and the short- and medium-term economic prospects at the international and national levels.

I. INTERNATIONAL ECONOMIC ENVIRONMENT

Amid post-COVID-19 uncertainties, the global economy has proven resilient. After a recession of -2.7% in 2020, global growth stood at 6.5% in 2021 before stabilizing at 3.5% in 2022 and 3.2% in 2023.

According to the World Economic Outlook, published in April 2024 by the IMF, global growth, estimated at 3.2% in 2023, is expected to maintain the same level in 2024 and 2025. This performance remains below the historical average (3.8% over the 2000-2019 period), due to short-term factors, notably the still high costs of interest rates on international markets and the continued tightening of central banks' monetary policies.

Regarding prices, after the peak of 8.7% reached in 2022, global inflation stood at 6.8% in 2023. It is projected at 5.9% in 2024 and at 4.5% in 2025 in connection with the tightening of monetary policies combined with the expected drop in international commodity prices. Advanced countries will return to their target level more quickly than emerging and developing countries.

In the group of advanced countries, growth is expected to increase from 1.6% in 2023 to 1.7% in 2024, then to 1.8% in 2025. In the group of emerging and developing countries, after reaching 4.3% in 2023, growth is expected to slow down to 4.2% in 2024 and 2025. It would drop from 5.2% in 2023 to 4.6% in 2024 in China and from 7.8% in 2023 to 6.8 % in 2024 in India.

In sub-Saharan Africa, however, the economic outlook is expected to improve. Growth would increase from 3.4% in 2023 to 3.8% in 2024. This acceleration would mainly be observed: i) in Nigeria, 3.3% in 2024 after 2.9% in 2023 and ii) in South Africa, where growth would stand at 0.9% in 2024 after 0.6% in 2023. Growth in this group of countries should continue in 2025 where it would stand at 4.0%.

In the CEMAC zone and according to the BEAC, growth is projected at 3.6% in 2024, after 2.5% in 2023, linked to the good performance of non-oil activities, and at 3.7% in 2025. Regarding prices, despite measures to combat inflation, inflationary pressures are expected to continue in 2024. In fact, inflation would stand at 5.5%, above the community threshold set at 3%. within the framework of the convergence criteria.

Table 1: World growth indicators (%)

	2020	2021	2022	2023*	2024**	2025**
World economy	**-3,1**	**6,2**	**3,5**	**3,2**	**3,2**	**3,2**
Advanced economies	**-4,5**	**5,4**	**2,6**	**1,6**	**1,7**	**1,8**
United States	-3,4	5,7	2,1	2,5	2,7	1,9
Eurozone	-6,3	5,4	3,3	0,4	0,8	1,5
Germany	-4,6	2,9	1,8	-0,3	0,2	1,3
France	-7,9	6,8	2,6	0,9	0,7	0,7
Italy	-9,0	6,6	3,7	0,9	0,7	0,7
Spain	10,8	5,1	5,5	2,5	1,9	2,1
Japan	-4,5	1,7	1,0	1,9	0,9	1,0
United Kingdom	-9,3	7,4	4,1	0,1	0,5	1,5

	2020	2021	2022	2023*	2024**	2025**
Emerging and developing economies	**-2,0**	**6,7**	**4,1**	**4,3**	**4,2**	**4,2**
China	2,2	8,1	3,0	5,2	4,6	4,1
Sub-Saharan Africa	**-1,6**	**4,6**	**4,0**	**3,4**	**3,8**	**4,0**

Source: World Economic Outlook, April 2024 (IMF); BEAC (: estimates, **: projections)*

II. RECENT NATIONAL ECONOMIC SITUATION

II.1. Evolution of the national economy

In 2023, the Cameroonian economy recorded a slowdown with growth estimated at 3.3% after 3.6% in 2022. In 2024, economic activity should once again be in a favourable trend with growth projected at 4.1%.

It should be noted that the growth dynamic remains strongly hampered by the poor performance observed in the oil sector (-2.1% in 2023 after -0.9% in 2022). This situation is expected to continue in 2024, with a growth forecast for the sector of -5.1%, linked to the drop in production of crude oils and gas.

As for the non-oil sector, it remains the main engine of growth despite the slight slowdown recorded in 2023 (+3.6% after +3.7% in 2022). Good performances were recorded in the branches “Silviculture and logging” (+5.2% after +4.8%), “Buildings and public works” (+4.1% after +4.5%), “Information and telecommunications” (+10.0% after +5.5%) and, “Trade and repair of vehicles” (+3.6% after +3.1%). On the other hand, this sector experienced the contraction of the “industrial and export agriculture” branch (-1.6% after +3.9%) and the deceleration of “agri-food industries” (+3.9% after +4 .9%). The non-oil sector is expected to be more dynamic in 2024, with growth estimated at 4.5%.

On a sectoral level, growth in 2023 and 2024 should continue to be driven by both the tertiary sector and the primary sector, due in particular to an improvement in domestic demand and greater access to agricultural inputs. The secondary sector would continue to suffer from the poor performance of the extractive industries, particularly in the field of hydrocarbons.

In terms of prices, inflation accelerated in 2023 to reach 7.4% on average annually, after 6.3% in 2022, due in particular to the rise in prices of food products (+10.9 %) and transport costs (+15%). This development can be explained, among other things, by the combined effects of the increase in fuel prices at the pump and the persistence of the Russian-Ukrainian conflict. As for traded goods, the export price index decreased by 2.2%, driven by the fall in the prices of the main exported raw materials, while the import price index decreased by 6.4%, linked to the drop in prices among the main trading partners. Inflation is expected to remain high in 2024 (around 7%), due to the increase in fuel prices at the pump in February 2024.

Regarding the external sector, the deficit in the current account balance worsened in 2023 to stand at 1,157.9 billion (4% of GDP), compared to a deficit of 941.2 billion (3.4% of GDP) in 2022. This deterioration mainly results from the increase in the deficit in the goods account, linked to the significant drop in the prices of the main exported raw materials, after a record year 2022. On the other hand, the balances of the services, primary and secondary income accounts are improving. In 2024, the current account deficit is expected to improve to 3.2% of GDP, with the reduction in the goods account deficit.

Regarding public finances, estimates indicate that at the end of 2023 the deficit in the overall budget balance (approval basis) is 0.6% of GDP, an improvement compared to 2022 when it was 1.1% of GDP. The same is true for the non-oil primary deficit which stands at 2.6% of GDP in 2023 compared to 3.9% in 2022.

This change in the budget balance contributed to reducing the direct debt of the central administration (excluding outstanding debt), which stood at 40.1% of GDP at the end of 2023, compared to 42.1% of GDP at the end of 2022. The reduction in the overall balance deficit should also continue in 2024, in line with the Economic and Financial Program (PEF) concluded with the IMF, and stand at 0.4% of GDP.

Regarding the monetary situation, it was characterized by a 10.1% drop in net foreign assets, and an 11.6% increase in domestic credit (particularly credits to the economy which increased by 11.9%). Thus, the money supply (M2) increased by 3.2% to stand at 8,269.8 billion at the end of 2023. In 2024, the money supply would increase by 11.9%.

II.2. Social sectors

In 2023, the Government provided ministerial departments operating mainly in the social sectors with 1,244.7 billion (18.7% of the state budget). This allocation is up 7.4% compared to 2022. Furthermore, given the transversal nature of activities relating to the social sectors, several other administrations contribute to the improvement of social services. Particular attention is paid to populations in rural areas, through subsidies for the supply of drinking water and photovoltaic energy.

In the education sector, the system is characterized by a continuous increase in demand for schooling. The ministries in charge of education (MINEDUB, MINESEC and MINESUP) benefited in 2023 from an overall budget allocation of 789 billion (12% of the state budget), an increase of 42 billion compared to 2022.

In the health sector, Government actions are focused on: (i) maternal, child and adolescent health, (ii) epidemiological surveillance; (iii) the fight against disease and the promotion of health.

Particularly concerning the health of mothers and children, vaccination coverage of mothers and children has significantly improved. Across the country, there are 569 health facilities accredited for the care of pregnant women and new-borns. Furthermore, the pilot phase of Universal Health Coverage (UHC) was officially launched in April 2023, with the priority target population being pregnant women, children under 5 years old, and people of all ages suffering from certain specific pathologies. Care includes: (i) vaccination; (ii) nutrition and community health; (iii) treatment of tuberculosis, HIV and renal failure; (iii) consultation and management of cases of simple and severe malaria for children aged 0 to 5 years; care of pregnant women and their new-borns up to 42 days of life. This basket of care should gradually expand as much as the target population, depending on the lifting of certain legal, financial and social constraints. The regions covered in this phase are those of the Far North, North, Adamawa, East and South.

The objectives set relate in particular to: (i) the enrolment of 60% of targets within 5 years; (ii) coverage of 60% of targets in services offered within 5 years; and (iii) reducing direct payment by 2/3 for services covered by priority targets within 5 years. Regarding enlistment, a fairly favourable enthusiasm among the populations is perceptible. Indeed, at the end of 2023, there were nearly a million and a half people who were already benefiting from the care provided under Universal Health Coverage. In terms of financing, the Government benefits from the support of certain technical and financial partners. In 2023, CSU was financed 50.4% by the State of Cameroon and 49.6% by partners.

In terms of employment, the number of jobs created in 2022 is 381,273 according to statistics from the National Observatory of Employment and Vocational Training (ONEFOP), an increase of 6.4% compared to 2021.

In other social sectors, the various actions of the Government have made it possible to improve the rate of access to basic services (water, electricity, housing, etc.). Thus, the proportion of the population with access to drinking water increased from 61% in 2014 to 80% in 2022. In 2023, the following activities were carried out: the construction of 19 drinking water supply lines and 900 boreholes, including 588 in the northern regions. Regarding the coverage of electricity needs, 60.2% of households will have access to electricity in Cameroon in 2022. In 2023, the actions carried out in this framework focused mainly on rural electrification projects by hydroelectricity and by solar system, through the strengthening and extensions of networks in all ten (10) Regions.

Regarding housing, the proportion of households with access to decent housing is estimated at 36.0% in 2022.

Regarding the fight against extreme poverty, since January 2023, the Government has set up a new project called the adaptive social safety nets and economic inclusion project. This project extends over the 2023-2028 period, for total funding of 146.8 billion, including 92.8 billion from the World Bank and 54 billion from the State. It targets 356,000 beneficiaries spread across 180 municipalities throughout the country. For the year 2023, the project targeted 44,500 beneficiary households, i.e. 22,000 households in the “ordinary cash transfers” component, 12,500 households in the “emergency cash transfers” component and 10,000 households in the “labour-intensive works" component. Cash transfers to these households began in November 2023.

II.3. Macroeconomic outlook 2025-2027

The macroeconomic outlook remains positive, subject to a favourable external environment. The implementation of NDS30 should continue with an emphasis on the industrial development necessary to bring about a profound structural transformation of the national economy and support growth.

The oil sector, which represents around 6% of GDP, is expected to remain on a downward trend, linked to the decline in hydrocarbon production (oil and natural gas). Projections expect a drop of 0.4% in 2025 and 9.3% on average over the period 2026-2027. As for the non-oil sector, it should continue to drive the overall growth dynamic, with an increase of 4.6% in 2025 and an average of 4.7% over the period under review. On the sectoral level, this growth should in particular be driven by the good performances envisaged in: (i) the agricultural sector, thanks to the implementation of the Integrated Agropastoral and Fisheries Import-Substitution Plan (PIISAH), as well as the facilitation access to agricultural inputs. (ii) manufacturing industries due to an improvement in energy supply, due to the entry into production of the Nachtigal dam; (iii) construction in connection with the continued implementation of major investment projects.

As for prices, inflation should gradually decelerate, from 7.0% in 2024 to 4.0% in 2025, returning to a level close to the CEMAC community threshold of 3% over the period 2026- 2027.

Regarding the external sector, projections indicate a reduction in the current account deficit. This deficit would go from 3.3% of GDP in 2024 to 2.3% in 2025 and to 2.5% on average over the period 2026-2027. This improvement is explained, among other things, by the increase in exports of processed products and transfers from the diaspora.

CHAPTER II: MANAGEMENT OF PUBLIC FINANCES

This chapter presents the summarized situation of the execution of the State budget for the 2023 fiscal year. It then presents the budgetary results for the first three months of the 2024 fiscal year. It finally deals with the proposed revision of the initial 2024 finance law, with a view to a collective budget.

I. SITUATION OF BUDGET EXECUTION IN 2023

This section presents the execution of resources and expenses of the State budget at the end of 2023. It also presents the resulting budget deficit and the modalities of its financing.

I.1. Mobilization of State budget resources

In 2023, State budget resources were mobilized to the tune of 6,233.4 billion (including 46.6 billion from SAA resources), for forecasts of 6,726.9, i.e. an execution rate of 92.7%.

Table 2: Resources of the State budget for the year 2023

HEADINGS	I.F.L.	R.F.L.	Achievements		Variation 2023/2022		Execution rate
	2023	2023	Year 2022	Year 2023			(in %)
	(a)	(b)	(c)	(d)	(in value)	(in %)	(d) / (b)
A- BUDGETARY REVENUE (I+II)	***4676,5***	**4 780,5**	**4 497,4**	**4 981,9**	**484,5**	**10,8**	**104,2**
I- Internal revenues (1+2)	*4 585,5*	4 679,5	4 393,2	4 842,5	449,4	10,2	103,5
1-Oil revenues (i+ii)	*807,0*	*841,8*	*973,8*	*877,0*	*-96,8*	*-9,9*	*104,2*
2- Non-oil revenues (2.1+2.2)	*3 778,5*	*3 837,7*	*3 419,3*	*3 965,5*	*546,2*	*16,0*	*103,3*
2.1- Tax revenue (a+b)	3 528,1	3 568,4	3 187,0	3 644,6	457,6	14,4	102,1
a- Tax revenue	2 523,4	2 594,7	2 285,9	2 622,0	336,1	14,7	101,1
b- Customs revenue	*1 004,7*	973,7	901,2	1 022,6	121,5	13,5	105,0
2.2- Non-tax revenue	*250,4*	269,3	232,3	320,9	88,6	38,1	119,2
II- Donations	91,0	101,0	104,2	139,4	35,2	33,8	138,0
B- LOANS	**1 598,3**	**1 862,1**	**1 416,4**	**1 204,9**	**-211,5**	**-14,9**	**64,7**
Resources of the general budget (A)	***6 274,8***	**6 642,5**	**5 913,8**	**6 186,8**	**273,1**	**4,6**	**93,1**
Resources of SAAs (B)	***70,3***	***84,4***	***68,2***	***46,6***	***-21,6***	***-31,7***	***55,2***
Resources of the State budget (A) +(B)	***6 345,1***	***6 726,9***	***5 982,0***	***6 233,40***	***251,4***	***4,2***	***92,7***

Source: MINFI

I.1.1. General budget resources

General budget resources include internal revenues, loans and donations. Out of a revised annual forecast of 6,642.5 billion, they were mobilized to the tune of 6,186.8 billion, i.e. an achievement rate of 93.1%. Compared to 2022, they increase by 273.1 billion (+4.6%).

These resources include 4,981.9 billion in **budgetary revenues** divided into oil revenues (877.0 billion), non-oil revenues (3,965.5 billion) and donations (139.4 billion) on the one hand and, 1,204.9 billion in **financing resources** (project loans, programme loans and borrowings on the capital markets) on the other hand.

Oil revenues recorded a drop of 96.8 billion (-9.9%) compared to the amount achieved in 2022 due to the drop in production and world prices. However, they are 35.2 billion more than the revised annual forecast. Oil revenues are divided into 622.8 billion NHC royalties and 254.2 billion taxes on oil companies.

Non-oil revenues are made up of tax revenues and non-tax revenues. Compared to 2022, they are up by 546.2 billion, due to the increase of 457.6 billion in tax revenue and 88.6 billion in non-tax revenue. Compared to the annual forecast of 3,837.7 billion, non-oil revenues show an achievement rate of 103.3%.

I.1.2. SAAs Resources

In 2023, the SAA resources forecast was 84.4 billion, including 24.4 billion from the general budget and 60 billion from the SAA's own resources. Of these 60 billion, 46.6 billion were actually mobilized, representing an achievement rate of 77.67%.

I.2. Execution of state budgetary expenses

In 2023, State budget expenses were executed to the tune of 6,475.9 billion compared to 6,726.9 billion of the revised forecasts, i.e. an execution rate of 96.3%.

Table 3: State budget expenses (in billions)

Labels	2023 I.F.L.	2023 RFL	Achievement		Variation		Execution rate
			2022	2023	(in value	(in %)	(%)
		(a)	(b)	(c)	(c/b)		(c/a)
A-Current expenditure	**3 366,5**	**3 453,5**	**3 231,0**	**3 657,3**	**426,3**	**13,2**	**105,9**
I - Personnel expenditure	1 257,7	1 313,2	1 193,1	1 357,0	163,9	13,7	103,3
II - Goods and services	1 075,8	967,5	886,5	1 152,9	266,5	30,1	119,2
including FINEX	107,2	107,2		151,7	NC	NC	141,5
III - Transfers and subsidies	1 033,0	1 172,8	1 151,5	1 147,4	-4,0	-0,4	97,8
B-Capital expenditures	**1 169,7**	**1 142,2**	**1 278,8**	**1 117,8**	**-161,1**	**-12,6**	**97,9**
I - Investment expenditure on IR	416,2	388,7	580,6	680,1	99,6	17,1	175,0
II – Shareholding	20,0	20,0	10,0	28,5	18,5	184,8	142,4
III - Rehabilitation / Restructuring	10,0	10,0	0,0	2,4	2,4	NC	24,4
IV - External financing	723,5	723,5	688,3	406,7	-281,5	-40,9	56,2
C – Public debt	**1 738,6**	**2 046,8**	**1 371,9**	**1 662,4**	**290,4**	**21,2**	**81,2**
I - Domestic public debt	840,6	1 148,8	614,9	890,8	276,0	44,9	77,5
II - External public debt	898,0	898,0	757,0	771,5	14,5	1,9	85,9
Budget expenditures (A+B+interest)	**4 810,1**	**4 872,3**	**4 720,2**	**5 095,2**	**375,0**	**7,9**	**104,6**
General budget expenses (A+B+C)	**6 274,8**	**6 642,5**	**5 881,8**	**6 437,4**	**555,7**	**9,4**	**96,9**
SAA expenses (D)	**70,3**	**84,4**	**41,8**	**38,5**	**-3,3**	**-7,9**	**45,6**
State budget expenditures (A+B+C+D)	**6 345,1**	**6 726,9**	**5 923,6**	**6 475,9**	**552,3**	**9,3**	**96,3**

Source: MINFI/DGB (payment order)*

I.2.1. General budget expenses

State budget expenses include current expenditure (excluding debt interest), capital expenditure as well as public debt service. In 2023, the total ordered expenses amounted to 6,437.4 billion, i.e. an execution rate of 96.9%. Compared to the 2022 fiscal year, they were up by 555.7 billion (9.4%) due to expenditure on goods and services and debt service.

I.2.2. Expenses of SAAs

The expenses of SAAs stood at 38.5 billion out of the 60 billion planned on own resources, i.e. an execution rate of 64.2%.

I.3. Budgetary balance and financing

I.3.1. Budgetary balances

The following table presents a summary of budgetary resources and expenditure and highlights the different balances characteristic of budget execution.

Table 4: Summary of budget execution (in billions)

RENENUE	AMOUNT		EXPENDITURE	AMOUNT
I. BUDGET GENERAL				
INTERNAL REVENUES	***4 922,7***		CURRENT EXPENDITURE	**3 977,5**
Gross tax revenue	3 644,6		Interest and commissions	320,2
Including reimbursement of VAT credits	59,3			
Net tax revenue	***3 585,3***		Personnel expenditure	1 357,0
Oil revenues	877,0		Goods and services	1 152,9
Non-tax revenue	320,9		Current transfers	1 147,4
Total Net Internal Revenue	***4 783,3***			
DONATIONS	***139,4***		CAPITAL EXPENDITURES	**1 117,8**
Programme donations	60,2		External financing	406,7
Project donations	79,2		Own resources	680,1
EXCEPTIONAL REVENUES	**0,0**		Shareholding/Restructuring	30,9
Privatization revenues			OTHER EXPENDITURE	**16,9**
			Net loans	16,9
NET REVENUE GENERAL BUDGET	**4 922,7**		***GENERAL BUDGET EXPENDITURE***	**5 112,2**
II – SPECIAL TREASURY ACCOUNTS				
Special appropriation accounts	**46,6**		**Special appropriation accounts**	**38,5**
TOTAL NET BUDGETARY REVENUE OF THE STATE	**4 969,3**		**TOTAL STATE BUDGETARY EXPENDITURE**	**5 150,7**
III – SOLDES				
	Amount		**% GDP**	
FINANCING CAPACITY/NEED	**-164,5**		**-0,6%**	
OVERALL BALANCE	**-181,4**		**-0,6%**	
PRIMARY BALANCE	**138,8**		**0,5%**	
NON-OIL PRIMARY BALANCE	**-738,3**		**-2,5%**	

Source: DGB

In 2023, the budget balance is in deficit of 181.4 billion, that is 0.6% of GDP compared to 2.5% of GDP in 2022. Compared to 2023, the deficit is reduced by 126.3 billion. The primary balance is in surplus of 138.8 billion on a forecast of 200.3 billion, as compared to deficit of 97 billion while the deficit of the non-oil primary balance reduced by 332.6 billion compared to 2022 to stand at 738.3 billion in 2023.

II. BUDGET EXECUTION SITUATION AT THE END OF MARCH 2024

This section presents the execution of budgetary resources and expenditures, as well as the situation of budgetary balances for the first three months of the 2024 fiscal year.

II.1. Budgetary resources

At the end of March 2024, the total budgetary resources mobilized amounted to 1,461.5 billion, a decrease of 76.9 billion (-5.0%) compared to the quarterly forecasts for 2024. They present an achievement rate of 86.5% compared to the objective for the period set at 1,690.0 billion. This situation is mainly explained by the poor performance recorded in the loans and donations component.

Table 5: Execution of budgetary resources at the end of March 2024 (In billions of CFAF, unless otherwise specified)

HEADINGS	F.L. 2024 (a)	Jan-Mar 24 Forecasts (b)	Jan-mar 24 Achievements (c)	Jan-Mar 23 Achievements (d)	Diff (e)=(c-b)	Achievement rate (c/b) (%)	Variation (c/d) (abs)	Variation (c/d) (%)
A- INTERNAL REVENUE	***5093,3***	***1293,5***	***1195,2***	***1217,1***	***-98,2***	***92,4***	***-21,9***	***-1,8***
I-Oil revenues	**809,5**	**202,4**	**167,4**	**249,1**	**-35,0**	**82,7**	**-81,7**	**-32,8**
1-NHC royalty	612,2	153,1	127,4	215,7	-25,6	83,2	-88,3	-40,9
2- Oil CT	197,3	49,3	40,0	33,4	-9,4	81,0	6,6	19,8
II- Non-oil revenues	**4283,8**	**1091,1**	**1027,9**	**968,0**	**-63,2**	**94,2**	**59,9**	**6,2**
1- Tax Revenue	**3968,3**	**1035,0**	**982,9**	**927,8**	**-52,1**	**95,0**	**55,0**	**5,9**
a- Tax revenue	**2888,4**	**785,0**	**767,5**	**700,6**	**-17,5**	**97,8**	**66,9**	**9,6**
of which - PIT	445,0	108,3	93,4	94,3	-14,9	86,2	-0,9	-0,9
- VAT	985,0	209,8	196,7	190,8	-13,1	93,7	5,8	3,0
- Non-oil CT	575,0	273,6	275,2	243,2	1,6	100,6	32,0	13,2
- Excise duties	354,8	90,9	88,1	80,5	-2,8	97,0	7,7	9,5
- Registration fees and stamps	184,1	35,1	46,9	31,1	11,8	133,7	15,8	50,8
- STPP	180,0	44,2	43,0	39,9	-1,2	97,3	3,2	7,9
b- Customs revenue	**1079,9**	**250,0**	**215,3**	**227,2**	**-34,6**	**86,1**	**-11,9**	**-5,2**
of which - Import customs duty.	405,1	93,8	81,5	91,7	-12,2	86,9	-10,2	-11,1
- Import VAT.	497,4	115,1	92,1	103,2	-23,0	80,0	-11,1	-10,7
- Import excise duties.	67,2	15,6	12,6	14,2	-3,0	81,0	-1,6	-11,5
- Exit duties	63,1	14,6	18,1	11,2	3,5	124,2	7,0	62,2
2- Non-tax revenue	**315,5**	**56,1**	**45,0**	**40,2**	**-11,1**	**80,2**	**4,8**	**11,9**
B- BORROWING AND DONATIONS	***1586,2***	***396,6***	***266,3***	***321,3***	***-130,3***	***67,1***	***-55,1***	***-17,1***
- Project loans	907,2	226,8	67,4	119,3	-159,4	29,7	-51,9	-43,5
- Donations	96,8	24,2	20,0	36,8	-4,2	82,5	-16,8	-45,7
- Budgetary support	151,9	38,0	0,0	68,7	-38,0	0,0	-68,7	-100,0
- Issuance of government securities	350,0	87,5	47,7	36,5	-39,8	54,5	11,2	30,6
- Other loans	80,3	20,1	131,2	60,0	111,1	653,5	71,2	118,7
TOTAL BUDGET REVENUE	***6679,5***	***1690,0***	***1461,5***	***1538,4***	***-228,5***	***86,5***	***-76,9***	-5,0

Source: MINFI

II.1.1. Internal revenues

Over the period from January to March 2024, internal budget revenues collected are 1,195.2 billion. They thus display an achievement rate of 92.4% compared to the objective for the period set at 1,253.5 billion. This underperformance is observed in both oil and non-oil revenues.

Oil revenues recovered amount to 167.4 billion at the end of March 2024. Compared to the objective for the period set at 202.4 billion, they record an achievement rate of 82.7% due to the drop in the national production and the decline in world oil prices.

Non-oil revenues stand at 1,027.9 billion at the end of March 2024 against a target of 1,091.1 billion set for the period, i.e. an achievement rate of 94.2%.

II.1.2. Loans and donations

Loans and donations disbursed amounted to 266.3 billion at the end of March 2024 for an annual target of 1586.2 billion, i.e. an achievement rate of 16.8%. This section was impacted by some disbursements of project loans, donations and issues of public securities. Although the level of achievement is still low, it should be noted that the mobilization of loans and donations will accelerate during the second half of the year. This acceleration will be justified by the intensification of the pace of execution of public investment projects with external financing and the satisfactory conclusions of the EFP reviews with the IMF and other Technical and Financial Partners (PTF), necessary for the disbursement of support budgetary.

Regarding issues of public securities, the Treasury carried out net issues of 47.7 billion during this period, an increase of 11.2 billion (+30.6%) compared to the same period of 2023. This situation results from the issuance of 179.4 billion Fungible Treasury Bonds (BTA) and 22.1 billion Fungible Treasury Bonds (OTA), as well as the repayments of 153.8 billion expired BTA. The rate of completion of public securities issues is 54.5% compared to the 87.5 billion target for the period.

II.2. Budgetary expenditure

Total budgetary expenditure based on authorization amounted to 1,468.4 billion at the end of March 2024, i.e. an execution rate of 22.0% compared to the finance law. Compared to 2023, this execution rate is stable.

Table 6: Execution of expenditure at the end of March 2024 (In billions of CFAF, unless otherwise specified)

LABELS	F.L.	Jan-Mar 24	Jan-Mar 23	Execution	Variation	
	2024	Achievements	Achievements	rate	(c/b)	(c/b)
	(a)	(b)	(c)	(b/a) (%)	(abs)	(%)
EXPENDITURE						
I-Current expenses excluding interest	**3662,4**	**699,4**	**587,5**	**19,1**	**111,9**	**19,0**
Personnel expenses	1428,4	343,3	316,3	24,0	26,1	8,5
Goods & Services Expenditure	1230,6	94,5	92,5	7,7	2,0	2,1
Transfers and pensions	1003,4	261,6	178,7	26,1	82,9	46,4
II- Investment expenditure	**1244,8**	**144,7**	**183,3**	**11,6**	**-38,5**	**-21,0**
On external financing	604,0	67,8	100,2	11,2	-32,3	-32,3
On own resources.	600,8	75,6	74,6	12,6	1,0	1,4
Restructuring expenses	40,0	1,3	8,5	3,2	-7,2	-
III- Miscellaneous expenses to be regularized	**0,0**	**79,7**	**42,4**	**-**	**37,3**	**88,1**
IV- Net loans (Loans-Repayments)	**0,0**	**0,0**	**0,0**	**-**	**0,0**	**-**
V- Public debt service	**1772,3**	**544,6**	**652,9**	**30,7**	**-108,3**	**-16,6**
External debt	947,3	253,2	224,2	26,7	29,0	12,9
Domestic debt	825,0	291,4	428,6	35,3	-137,2	-32,0
of which - Depreciation and RAP	666,2	224,7	383,9	33,7	-159,2	-41,5
- Reimbursement of VAT credits	84,0	5,2	7,0	6,2	-1,8	-25,9
TOTAL BUDGET EXPENDITURE	***6679,5***	***1468,4***	***1466,0***	***22,0***	***2,4***	***0,2***

Source: MINFI

II.2.1. Current expenditure excluding interest

Current expenditure excluding interest increases by 111.9 billion (+19.0%) at an annual rate to stand at 699.4 billion at the end of March 2024. Compared to the finance law, the rate of execution of this expenditure is 19.1%, compared to 15.7% in 2023. The main components record execution rates of 24.0% for personnel expenses; 7.7% for spending on goods and services; and 26.1% for expenditure on transfers and subsidies.

II.2.2. Capital expenditure

Investment spending amounted to 144.7 billion at the end of March 2024 compared to 183.3 billion at the end of March 2023, a decrease of 38.5 billion (-21.0%). Compared to the annual forecast, the execution rate of this expenditure is 11.6%, compared to 12.3% in 2023. The main sections of this expenditure present execution rates of 11.2% for expenditure investment using external financing; 12.6% for investment expenditure from own resources; and 3.2% for restructuring expenses.

II.2.3. Public debt service

Public debt service stands at 544.6 billion at the end of March 2024 compared to 652.9 billion at the end of March 2023, a decrease of 108.3 billion (-16.6%). Compared to the annual forecast, its execution rate is 30.7%, compared to 45.8% in 2023. At the level of the main sections, the execution rates are 26.7% for debt service external debt and 35.3% for domestic debt service.

II.3. Budgetary balances

At the end of March 2024, reflecting revenues and donations received, and expenditure executed, the budgetary balances (net of VAT credit reimbursements) are as follows: the overall balance stands at 191.9 billion, while the primary balance and the non-oil primary balance stand at 286.2 billion and 118.8 billion respectively.

Table 7: Budgetary balances (In billions of CFA)

LABELS	Finance Law 2024 (1)	Results as at end of march 24 (2)	Gap P/R To the Finance Law (2)-(1)
I- Total revenue	**5093,3**	**1195,2**	**-3898,1**
1-Oil revenues	809,5	167,4	**-642,1**
2-Non-oil revenues	4283,8	1027,9	**-3255,9**
II- Donations	**96,8**	**20,0**	**-76,8**
III- Primary expenditure, Finex & Net loans	**4907,2**	**923,8**	**-3983,4**
1- Current expenses excluding interest	*3662,4*	*699,4*	**-2963,0**
2- Capital expenditures	1244,8	144,7	**-1100,0**
3- Miscellaneous expenses to be regularized	0	79,7	**79,7**
4- Net loans (Loans-Repayments)	0	0,0	**0,0**
IV- Reimbursement of VAT credits	**84,0**	**5,2**	**-78,8**
V- Interest on public debt	**297,1**	**94,3**	**-202,8**
VI- PRIMARY BALANCE (VI = I+II-III-IV)	**198,9**	**286,2**	**87,3**
VII- NON-OIL PRIMARY BALANCE (VII = VI-Oil revenues)	**-610,6**	**118,8**	**729,4**
VIII- OVERALL BALANCE (NET) (VIII = I+II-III-IV-V)	**-98,2**	**191,9**	**290,1**

Source: MINFI

III. THE OUTLINE OF THE REVISED 2024 STATE BUDGET

The draft revision of the State budget for the 2024 financial year brings the overall allocation to 7,278.1 billion including **7,212.5** billion for the general budget and 65.6 billion for the Special Appropriation Accounts. It is an increase of **538.0 billion** in absolute value and **8.0%** in relative value compared to the initial 2024 finance law (6,740.1 billion).

III.1. General Budget

The general state budget increases by 533.0 billion compared to the initial level of 6,679.5 billion; i.e. a rate of variation of +8.0%.

III.1.1. Internal revenues and donations

Internal revenues and revised donations are estimated at 5,235.0 billion compared to 5,190.1 billion in the 2024 LFI, an increase of 45.0 billion (+ 0.9%). The main categories that make them up are:

- **oil revenues: 801.6 billion** compared to 809.5 billion in the initial budget, a drop of 7.9 billion (-1.0%), taking into account the drop in oil and gas production, combined to that of world oil prices;

- **tax revenue: 3,998.7 billion** compared to 3,968.3 billion in the initial budget; i.e. an increase of 30.4 billion (+0.8%), linked to the taking into account of the actual achievements of 2023 which are greater than the estimates made in the initial finance law, as well as an increase of 0.2 point in the nominal growth rate of non-oil GDP.

- **non-tax revenue: 331.0 billion** compared to 315.5 billion in the initial budget, an increase of 15.5 billion (+4.9%);

- **donations: 103.8 billion compared to 96.8 billion** in the initial budget, an increase of 7 billion (+7.2%).

III.1.2. General budget expenditure

The expenses of the general budget are modified as follows by major expenditure items:

- **current expenditure** is estimated at 3,536.0 billion compared to 3,435 billion in the initial 2024 budget, an increase of 101 billion in absolute value and 2.9% in relative value. The upward trend in these expenditures, despite the reduction in expenditure on goods and services of 81.5 billion, is explained by the increase in salary expenditure of 59.5 billion, the increase in the fuel subsidy at the pump of 74 billion and the strengthening of resources allocated to various payments to ENEO of 60 billion. The increase in salary expenditure is justified by taking into account the measure to increase salaries and family allowances. That of the fuel subsidy is due to the adoption of a new price structure as well as taking into account the effects of the liberalization of hydrocarbon imports.

- **investment expenditure** amounts to 1,424.1 billion compared to 1,472.1 billion in the initial budget, a decrease of 48 billion in absolute value and 3.3% in relative value. This decline is mainly due to the 124 billion reduction in expenditure on external financing, due to the low absorption capacity of FINEX projects. Investment expenditure from own resources increased by 76 billion (+11.9%). This increase is allocated to the implementation of various reform programs in the electricity sector (PforR (Programme for Results) and PARSEC (Electricity Sector Recovery Support Program)).

- **debt service** increases by 480 billion, going from 1,772.3 billion in the initial finance law to 2,252.3 billion. This increase is linked to the revaluation of the allocation dedicated to the clearance of Treasury arrears to the tune of 317 billion and the creation of a provision of 163 billion intended to reduce the outstanding BTA.

III.2. Special Appropriation Accounts Budget

The SAA budget increases by 5 billion compared to the initial finance law where it was 60.6 billion. This increase is linked to the taking into account of the additional financing of 5.7 billion provided by the Islamic Development Bank as part of the Reconstruction Program for the North-West and South-West Regions. Anything that brings the dedicated CAS ceiling to 35.0 billion, compared to 30 billion in the IFL.

III.3. Budgetary and financial balance of the revised 2024 budget

III.3.1. Financing and cash flow requirements

The budget deficit resulting from the revision of State revenue and expenditure in 2024 amounts to **137.9 billion** compared to **125.4 billion** in the initial finance law; an increase in absolute value of **12.5 billion**.

The other needs that the State will have to face are as follows:

- debt amortization (structured): 1,291.5 billion compared to 1,128.5 billion in the initial finance law;
- reimbursement of VAT credits: 84 billion as in the initial finance law;
- payment of arrears: 537.0 billion compared to 220 billion in the initial finance law;
- net outflows of funds from correspondents: 19.7 billion as in the initial finance law;

In total, the State's financing needs in 2024 stand at **2,070.1 billion** compared to **1,577.7 billion** in the initial finance law; an increase of 512.4 billion.

III.3.2. Financing and cash resources

To meet its financing needs, the State intends to mobilize the following instruments:

- **project loans: 783.2 billion** compared to 907.2 billion in the initial finance law;
- **budgetary support from the EFP: 235 billion** compared to 134.0 billion in the initial finance law, an increase of 101.0 billion;
- **exceptional financing from donors: 165.6 billion** compared to 22.1 billion in the initial finance law, an increase of 143.5 billion;
- **issue of government securities: 280 billion** compared to 375 billion in the initial finance law; a drop of 95 billion;

- **bank financing: 522.4 billion** compared to 55.4 billion in the initial finance law, an increase of 467 billion. These additional resources will be raised from the external banking system to clear the Treasury's outstanding balances.

Table 8: Budgetary balance table (In billions of CFAF)

REVENUE	AMOUNT		EXPENDITURE	AMOUNT
I. GENERAL BUDGET				
INTERNAL REVENUES	**5 235,0**		**CURRENT EXPENDITURE (Title 2, 3, 4 and 6, excluding studies and capital transfers)**	**3 856,1**
Gross tax revenue	3 998,7		Gross interest and commissions	320,1
including refund of VAT credits	*84,0*		**External debt interest relief**	***0,0***
Net tax revenue	***3 914,7***		Personnel expenses	1 487,8
Oil revenues	801,6		Goods and services	921,8
			Including studies and project management linked to the investment	*16,8*
Non-tax revenue	331,0		Current transfers	1 126,4
Total Net Internal Revenue	***5 047,3***		Including capital transfers to the RLAs and PEs	*163,1*
			Including subsidies paid to SAAs	*15,0*
DONATIONS	**103,8**		**CAPITAL EXPENDITURE (Title 5)**	**1 424,1**
Programme donations	65,7		External financing	707,3
Project donations	38,1		Own resources	676,8
EXCEPTIONAL REVENUES	**0,0**		Participation/Restructuring	40,0
Privatization revenues			**OTHER EXPENDITURES**	**0,0**
Deductions from revenue for the benefit of the Special National Solidarity Fund for the fight against Coronavirus	0,0		Net loans	0,0
NET REVENUE GENERAL BUDGET	***5 151,0***		**GENERAL BUDGET EXPENDITURE**	***5 280,3***
II – SPECIAL TREASURY ACCOUNTS				
Special appropriation accounts	**56,9**		**Special appropriation accounts**	**65,6**
Including Special Reconstruction Fund for the Far North, North-West and South-West	*26,3*		Including Special Reconstruction Fund	*35,0*
Including State subsidies	*15,0*		for the Far North, North West and South	
JAPAN Aid fund	*2,0*		West	
Other Special Appropriation Accounts	*30,6*			*30,6*
TOTAL NET BUDGETARY RESOURCES OF THE STATE	**5 193,0**		TOTAL NET OF STATES EXEPENDITURES	**5 330,9**
III - BALANCES				
	Amount		% of GDP	
FINANCING CAPACITY/NEED	**-137,9**		**-0,4**	
OVERALL BALANCE	**-137,9**		**-0,4**	
CEMAC REFERENCE BALANCE	**-224,1**		**-0,7**	
NON-OIL PRIMARY BALANCE	**-610,7**		**-2,0**	

Source: DGB

CHAPTER III: STRATEGIC GUIDELINES OF PUBLIC POLICIES

This chapter presents the stakes and priorities that constitute the guidelines for the 2025-2027 triennium, which stem from the National Development Strategy (NDS30), which constitutes the reference framework for the planning of development policies to be implemented between 2020 and 2030. It is based on two points, namely the state of implementation of the NDS30 and the strategic guidelines for the three-year period 2025-2027.

I. STATE OF IMPLEMENTATION OF SND30

The main aim of SND30 is to implement reforms and actions to promote the structural transformation of the Cameroonian economy. These reforms involve, notably, completing the major projects currently underway, directing public procurement towards the local production sector, taking into account alternative methods of financing in the construction of infrastructure, and better targeting of maintenance and repair expenditure to improve their functionality.

During the first four years of implementation of the national strategy, the Government has implemented a series of reforms and actions that have produced results:

I.1. In terms of economic growth and structural transformation

The measures taken have restored the level of growth that prevailed before the Covid crisis. However, the current dynamic is still below the profile recommended by the SND30, which aims at an average annual growth rate of 8% with a view to enabling the country to become an upper middle-income country. To date, the Cameroonian economy has grown at a structural rate of between 3 and 4%.

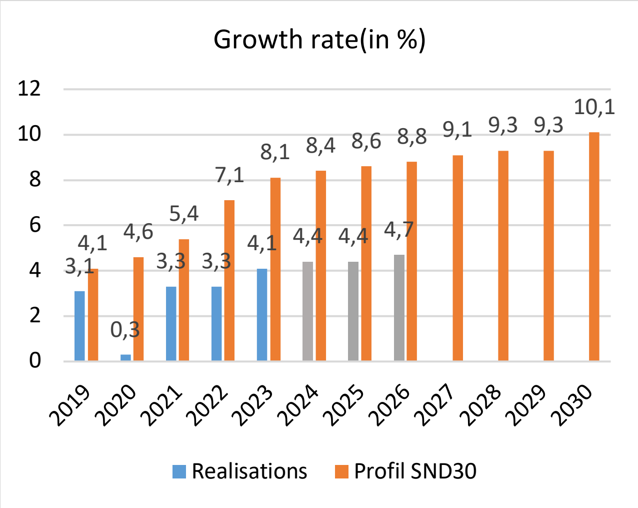
The structural transformation of the economy since 2019 has been positive overall. However, the results of the measures taken to increase the share of the secondary sector in the economy are not yet sufficient to achieve the objectives of the NDS30. This envisages raising the share of manufacturing value added to 36.8% by 2030.

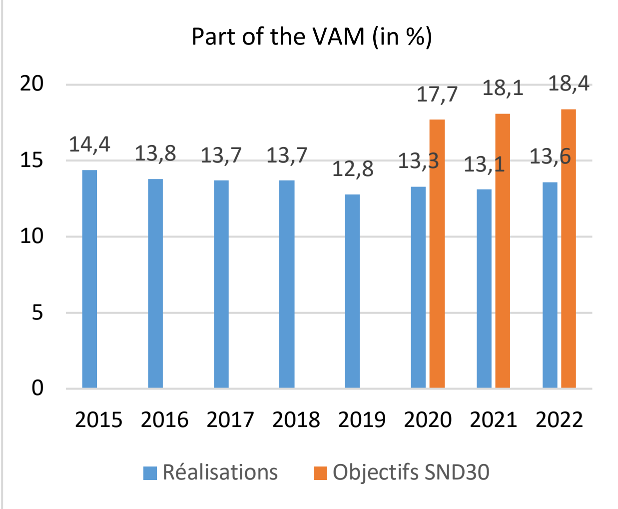
In terms of energy, the SND30 aims to increase total installed capacity to 5,000 MW by 2030. To this end, installed capacity has been increased from 1,528 MW in 2020 to 2,528 MW in 2024, thanks to the commissioning of the Lom Pangar, Memve'le and Mekin dams.

In terms of strengthening the road network, a number of major projects were commissioned between 2021 and 2023, such as the Kribi-lolabe motorway, the first phase of the Yaoundé-Douala motorway and the connection to the Yaoundé urban network via Nkolbisson, and to the National 3 via Boumnyébel.

The following graphs show the evolution of real GDP growth and the contribution of the secondary sector to GDP.

Graph 1 : Comparison of achievements and growth prospects for the NDS30 profile and changes in the contribution of manufacturing value added to GDP





Source: *National accounts 2022, SND30 and TOFE forecasts*

I.2. Developing human capital and employment

Since 2020, a series of measures have been taken to improve the quality of human capital and the employability of young graduates. In the education sector, the emphasis has been placed on strengthening the pupil-teacher ratio and reception capacity. To this end, successive waves of primary school teacher recruitment (12,000 over the period 2020-2023) have been carried out in order to reduce the pupil/teacher ratio. As a result, the percentage of state primary schools with more than 100 pupils that have at least three teachers paid by the state has risen from 43% in 2019 to 66.1% in 2022.

As for technical secondary education and vocational training, capacity has been increased, as shown by the number of vocational training centres, which will rise from 1,472 in 2020/2021 to 1,822 in 2022/2023, including 1,523 private training centres (83.6%). Similarly, the number of vocational training courses developed in secondary and higher technical education has risen from 74 in 2020 to 250 in 2022. The new training courses created include fishing, bakery-pastry-making, charcuterie, office automation-stenotyping, tanning, leather goods, etc.

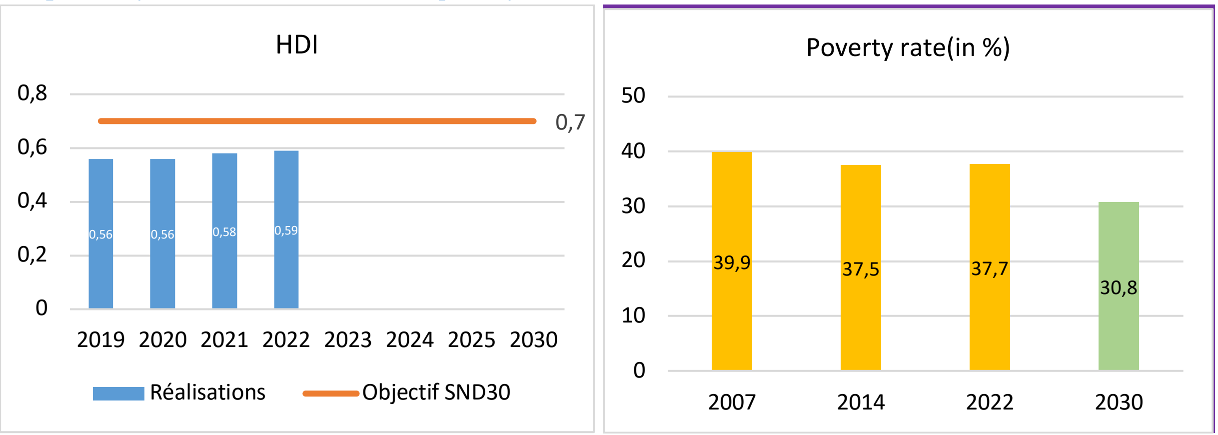
As far as higher education is concerned, the Law on the Orientation of Higher Education was promulgated in 2023. This makes professionalisation the main objective of higher education, and promotes research and development through university-business partnerships.

In the health sector, the government has continued to strengthen the technical facilities of public health structures across the country. Large stocks of equipment such as scanners, dialysis generators, water treatment units and dialysis tablets have been acquired and distributed. In addition, the pilot phase of the CSU was launched in April 2023 in the Far North, North and East regions. The basic basket of care for this phase includes child immunisation, renal failure, HIV-AIDS and hepatitis, among others. In terms of achievements, more than 1,052,849 people will have been permanently enrolled in the CSU system by the end of 2023. In addition, eight regional hospital centres have been built and are operational.

With regard to social transfers, more than 98,500 households received transfers between the end of 2022 and mid-2023 through the "adaptive social safety nets" project launched in 2022, and more than 1,496 projects were selected and financed in 2023 as part of the implementation of the Triennial Special Youth Plan (PTS-Jeunes).

Despite these efforts, the level of Cameroon's human development index (HDI), although clearly rising, is not yet at an optimal level. In fact, Cameroon's HDI fell from 0.560 in 2020 to 0.587 in 2022. The objective of the NDS30 is to reach an HDI level of 0.70 by 2030. On the other hand, the level of poverty is still a concern, insofar as its incidence in 2022 will be 37.7%, well above the NDS30 target of 30.8%. The following graph shows the dynamics of these indicators.

Graph 2 : Dynamics of the HDI and the poverty rate



Source: Human Development Report 2022 and NSI

I.3. In terms of governance

Among the reforms carried out in the area of economic and financial governance, in July 2021 the government signed three-year agreements with the IMF under the Extended Credit Facility (ECF) and the Extended Fund Facility (EFF) with a view to improving the sustainability of the country's public finances. All the reviews conducted with this partner have been conclusive, reflecting the satisfactory implementation of the reforms undertaken. Similarly, the latest Global Tax Expenditure Transparency Index (GTETI) report ranks Cameroon 5th in Africa and 25th in the world. The PEFA report also shows that the country's overall average for public financial management has risen from 1.74 in 2017 to 1.98 in 2023.

As regards political and administrative governance, a series of legislative and regulatory texts have been drawn up, adopted and promulgated with a view to speeding up the decentralisation process, notably the signing of decrees relating to the exercise of powers transferred to the Regions.

I.4. Challenges to be met

The challenges to be met are many and include:

- **Ensuring the financial equilibrium of the energy sector**: The government will have to address at the same time the concerns of improving energy supply and restoring the financial equilibrium of the sector;
- **Internalise national preference in public procurement and consumer habits**;
- **Intensify local production of essential products in order to reduce the trade deficit**, improve the economy's resilience and strengthen the country's food security;
- **speed up land reform to enable the rapid implementation** of industrial development projects in general and agro-industrial projects in particular;

- **improve redistribution and support mechanisms for the most disadvantaged groups** in order to reduce inequalities**;**
- **continue to modernise the public administration and reduce the State's cost of living;** all actions must be aimed at improving the performance of the public administration as well as ethics in the exercise of public service.

II. OVERALL AND SECTORAL STRATEGIC GUIDELINES

This section defines the strategic guidelines at global and sectoral level, on the basis of which the public policies that the Government intends to implement between 2025 and 2027 will be developed.

II.1. Global guidelines

These are the strategic guidelines that will guide the Government's action to put the country in a position to achieve its development objectives. The main measures will be aimed at strengthening the development of the productive and industrial sectors in particular.

With this in mind, the Government will work to:

- significantly increasing local production and revitalising the support mechanism for the import/substitution policy and export promotion;
- improving people's access to basic infrastructure and social services;
- continuing the decentralisation process and improving the overall governance framework.

More specifically, this will involve:

Continue the operationalization of the P2i and the implementation of the PIISAH: Under the P2i, activities to develop sites for the establishment of factories in the industrial port of Kribi will be completed from 2025. As for the PIISAH, the State will start implementing the "central plain" project and will continue activities to open up production basins.

Promoting access to production equipment and better targeting of public procurement towards local production. The aim will be to have a local production sector capable of processing a larger proportion of the timber produced before 2028, when the CEMAC reform banning the export of logs comes into force. In this context, public orders for furniture will be directed more towards the local timber industry.

II.2. Sector guidelines

III.2.1. Structural transformation

The strategic guidelines for the next three years in the area of production are as follows:

<u>In the infrastructure sector</u>, priority will be given to optimising infrastructure construction costs, maintaining infrastructure that has already been built and promoting alternative financing.

In the roads sector in particular, the government intends to increase the number of asphalted roads from 9,885 km in 2023 to 11,300 km in 2027. Achieving this objective will require support for the construction of a bitumen production plant.

The government also intends to focus on reducing the energy deficit. Installed energy capacity will be increased from 1,978 MW in 2024 to 2,800 MW, thanks to measures aimed at restoring the sector's financial equilibrium and making it more attractive to investors.

More specifically, the focus will be on the following projects:

- Start of construction of the Yaoundé-Nsimalen (urban section) and Yaoundé-Douala (phase 2) motorways;
- Start of the construction of the Ngaoundéré-Garoua, Ebolowa-Akom 2-Kribi, Ring road, Mora-Dabanga-Kousseri; Maroua-Moutourwa, Yaoundé northern bypass roads;
- Start of the Douala BRT construction project;
- C2D programme for the development of regional capitals,
- Project to renew the Douala-Ngaoundéré railway section;
- Continued implementation of the emergency recovery plan for the electricity sector;
- Start of the Manyu, Kikot and Grand Eweng hydroelectric schemes;
- Start of the Mega-Project to supply drinking water to Douala and the surrounding area;
- Start of the project to integrate water from PAEPYS into the city of Yaoundé;
- Continuation of social housing construction projects;
- Continuation of the project to accelerate digital transformation in Cameroon (PATNUC).

In the rural sector, The Government's efforts will focus primarily on implementing measures aimed at significantly increasing the production of agricultural commodities. The aim is to increase rice production from 140,710 tons in 2024 to 460,000 tons in 2027, and fish production from 225,000 tons in 2024 to 600,000 tons in 2027. Actions will focus on implementing the PIISAH, in particular through:

- The construction of a high-capacity chemical fertiliser plant;
- Continuation of the livestock and fish farming value chain development project;
- The start of the 15,280 ha hydro-agricultural perimeter development project in Adamaoua;
- Start of the aquaculture development project;
- The start-up of the "central plain" project, with a first phase of 400,000 ha of agricultural land in Adamaoua;
- Continuation of the VIVA LOGONE, VIVA BENOUE and PROLAC projects;
- Start-up of the rice value chain development project;

- The start-up of the project to develop 10,000 ha of hydro-agricultural land in the Logone Birni area.;
- Construction and renovation of fishing infrastructure.

In addition, the list of species banned from export in log form will be extended, in conjunction with incentives for local wood processing, in order to prepare the economy for the entry into force of the sub-regional decision banning the export of timber in log form, set for 2028. In addition, the Government intends to organise and monitor the actions of the various administrations as part of Cameroon's Nationally Determined Contribution (NDC) with a view to meeting international commitments on climate change.

In the Industry and Services sector, the Government intends to increase the share of Manufacturing Value Added (MVA) in GDP from the current 13.7% to at least 15% by the end of the 2025-2027 three-year period. To this end, the priorities will be to:

- Continue to implement the projects listed in the Initial Impetus Programme (P2I) of the SND30 relating to this sector, in particular, the extension of ALUCAM's capacity, the development of the Kribi industrial zone, and increasing the capacity of the Shipyard;
- Implementing projects designed to provide the metallurgical and iron and steel industries with sufficient raw materials, such as the continuation of iron ore mining work at Kribi-Lobé, Mbalam-Nabeba and Bipindi-Grand Zambi, in conjunction with the construction of roads, railway lines and the associated ore terminal;
- take steps to take advantage of the opportunities offered by the African Continental Free Trade Area (AfCFTA) by making economic zones and technology parks, such as the Wasa Baboké technology park, operational;
- facilitate the start-up of the Kribi tile manufacturing plant;

III.2.2. Human capital development

In the health sector, Raising the technical level of hospital facilities will continue to be a priority in order to improve the supply and quality of care and reduce infant and maternal mortality. The measures to be taken will focus on:

- complete commissioning of all the regional hospitals built under the PLANUT;
- the continued implementation of Universal Health Coverage (UHC), ensuring that the system is extended to the other seven (07) regions of the country, after the North, the Far North and the East;
- stepping up the fight against chronic non-communicable diseases such as diabetes, hypertension, stroke and cancer;
- setting up a National Health Information and Surveillance System (SNIVS) for more effective management of public health events and disasters;
- the start of construction work on the Mfou hospital, the Jamot hospital and the Dschang teaching hospital.

In the Education and Vocational Training Sector, the objective is to increase the net enrolment rate in general secondary education from 38.08% in 2022/2023 to 42% in 2026/2027. To this end, the Government intends to step up the promotion of school infrastructure provision at local level by continuing to transfer resources linked to primary and secondary education competences to the local and regional authorities, in particular within the framework of the Global Partnership for Education.

With regard to the higher education and vocational training sub-sectors, the following are planned:

- the construction of 13 public technical and vocational education establishments by 2027;

- start construction of the recently created universities in Bertoua, Ebolowa and Garoua;

- the rehabilitation and equipping of infrastructure in public vocational training centres, and the matching of training programmes with the skills needs of the labour market.

In the social protection and other social services sector, the Government plans to increase the average number of vulnerable households receiving social transfers from 180,000 to 210,000 per year between 2025 and 2027. With this in mind, the Government intends to put in place a mechanism to improve equity in its policy of supporting disadvantaged groups. To this end, the Government intends to complete the implementation of the Unified Social Register (RESUC) to enable government direct social transfer programmes (adaptive social safety nets, grassroots poverty reduction sub-programme, SWEDD project, etc.) to be deployed in a more integrated and effective manner.

In addition, social security is to be extended to cover material and personal areas that are not covered, and work is to be completed on rebuilding and equipping the Yaoundé and Maroua Disability Rehabilitation Centres.

III.2.3. Promoting employment and socio-economic integration

In this area, the Government's efforts will focus on:

- measures to encourage economic stakeholders to migrate from the informal to the formal sector. This will enhance the value of the players concerned and increase the number of decent jobs;
- the transparency of the employment and labour market will continue, in particular through the construction of a system for collecting reliable and regular statistics, in order to better assess the progress made in this area.

III.2.4. Governance, decentralisation and strategic management of the State

The Government's priorities in this sector over the next three years relate to:

- continuing the decentralisation process;
- the continuation of the security watch coupled with the implementation of the Reconstruction and Development Programmes for the North-West, South-West and Far-North Regions;

- the continued implementation of the global plan for public finance reforms, notably through the modernisation of the procurement system and the dematerialisation of non-tax revenue collection procedures;
- implementing the electronic invoicing reform as part of the drive to broaden the tax base and secure tax revenues;
- implementation of the national identity card reform;
- the production of the SIGIPES II software package as part of the integration of career and pay management systems for civil servants;
- improving the way in which cross-cutting issues (gender and climate change) are taken into account in all links in the public policy design and budgeting chain;
- implementing measures to ensure that the forthcoming elections run smoothly;
- carrying out censuses (general population and housing census and general agriculture and livestock census).

With regard to improving the country's attractiveness to FDI, the government intends to develop a strategy for monitoring and actively managing the country's sovereign rating with a view to raising it to B+ by 2027. In addition, the reforms needed to bring the current IMF-supported economic and financial programme to a satisfactory conclusion will be implemented.

Specifically, the following actions will be taken:

- Establishment/management of an Intercommunal Civil Engineering and Hydraulic Machinery Park by FEICOM;
- Economic and social development programme for secondary towns exposed to factors of instability
- Continued implementation of the Support Project for the Acceleration and Deepening of Decentralisation and Local Development in Cameroon (PAADD);
- Local Governance Project, which will intensify the actions undertaken within the framework of the PNDP;
- Operationalisation of SIGIPES 2;
- Continuation of the computerisation of procurement through the e-procurement project.

CHAPTER IV: BUDGET OUTLOOK FOR THE THREE-YEAR PERIOD 2025 - 2027

I. RECENT SITUATION AND BUDGET POLICY OBJECTIVES

In 2023, the non-oil primary budget deficit continued its downward trend. It stood at 2.6% of GDP, after 3.9% in 2022. This deficit narrowed despite a slippage of 1.7% of GDP in current expenditure, thanks to a higher mobilisation of non-oil revenues and grants than forecast in the LFR, as well as under-execution of public investment. Non-oil revenues and grants increased from 12.6% of GDP in 2022 to around 14.0% of GDP in 2023, compared with a target of 13.0% in the LFR 2023. A delay of 0.8% of GDP was recorded in the execution of investments compared with the level of 3.9% of GDP forecast in the LFR 2023, due to the poor performance of FINEX projects. FINEX projects recorded an implementation rate of 56.2% in 2023.

The public debt ratio as a percentage of GDP is falling. The improvement in fiscal balances has helped to reduce public debt from 46.3% of GDP at the end of 2022 to 44.5% of GDP at the end of 2023. However, contingent liabilities linked to companies, public institutions and public-private partnerships are rising, from 12.8% in 2022 to 13.9% of GDP in 2023**.**

In 2024, the non-oil primary budget deficit target has been revised upwards by 0.1 points in the revised budget proposal to 2.0% of GDP, compared with 1.9% in the initial Finance Law. Non-oil domestic revenue mobilisation is projected to increase by 0.2% of GDP, with the tax burden rising from 13.4% of GDP in the Law to 13.6% in the revised budget proposal. This increase takes account of actual achievements in 2023, which are higher than the estimates considered in the initial projections. Expenditure has increased by 0.7% of GDP in the revised budget proposal. In view of the shortfall in additional domestic revenue (0.2% of GDP), this new expenditure has been taken into account by adjusting the item of expenditure on goods and services (0.1% of GDP) and externally financed investment expenditure (0.4% of GDP).

Over the period 2025-2027, the overall orientation of the Government's fiscal policy will continue to be based on an effort to consolidate the situation of public finances, in line with the Economic and Financial Programme agreed with the IMF and the CEMAC Sub-Region Convergence Pact, while supporting the implementation of the priority objectives of the National Development Strategy 2020-2030 (NDS30).

Indeed, the non-oil primary budget balance, from an estimated level of 2.6% in 2023 to 2.0% of GDP in 2024, is expected to continue its downward trend over the next three years, gradually falling to 1.7% of GDP in 2025, 1.0% in 2026 and 0.7% of GDP in 2027. At the same time, the reference budget balance for the CAEMC (floor of -1.5% of GDP) will continue to be respected throughout the projection period, moving from a deficit of 0.3% of GDP in 2025 to a surplus of 0.1% on average in 2026 and 2027, compared with a balance of -0.7% of GDP in 2024.

To this end, efforts to mobilise greater non-oil domestic revenues will continue. Similarly, the government will continue with the essential reforms aimed at better prioritisation of public spending, as well as improving its socio-economic effectiveness and efficiency, with particular emphasis on gradually increasing the envelope dedicated to financing capital expenditure.

To achieve this, fiscal policy will gradually increase the level of non-oil domestic revenues from 13.6% of GDP in 2024 to 14.4% in 2027, with intermediate targets of 14.0% of GDP in 2025 and 14.2% in 2026. Primary expenditure, on the other hand, will be contained at 16.0% of GDP in 2025, compared with 15.9% in 2024, before undergoing a considerable reduction to 15.4% of GDP in 2026 and 15.3% in 2027 as a result of the reduction in fuel subsidies and the continued containment of growth in operating expenditure. However, capital expenditure will increase from 4.5% of GDP in 2024 to 4.9% in 2025. Their level is projected to average 5.1% of GDP between 2026 and 2027.

With this outlook, the stock of public debt will continue to be kept below the threshold of 50% of GDP between 2025 and 2027.

Table 1 : Public finances trajectory 2025-2027

Budgetary aggregates	2022	2023	2024	2025	2026	2027
Overall balance (% GDP, ordo. basis, incl. grants)	-1,1	-0,6	-0,4	-0,3	-0,3	-0,3
Non-oil primary balance (% of GDP)	3,9	2,6	-2,0	-1,7	-1,0	-0,7
CEMAC reference budget balance (% GDP)	-3,0	-1,0	-0,7	-0,3	+0,1	+0,0
Tax burden (%GDP)	12,3	13,5	13,6	14,0	14,2	14,4
Public expenditure (excluding debt servicing, %GDP)	16,6	16,4	15,9	16,0	15,4	15,3
Payroll sustainability ratio (% of tax revenue net of VAT credit	38,4	37,8	38,0	38,4	36,6	35,2
Public debt (%GDP)	46,3	44,5	42,9	50,0	50,0	50,0

NB: The stock of debt for 2024 is at the end of March

The following section explains the concrete reform measures that are underway or will be implemented in the areas of revenue, expenditure and debt in order to achieve these fiscal policy objectives.

I.1. Internal non-oil revenues

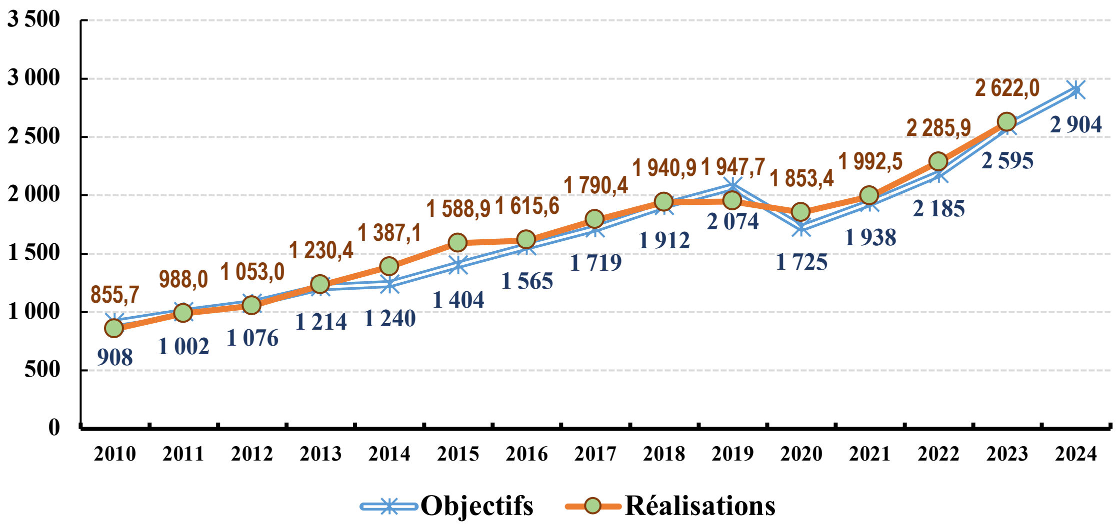
I.1.1. Internal taxation

I.1.1.1. Reference situation

a) Domestic non-oil tax revenue mobilisation situation

Internal tax revenue accounted for 54.1% of the State budget's own revenue in 2023, i.e. 2,622.0 billion out of total own revenue of 4,842.5 billion.

Graph 3 : Situation de la mobilisation des recettes fiscales de 2010 à 2023



In terms of tax structure, non-oil domestic revenue is mainly derived from consumption taxation (51%), income taxation (36%) and wealth taxation (13%).

b) <u>The economic and social function of taxation</u>

In 2023, tax policy pursued the objective of supporting the Nation's economic, social and cultural development policy, while mitigating the repercussions of the Russo-Ukrainian crisis. The emphasis was placed on three strategic areas: social promotion, economic recovery and the promotion of import-substitution.

1. Fiscal measures for social promotion

Against a backdrop of rising inflation, preserving household purchasing power remained a priority. In addition to VAT exemptions on essential goods (CFAF 240 billion on average), the 2024 Finance Law introduced:

- a reduction in the tax base for real estate transfer duties on inheritances, divisions, releases from joint ownership and gifts inter vivos in the direct line and between spouses, through the introduction of a 50% allowance applied to the administrative market value used as the basis for levying the said duties, together with an amnesty for transfers declared during the 2024 fiscal year;
- simplification of the taxation of exceptional income in excess of the income threshold subject to the marginal rate of personal income tax, by adjusting the tax base, which is now calculated on the basis of net overall income plus net exceptional income after a 25% allowance.

2. Economic stimulus tax measures

As part of the economic stimulus package, tax policy in 2024 continued efforts to improve the business climate and support businesses through: the introduction of a special tax settlement procedure for debts issued before 31 December 2022; the reduction from 15% to 10% of the rate of registration duty on transfers of business assets; the extension of the scope for waiving penalties and resorting to tax settlements; and the possibility of splitting the payment of registration duty on long leases.

3. Tax measures to promote import-substitution policy

Under the 2024 Finance Law, the rates of state fees have been adjusted to support agricultural businesses, and certain imported products that compete with local products have been made subject to excise duty. These measures are a continuation of the advances made in the 2023 Finance Law, which strengthened tax incentives for the agricultural, livestock and fisheries sectors, promoted local processing by reducing the monthly advance payment and income tax for certain businesses, and streamlined the system for promoting beverages made from local raw materials.

I.1.1.2. Challenges in mobilising non-oil domestic tax revenue

1. Rationalising tax expenditure

The total cost of tax expenditure in 2022 is estimated at €490.7 billion, compared with 439.6 billion in 2021. This represents an increase of 10.4%. The level of tax expenditure remains significant against a backdrop of tightening government budgetary constraints. It represents 15.3% of non-oil tax revenue in 2022 and 1.8% of the Gross Domestic Product (GDP) for that year.

As part of the drive to optimize budgetary resources, the rationalization of tax expenditure will be a key lever of fiscal policy over the coming years. In this connection, a study of the effectiveness of the 2013 law on the promotion of private investment is underway, in order to assess its impact and identify possible areas for improvement.

2. Sufficiently integrating the informal economy into the tax system

The informal sector accounts for around 30% of national GDP, with a tax contribution of less than 5%. The activities of this sector escape the notice of the tax authorities, adversely affecting the potential for revenue collection.

3. Improving the contribution of individuals to tax revenue

The contribution of individuals to tax revenue in Cameroon remains low. They account for only 7% of domestic tax revenue, compared with 17% in countries at a comparable level of development (average of 30 African countries) and 24% in OECD countries. This situation contrasts with the fact that households are agents with financing capacity.

This observation has led to the adoption of corrective measures. The effective implementation of the annual recapitulative return for non-professional taxpayers, provided for in the 2021 Finance Law and coming into force in 2024, is a crucial step towards improving the contribution of individuals to tax revenue.

4. Strengthening the protection of tax bases

This requirement stems from the threats posed by tax fraud and evasion, as well as the increasing digitisation of economic transactions. The fight against tax evasion and avoidance has led Cameroon to densify its network of tax treaties and strengthen the exchange of information for tax purposes with many countries around the world. In addition, the tax authorities are working hard to get to grips with the issue of transfer pricing. The increasing digitisation of economic transactions, synonymous with dematerialisation, is leading to revenue losses because the tax authorities are unable to capture much of it.

5. Managing the risks associated with the digital transition

Although the dematerialisation of tax procedures has made it possible to increase the security of revenue collected and broaden the tax base, it does entail risks, in particular: problems of connectivity; security of the IT system against cyber-attacks; adaptation of human resources to the new tax professions.

These challenges require increased vigilance and appropriate strategies to optimize the mobilisation of resources in a context of rapid economic and technological change.

I.1.1.3. General tax policy guidelines for the three-year period 2025-2027

Tax policy for the three-year period 2025-2027 aims to increase the mobilisation of non-oil tax revenue and continue to improve the tax environment for business.

1. ***Improving the fiscal environment for business and enhancing the efficiency of the tax administration***

Improving the business climate will remain a strategic focus of tax policy for the three-year period 2025-2027, in order to boost the confidence of taxpayers and investors, an essential prerequisite for greater mobilisation of tax revenue without penalising growth. It will be based on the following objectives:

- strengthening taxpayers' rights and guarantees;
- improving tax education and communication;
- **consolidating the reform of the annual tax return for individuals.**

In addition to measures to improve the business climate, the following measures will help to improve the efficiency of tax administration, in particular:

- the establishment of an intermediary structure between the Large Business Directorate and the Medium Business Tax Centres on the one hand, and on the other hand the Local Taxation and Private Individuals Monitoring Centres, the Specific Taxation Centres, as well as the Non-Profit Organisation (NPO) Management and Monitoring Centres;
- finalising the process of automating the monitoring of the collection of certain taxes and duties, **such as registration duties on legal documents.**

For the year 2025, the outlook for domestic non-oil tax revenue mobilisation will be based on the following measures

2. ***In terms of broadening the tax base***

- the introduction of a reformed local tax system to optimise the financing of decentralisation;
- continuing to rationalise tax expenditure, in particular by transposing the new CEMAC directive on VAT (introduction of reduced rates on certain essential goods);
- continuing to strengthen environmental taxation, in line with Cameroon's international commitments;
- **the rationalisation of measures** to optimise the yield of personal income tax in the salaries and wages category, **enshrined in the Finance Law for 2024;**
- stepping up the collection of tax arrears from public companies;
- continuing to adapt legislation to better deal with electronic transactions.

3. ***In terms of revenue security***

- finalising the process of automating the monitoring of the collection of certain taxes and duties, **such as registration duties on legal documents.**

4. ***Controlling and combating fraud***

- **finalising the system for electronic monitoring of companies' production and invoicing;**
- **electronic monitoring of gambling operations;**
- **further** strengthening of the supervision of informal activities;
- the strengthening of reporting and documentary obligations to provide a better framework for restructuring and other intra-group transactions;
- **finalising the implementation of the** automatic exchange of information mechanism and the country-by-country reporting standard, as part of the ongoing alignment of the domestic system with international standards to combat tax base erosion.

5. ***In terms of improving the tax climate for business***

- Reducing the tax burden on small businesses;
- continuing to align legislation with the dematerialisation of tax procedures;
- improving tax education and communication.

I.1.2. Custom duties

I.1.2.1. Reference situation

The economic environment in 2024 will continue to be marked by the impact of external shocks on the national economy. On the customs front, international crises and the after-effects of COVID-19 are disrupting supply chains, contracting foreign trade and exacerbating inflationary pressures on international maritime freight. Against this backdrop, a number of customs levers are in place to implement new measures to support competitiveness, recovery and national economic growth.

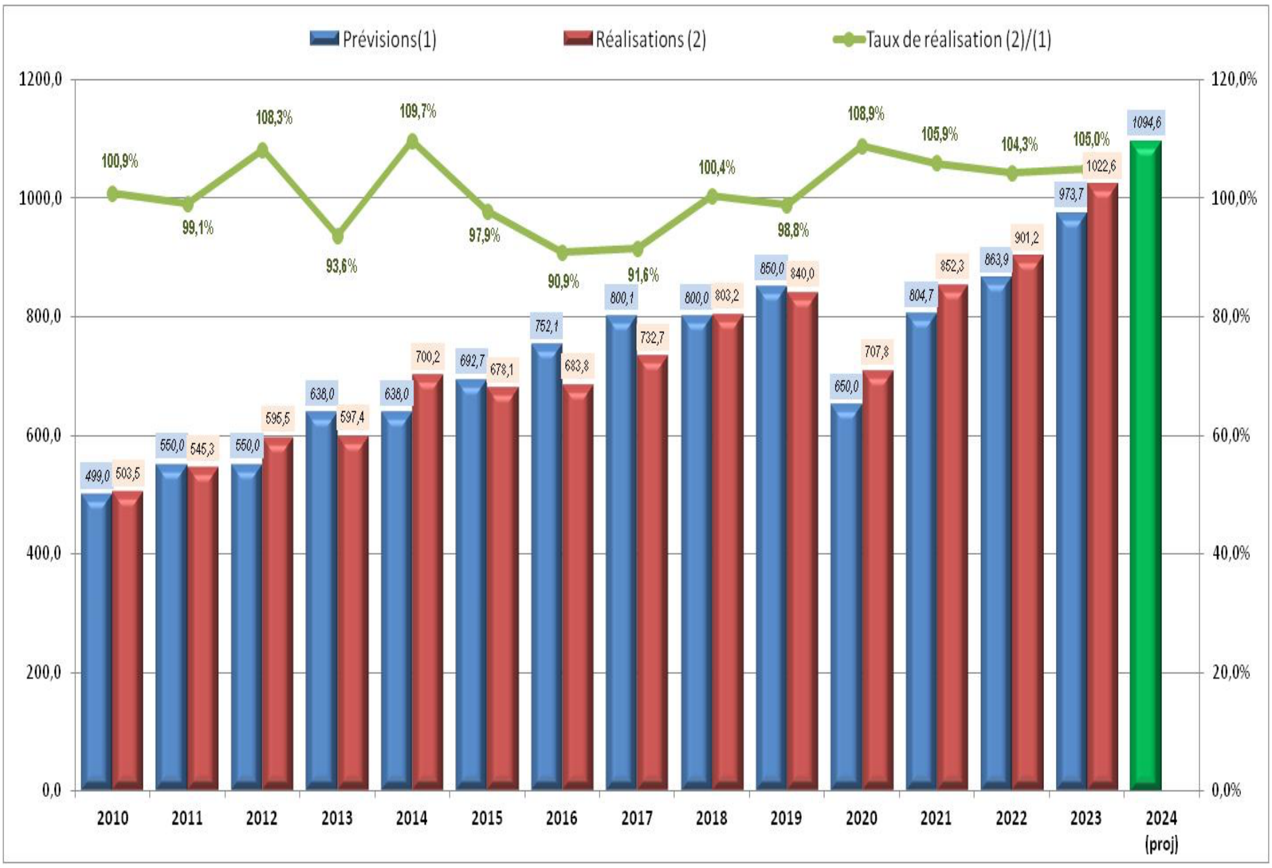
Essentially, customs policies in support of economic recovery relate to:

- contributing to the financing of the National Development Strategy;
- promoting private investment, structural transformation and diversification of the economy, in particular by supporting the industrialisation process;
- increasing the value of exports to boost foreign currency earnings and improve the balance of payments;
- improving the business environment and facilitating foreign trade.

I.1.2.2. Customs revenue mobilisation

1,022.6 billion in customs revenue has been raised for the 2023 fiscal year, representing 21.1% of the State's internal revenue, compared with 20.5% in 2022.

Graph 4: Changes in customs revenue from 2010 to 2024 (in billions of CFAF)



Source: MINFI (actuals2010-2022), Cadrage data (2024-2026), MINFI/DGD (forecasts 2010-2023)

I.1.2.3. Constraints and difficulties

Numerous endogenous and exogenous factors are likely to have a significant influence on the effective fulfilment of Cameroon Customs' missions, which reconcile the constraints of national security, optimal mobilisation of resources, regulation of economic activity and highlighting its economic mission. These include:

- insufficient logistical means of control and surveillance adapted to the fight against commercial fraud and smuggling, such as drones and analysis laboratories;
- the reduction in formal trade with Nigeria and West Africa, due to continuing insecurity in the western regions;
- the instability of the Naira exchange rate, which has led to a fall in the level of customs duties and taxes collected on goods imported from Nigeria;
- the shrinking of the tax base in connection with the implementation of the Economic Partnership Agreements (EPAs), the African Continental Free Trade Area (AfCFTA) and the sub-regional economic communities (CEMAC and ECCAS).
- a gradual change in the structure of Cameroon's foreign trade, marked by a gradual increase in the volume of imports from Asia, which are of lower value than equivalent goods purchased in North America, with the corollary of a reduction in customs duties and taxes paid on the same volumes of goods.

Table 20: Cameroon's main import partners in 2023 (Value of trade in billions of CFA francs)

Rank	Partner countries	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Weight (2023)
1	China	271.1	348.2	346.2	467.5	674.1	694.4	632.1	517.9	628.7	621.9	575.0	659.1	775.8	946.2	19.0%
2	India	64.6	83.7	131.6	163.2	109.3	129.0	94.1	108.9	115.2	124.3	163.4	280.2	530.1	577.5	11.6%
4	United States	72.5	109.5	116.8	127.6	130.9	133.5	104.0	104.8	132.7	99.6	141.2	109.8	156.3	241.2	4.8%

I.1.2.4. Guidelines for Customs Policy for the 2025-2027 Period

In light of the reference situation and the constraints listed above, the Customs Administration will implement actions within the framework of national security, economic activity regulation, facilitation of foreign trade, improvement of the business climate, and resource mobilization.

Regarding the contribution to national security, the Customs Administration, in collaboration with other administrations, intends to continue strengthening its border surveillance mechanisms and customs radius, particularly through the acquisition of modern control equipment and means, considering the new multifaceted threats inherent to border insecurity and the rise of illicit activities (smuggling, organized crime, counterfeiting, etc.).

Regarding the fiscal aspect, Customs will place particular emphasis on improving the quality of goods handling, mastering the tax bases (value, origin, tariff classification) through measures such as:

- Increasing taxes on products resulting from deforestation, particularly raw timber and cocoa;
- Seeking revenue niches and incidentally expanding the taxable base;
- Continuing the policy of taxing goods for export based on the degree of local processing;
- Rationalizing tax expenditures in line with public policy objectives;
- Optimizing the collection of revenues from the execution of public contracts and hydrocarbon imports;
- Intensifying post-clearance audits of goods and related financial flows, as well as rigorously prosecuting commercial and customs fraud;
- Strengthening foreign exchange controls to combat fraudulent fund transfers.

Concerning the role of regulating economic activity, the Customs Administration will continue actions aimed at consolidating the implementation of import-substitution policy, protecting the national economic space, and improving the business climate.

Specifically regarding the import-substitution policy, Customs actions will be oriented towards:

- establishing customs incentives for production inputs in growth and structural transformation sectors, to address national vulnerabilities;

- eliminating exemptions and increasing taxes on products with negative externalities for the environment and health, as well as those for which Cameroon has local production capacities;
- implementing, in concert with the Directorate General of Taxes, an incentive fiscal policy and promoting the use of local raw materials over imports.

For the protection of the national economic space, Customs actions will focus on:

- Optimizing the monitoring system through geolocation of goods in transit;
- Implementing relevant safeguard measures for emerging national sectors, particularly those provided by the World Trade Organization;
- Strengthening the national territory surveillance system.

In the Field of Facilitating Foreign Trade and Improving the Business Climate, Customs Will Undertake Actions Including:

- Continuing to Reduce Costs and Border Crossing Times: In collaboration with other relevant organizations and the National Trade Facilitation Committee (CONAFE).
- Strengthening Partnership Approaches: Through ongoing dialogue with all relevant parties (public/private sectors) at the border and continuing to implement the Authorized Economic Operator (AEO) status.
- Continuing the Effective Implementation of Measures Provided in the WTO Trade Facilitation Agreement (TFA): Specifically, regarding the Authorized Economic Operator (AEO) status.

I.1.3. Non-tax revenue

Non-tax revenues include all revenues not related to a tax. In the state's budget nomenclature, these revenues are divided into eight (08) categories: (i) Administrative fees and charges; (ii) Sales and related goods; (iii) Sales of service provisions; (iv) Property rents and domain income; (v) Petroleum transit fees; (vi) Receivable financial products (dividends and similar revenues); (vii) Contributions to pension and social protection funds for civil servants and equivalents under public administrative units (PAUs); (viii) Fines, financial penalties, and other diverse products and profits

I.1.3.1. Reference situation

The reforms undertaken by the Government to improve the performance of non-tax revenues focus on the search and identification of revenue niches, strengthening their monitoring by sectoral administrations, and securing the said revenue. These reforms have improved the performance of this revenue category. Thus, non-tax revenues increased from 158 billion in 2019 to 321 billion in 2023. The summarized situation of the performance of these revenues is presented in the table below.

Table 3: Performance of Non-Tax Revenues by Major Categories Between 2020 and 2023

Year	2020		2021		2022		2023	
Type of revenue	**Obj**	**Real**	**Obj**	**Real**	**Obj**	**Real**	**Obj**	**Real**
Revenue from services	22.5	18.2	47.6	38.7	52.3	53.8	75.5	57.4
Rent from buildings and estates	6.2	5.0	8.5	6.9	6.7	6.8	7.9	15.6
Oil transit duties	45.4	36.8	38.5	31.3	35.6	36.5	45.2	39.4
Pension contributions	65.0	52.7	68.2	55.4	54.8	56.3	64.5	74.0
Other non-tax revenue	72.9	59.1	50.7	41.2	76.8	78.9	76.2	134.4
TOTAL	**212.0**	**171.8**	**213.6**	**173.5**	**226.2**	**232.3**	**269.3**	**320.7**

Source: MINFI

I.1.3.2. Constraints and Challenges in Mobilisation

Non-tax revenue contributes an average of 200 billion to the State budget, representing about 5% of internal revenues, despite their estimated potential of 600 billion, or 14% of internal revenues. This situation is primarily due to:

- The weakness of current issuance, collection, and security systems for non-tax revenues (NTRs);
- The failure to respect the principle of separation between the authorizing officer and the public accountant;
- The inadequacy of the system for reporting and consolidating information;
- The lack of control over the map of revenue-generating agencies across the territory;
- Insecurity in certain regions leading to difficulties in collecting NTRs;
- The obsolescence of legislative and regulatory texts regarding NTRs.

I.1.3.3. Orientation of Non-Tax Revenue Collection Policy

To improve the management and regulation of different sectors of the national economy and optimize the mobilization of non-tax revenues, public authorities will focus **on normalizing, securing, and strengthening the monitoring of the collection of the said revenue**.

To this end, the following actions are planned: (I) Developing a general code for non-tax revenues; (ii) Digitizing collection systems; (iii) Identifying new revenue niches; (iv) Clearing outstanding amounts to be collected; (v) Inventorying all operational revenue agencies; (vi) Strengthening the capacities of actors in the issuance and collection chain.

In summary, the collection of non-tax revenues for the 2025-2027 triennium will be aimed at increasing their mobilization from 320 billion in 2023 to 420 billion in 2027.

I.2. Expenditure

Over the next triennium, despite being partially relieved from the burden of subsidising petroleum products, the State will continue to face numerous budgetary demands in a highly constrained context. Although subsidy amounts are decreasing due to higher fuel prices at the pump, other expenditure categories will require significant budgetary effort from the State. This includes current expenditure, particularly those related to (i) personnel salaries and security expenses; (ii) debt servicing. A substantial effort will also be devoted to investment expenditures to meet development financing needs in line with the SND-30.

I.2.1. Current expenditure

I.2.1.1. Current Expenditure

1. Reference situation

In 2023, personnel expenditures amounted to 1,230 billion. These expenditures represented 20.4% of the State budget and are expected to reach 21.4% in 2024. The salary mass sustainability ratio is 37.0%, remaining above the 35% threshold set by CEMAC as part of the convergence criteria. These expenditures are on an upward trend due to the recurring nature of salaries, new recruitments, and various career benefits.

The settlement of salary arrears remains a concern for the Government. As of January 1, 2023, salary arrears were estimated at 325 billion. The settlement of these arrears in 2023, represented by the volume of back payments made to active employees, amounted to 128.5 billion, with 67.0 billion paid to educational personnel (MINESEC and MINEDUB). The stock of this debt at the end of 2023 is **293.9 billion**, including **166.8 billion** for secondary and primary school teachers.

Controlling the number of employees is the main challenge for the budgetary sustainability of personnel expenditure. As of the end of December 2023, the number of public employees stands at 385,995, an increase of 2.8% compared to 2022. Meanwhile, the number of pensioners is 152,247, a decrease of 4.5% compared to 2022 due to various sanitation operations.

Table 12: Breakdown by sector of total payroll and recalls paid in 2023 and workforce at the end of 2023

	Payroll in 2023 (billions)		Arrears paid in 2023 (billions)		Headcount in December 2023	
	Amount	Weight (%)	Amount	Weight (%)	Number	Weight (%)
Secondary education	*416.51*	*33.9%*	*46.50*	*36.2%*	*103,815*	*26.9%*
Defence	217.29	17.7%	11.58	9.0%	74,130	19.2%
Basic education	*176.99*	*14.4%*	*20.55*	*16.0%*	*61,090*	*15.8%*
General and financial administration	64.37	5.2%	6.55	5.1%	35,618	9.2%
National security	79.12	6.4%	4.73	3.7%	25,351	6.6%
Health	61.14	5.0%	11.32	8.8%	20,051	5.2%
Sovereignty	53.90	4.4%	5.99	4.7%	14,955	3.9%
Production and trade	36.99	3.0%	5.44	4.2%	14,882	3.9%
Remainder Education, training and research	58.44	4.8%	7.24	5.6%	12,911	3.3%
Infrastructure	29.50	2.4%	4.02	3.1%	11,522	3.0%
Communication, culture, leisure and sport	26.05	2.1%	3.33	2.6%	7,596	2.0%
Social affairs	8.50	0.7%	1.05	0.8%	3,516	0.9%
Not yet distributed	1.13	0.1%	0.19	0.1%	558	0.1%
All active employees	**1,229.9**	100.0%	**128.5**	100.0%	**385,995**	**100.0%**
Pensioners	**254.4**	**100.0%**	**31.8**	**100.0%**	**152,247**	**100.0%**

Source: MINFI

The salary mass executed during the first quarter of 2024 amounts to 332.6 billion, an increase of 33.7 billion (11.3%) compared to the amount spent in the same period in 2023. This significant increase is the result of three factors: Acceleration of Arrears Clearance: Arrears payments increased to 42.4 billion in 2024 from 32.2 billion in 2023. Salary Adjustment: A 5% salary adjustment was made in February 2024. Increase in Family Allowance: The monthly family allowance amount was raised from 2,800 CFAF to 4,500 CFAF per child in the same month.

Compared to the first-quarter objectives set at 339.1 billion, the execution rate of the salary mass is 98.1%. This apparent under-consumption of credits results from the fact that the various adjustments did not affect the salaries for January 2024.

Table 13: Payroll and arrears paid by sector between January and March 2024

	Payroll (billions)		**Arrears (in billions)**	
	Amount	Weight	Amount	Weight
Secondary education	112.99	34.0%	16.90	39.9%
Defence	56.78	17.1%	2.84	6.7%
Basic education	50.10	15.1%	8.72	20.6%
General and financial administration	16.86	5.1%	1.69	4.0%
National security	22.17	6.7%	2.45	5.8%
Health	16.36	4.9%	2.97	7.0%
Sovereignty	14.41	4.3%	1.31	3.1%
Production and trade	9.87	3.0%	1.35	3.2%
Remainder Education, training and research	15.77	4.7%	1.87	4.4%
Infrastructure	8.12	2.4%	1.27	3.0%
Communication, culture, leisure and sport	6.71	2.0%	0.83	2.0%
Social affairs	2.16	0.6%	0.15	0.3%
Not yet distributed	0.28	0.1%	0.03	0.1%
All active employees	**332.6**	100.0%	**42.4**	100.0%
Pensioners	**64.6**	**100.0%**	**8.2**	**100.0%**

Source: MINFI

Pensions paid during the first quarter amounted to 64.6 billion, an increase of 2.7% compared to the same period in 2023, where they were 62.9 billion. This moderate increase is due to various sanitation operations, which are expected to have a greater impact on execution for the remainder of 2024.

2. Salary Policy Guidelines for the 2025-2027 Period

The priorities for personnel expenditures over the next three years mainly include:

- Strengthening Control and Sanitation Mechanisms of the State Payroll File:
- Continuing the Reform of the Recruitment and Human Resources Management Process: Aiming to control workforce numbers and ensure coherence between recruitment quality and the essential personnel needs of priority sectors.
- Continuing the Clearance of Salary Arrears: Implementing mechanisms to reduce their accumulation.
- Implementing the New Integrated Personnel and Payroll Management Information System (SIGIPES 2):
- Establishing a Local Civil Service: Equipping Local and Regional Authorities (LRA) with quality human resources for better management of transferred skills and resources.

Taking all these priorities into account should result in the following profile for the salary mass over the 2025-2027 period, as presented in the table below:

Table 14: Projected payroll and arrears between 2025 and 2027

Sectors	Payroll in 2025		Payroll in 2026		Payroll in 2027	
	Arrears	Total	Arrears	Total	Arrears	Total
Secondary education	81.90	487.32	63.47	524.54	16.69	539.75
Defence	13.01	251.45	18.08	282.29	12.44	308.48
Basic education	44.53	207.87	32.42	222.49	9.85	217.30
General and financial administration	7.95	70.91	11.72	83.60	6.11	87.45
National security	3.75	87.18	6.78	98.98	5.02	108.71
Health	13.90	69.63	18.09	88.02	9.55	90.67
Sovereignty	6.62	59.70	11.86	72.36	4.98	73.83
Production and trade	6.50	43.88	9.86	53.88	4.80	56.12
Remainder Education, training and research	6.01	66.62	8.59	77.74	4.91	82.26
Infrastructure	4.65	33.46	6.95	40.58	3.47	41.44
Communication, culture, leisure and sport	3.22	28.98	4.21	33.76	2.54	35.49
Social affairs	1.09	9.43	1.51	11.67	0.56	11.91
Not yet distributed	0.00	0.00	0.00	0.00	0.00	1.00
All active employees	**193.12**	**1,416.44**	**193.55**	**1,589.91**	**80.91**	**1,654.39**

I.2.1.2. Others Current expenditure

1. Constraints Inherent to Current Expenditures Excluding Salaries

Over the past three years, the State's current expenditures excluding salaries have continued to rise, with a record increase of 13.5% in 2023. These expenditures are becoming increasingly significant within the overall budget, primarily driven by security expenses and subsidies for petroleum products. The share of these expenditures rose to 47.5% in 2023, compared to 45.1% in 2022 and 43.3% in 2021. The increase in fuel prices at the pump aims to reduce the crowding-out effect of this category on other expenditure.

Goods and Services remain significant within current expenditure. This category of expenditure continues to cover costs relating in particular to security surveillance, PPP rents, litigation costs, legal fees, public consumption, sports competitions and administrative rents and leases.

Expenditure on transfers and subsidies remains relatively high, although expenditure on subsidising the price of fuel at the pump is falling. This situation is explained by requests from public companies and establishments due to their difficult financial situation. This is also the case for contributions paid by the State to international organisations.

Finally, other staff expenditure also need to be kept under control. This is mainly the case for the operation of committees and working groups set up within government departments.

2. Budgetary policy guidelines for current expenditure

The main objective remains to control or even reduce other current expenditure. Within this framework, the Government plans to:

- **continue to control current expenditure** through a judicious choice of priorities;
- **control public consumption (water, electricity, telephone and internet)** by making the most of the contribution made by the PforR and PARSEC programmes, both through the reduction sought in the electricity tariff subsidy and, in the accuracy, and transparency of the metering and billing of electricity consumption by buildings and public lighting;
- **control rental costs** by improving the procedure for allocating administrative accommodation;
- **Rationalise contributions paid to international organisations** through the planned development of a repository of the State's legal and financial commitments abroad, the standardisation of Cameroon's participation in international organisations and the strengthening of monitoring of the State's contributions to international organisations;
- **reduce cash advances** and consequently limit the accumulation of outstanding payments;
- **control the rents** granted by the State in the context of PPP projects by strengthening the system for monitoring the eligibility and budgetary sustainability of these projects.

I.2.2. Public investment expenditure

I.2.2.1. Reference situation

1. Financing of investment expenditure

The ratio of the public investment share of the State budget in recent years has remained below the 40% threshold targeted by the NDS30, due to the major constraints and the economic context imposed on the State. Thus, despite the determination to raise this level in the Initial Finance Laws, this effort has tended to be undermined for the above-mentioned reasons, and this is reflected in the collective budgets. This situation is not conducive to sustained growth as projected in the NDS30.

The table below shows changes in the share of the Public Investment Budget (PIB) in the State budget over the period 2020-2024.

Table 4 : Trend of the PIB in the overall State budget

FISCAL YEAR	2020*	2021*	2022*	2023	AFL 2023	2024	AFL 2024
PIB	1,254.31	1,352.0	1,419.0	1,386.8	1,359.3	1,652.1	1,604.1
STATE BUDGET	4,409.0	5,235.2	5,977.7	6,274.8	6,642.5	6,654.5	6,945.5
PIB WEIGHT	28.4%	25.8%	23.7%	22.1%	20.5%	24.8%	23.1

(*): Allocations of the Amending Finance Law

Source: MINEPAT

In addition, the NDS30 states that in order to achieve its objectives, recourse should not only be made to the Government's budget, but also to alternative financing for the mobilisation of resources. However, it has been observed that the deployment of alternative financing methods, in particular *Public-Private Partnerships* (PPP) and Project Finance, is slow to produce the expected results. While there has been significant support for certain projects implemented under the *Project Finance approach, such as Nachtigal*, projects implemented under the PPP approach currently represent major budgetary risks, in contrast to the expected reduction in public finances.

2. *Investment transfers to Regional and Local Authorities*

Investment resources transferred to the RLA have increased by 24.9% in 2024 compared to 2023, and represent 32.9% of the total amount of ordinary internal resources allocated to public investment. The increase in transferred resources mainly reflects the exercise of certain competencies by the Regions, following the texts that have been signed. In 2024, for example, the Regions have benefited from the resources of five administrations for the first time. The effective exercise of other powers, following the expected signature of the relevant decrees, should lead to a significant increase in the volume of resources transferred to the Regions over the period 2025-2027. However, the level of transfers remains low in relation to potentially transferable resources.

Table 5 : Investment resources transferred to the RLAs

	2018	2019	2020	2021	2022	2023	2024
Ordinary Internal Resources (OIR) of the PIB (In billions)	635.0	636.3	554.9	576.2	601.5	631.1	661.2
Relative change in GDP on OIR (%)	3.5	0.2	-12.8	8.9	4.3	4.9	4.8
Transferred Resources (TR) of the PIB (In billions)	59.6	91.4	97.6	102	112.3	114.9	143.5
Relative change in TR of the PIB (in %)	1.2	53.4	6.1	4.5	10.1	2.3	24.9
Weight of TRs in PIB of OIR (in%)	9.4	14.4	17.6	17.7	18.7	18.2	32.9

3. *Implementation of public investment projects*

Over the last three years, there has been a decline in the overall execution of the PIB, compared to the period from 2016 to 2020, during which the execution recorded good performances. The table below shows that these declines in PIB execution rates are due to the poor performance of externally financed projects, where disbursements are lower than forecast in the Finance Law. It should be noted that this change in FINEX may be a one-time event, given the higher levels of execution recorded in previous years. This situation is probably due to the slow start-up of major second-generation projects.

Table 6 : Trend in the PIB execution rate (scheduling basis)

Category	2018	2019	2020	2021	2022	2023
PIB as a whole	89.42	95.99	94.98	80.49	89.22	69.92
PIB on Internal resources	76.50	89.58	94.34	92.71	77.56	84.17
PIB on FINEX	104.98	102.03	95.79	69.68	99.54	56.23

Source: National PIB Monitoring Committee

I.2.2.2. Constraints on the financing and execution of public investments

In order to make up for the delays in growth and resource mobilisation recorded in the first years of the implementation of the NDS 30, there is a plan to operationalise the 2024-2026 Integrated Agropastoral and Fisheries Import-Substitution Plan (PIISAH) instructed by the President of the Republic, and to speed up the implementation of the NDS30 Initial Impetus Programme (P2I), the first interventions of which began in 2024. The implementation of these major programmes will have to contend with the constraint of mobilising the resources to finance them.

In addition to the constraints on financing these programmes to catch up with growth, the PIB will have to contend with the tight budgetary space required to complete projects in progress. In fact, outstanding commitments from own resources for current projects amount to about 744.5 billion. This situation, which is exacerbated by the current state of our public finances, highlights the need to set priorities in order to provide budgetary margins for deployment of available resources. These constraints, which the State faces in financing its development programme, also compromises its willingness to accelerate the transfer of resources to the Regional and Local Authorities (RLA).

On other hand, the low absorption of external financing does not allow for a rapid reduction in Undisbursed Committed Balances (UCB); on the contrary, new commitments contribute to their increase.

Additionally, there are still a number of bottlenecks that compromise the overall preparation, execution and monitoring of the implementation of investment projects:

- **shortcomings in the maturing of projects:** difficulties in acquiring land result in projects taking longer to reach maturity. Moreover, administrations are finding it difficult to produce compliant studies, mainly because of technical and financial difficulties;
- **Inadequate prioritisation of projects:** the tendency to want to solve all the problems associated with investment creates a multiplicity of projects and undermines the Government's effort on the resources allocated to public investment;
- **delays between calls for funds and disbursements are jeopardising project implementation:** by way of illustration, calls for funds issued before the 2024 Financial Year and which have not resulted in disbursements for these financial years amount to around 400 billion;
- **the insufficient mobilisation of Counterpart Funds (CF) also contributes to the low completion rate of jointly financed projects:** this situation is the result of both overall budgetary constraints and cash flow difficulties;
- **the limited technical and financial capacity of the service providers selected to carry out public investment projects** has led to some projects being abandoned by the successful tenderers;
- **the insufficient consideration given to the recurring costs associated with investment projects** is followed by the deterioration of existing infrastructure, thus compromising the maintenance of the investment stock at an optimal operating level.

I.2.2.3. Public investment outlook for 2025-2027

The objective set for public investment management over this period is to improve the quality of public spending and provision of infrastructure.

Overall, the aim is to increase public investment spending, so that by 2025-2027, investment spending will account for 30% of total spending, thus approaching the target of 40% set by the NDS30.

Emphasis will be placed on sufficiently increasing own resources allocated to investment expenditure, in order to reverse the current trend in the PIB, which is largely dependent on externally financed expenditure. This redefinition of the structure of the PIB's sources of financing will ensure our country's resilience.

Specifically, the focus will be on controlling the costs and preparation of public investment projects, implementing the project selection tools developed, strengthening equity in the allocation of resources to the RLAs, increasing the financing of recurrent costs generated by public investments and strengthening the effectiveness of alternative financing methods.

With regard to the costs of projects and their implementation, the shortcomings noted in the maturation of projects will find solutions, notably through the revision of the 2018 decree on the maturation of projects, which will also take into account concerns relating to climate change. Similarly, resources will be mobilised for the RLAs to enable them to better prepare their projects and to have the means to monitor and carry out these projects;

As for project selection, the tools developed for objective project selection criteria will be deployed from 2025 onwards, to ensure that projects are selected that respond most effectively to economic, social and environmental development concerns;

As far as externally-funded projects are concerned, efforts will have to be pursued to ensure compliance with maturation procedures, so that only projects that do not contribute to maintaining UCBs are submitted for funding. On the same note, related projects should essentially be those that will ultimately contribute to debt repayment, particularly in the case of non-concessional loans.

In terms of decentralisation, the process of transferring resources to the RLA will continue with the signing of all the implementing decrees for the exercise of powers by the Regions. Similarly, the methodological guide to the allocation of resources to the regions will be drawn up, taking advantage of the updated Local Development Index. The application of this guide will contribute to greater equity in the distribution of resources. In addition, attention will be paid to the means of providing support for the preparation and implementation of investment projects. Furthermore, the Government intends to complete the implementation of the prerequisites necessary for the exercise of all the powers transferred to the RLA and to continue to support them by strengthening their capacities and putting in place the necessary tools to enable them to improve the efficiency of their spending for the benefit of the beneficiary populations.

Taking into account the inclusion of the recurring maintenance and operating expenses associated with public investments, the methodological tools developed for assessing and financing recurrent costs associated with public investment will be made available and applied to public administrations and RLA.

Concerning alternative models for financing public investment, they will continue to be promoted, while drawing lessons from the initial experiences of projects implemented using PPP and Project Finance methods, particularly in terms of controlling the budgetary risks associated with this method of financing. It is therefore planned to improve the targeting and negotiation of projects to be financed using the PPP approach, in order to limit the budgetary risks inherent in these projects.

I.3. Debt policy

I.3.1. Reference situation: recent trends in public debt

As of 31 December 2023, outstanding public sector debt was estimated at 12,636 billion, representing 43.5% of GDP. Compared to 2022, this outstanding debt has risen by 0.4%. As for its composition, Central Government debt accounts for 93.1% of this outstanding debt, while that of Public Enterprises and Establishments and RLA accounts for 6.8% and 0.1% respectively.

The amount of Government securities issued in 2023 in the domestic market amounted to 1024.6 billion, of which 282.6 billion in Treasury bonds against a target of 450 billion and 741.8 billion in Treasury bills for redemptions of 553.8 billion, representing net issuance of Treasury bills of 188.0 billion. These results, which contrast with forecasts, are linked to the unfair competition between the various countries of the sub-region, resulting from the reduction in liquidity in the domestic market due to the rigidity of the monetary policy applied by the Central Bank.

At the same date, the State had outstanding contingent liabilities of 4,939 billion, representing 17.0% of GDP. These liabilities consisted of 0.2% Government-guaranteed debt and 99.8% liabilities under Public-Private Partnerships (PPP).

Table 7 : Outstanding public sector debt

Outstanding public sector debt by category	31 Dec 2021	31 Dec 2022	End of 2023 period
1. External debt	**7 647**	**8 236**	**8 148**
Multilateral	3 268	3 744	4 043
including budget support	1 287	1 527	1 625
Bilateral	3 319	3 448	3 142
including budget support	197	243	269
Commercial	1 060	1 044	963
including financing-Afrexim Bank 2023			
2. Domestic debt	**2 954**	**3 445**	**3 638**
2.1. Domestic debt (excluding outstanding debt)	**2 791**	**3 228**	**3 476**
Government securities	1 276	1 552	1 815
BTA	217	231	419
OTA		1 036	984
OT/ECMR		285	412
BEAC consolidated loan	577	577	577
Allocation of SDRs (IMF-BEAC)	50	120	180
Structured debt	826	923	851
Structured bank debt		409	334
structured non-bank debt		514	518
Unstructured debt	62	56	53
2.2. Outstanding payments of more than 3 months	**163**	**217**	**162**
3. Direct debt from central government	**10 601**	**11 681**	**11 785**
including total budget support	1 484	1 770	1 894
SDR allocations	50	120	180
4. Government's explicit contingent liabilities	**1 249**	**4 945**	**4 939**
Endorsed debt	21	14	8
Public-private partnership	1 228	4 931	4 931

Outstanding public sector debt by category	31 Dec 2021	31 Dec 2022	End of 2023 period
5. Other public debt (excluding contingent liabilities and central government debt)	**866**	**916**	**852**
Domestic debt of public enterprises	407	393	357
External financial debt of public enterprises	459	523	495
Total public sector debt	**11 467**	**12 597**	**12 637**

Source: CAA

At the end of December 2023, the Central Government's outstanding direct debt comprised 69.1% debt from external creditors, 29.6% debt from domestic lenders and 1.3% outstanding debt of more than 3 months.

The Central Government's outstanding external public debt is estimated at 8,148 billion (27.7% of GDP), an increase of 1.1%. This outstanding debt is made up of 49.6% multilateral debt, 38.6% bilateral debt and 11.8% commercial debt.

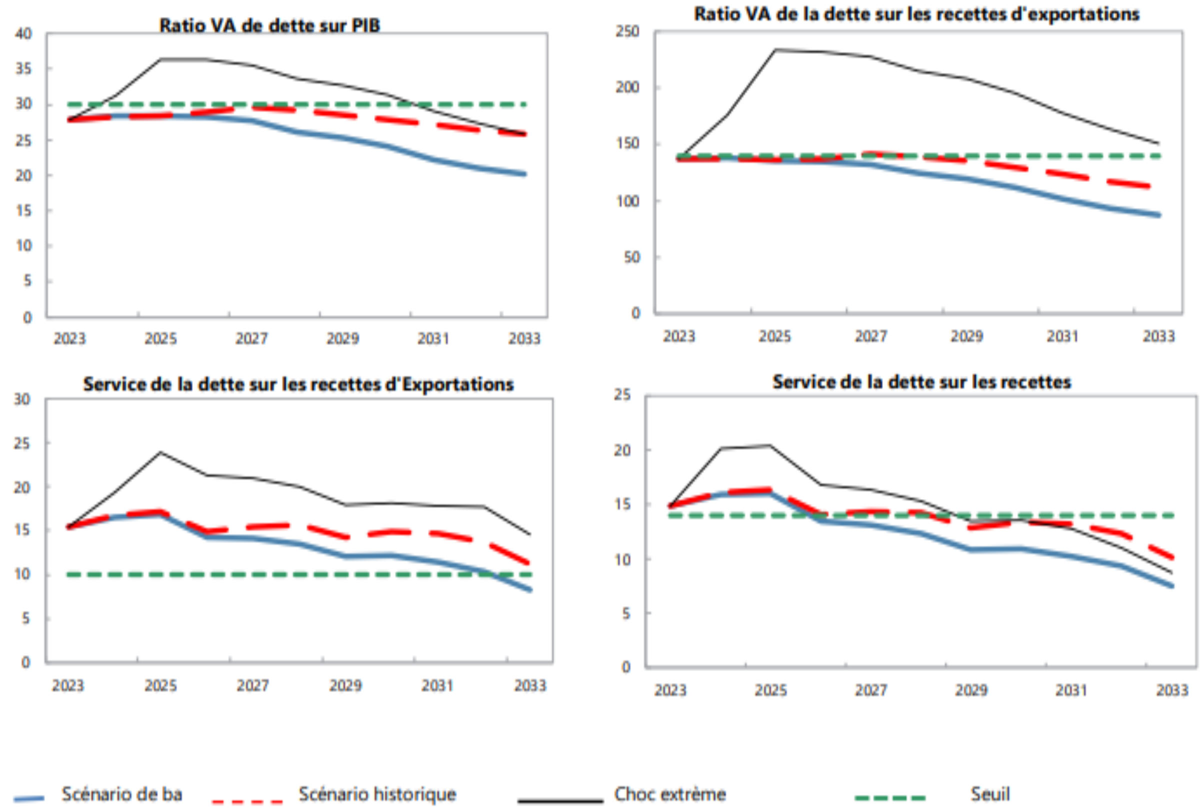
The main cost and risk indicators for the Central Government's debt portfolio, excluding outstanding debts at the end of 2023, are as follows:

- outstanding debt represents 40% of GDP, in line with the target set by the 2024-2026 debt strategy (≤ 50%);
- the average interest rate on debt remained stable at 2.3%. It is 2.1% for external debt and 3% for domestic debt;
- the average maturity of the public debt portfolio is estimated at 7.3 years, with maturities of 8.3 years for external debt and 5.1 years for domestic debt. This indicator did not reach the target set by the debt strategy (≥ 11 years), due to the shorter than expected maturity of domestic debt;
- 69.9% of the portfolio is denominated in foreign currencies, with about 29% in Euros. This represents a decline of 1.6 percentage points on the previous year;
- Fixed-rate debt is estimated at 82% of the portfolio, representing a reduction of 3 points on the previous year. It remains consistent with the target set by the debt strategy (> 80%).

I.3.2. Debt sustainability and various debt constraints

The results of the sustainability analysis at the end of December 2023 shows that Cameroon's public debt remains sustainable, with a high risk of debt distress caused by weak budget and export revenues. This situation is a major source of concern, requiring the implementation of a prudent debt policy and economic and political measures aimed at re-establishing a healthy economic environment, particularly in regions hit by socio-political crises, with a negative impact on budget revenues and exports.

Figure 4 : Trend in the main debt aggregates



These graphs show that, for countries with low repayment capacities such as Cameroon, the solvency ratios, representing the current value of debt to GDP and to export earnings respectively, are below the thresholds of 30% and 150%. As for liquidity ratios, that is, the ratios of debt service to export earnings on the one hand, and to budget earnings on the other, they are above the respective thresholds of 10% and 15% over the period and justify the country's high risk of debt distress.

Indeed, current levels of fiscal and export revenues, as well as investment spending to support growth, remain insufficient to significantly reduce this high risk of debt distress. It would be necessary to increase these sources of revenue in order to move from a high to a moderate or even low level of risk, thus allowing greater flexibility in terms of loans, in order to guarantee the sustainability of public finances and sustainable growth.

The improvement in the Composite Indicator, in particular the Evaluation of National Policies and Institutions, which is the basis for setting the thresholds, together with the level of reserves that are already acceptable, should help to raise the threshold levels, and rapidly see Cameroon's risk of debt distress move from high to medium, or even low, in less than 3 years' time. With a public debt ratio of 43% of GDP, the country would have significant debt margins, necessary to support its development programme by carrying out projects.

I.3.3. Financing / debt policy objective

As in the past 4 years, the policy for financing the budget deficit will remain debt-oriented over the period 2025-2027. This policy will be implemented in a manner consistent with other budgetary policies and the guidelines of the various programmes in progress, in particular the

Economic and Financial Programme with the IMF, and the achievement of the objectives set out in SND 30.

This strategy aims to: (i) meet the Government's financing needs and payment obligations at the lowest possible cost; and (ii) facilitate the development and smooth operation of efficient primary and secondary markets for domestic Government securities.

The targets set out in the 2025-2027 Debt Strategy, in line with the CEMAC sub-region's multilateral convergence programme, should be as follows:

- a public and publicly guaranteed debt ratio of no more than 50% of GDP;
- a debt portfolio comprised of 75% external debt (debt denominated in foreign currencies, including 25% in dollars) and 25% domestic debt (debt denominated in CFAF);
- a proportion of short-term domestic debt of no more than 10%;
- a proportion of debt at variable interest rates of less than 20% of the total public debt portfolio (taking into account UCB disbursements);
- an average maturity of the public debt portfolio of at least 12 years, including 5 years for domestic debt, with an average interest rate of less than 3.0%.

Specifically, the debt policy for the period will involve achieving the following institutional, strategic and operational objectives:

At the institutional level: the Government will continue : (I) to implement the CEMAC Regulation on the reference framework for public debt policy and public debt management by, among other things, consolidating the role of the National Public Debt Committee (compulsory referral to the Committee for loans, debt restructuring operations, guarantees, PPPs, etc.); (ii) the effective application and updating of the public debt management procedures manual to better define the roles, responsibilities and missions of the various players; and (iii) ensure the coherent, coordinated and efficient management of public debt.

At the strategic level, financing must be sought in an optimal manner for both external and domestic debt. Thus:

Regarding external debt, the priority remains the mobilisation of concessional financing and recourse to non-concessional financing in the event of non-availability of concessional resources for the implementation of projects with proven financial and socio-economic returns.

Alternative sources of financing should be sought (climate financing, issues of green bonds, ODD, Islamic financing, etc.) and new opportunities for economic and financial cooperation should be explored.

As for domestic debt, the Government securities issuance strategy for the three-year period 2025-2027 will set out the Government's intentions concerning the characteristics of public securities to be issued on the CEMAC capital markets, repurchases and exchanges of securities, objectives in terms of risk management, market development, transparency and predictability. This will be based on the financing plan set out in the medium-term debt strategy. The size of the issues will be determined by the capacity of the domestic market to satisfy them. From an operational point of view, an effort will be made to encourage certain non-bank investors such as pension funds and insurance companies to increase their subscriptions to Treasury securities.

Issues will be adjusted to support regularity and funding objectives. Certain Treasury bond lines, particularly those with maturities of at least 5 years, will be re-opened (assimilations) in order to increase the size and potential liquidity of the lines concerned on the secondary market and reduce the fragmentation of the securities portfolio. The issuing strategy will be based on a number of basic elements in order to be credible. These will be transparency, regularity and diversification.

1. Transparency

This criterion will be based on the publication and respect of the issuance calendar in order to avoid any surprise effect on investors, the rapid availability of auction results and the production of a summary note on the projects financed by the resources generated by the issuance of public securities. To this end, the schedule of public security issues will be published at the beginning of the financial year and revised each quarter in line with economic trends.

2. Regularity

On the one hand, this will enable debt market participants (banks, specialists in Treasury securities or brokerage firms) to anticipate the forecast frequency of auctions of Treasury securities in order to structure their portfolios more effectively. On the other hand, it will enable the Treasury to capitalise more effectively on the advantages offered by the domestic debt market in terms of the availability of resources over time. In fact, experience shows that resources are more abundant at the beginning of the year and very limited at the end of the year.

3. Diversification

Diversification will involve extending the average maturity of Government securities by varying the instruments used to meet the Government's needs and adapting them to investor demand.

Ultimately, the domestic debt strategy will take account of the State's needs and the financing options available. It will be implemented by means of specific operational procedures such as annual financing plans, issue calendars and information notes, among others. As in previous years, it is intended to be realistic and will include debt limits that enable acceptable ranges to be set for each type of instrument. These limits will be based on the financing plan contained in the Medium-Term Debt Strategy (MTDS).

Furthermore, given the drying-up of domestic liquidity, recourse to non-deals road-shows or alternative sources of financing, specifically the issue of a new Eurobond or private placements, should be undertaken in order to maintain contact with the international financial market.

II. 2025-2027 BUDGETARY FRAMEWORK

This section presents, on the basis of the macroeconomic outlook, the budgetary projections for the State's total revenue and expenditure, the resulting budget deficit, the sources of its financing and the coverage of other financing and cash expenses over the period 2025-2027.

The inter-sectoral breakdown of expenditure based on these projections takes account of the strategic priorities set out above. However, they are merely indicative at this stage and are therefore subject to change according to trends in the economic environment or the emergence of new strategic priorities.

II.1. Reminder of macroeconomic assumptions

The budget forecasts for the period 2025-2027 are based on the most likely macroeconomic assumptions.

In 2025, overall economic growth is projected at 4.4%, including 4.6% for the non-oil sector. Inflation is projected at 4%, with the GDP deflator at 2.7%, including 3% for non-oil GDP. In US dollars, the IMF projects the world price of a barrel of oil at 73.8, the price of gas at 9.2 and the exchange rate of the US dollar at 624.2 CFAF.

Between 2026 and 2027, economic activity should remain dynamic at an average rate of 4.6%. Inflation is expected to be brought down to an average of 3.2%, slightly above the CEMAC convergence threshold of 3%. Additionally, the downward trend in the world price of a barrel of oil is set to continue, with the latter averaging USD 69.6, with the dollar appreciating slightly to an exchange rate of CFAF 626.0.

Table 8 : Key macroeconomic assumptions for 2024-2026

	2023	2024	2025	2026	2027
Nominal GDP (in billions of CFAF)	28,996.0	31,171.0	33,421.0	35,897.0	38,587
Growth rate (%)	3.3	4.1	4.4	4.4	4.7
GDP deflator (%)	3.1	3.3	2.7	2.9	2.7
Inflation (%)	7.4	7.0	4.0	3.5	3.0
Real non-oil GDP growth rate (%)	3.6	4.5	4.6	4.8	4.8
Non-oil GDP deflator (%)	5.2	3.5	3.0	3.2	2.9
Oil production (millions of barrels)	23.882	21.680	20.710	20.860	22.130
Gas production (billions of scf)	80.437	84.415	92.0	58.0	32.0
World oil price per barrel (US$)	80.59	78.6	73.76	70.6	68.7
Gas price (US$)	9.88	8.9	9.2	7.8	7.8
US $/ CFAF exchange rate	617.18	622.14	624.24	626.00	626.00

Source: Framework committee

II.2. Budget revenue forecasts

In 2025, the State's total budgetary resources are projected at 5,684.5 billion, an increase of 449.5 billion in absolute terms and 8.6% in relative terms compared to 2024. These revenues are projected to average 6,064.1 billion between 2026 and 2027.

Specifically, Government revenue breaks down as follows:

Oil revenues are projected to reach 828.3 billion in 2025, an increase of 26.7 billion (+3.3%) compared to 2024. The increase in these revenues is linked to the rise in oil and gas royalties from 597.3 billion in 2024 to 653 billion in 2025, driven by the increase in both gas production and prices, as well as the appreciation of the dollar against the CFAF. However, the increase in the royalty will be partially compensated by the decline in the oil tax, which will drop from 204.3 billion in 2025 to 175.3 billion in 2025.

In the medium term, oil revenues are expected to drop to an average of 596.6 billion between 2026 and 2027, of which -28.3% in 2025, due to the simultaneous drop in gas production and prices, as well as the continued downward trend in world oil prices.

Non-oil revenues are predicted to reach 4,765.5 billion in 2025 compared to 4,329.7 billion in 2024, an increase of 435.9 billion (+10.1%). This is made up of tax revenues of 3,205.6 billion, customs revenues of 1,205.1 billion and non-tax revenues of 354.8 billion.

Overall, tax and customs revenues will increase by 412.0 billion compared to 2024, due to the buoyancy of non-oil activity, the gradual settlement of the tax and customs debt (0.1% of GDP) and a tax effort of 0.3% of GDP. This effort remains dependent on the introduction and application of new measures in terms of tax policy or administration, and is divided between the tax services as follows: 0.25% of GDP for the DGT and 0.05% of GDP for the DGC. The tax effort of the DGI takes into account the effect of updating payroll tax deductions (0.1% of GDP) in the integrated career and pay management system (SIGIPES 2) from 2025.

Between 2026 and 2027, non-oil domestic revenue is projected to average 5,417.7 billion, an increase of 13.7% compared to 2025, due to the continued dynamism of non-oil activity and continued efforts to optimise the mobilisation of non-oil domestic revenue (0.2% of GDP per year).

Grants are divided into project grants and programme grants. They are projected at 90.7 billion in 2025, a drop of 13.1 billion (-12.6%) compared to 2024. Between 2026 and 2027, these grants are projected to average 49.7 billion, representing a decrease of 45.1% compared to 2025, due to the completion of the C2D programme in 2025.

Table 9 : Revenue and grant trends between 2023-2027

Headings		2023	2024	2025	2026	2027
Oil revenues	*MT (billion CFAF)*	877.0	801.6	828.3	612.5	580.6
	Variation (%)		*-8.6%*	*3.3%*	*-26.1%*	*-5.2%*
Revenue from taxes and duties	*MT (billion CFAF)*	2,622.0	2,904.1	3,205.6	3,495.0	3,811.0
	Variation (%)		*10.8%*	*10.4%*	*9.0%*	*9.0%*
Customs revenue	*MT (billion CFAF)*	1,022.6	1,094.6	1,205.1	1,311.7	1,427.8
	Variation (%)		*7.0%*	*10.1%*	*8.8%*	*8.9%*
Non-tax revenues	*MT (billion CFAF)*	320.9	331.0	354.8	380.9	409.1
	Variation (%)		*3.1%*	*7.2%*	*7.4%*	*7.4%*
GRANTS	*MT (billion CFAF)*	139.4	103.8	90.7	52.4	47.1
	Variation (%)		*-25.5%*	*-12.6%*	*-42.2%*	*-10.1%*
Total revenue and grants	***MT (billion CFAF)***	**4,981.9**	**5,235.0**	**5,684.5**	**5,852.5**	**6,275.6**
	Variation (%)		***5.1%***	***8.6%***	***3.0%***	***7.2%***

II.3. Budgetary expenditure forecast for 2025-2027

State budget expenditure is forecast to reach 5,702.4 billion in 2025, an increase of 422.1 billion in absolute terms and 8.0% in relative terms compared to 2024. Between 2026 and 2027, this expenditure would average 6,092.2 billion, an increase of 389.9 billion (+6.8%) compared to 2025. In detail:

- **Staff costs** increase by 175.5 billion (+11.8%) from 1,487.8 billion in 2024 to 1,663.4 billion in 2025. This sharp increase is intended to take into account the clearance of the salary debt and the effects of updating the careers of public employees in the integrated SIGIPES 2 system, which will come into operation in 2025. Between 2026 and 2027, this expenditure is expected to reach 1,771.2 billion on average, an increase of 107.9 billion (+6.5%) compared to 2025;

- **Expenditure on goods and services** increase from 919.5 billion in 2024 to 997.5 billion in 2025, an increase of 78.0 billion in absolute terms and 8.5% in relative terms. This increase is intended in particular to strengthen the allocation for security spending and to take account of spending on preparing for and organizing elections in 2025. Expenditure on goods and services is projected to reach 1,002.2 billion on average between 2026 and 2027, an increase of 4.7 billion (0.5%) compared to 2025;

- **transfers and subsidies** will drop from 1,156.4 billion in 2024 to 1,034.7 billion in 2025, representing a reduction of 121.7 billion (-10.5%). This reduction is due to the reduction in the provision to support fuel prices at the pump from 263.3 billion in 2024 to 80 billion in 2025, as a result of the drop in world oil prices. The extent of this reduction has been mitigated by a provision of 50 billion for PPP rents.

  Provisions for gas subsidies and for electricity price shortfalls have been maintained at their 2024 levels of 20 billion and 110 billion respectively. Between 2026 and 2027, transfer expenditure will stand at an average of 1,033.5 billion, a reduction of 1.2 billion (-0.1%).

- **Capital expenditure** increases by 257.2 billion (+18.5%) between 2024 and 2025, going from 1,394.1 billion to 1,651.4 billion. In particular, capital expenditure from own resources increases by 206.2 billion (+30.1%), and that from external financing by 51.1 billion (+7.2%). The increase in capital expenditure from own resources takes into account the needs linked to the continued financing of the 2IP and the implementation of the Integrated Import-Substitution Plan. The share of capital expenditure in total expenditure thus increases from 19.3% in 2024 to 22.9% in 2025. Between 2026 and 2027, capital expenditure is projected on average at 1,897.3 billion, an increase of 246.2 billion (+14.9%) compared to 2025.

Table **10** : Evolution of budgetary expenditure from 2023-2027

Headings	Unit	By 2023	2024	2025	2026	2027
Heading 2: Staff expenditure	*MT (Billion CFAF)*	1,357.0	1,487.8	1,663.4	1,726.8	1,815.6
	Variation (%)		*9.6%*	*11.8%*	*3.8%*	*5.1%*
Heading 3: Purchase of goods and services	*MT (Billion CFAF)*	1,192.1	919.5	997.5	985.0	1,019.4
	Variation (%)		*-22.9%*	*8.5%*	*-1.2%*	*3.5%*
Heading 4: Transfers and subsidies	*MT (Billion CFAF)*	1,172.9	1,156.4	997.5	985.0	1,019.4
	Variation (%)		*-1.4%*	*-13.7%*	*-1.2%*	*3.5%*
Heading 6: Non-recurring charges	*MT (Billion CFAF)*	14.2	2.3	2.4	2.6	2.8
	Variation (%)		*-84.1%*	*7.2%*	*7.4%*	*7.4%*
Heading 5: Capital expenditures	*MT (Billion CFAF)*	1,038.9	1,394.1	1,651.4	1,808.6	1,986.0
	Variation (%)		*34.2%*	*18.5%*	*9.5%*	*9.8%*
Total Expenditures	***MT (Billion CFAF)***	**4,775.0**	**4,960.1**	**5,312.1**	**5,508.1**	**5,843.1**
	Variation (%)		***3.9%***	***7.1%***	***3.7%***	***6.1%***

II.4 Budgetary and financial deficit

A comparison of the projections for the State's own revenues and its expenditure, after VAT credit repayments have been deducted, shows an overall budget deficit of €101.8 billion in 2025, compared with €129.2 billion in 2024, i.e., thereby indicating a reduction in the budget financing requirement of €27.4 billion. Over the period 2026-2027, the budget deficit is expected to dwindle to 78.4 billion on average.

The State's other financing and cash expenses, apart from budget financing, centre around debt repayment and the payment of arrears. In 2025, the total cost of these operations is estimated at 1,499.3 billion against 1,932.2 billion in 2024, a decrease of 432.9 billion, mainly due to the settlement of outstanding treasury bills, which falls from 467 billion in 2024 to 85 billion in 2025. Between 2026 and 2027, transactions relating to the repayment of the State's debt and the payment of arrears are expected to average 1,496.2 billion.

In a bid to cover its financing needs, estimated at 1,601.2 billion in 2025, including the repayment of VAT credits, the Government will resort to external project loans (839.7 billion), budgetary support (241.1 billion), public securities (300 billion) its bank reserves at the BEAC (220.6 billion).

II.5 Budgetary constraints and risks from 2025-2027

The Budgetary framework from 2025-2027 remains exposed to various risk factors that could impact revenue, expenditure and financing projections. These risks stem from macroeconomic, institutional and financial factors.

From a macroeconomic point of view, the projected medium-term growth momentum is centred on the implementation of various programmes and projects, including P2I, PIISAH and the Nachtigal dam. So, any delay or limited effectiveness in implementing these structural reforms would jeopardise growth projections and, consequently, tax revenue. Added to this are the risks of new economic shocks in an uncertain global context, marked in particular by the escalation of geopolitical crises.

At the institutional level, social support and the impact of new tax measures could be limited in a pre-election context. This would lead to delays in projections relating to non-oil domestic revenues. In addition, the possible entry into force in 2025 of the law on local taxation, as well as the decision to transfer to the Deposit and Consignment Fund guarantees paid by taxpayers in the context of tax disputes, would result in a significant drop in revenue for the State budget (more than 0.5% of GDP).

At the financial level, the hardening of financial conditions on the domestic financial market, in particular the depth of the market and interest rates, continue to weigh on the State's ability to raise financing by issuing public securities. Similarly, failure to comply with the conditions of the Economic and Financial Programme could result in the postponement of budget support disbursements from development partners.

Finally, the security crisis and the financial imbalance in the electricity sector, as well as unstable PPP payments, represent major risks for the State budget.

CONCLUSION

The Cameroonian economy is expected to remain dynamic and gradually accelerate over the period 2024-2027, despite the slowdown recorded in 2023.

In terms of public finances, the budget execution situation at the end of March 2024 indicates a level of resources of 1,411.9 billion, down by 8.2% compared with the same period in 2023. Expenses over the same period totalled 1,633.9 billion, an increase of 18.3%. Resources were 86.5% of the quarterly target.

Strategic orientations of public policies for the period 2025-2027 focus on: (i) reducing the energy deficit through the commissioning of the Nachtigal Project; (ii) stepping up local production of basic necessities through the implementation of both the Initial Impetus Programme and the Integrated Plan for Agricultural and Fisheries Import-Substitution (PIISAH).

The overall objective of government's public finance policy over the next three-years remains fiscal consolidation, in line with the Economic and Financial Programme agreed with the IMF and the implementation of the priority objectives of the National Development Strategy 2020-2030 (NDS30).

The non-oil primary budget balance, estimated at 2.0% of GDP in 2024, shall continue its downward trend to settle at 1.7% of GDP in 2025, 1% in 2026 and 0.7% of GDP in 2027. The stock of public debt is expected to remain below 50% of GDP over the period 2025-2027.

On the basis of the macroeconomic assumptions and the efforts put in place to control deficits, the State's total budgetary resources in 2025 are projected at €5,684.5 billion, thus an increase of 8.6% compared with 2024. In the medium term, these resources are expected to average €6,064.1 billion between 2026 and 2027. State budget expenditure is projected to reach 5,702.4 billion in 2025, thus representing an increase of 8.0% compared with 2024. Between 2026 and 2027, this expenditure is expected to average €6,092.2 billion, an increase of 6.8% compared with 2025.

On this basis, there will be an overall budget deficit of 101.8 billion in 2025 compared with 129.2 billion in 2024, hence representing a 27.4 billion reduction in budget financing requirements. Over the period 2026-2027, the budget deficit is expected to remain under control at 78.4 billion on average.

In order to deal with this deficit and other financing costs estimated at €1,601.2 billion, the financing and debt policy should remain strong but cautious. In addition to mobilising national savings, it should seek concessional loans and innovative financing, while preserving the State's financial interests and economic sovereignty.

Appendices:

Appendix 1: Key indicators of the Cameroon economy

	Review		Estimations			Projections		
	2021	2022	2023	2024		2025	2026	2027
The real sector		CN	New	BUDGET	New			
GDP current price (billion CFAF)	**24,950**	**27,223**	**28,996**	**31,320**	**31,171**	**33,421**	**35,897**	**38,587**
Oil GDP	887	1,692	1,164	1,458	1,078	1,006	841	771
Non-oil GDP	24,064	25,531	27,832	29,863	30,093	32,415	35,056	37,816
Real GDP (accretive)	**3.3**	**3.6**	**3.3**	**4.5**	**4.1**	**4.4**	**4.4**	**4.7**
Oil GDP	-2.0	-1.0	-2.1	4.2	-5.1	-0.4	-12.7	-5.8
Non-oil GDP	3.5	3.7	3.6	4.6	4.5	4.6	4.8	4.8
Price								
GDP Deflator	2.9	5.3	3.1	3.0	3.3	2.7	2.9	2.7
Oil GDP deflator	89.7	92.8	-29.7	-0.7	-2.5	-6.3	-4.2	-2.6
Non-oil GDP deflator	1.2	2.3	5.2	3.2	3.5	3.0	3.2	2.9
Price	2.5	6.3	7.4	4.0	7.0	4.0	3.5	3.0
Exportation prices	11.4	23.3	-2.2	3.5	4.1	-6.1	-3.0	-1.7
Amongst which the price of oil in Cameroon	*65.8*	*39.2*	*-16.4*	*-0.7*	*-2.5*	*-6.3*	*-4.2*	*-2.6*
Importation prices	3.0	14.5	-6.4	2.8	-3.8	-3.0	-2.2	-1.6
Terms of trade	8.3	8.8	4.2	0.7	7.9	-3.2	-0.8	-0.1
Breakdown per sector	**As a percentage of GDP**							
Primary sector	17.0	17.0	17.7	16.3	17.9	17.3	16.9	16.6
Secondary sector	24.5	26.3	23.9	25.0	23.3	22.7	21.8	21.3
amongst which oil	*3.6*	*6.2*	*4.0*	*4.7*	*3.5*	*3.0*	*2.3*	*2.0*
Tertiary sector	50.9	50.0	51.4	52.4	52.1	53.6	55.0	56.2
Levies and taxes excluding subsidies	7.6	6.8	7.0	6.3	6.7	6.5	6.2	6.0
Components of the demand								
Consumption	85.6	84.9	86.5	84.5	84.2	84.6	84.0	83.1
Private	73.5	74.0	76.2	71.7	76.0	75.0	73.8	72.3
Public	12.0	11.0	10.3	12.8	8.2	9.6	10.3	10.8
FBCF	18.2	18.0	18.2	16.2	17.2	16.3	16.8	17.0
Private	14.1	13.9	14.9	12.6	14.0	13.0	13.4	13.7
Public	4.1	4.1	3.3	3.6	3.2	3.3	3.4	3.3
Exportations B&S	16.5	19.3	16.0	18.5	17.4	16.3	14.8	14.3
Importations B&S	20.2	22.0	20.9	19.2	18.8	17.1	15.7	14.4
Public sector								
Total revenues and grants	14.5	16.5	17.2	16.6	16.8	16.8	16.1	16.1
Total revenues (excluding grants)	14.0	16.7	14.5	14.2	14.3	14.4	12.7	16.6
Oil	*2.3*	*1.6*	*1.7*	*3.1*	*3.1*	*2.6*	*2.2*	*2.1*
Non-oil (tax pressure)	***11.8***	***12.3***	***13.5***	***13.4***	***13.6***	***13.8***	***14.0***	***14.2***
Non-oil (% of non-oil GDP)	*12.3%.*	*13.1%.*	*14.0%.*	*14.1%.*	*14.1%.*	*14.3%.*	*14.4%.*	*14.5%.*
Expenditures	17.0	17.4	17.6	16.7	17.1	16.9	16.2	*20.4*
Current	*12.4*	*12.7*	*13.7*	*11.8*	*12.5*	*12.0*	*11.3*	*13.2*
Capital	*4.6*	*4.7*	*3.9*	*4.6*	*4.5*	*4.9*	*4.9*	*7.3*

	Review		Estimations			Projections		
	2021	**2022**	**2023**	**2024**		**2025**	**2026**	**2027**
Overall budget balance (scheduling basis)								
Including grants	**-2.8**	**-1.1**	**-0.6**	**-0.4**	**-0.5**	**-0.3**	**-0.3**	**-0.3**
Excluding grants	**-3.2**	**-1.5**	**-1.1**	**-0.7**	**-0.9**	**-0.6**	**-0.5**	**-0.4**
Overall balance, cash basis	-2.2	-1.1	-0.6	-0.4	-0.5	-0.3	-0.3	-0.3
Reference budget balance (CEMAC)	**-2.9**	**-3.0**	**-1.7**	**-0.7**	**-0.8**	**-0.3**	**0.1**	**0.0**
Non-oil primary budget balance	**-3.8**	**-3.9**	**-2.6**	**-1.9**	**-2.1**	**-1.7**	**-1.0**	**-0.7**
External sector								
Current account balance	**-4.0**	**-3.4**	**-4.0**	**-2.7**	**-3.3**	**-2.3**	**-2.4**	**-2.5**
Current account balance excluding public transfers	-4.2	-3.7	-4.1	-2.9	-3.5	-2.5	-2.6	-2.7
Overall balance	**-0.6**	**1.9**	**-1.1**	**2.8**	**1.7**	**1.0**	**0.9**	**0.3**
Financial situation (nominal growth)								
Money supply (M2)	17.1	12.0	3.2	9.5	11.9	9.3	8.7	8.6
Net foreign assets	11.4	21.6	-10.1	7.3	-6.6	4.8	11.8	-1.1
Credit to the economy	12.7	11.2	11.9	8.6	10.9	8.1	9.8	9.7

Source: Working committee

Appendix 2-A: TOFE 2025-2027 (billion CFAF)

TABLEAU 1 : Cadrage budgétaire 2025-2027 (NBE 2019)

(En milliards de F.CFA)	Réal. 2023	PLFI 2024	PLFR 2024	2025 (CBMT 24-26)	Proj. 2025	Proj. 2026	Proj. 2027
Total ressources	6 326,6	6 679,5	7 212,5	7 278,9	7 201,7	7 371,9	7 805,1
Recettes internes et dons	4 981,9	5 190,1	5 235,0	5 677,4	5 684,5	5 852,5	6 275,6
Recettes pétrolières	877,0	809,5	801,6	909,2	828,3	612,5	580,6
Recettes non pétrolières	3 965,5	4 283,8	4 329,7	4 687,4	4 765,5	5 187,6	5 647,8
Recettes fiscales	3 644,6	3 968,3	3 998,7	4 346,7	4 410,7	4 806,7	5 238,8
Impôts et taxes	2 622,0	2 888,4	2 904,1	3 174,4	3 205,6	3 495,0	3 811,0
Dont Transfert fiscalité CTD		130,0	130,0	130,0	130,0	130,0	130,0
Caisse dépôt et consignation		50,0	50,0	50,0	50,0	50,0	50,0
Recettes douanières	1 022,6	1 079,9	1 094,6	1 172,3	1 205,1	1 311,7	1 427,8
Recettes non fiscales	320,9	315,5	331,0	340,6	354,8	380,9	409,1
Dons	139,4	96,8	103,8	80,8	90,7	52,4	47,1
Projets	79,2	38,1	38,1	40,8	40,9	43,9	47,1
Programme	60,2	58,7	65,7	40,0	49,8	8,5	
Dont Appui budgétaire UE			7,0		9,8	8,5	
Financement Brut	1 344,7	1 489,4	1 977,4	1 601,5	1 517,2	1 519,4	1 529,5
Prêts projet	479,3	907,2	783,2	1 171,8	839,7	901,4	968,0
Appuis budgétaires PEF	159,9	134,0	235,0	0,0	165,0	0,0	0,0
Dont FMI	133,6	46,0	89,0	0,0	45,0	0,0	0,0
UE		0,0					
AFD	26,2	26,0	26,0	0,0	0,0	0,0	0,0
BM		62,0	120,0		120,0		
BAD		0,0					
Autres		0,0					
Emission des titres Pub. (MLT)	459,2	375,0	280,0	310,0	300,0	300,0	350,0
Financement bancaire (hors titres pub)	146,1	55,4	55,4	119,7	136,6	280,4	190,3
Autres emprunts à l'extérieur	16,9		467,0				
DTS FMI	60,0						
Financement exceptionnel	23,3	17,9	156,9	0,0	76,0	37,6	21,2
Dont FMI (FRD)			55,0				
BM (PforR-PRSEC)			36,0		76,0	37,6	21,2
BAD (PARPAC)	23,3	**17,9**	17,9				
BAD (PARSEC)			48,0				
Dépenses totales et prêts nets	6 260,5	6 679,5	7 212,5	7 278,9	7 201,7	7 371,8	7 805,1
Dépenses courantes	3 736,1	3 465,0	3 566,0	3 427,5	3 698,0	3 717,6	3 901,6
Titre 2: Dépenses de personnel	1 357,0	**1 428,3**	**1 487,8**	1 448,3	1 663,4	1 726,8	1 815,6
Titre 3: Achats de biens et services	1 192,1	1 001,0	919,5	1 044,7	997,5	985,0	1 019,4
Dont FINEX	151,7	114,0	114,0	121,9	*122,2*	*131,2*	*140,9*
Etudes/Maîtrises œuvre	53,4	16,8	16,8	15,9	*18,0*	*19,3*	*20,7*
Titre 4: Transferts et subventions	1 172,9	1 033,4	1 156,4	932,0	1 034,7	1 003,1	1 063,8
Dont Décentralisation en fonct. (DGD-BF)							
Transferts en capital	25,5	173,1	173,1	206,5	185,6	*199,2*	*213,9*
Décentralisation en Inv. (DGD-BIP)					0,0	*0,0*	
Titre 6: Charges exceptionnelles	14,2	2,3	2,3	2,4	2,4	2,6	2,8
Titre 5: Dépenses de capital	1 038,9	1 442,1	1 394,1	1 998,0	1 651,4	1 808,6	1 986,0
Dépenses s/financemts exter,	406,7	831,3	707,3	1 090,6	758,4	814,1	874,3
Dépenses s/ressources propres	601,2	570,8	646,8	875,3	850,1	948,5	1 062,3
Programme Intégré d'Import Substitution (PIISA)			*0,0*	*50,0*	*50,0*	*53,7*	*57,6*
Programme Impulsion Initiale (P2I)		*30,0*	*30,0*	*50,0*	*30,0*	*32,2*	*34,5*
Dépenses de Participation/restructuration	30,9	40,0	40,0	32,1	42,9	46,0	49,4
Dont Prêts nets	16,9						
Service de la Dette	1 468,6	1 772,3	2 252,3	1 853,4	1 852,4	1 845,6	1 917,5
Service de la dette extérieure	**771,5**	**825,0**	**825,0**	**829,0**	**877,0**	**902,0**	**1 009,0**
Principal	561,8	643,0	643,0	649,0	679,0	675,0	744,0
Dont Eurobonds		30,9	30,9	30,9	*30,9*		
Intérêts	209,7	182,0	182,0	180,0	198,0	227,0	265,0
Service de la dette intérieure	**697,0**	**947,3**	**1 427,3**	**1 024,4**	**975,4**	**943,6**	**908,5**
Principal	598,6	505,2	668,2	541,3	470,1	564,6	553,6
Dont OTA/ECMR		0,0	0,0	47,0	*183,6*	*380,0*	*380,0*
Correspondants	16,7	19,7	19,7		*50,0*	*50,0*	*50,0*
Accumulation dépôts		*119,7*	*119,7*	*177,7*	*280,4*	*190,3*	*88,1*
Remboursement avance consolidée BEAC					14,4	14,4	14,4
Réduction encours BTA	0,0	0,0	163,0	0,0	*0,0*	*0,0*	*0,0*
Cessions des créances	72,0				*44,9*	*41,1*	*32,4*
Intérêts	101,6	138,1	138,1	156,4	155,0	140,5	138,1
Crédits de TVA	59,3	84,0	84,0	84,0	84,0	84,0	84,0
Reste à payer Trésor/Dette non structurée CAA	-62,4	220,0	537,0	242,7	266,2	154,5	132,8
Dont Variation des Restes à Payer Trésor	-68,0	150,0	467,0	117,7	85,0	85,0	85,0
Dette non structurée CAA	2,7	20,0	20,0	20,0	17,0	17,0	17,0
Dette fiscale compensée/Dette flottante	2,9	50,0	50,0	105,0	164,2	52,5	30,8
		0,0					
Capacité (+)/Besoin de financement (-)	**66,1**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**
Solde primaire non pétrolier (dons compris)	-746,3	-610,5	-610,7	-741,3	-577,1	-370,2	-276,6
Solde primaire non pétrolier (% PIB, dons compris)	**-2,6**	**-1,9**	**-2,0**	**-2,2**	**-1,7**	**-1,0**	**-0,7**
Solde global (base ordo, dons compris)	-180,6	-121,2	-129,2	-168,5	-101,8	-125,2	-99,2
Solde global ***(% PIB, base ordo, dons compris)***	**-0,6**	**-0,4**	**-0,4**	**-0,5**	**-0,3**	**-0,3**	**-0,3**
Solde global ***(Milliards FCFA, base caisse, dons compris)***	-118,2	-341,2	-666,2	-411,2	-368,0	-279,7	-232,0
Solde global ***(% PIB, base caisse, dons compris)***	**-0,4**	**-1,1**	**-2,1**	**-1,2**	**-1,1**	**-0,8**	**-0,6**
Solde budgétaire de référence CEMAC	**-1,0**	**-0,7**	**-0,7**	**-0,3**	**-0,3**	**0,1**	**0,0**
Recettes non pétrolières nettes des remboursements des crédits de TVA	3 906,3	4 199,8	4 245,7	4 603,4	4 681,5	5 103,6	5 563,8
Pression fiscale	**13,5%**	**13,4%**	**13,6%**	**13,7%**	**14,0%**	**14,2%**	**14,4%**
Soutenabilité Dép. personnel	**37,8%**	**36,8%**	**38,0%**	**34,0%**	**38,4%**	**36,6%**	**35,2%**
PIB nominal	28 996,0	31 320,0	31 171,0	33 513,0	33 421,0	35 878,0	38 528,0
Taux croissance (%)	3,3	4,5	4,1	4,9	4,4	4,4	4,7
Déflateur du PIB	3,1	3,0	3,3	2,1	2,7	2,9	2,6
Taux croissance PIB non pétrolier (%)	8,8	7,8	8,0	7,1	7,6	8,0	7,6

Appendix 3-B: TOFE 2025-2027 (% GDP)

TABLEAU 2 : Profils des recettes et des dépenses 2025-2027

	2021			2022				2023			2024		2025		2026	2027
(En % du PIB)	LFR	Est.	Réal.	LFI	LFR NBE 2003	LFR NBE 2019	Réal. NBE 2003	LFR	Est.	Réal	PLFI	PLFR	CBMT 24-26	Proj.	Proj.	Proj.
Total ressources	23,0	21,7	20,1	21,1	21,9	21,9	21,7	22,3	22,7	21,6	21,3	23,1	21,7	21,5	20,5	20,3
Recettes internes et dons	14,6	13,8	14,3	15,1	15,6	15,6	16,5	16,2	16,6	17,2	16,6	16,8	16,9	17,0	16,3	16,3
Recettes pétrolières	2,2	1,9	1,9	2,1	3,0	3,0	3,6	2,9	3,0	3,0	2,6	2,6	2,7	2,5	1,7	1,5
Recettes non pétrolières	12,1	11,6	12,1	12,5	12,1	12,1	12,6	13,0	13,3	13,7	13,7	13,9	14,0	14,3	14,5	14,7
Recettes fiscales	11,3	10,9	11,4	11,6	11,3	11,3	11,7	12,1	12,3	12,6	12,7	12,8	13,0	13,2	13,4	13,6
Impôts et taxes	8,0	7,7	8,0	8,2	8,1	8,1	8,4	8,8	9,0	9,0	9,2	9,3	9,5	9,6	9,7	9,9
Recettes douanières	3,3	3,2	3,4	3,4	3,2	3,2	3,3	3,3	3,3	3,5	3,4	3,5	3,5	3,6	3,7	3,7
Recettes non fiscales	0,8	0,7	0,7	0,8	0,8	0,8	0,9	0,9	0,9	1,1	1,0	1,1	1,0	1,1	1,1	1,1
Dons	0,3	0,3	0,3	0,5	0,5	0,5	0,4	0,3	0,3	0,5	0,3	0,3	0,2	0,3	0,1	0,1
Projets	0,1	0,1	0,2	0,1	0,1	0,1	0,2	0,1	0,1	0,3	0,1	0,1	0,1	0,1	0,1	0,1
Programmes	0,1	0,1	0,1	0,4	0,4	0,4	0,2	0,2	0,2	0,2	0,2	0,2	0,1	0,1	0,0	0,0
Dont Appui budgétaire UE	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Financement Brut	8,5	7,9	5,8	6,0	6,3	6,3	5,2	6,1	6,1	4,4	4,8	6,3	4,8	4,5	4,2	4,0
Prêts projet	2,9	2,8	1,6	2,8	2,8	2,8	2,3	2,7	2,7	1,7	2,9	2,5	3,5	2,5	2,5	2,5
Appui budgétaire (FMI, UE, AFD, BM, BAD)	0,9	0,7	0,8	1,4	1,2	1,2	1,1	0,8	0,8	0,6	0,4	0,8	0,0	0,5	0,0	0,0
Emission des titres	1,4	1,4	1,3	1,3	1,3	1,3	1,8	1,5	1,5	1,6	1,2	0,9	0,9	0,9	0,8	0,9
Financement bancaire	0,5	0,4	0,0	0,4	0,3	0,3	0,0	0,9	0,9	0,5	0,2	0,2	0,4	0,4	0,8	0,5
Autres emprunts	1,9	1,8	1,8	0,0	0,7	0,7	0,0	0,0	0,0	0,1	0,0	1,5	0,0	0,0	0,0	0,0
Financements exceptionnels	0,9	0,8	0,2	0,1	0,1	0,1	0,0	0,1	0,1	0,1	0,1	0,5	0,0	0,2	0,1	0,1
Dépenses totales	22,0	21,3	20,0	20,8	21,8	21,8	21,8	21,7	22,1	20,8	21,3	23,1	21,7	21,5	20,5	20,3
Dépenses courantes	10,0	9,7	11,2	9,7	10,8	12,0	11,9	11,5	11,7	12,8	11,1	11,4	10,2	11,1	10,4	10,1
Dépenses de personnel	4,4	4,3	4,3	4,2	4,3	4,4	4,4	4,5	4,5	4,7	4,6	4,8	4,3	5,0	4,8	4,7
Achats de biens et services	3,0	2,9	4,0	3,0	2,7	3,1	3,3	3,1	3,1	4,1	3,2	2,9	3,1	3,0	2,7	2,6
Dont FINEX	0,0	0,0	0,0	0,0	0,0	0,4	0,0	0,4	0,4	0,5	0,4	0,4	0,4	0,4	0,4	0,4
Etudes/Maîtrises Œuvre	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,2	0,2	0,2	0,1	0,1	0,0	0,1	0,1	0,1
Transferts et subventions	2,6	2,5	3,0	2,5	3,7	4,5	4,2	4,0	4,1	4,0	3,3	3,7	2,8	3,1	2,8	2,8
Dont transferts en capital	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,5	0,5	0,1	0,6	0,6	0,6	0,6	0,6	0,6
Décentralisation (DGD)	0,1	0,1	0,0	0,1	0,1	0,1	0,0	0,1	0,1	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Charges exceptionnelles	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Dépenses de capital	5,6	5,4	4,3	5,6	5,2	4,1	4,7	3,9	4,0	3,6	4,6	4,5	6,0	4,9	5,0	5,2
Dépenses s/financemt exter.	3,0	2,9	1,8	2,9	2,9	2,5	2,5	2,5	2,5	1,4	2,7	2,3	3,3	2,3	2,3	2,3
Dépenses s/ressources propres	2,4	2,3	2,3	2,5	2,3	1,5	2,1	1,3	1,4	2,1	1,8	2,1	2,6	2,5	2,6	2,8
Dont Reports	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Programme Intégré d'Import Substitution (PIISA)	0,1	0,1	0,0	0,2	0,1	0,1	0,0	0,1	0,1	0,0	0,0	0,0	0,1	0,1	0,1	0,1
Programme Impulsion Initiale (P2I)	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,1	0,1	0,1	0,1	0,1	0,1
Dépenses de Participation/restructuration	0,1	0,1	0,1	0,1	0,1	0,1	0,0	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1
Prêt nets	-0,1	-0,1	0,0	-0,1	-0,1	-0,1	0,0	0,0	0,0	0,1	0,0	0,0	0,0	0,0	0,0	0,0
Service de la Dette	6,4	6,2	4,5	5,6	5,8	5,8	5,2	6,3	6,4	4,3	5,7	7,2	5,5	5,5	5,1	5,0
Service de la dette extérieure	3,7	4,0	2,9	2,6	2,5	2,5	2,8	2,4	2,4	1,9	2,6	2,6	2,5	2,6	2,5	2,6
Principal	2,9	3,0	2,3	2,0	1,9	1,9	2,2	2,4	2,4	1,9	2,1	2,1	1,9	2,0	1,9	1,9
Intérêts	0,8	0,9	0,7	0,6	0,6	0,6	0,6	0,7	0,7	0,7	0,6	0,6	0,5	0,6	0,6	0,7
Service de la dette intérieure	2,8	2,2	1,5	3,0	3,3	3,3	2,4	3,9	4,0	2,4	3,0	4,6	3,1	2,9	2,6	2,4
Principal	1,8	1,3	1,5	2,0	2,1	2,1	1,7	1,9	1,9	2,1	1,6	2,1	1,6	1,4	1,6	1,4
Intérêts	0,3	0,3	0,3	0,3	0,3	0,3	0,1	0,4	0,4	0,4	0,4	0,4	0,5	0,5	0,4	0,4
Crédits de TVA	0,3	0,3	0,3	0,3	0,3	0,3	0,3	0,3	0,3	0,2	0,3	0,3	0,3	0,3	0,2	0,2
Restes à payer/Arriérés intérieurs (y compris Remboursememnt dette marketteurs)	0,4	0,4	-0,5	0,4	0,5	0,5	0,3	1,3	1,3	-0,2	0,7	1,7	0,7	0,8	0,4	0,3

Appendix 4: Detailed tables of PIP 2025-2027 projects

Appendix 4-1 : Details of 2024-2026 three-year PIP projects to be launched in 2024

No.	Projects	Realisation mode	Total cost (in billion CFAF)	State contribution (in billion CFAF)	Implementation period Start	Implementation period End	Project owner
18	**PIP projects to be launched in 2024**						
1	Project to construct the Ebolowa-Akom2-Kribi road	MOP	165	165	2024	2027	MINTP
2	Rehabilitating the National Road No.1 Ngaoundéré-Garoua	MOP	166	166	2024	2027	MINTP
3	Project to Improve Connectivity, Resilience and Inclusion along the Mora-Dabanga-Kousseri Corridor (PACRI-MDK)	MOP	161	161	2024	2027	MINTP
4	Project to rehabilitate the Edéa-Kribi stretch (110km): section Edéa-Kribi-Campo as well as the bridge on river Ntem	MOP	102	102	2024	2028	MINTP
5	Rehabilitating road No.1: Maroua-Moutouroua-Magada-Guidiguis	MOP	111	111	2024	2028	MINTP
6	Regional project to improve the performance of the Douala-Ndjamena rail/road corridor	MOP	110	110	2024	2029	MINT
7	Project to renew the Belabo-Ngaoundéré railway line	MOP	167.3	167.3	2024	2030	MINT
8	Mbalam Kribi railway	PPP	1912	600	2024	2029	MINT
9	Yaoundé-Nsimalen motorway construction project (urban section)	MOP	319	319	2024	2028	MINHDU
10	Developing 15280 ha of Hydro-Agricultural Perimeter in Adamawa	MOP	19	19	2024	2029	MINEPIA
11	Integrated Agropastoral and Fisheries Import-Substitution Plan (PIISAH)	MOP	1371	1371	2024		MINEPAT
12	Developing the Kribi industrial port complex: constructing component of the 225 kv power transmission line	PPP	36	0	2024	2026	MINEE/PAK
13	Reconfiguring the drinking water supply network in Yaoundé	MOP	100	100	2024	2027	MINEE
14	Constructing a 15 MWp solar power plant in Maroua and a 10 MWp plant in Guider (Phase 2)	PPP	12	0	2024	2025	MINEE
15	Solar photovoltaic electrification project. Phase III completion: 200 localities	MOP	96	96	2024		MINEE
16	FEICOM project to set up an inter-municipal fleet of civil engineering and hydraulic machinery	MOP	55	55	2024		MINDDEVEL
17	NASLA rehabilitation project to provide high-quality human resources to councils	MOP	10	10	2024	2026	MINDDEVEL
18	Developing the Rice-BID value chain	MOP	98	98	2024	2030	MINADER

Appendix 4-2 : Details of 2025-2027 PIP projects to be launched in 2025

No.	Projects	Realisation mode	Total cost	State contribution	Implementation period		Project owner
			(in billion CFAF)	(in billion CFAF)	Start	End	
12	**PIP projects to be launched as from 2025**						
1	Project to build a 250MW hydroelectric power station at the foot of the Mbakaou reservoir dam	PPP	315	8	2025	2028	MINEE
2	Project to rehabilitate the Babadjou-Bamenda road: Section 5: Bamenda urban crossing (6.538 km)	MOP	30	30	2025		MINTP
3	Designing and constructing the Yaoundé-Douala motorway (phase 2)	MOP	839	713	2025	2029	MINTP
4	Rehabilitating the Bertoua, Kribi,Tiko airports	MOP	72	72	2025	2028	MINT/CCAA
5	Douala International Airport rehabilitation project: terminal component	MOP	66	66	2025	2028	MINT
6	Constructing the Bertoua, Ebolowa, Garoua universities	MOP	280	280	2025	2028	MINESUP
7	Constructing the Bini A Warak hydroelectric dam	MOP	213	213	2025	2029	MINEE
8	Constructing a 30 MWp + 25 MWh storage solar power plant in Garoua	PPP	27	0	2025	2026	MINEE
9	Constructing a 30 MWp + 25 MWh storage solar power plant Ngaoundéré	PPP	27.4	0	2025	2026	MINEE
10	Project to construct the Japoma drinking water supply station in Douala	MOP	49	49	2025	2029	MINEE
11	Project to build a gas-fired power station in Limbe and the associated transmission line	PPP	176	26	2025	2030	MINEE
12	Developing 10,000 hectares of hydro-agricultural zones in the Logone Bimi area	MOP	130	130	2025	2028	MINADER

Appendix 4-3 : Details of 2025-2027 PIP projects to be launched in 2027

No.	Projects	Realisation mode	Total cost	State contribution	Implementation period		Project owner
			(in billion CFAF)	(in billion CFAF)	Start	Start	
7	**PIP projects to be launched as from 2026**						
1	Construction of the second bridge over the BENOUE and the Garoua bypass road	MOP	350	350	2026	2029	MINTP
2	CAMRAIL Fleet Renewal Project: Component 25, Passenger Cars	MOP	13	13	2026	2027	MINT
3	Yaoundé bypass construction project	MOP	795	795	2026	2030	MINHDU
4	Nachtigal power line: 400 Kv Nachtigal-Bafoussam transmission line and related works	MOP	97	97	2026	2028	MINEE
5	Project to rehabilitate and extend the capacity of the water treatment and distribution system for the towns of Buea, Tiko and Mutengene	MOP	68	68	2026	2030	MINEE
6	Chollet hydroelectric development project	PPP	1200	-	2026	2032	MINEE
7	Kikot hydroelectric development project	PPP	787	-	2026	2031	MINEE

Appendix 4-4 : Details of 2025-2027 PIP projects to be launched in 2027

No.	Projects	Realisation mode	Total cost (in billion CFAF)	State contribution (in billion CFAF)	Implementation period Start	Implementation period Start	Project owner
5	**PIP projects to be launched as from 2027**						
1	Limbe Deep Sea Port	MOP	400	400	2027	2031	MINT
2	Phase II Road development project in the KRIBI industrial port zone (PARZIK) - Development of the LOBABE-CAMPO road	MOP	26.2	26.2	2027		MINT
3	Megaproject to supply water in the city of Douala	MOP	450	450	2027	2030	MINEE
4	Project to build mini hydroelectric power stations at Colomines and Ndokayo in the East Region	MOP	70	70	2027	2029	MINEE
5	Project for the design, supply, installation and commissioning of a rubber factory and a palm oil factory at CDC	MOP	50.7	50.7	2027	2027	MINADER