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PROGRAMME PLANNING

Country and intercountry programmes and projects

FOURTH COUNTRY PROGRAMME FOR CAMEROON*

<u>Programme period</u>	<u>Effective resources programmed</u>	<u>\$</u>
1987-1991	IPF for 1987-1991	15 125 000
	Balance from IPF for 1982-1986	1 380 000
	Other resources programmed	<u>6 375 000</u>
	Total	22 880 000

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* Upon request, those interested may obtain detailed lists of projects and other related information assembled in the course of preparing the country programme. The lists in question have to do with: (a) ongoing projects; (b) proposed projects; (c) breakdown of resources by objective; (d) activities scheduled under operational funds and programmes supervised by the Administrator; (e) breakdown of new programme by sector.

I. DEVELOPMENT TRENDS, STRATEGIES AND PRIORITIES

A. Current trends in the economy

1. The changes in the Cameroonian economy over the last five to seven years have in great measure been brought on by the new oil resources. This subsector used to represent 45 per cent of the country's total earnings and had amounted to 17 per cent of the gross domestic product (GDP). For 1985, the oil receipts constituted 35 per cent of the total annual earnings from the export of goods and services.
2. The per capita gross national product (GNP) rose from less than \$500 to approximately \$800, or an annual real growth of 6 to 7 per cent in CFA francs. As a result, Cameroon is not listed among the least developed countries (LDCs). Being very aware of the temporary nature of the oil receipts, the Government is moving with caution in connection with the external debt, hence the relative internal and external stability of the country in an unstable and unfavourable international context.
3. Over the last 15 years, most sectors have experienced a growth rate approximating that of the economy as a whole; but for five years now, this performance has been due more to activities in the secondary and tertiary sectors. As for the agricultural sector, it has been badly shaken during the same period by the effects of the drought and the unfavourable showing of commodity prices on the international market. In the last five years, agricultural production increased sufficiently for Cameroon to continue to cover its own food needs overall. The trend, however, is towards a disruption of this balance owing to the slow-down in agricultural production growth compared with population growth, particularly in the towns.
4. Despite the fact that Cameroon today enjoys a relative food self-sufficiency that allows it to meet the needs of its current population of 10 million, this situation will change dramatically in the next 20 years, during which its population will double. Food production in the 1973-1983 period increased by 1.8 per cent as against a concomitant population increase of 3.1 per cent. Food production went from an increase of 1.4 per cent in 1965 to a drop of 0.5 per cent in 1975 and a drop of 2 per cent in 1983. The stagnation of agricultural production in the last few years has sparked a decline in the income of small farmers. These farmers produce 65 per cent of agricultural exports and 95 per cent of agricultural products for domestic consumption.
5. As regards economic and social infrastructure, varying degrees of progress have been recorded. However, sizeable investments have been made in the road and railway networks, which are relatively well developed.
6. School attendance has increased very rapidly at all levels and the Government has endeavoured to adapt the instruction to the growing needs of the economy for skilled manpower, technicians and middle-level executives.

7. Industrial development, while advancing at a moderate pace, remains hostage to the inadequate infrastructure. The Government has come to realize the importance of developing the economy and maintaining food self-sufficiency.

8. However, aware of the mistakes made in public industrial investment, the authorities are trying to invest more wisely and promote the private sector in industry. The rural sector must not be made to bear the burden of economic development, with the taxpayer bearing the cost of industrialization owing to bad investment or bad management.

9. The country's indebtedness has accelerated in the last few years but is still very reasonable: debt-servicing represented 5.8 per cent of exports of goods and services in 1977 and reached 14.5 per cent in 1984.

B. National development strategies

10. In July 1986 Cameroon adopted its sixth five-year development plan, covering the period 1987-1991. Foremost, among the basic commitments under the plan is "community-minded liberalism", viewed in the triple sense of freedom of enterprise that encourages private initiative, the regulatory role of the State, and the duty to preserve national solidarity.

11. The development policy under the plan is for sustained growth of national revenue and, by the same token, of the people's standard of living, as a result of:

(a) A policy supporting the modernization of agriculture to permit the revival and consolidation of cash crops, the promotion of medium-scale farms and the continued relocation of food production in order to achieve and consolidate the goal of food self-sufficiency;

(b) A more selective, integrated and diversified industrial policy aimed at:

(i) Developing the agricultural sector through increased processing of products;

(ii) Industrial resettlement through encouragement and strengthening of the country's small and medium-sized enterprises, small and medium-sized industries, and small and medium-sized agricultural enterprises;

(iii) Increased productivity;

(iv) Improvement of the quality of products and their international competitiveness;

(c) An employment policy that seeks in particular to create jobs and redefine training structures so as to control the training-job ratio;

(d) A trade policy based on rationalizing the distribution network and diversifying products and trading partners.

12. The plan forecasts an annual GDP real-growth rate of 6.7 per cent, or a 3.8-per-cent rise in per capita income. The investment breakdown under the plan is as follows: rural production - 27 per cent; infrastructure and communications - 21 per cent; agro-industry - 18 per cent; the social sector - 17 per cent; and urban development and land management - 17 per cent.

13. Cameroon today has enough middle-level executives in most disciplines. However, this technical expertise is useful only if it is selectively directed towards qualitative objectives. This naturally means that special attention must be given to training, but also that it is necessary to establish procedures and systems for organizing and mobilizing the available human resources.

C. Technical co-operation priorities

14. Cameroon receives generous external assistance that comes from diverse sources and has varied objectives and modes of application. The technical assistance of the United Nations Development Programme (UNDP) is very modest in comparison with bilateral aid.

15. The technical assistance received by Cameroon is distributed among the following economic sectors: education, agriculture, general administration and planning, and health.

16. The plan forecasts external public funding as follows: a total of 677.8 billion CFA francs, including 639.8 billion in loans and 38 billion in subsidies, which comes to an annual average of 128 billion in loans and 7.5 billion in subsidies.

17. The Government would like the UNDP assistance programme to be directed in the coming years along the following lines:

(a) Helping Cameroon not to invest more but to invest more wisely;

(b) Assisting Cameroon in managing and organizing the functioning and maintenance of existing structures;

(c) Helping Cameroon to implement the conclusions of the excellent analyses already made by the national authorities, particularly regarding the role and place of the State in the economy, and regarding the management policies of both industrial and agricultural enterprises.

The UNDP programme will therefore give top priority to these qualitative improvements.

D. Arrangements for co-ordination of assistance

18. The Ministry of Planning and Land Management, responsible for relations with UNDP and also for the co-ordination of external assistance, convenes and presides over contributor meetings. It maintains an ongoing dialogue with the major contributors on sectoral and macroeconomic strategies.

19. To that end, the Ministry of Planning very effectively co-ordinates both bilateral and multilateral international co-operation.

II. THE COUNTRY PROGRAMME

A. Assessment of preceding programme

20. The programme of the third cycle was jointly assessed by the Government and UNDP. The assessment included an analysis of programme content, programme execution, impact of the programme on the development of the country, and lessons to be learned for the next country programme.

21. The amount of actually programmed resources of the Indicative Planning Figure (IPF) was \$17,373,129, taking into account the balance from the previous cycle, government cost-sharing contributions, and expenditure already incurred in 1982.

22. The programme for 1983-1986 covered 29 projects, 25 of which were actually implemented. In addition, three projects not included in the programme were approved for financing under the 1983-1986 IPF. Examined by sector, the amounts actually expended correspond to programme forecasts, except in industry and in transport and communications, where a larger government contribution allowed for an increase of \$2.5 million and \$1.5 million in the respective budgets .

23. The analysis of the quality of execution and the impact of the programme indicated that the strategic objectives, as described in the programme document, were for the most part too general or indefinite to serve as evaluation criteria for the projects implemented. The analyses by sector, which served as a basis for the projects, often did not establish logical connections between the identified constraints, the proposed solutions and the anticipated results of the projects.

24. In addition, in some sectors the allocated resources turned out to be inadequate, so that the operations led to partial results at best; it cannot be said, therefore, that these operations contributed in a lasting way to increasing the Government's capacity for independent planning and administration of these sectors. It was thus difficult to evaluate to what extent the projects actually contributed to the attainment of the Government's strategic objectives. The assessment had to be confined to noting that, in the case of some projects, the expected results were obtained while in the case of others, the execution itself was hindered by the uncertainty surrounding them.

B. New programme proposal

25. The assessment of the preceding programme showed that the IPF resources were distributed among several sectors of the economy without having a significant impact on their development. Given the very limited IPF resources (\$15 million), compared to the enormous needs for technical assistance, the Government has decided, in keeping with the new approach to programming, to concentrate these resources principally in two sectors - agriculture and industrial development - these being in the forefront of the Government's development strategy and priorities. The Government is endeavouring to channel the IPF resources into one or two sectors where they will have a greater long-term impact and where the non-partisan nature of the United Nations system is sought after.

26. Consequently, the new country programme covers two major areas: rural development, in the form of support for the government programme entitled "Medium-sized agricultural enterprises", and industrial development, in the form of support for industrial-sector policy. Besides these two objectives, which will absorb 76 per cent of the resources for the fourth cycle, the programme also has various projects which were negotiated during the previous cycle and which must be implemented. Some of these projects will be continued and redirected towards the two primary objectives; the others will be completed during the cycle. The total funds for the fourth cycle - \$22,880,000 - will be distributed as follows: (a) for the rural development sector: \$9,839,000, of which \$6,912,000 is earmarked for medium-sized agricultural enterprises; (b) for industrial development: \$7,480,000; (c) for the balance of the programme: \$4,355,000; and (d) for non-programmed reserve: \$1,206,000.

27. This group comprises 29 projects, 9 of them in the agricultural sector, 12 in the industrial sector, and 8 in the other sectors.

Rural development

28. In spite of the rapid growth of the other sectors, agriculture and stock-raising remain the driving forces in the economy. In addition, agricultural activities continue to provide employment for 70 per cent of the manpower of the country and to meet basic food needs. Anticipating depletion of oil reserves in the near future, the Government is counting on agricultural activities to maintain economic expansion.

29. Agriculture is based on two types of farming: traditional farms, which still provide 93 per cent of agricultural production (90 per cent of the arable land); and modern farms, which are most often export-oriented. In stock-raising, with a few exceptions, there is a predominance of small farms. The production sector in modern farming remains limited to plantations producing oil palms, hevea, tea, bananas for export and pineapples, as well as sugar cane and rice.

30. The rural environment is showing signs of decline. Over the years, an increasing rural depopulation has resulted in strong urban growth along with a disturbing rise in the average age of farmers. Because of an inadequate transport network, there are huge regions which participate only marginally in the economic life of the country.

31. The government agricultural organizations are so numerous and diverse that co-ordination is often a problem. Questions of methodology arise in regard to such intervention and also in regard to the respective tasks of the technical personnel and the producers' associations. Analyses are now under way to streamline the agencies and the supervisory system.

Agricultural sector

32. The UNDP programme for the agricultural sector has two characteristics which meet the needs of the situation: (a) increasing the quality of government intervention through improvement of the administering agencies; and (b) supporting the establishment of the new government programme. The first characteristic corresponds to the continuation into the fourth cycle of several projects already begun. The second characteristic corresponds to the start of a major action in favour of medium-sized farms.

Ongoing projects

Assistance for seed production (CMR/84/004)

33. The Government is aware that the use of improved and better adapted plants constitutes one of the most effective and least expensive methods for modernizing agriculture. Evidence of this awareness can be seen in the establishment of the Agency for the Development of Seeds and Basic Food Crops. This body, which is responsible, among other things, for the implementation of seed policy, comes under the Ministry of Agriculture. In addition to the ongoing UNDP aid, it receives significant assistance from the United States Agency for International Development (USAID) in the form of a project for seed propagation in North Cameroon as well as the services of several experts provided by Belgium and France.

34. The current UNDP project is the second phase of an initial project, "Assistance for the establishment of a national seed plan" (CMR/81/003), and involves assistance for the establishment of national technical structures as well as seed legislation and regulation. The main actions to be implemented are as follows:

(a) Continuation of assistance for the establishment of national technical structures and seed regulation;

(b) Technical assistance, composed of two or three experts, for the central structure of the Agency for the Development of Seed and Basic Food Crops;

(c) Preparation of a training programme for officials in the Agency for the Development of Seed and Basic Food Crops; research to establish technical files for the future Centre for Seed Training in Ntui; and financial studies regarding the establishment of other seed centres.

The UNDP contribution is \$647,000.

Strengthening of the National Soil Centre (CMR/83/004)

35. The launching of the medium-sized agricultural enterprises, which involves the intensification of zones already under cultivation and the cultivation of new zones, will substantially increase the demand for soil information. The National Soil Centre, created in 1983, is thus meeting an essential and growing demand.

36. This project, which provides expert assistance and meets training needs, is a continuation of projects undertaken since 1974. The current phase will end in September 1987. Following the assessment mission of April 1986, the project is expected to: (a) provide for new, reduced assistance from UNDP in order to continue local personnel training and the soil inventory south of the eighth parallel; (b) prepare a map of agro-ecological zones; and (c) support the programme of medium-sized agricultural enterprises. The UNDP contribution is \$567,000.

System of assessment and monitoring of the food and nutritional situation (CMR/86/006)

37. Improving the food and nutritional situation of the population is one of the Government's main objectives. It was elaborated in a long-term food plan and reincorporated into the sixth plan.

38. In 1983 the Government set up, within the Department of Planning of the Ministry of Planning and Land Management, a Food Planning Service to define and implement a food and nutrition strategy and monitor programmes. UNDP assistance, which was identified in the third cycle, will consist in strengthening this Service to enable it to achieve its goals, beginning by drawing up a realistic programme of work for this Service and ensuring that its national staff are adequately trained. The UNDP contribution is \$310,000.

The campaign against striga (CMR/86/005)

39. In the north of the country, where millet, sorghum and maize are the staple food for a large part of the population, an estimate of losses due to weeds shows that more than 300,000 hectares have been severely affected by striga. A first consultation on the striga problem took place at a workshop organized in Yaoundé jointly with the Organization of African Unity (OAU) and the Food and Agriculture Organization of the United Nations (FAO). It facilitated a better understanding of the problem.

40. UNDP assistance under this project will make it possible to develop and popularize appropriate technology, within the means of the peasant farmer and acceptable to him, for the protection of plants. The project will be linked to FAO-assisted activities to be undertaken in the African region and its results could be disseminated in other countries. The UNDP contribution is \$394,000.

41. The project is intended to promote the consumption of yams (dioscorea dumetorum) by teaching the growers a method of processing that allows the yam to be preserved either cut up and dried or in the form of flour. The UNDP contribution is \$100,000.

New projects

Medium-sized agricultural enterprises (CMR/86/007)

42. Assistance to the government programme with this title is one of the principal activities identified for the allocation of UNDP funds during the fourth cycle.

43. With the prospect of a post-petroleum economy in the near future, there is a need to step up the modernization of the agricultural sector. On the one hand the necessary resources must be created to compensate for the decreasing production and export of hydrocarbons and, on the other, to ensure the supply of food to the towns and promote the development of an agro-foodstuffs sector that will generate employment and foreign exchange. At the same time, the existence of a new class of modern farmers may encourage development of the traditional sector.

44. The programme, studied for two years and launched by the Government in 1986, provides for the establishment of agricultural units of a type new to Cameroon. The programme seeks to promote an intermediate private sector between agro-industrial units and family farms by appealing both to the resources and energy of certain traditional farmers and to the financial and human potential available among non-farmers who wish to invest in agriculture. Among the latter, civil servants, for example, are targeted and it is envisaged that this initiative will attract the know-how of agricultural school graduates who no longer have an opportunity of entering government service. A set of measures has been worked out that will serve as a stimulus for the launching and the success of this programme, which UNDP will support.

45. At the first stage, which covers the period of the sixth plan and the fourth UNDP cycle, it is planned to establish 3,000 such enterprises over an area of some 50,000 hectares. The Government has undertaken to mobilize 51.6 billion CFA francs, a little more than 7 billion coming from private investors and the rest from the State, partly in grants (16.8 billion CFA francs) and partly in loans (27.6 billion CFA francs). This programme comprises the setting up of machinery for the selection of the future farmers and to support them in establishing these new production units.

46. The UNDP project has been devised to help in launching and ensuring the smooth running of this programme. It will also assist the Government in assessing the impact of the programme on the national economy in general and on the traditional agricultural sector in particular.

47. The objectives are: (a) to strengthen the operational structure to enable it to play its role of organization, monitoring and support; (b) to provide adequate training for the technical field personnel; (c) to help the operational structure to resolve specific problems which may arise in the course of the programme and to monitor continuously its execution and its impact.

48. This project is planned to continue throughout the cycle. The Government will share costs to the extent of \$2.5 million. The UNDP contribution is \$4,407,000.

49. It is appropriate for UNDP to be active in this field, particularly in supporting the co-ordination of action on which UNDP and the United Nations specialized agencies have embarked, especially in the area of staffing and the organizing of producers.

Seminar on co-operative structures

50. An important national seminar on agricultural extension was held with the joint assistance of FAO, the World Bank and USAID. UNDP, together with the International Labour Organisation (ILO) initiated consultations with the Government and numerous outside sources of assistance wishing to support the co-operative movement. As a first step, this initiative will lead to the organizing of a national seminar.

51. UNDP will participate with other outside sources of assistance in the preparation of the seminar. The UNDP contribution is \$50,000.

Training for community development (CMR/86/008)

52. The establishment by the Government in 1972 of a National Office for Community Development was a first concrete manifestation of its choice of the so-called community development approach as a strategy for rural development. This new Office received a mandate from the Government to establish and maintain a spirit of self-help in the rural communities of the country in order to permit their self-reliant development.

53. A national plan for community development was drawn up for action in the following areas: community training and education; the integration of women into community development; the implementation of technical projects; and the administration and management of community development.

54. UNDP assistance will be concerned with community training and education. It will take the form of study grants and training workshops for 113 staff members of the Office at every level and will thus allow the Office to increase its capacity to plan, execute, administer and monitor community development programmes. The UNDP contribution is \$300,000.

Yams (CMR/85/002)

55. Yam production is estimated at 96,000 tonnes in 1985 and represents about 20 per cent of the country's production of root vegetables. In spite of its high price, due to production costs, demand is strong and this financially viable crop attracts many young farmers. It will probably be widely grown as a food crop on medium-sized farms. However, there are certain problems involved because of the difficulty of preserving this crop.

Reducing post-harvest losses (CMR/86/017)

56. A sustained effort needs to be made in the area of storing, warehousing and preserving foodstuffs, at both the producer and the marketing level, in order to

reduce losses, which remain very high. Between 1979 and 1982 an FAO project in the north-east of the country attempted to evaluate losses, promote improved methods of conservation and to train extension workers in this field.

57. UNDP assistance during the next cycle follows up on this FAO project. It will consist in continuing to develop and popularize improved techniques of storing and processing, extending this work to the other provinces and training extension workers in the western and north-western provinces. The UNDP contribution is \$317,000.

Industrial development

58. The sixth plan is aimed at greater internal development of industrial activities through increased integration. The industrial policy fosters an environment suitable for development of the various types of industrial units.

59. With regard to the industrialization plan, the key sectors (bauxite and aluminium, iron and steel, timber and timber products) together with hydrocarbons will be targeted for the implementation of projects formulated during the fourth plan. Emphasis will also need to be placed on development of the construction-materials industries.

60. For the period 1987-1991 it is intended to focus UNDP's overall activities in the industrial sector on the following objectives:

(a) Support for the Government in devising and formulating industrial policy as a whole, by strengthening its capacity to carry out studies, prepare projects and negotiate contracts with partners;

(b) Support for the Government's industrial policy in the technical sectors responsible for implementing that policy;

(c) Promotion of the concept of related products within a single sector as specified in the fourth plan, concentrating on the following: agro-foodstuffs, timber and construction materials; and

(d) Preferential support for the development of manufacturing industries and small and medium-sized enterprises.

61. In the case of each of these objectives there are projects which were initiated or approved during the preceding cycle, as well as new projects. These new projects reflect priorities formulated in the plan, but it was not possible to study their implementation fully during the short period left between the announcement of the plan and the preparation of this programme. In these cases, a definition stage is provided for before moving on to the project execution stage. Definition of the content of the projects will take place in consultation with the relevant government services.

62. In addition to the resources allocated to the four above-mentioned objectives, there is the programmed reserve for the sector as a whole. The total amount devoted to industry thus amounts to \$5,502,000.

Support for the formulation of an industrial policy

Ongoing project

Assistance in the formulation of the master plan for industrialization (CMR/83/001)

63. This project will continue for some months into 1987 in order to allow completion of the work. Cameroon will then have a general outline comprising 20-year forecasts for the major branches of industry suitable for development. The outline is to provide the Government with the necessary means for selecting a comprehensive industrial development strategy from among several plausible scenarios. The UNDP contribution will be \$128,000.

New projects

Pre-investment studies

64. The master plan for industrialization has identified the key sectors able to stimulate the economy and incorporates a survey of essential needs and the resources required. Feasibility studies enabling the Government to take appropriate decisions are to be carried out once the master plan has been completed.

65. The project is designed to strengthen national capacities in the area of pre-investment studies and investment follow-up and to initiate in-depth studies so as to guide industrial investment by firming up estimates and confirming the profitability of units. The project will provide the Cameroonian authorities, as required, with direct support for speedy financing of the necessary expertise for the preparation of terms of reference and the monitoring and assessment of feasibility studies, and will assist the Government and private and public Cameroonian investors in assessing and negotiating investment proposals relating to joint ventures.

66. The training of staff of financial organizations such as the National Investment Corporation and the Small Enterprises Guarantee Fund constitutes an important component of this project.

67. Financial contributions are expected from the Government and from national organizations benefiting from the project. The UNDP contribution is \$1,200,000.

Special training programme

68. With a view to implementing the master plan for industrialization, the Government will make a major effort to develop human resources, and wishes to launch a special programme for training management staff able to participate in devising investment projects, scheduling their implementation and negotiating contracts, and also able to ensure follow-up.

69. Work under the master plan for industrialization has already made it possible to assess needs, prepare profiles of the management staff to be trained, identify training institutions both in Cameroon and abroad, and work out a reception

system. A multidisciplinary team will be formed, consisting of some 30 senior management staff distributed as follows: for timber and the timber industry: 9; for iron and steel: 16; for bauxite and aluminium: 2; for hydrocarbons, petrochemicals and chemicals: 3.

70. The project will make use of training seminars and courses in Cameroon and abroad.

71. The cost of the project is estimated at \$2 million, of which the Government will provide \$1.65 million. UNDP will fund the consultants who will conduct the training seminars, the training co-ordinator and the organization of courses abroad. The UNDP contribution is \$350,000.

Support for technical structures

Export promotion

72. This project, in common with several others under the programme, is focused on enterprises and producers on the one hand, and on streamlining the administrative framework on the other. The intention is to assist enterprises directly, as well as indirectly by streamlining the regulatory role of the public authorities.

73. Both industrial and agricultural products are involved, and although no exportable product is excluded, it is anticipated that the project will give priority to the branches and sectors included under the current programme.

74. The project involves increasing the support given to enterprises by the National Centre for Foreign Trade in order to diversify exports, increase their added value and seek new markets. These objectives will be pursued by expanding the data available as well as data-processing capacity, by analysing specific cases and by ensuring the training or further training of the necessary staff.

75. UNDP's role in this operation will be to provide advisers and consultants in the specialized areas identified. The UNDP contribution is \$739,000.

Standard-setting and quality control

76. In order to meet the demands of domestic and international markets, domestic industrial production must be competitive in every respect, beginning with quality. Further, the use of standards is an essential step in rationalizing work and management.

77. Since several projects have already been carried out in the past in an effort to resolve this fundamental problem, it is important to target objectives clearly so as to ensure its effectiveness. Accordingly, a recapitulation of priority needs will comprise the first stage of the project, which is designed to assist in formulating and implementing regulatory provisions, training management staff and identifying structures for the promotion of standard-setting and quality control.

78. Information is already available to help the Administration in establishing a hierarchy of needs. It would be useful in this initial phase to secure the support of outside specialists to outline a strategy for the formulation of standards, which would help in determining the assistance to be provided in the second phase. The UNDP contribution is \$200,000.

Industrial information

79. The Government plans to establish, or strengthen within an existing institution, a service that will provide investors, industrialists and, in particular, entrepreneurs in small and medium-sized enterprises with all the information needed to establish their enterprises, operate their units and develop their activities.

80. UNDP involvement will initially consist in: (a) identifying the structures responsible for this function; (b) examining, with enterprises and with the Administration, the appropriateness of the project; (c) studying the content and means of executing the project, taking particular account of the Statute and the status of the service and the allocation of costs; and (d) determining the priority information to be collected and processed. The UNDP contribution is \$150,000.

Industrial maintenance

81. Among the major problems confronting Cameroonian industry, mention should be made of the low level of use of plant, its premature deterioration, and the heavy consumption of spare parts. These problems are linked to the maintenance of plant. A Cameroonian Association of Maintenance Engineers has been established. In the sixth plan, the utmost importance is attached to the maintenance function at both factory and project levels.

82. UNDP will assist in consolidating training activities through the participation of specialized outside organizers, and in supporting the Association of Engineers and professional organizations by means of consultations, meetings, study trips and training courses abroad. The UNDP contribution is \$130,000.

Support for production sectors

83. The support for particular sectors is part of the Government's strategy aimed at creating an industrial structure.

84. The three sectors selected for the UNDP programme - agro-foodstuffs, timber and construction materials - have been chosen from among the priorities of the sixth plan because the kind of activities involved and the volume of required investment make them accessible to small and medium-sized enterprises. The activities earmarked in these sectors for UNDP assistance are seen as a point of departure for other possible action, for which funding will have to be sought, if need be using the reserves programmed for the industrial sector as seed money.

New projects

Agro-foodstuffs

85. Agro-foodstuffs represent about 2 per cent of GDP. The situation in this branch is particularly deplorable considering the potential and the needs. As a way of indirectly promoting agricultural production, and given the rapid urbanization and the transport problems, the first priority is to ensure the preservation of food products and therefore to encourage the kind of packaging, processing and treatment warranted by the nation-wide consumer demand.

Preservation and treatment of agricultural products

86. This project, which will be directed primarily towards establishing small and medium-sized enterprises in this branch of activity, will begin with the selection, on the basis of consumption requirements, of products to be treated and techniques to be made widespread. The selection will be made when the project document is being drawn up.

87. Depending on the project document, arrangements will be made for either a small permanent team or a succession of working specialists. The UNDP contribution is \$250,000.

The timber sector

88. This sector has been stagnant for a long time. Largely run by foreign firms and hampered by an inappropriate legal and administrative framework, the sector nevertheless has considerable potential because of the 20 million hectares of forest.

The timber industries

89. UNDP action in this sector should be directed first of all towards reducing the effects of existing regulations that block the expansion of first-stage processing of timber and consequently the timber sector as a whole. The next goal of the project will be to promote second-stage timber processing.

90. The first phase will include all the studies needed beyond those already done under the master plan for industrialization. It will cover the following points in particular: (a) an analysis of the world market; (b) a review of national forestry regulations in conjunction with the problems involved in developing the timber sector; (c) reinforcement of the capabilities of institutions active in forestry development.

91. The second phase includes second-stage processing. This includes home construction, furniture-making, joinery, coach-building, cabinet-making, structural timber-work, etc., and depends primarily on an improvement in quality and prices and on other conditions to be met in the earlier stages of timber processing. In other words, this phase is totally dependent on the preceding one. The focus of its research therefore cannot be determined until after the first-phase studies mentioned above have been done. The UNDP contribution is \$300,000.

The construction-materials sector

92. The rise in average income and the rapid urbanization call for major new construction programmes and many housing renovation projects. Construction materials are still to a large extent imported, although the country possesses them in adequate quantity and quality. The use of domestic construction materials would be likely to lead to the creation of many jobs, allow prime contractors to make appreciable savings, and diminish imports.

93. The Government has decided to renew the production and utilization of local materials by means of a Local Materials Promotion Service within the Ministry of Urban Planning and Housing. The Service is working to improve and promote products. The UNDP project aims to introduce new or improved technologies for producing local construction materials: clay, pozzolana, limestone and lime, wood, and so on.

Construction materials

94. In these branches of industry having to do with construction materials, it is again the small and medium-sized enterprises which will work best, because the needs are scattered and therefore favour small production units that give priority to the needs of rural areas. This is precisely one of the goals of the UNDP project. It is planned to send a preparatory mission to list problems, set priorities and define the various stages of activities, taking into account existing studies in this field. With regard to limestone, which was identified under the project "Minerals exploration" (CMR/81/005), the following activities, possibly giving rise to a separate mini-project, are proposed during the fourth cycle: further drilling to augment knowledge of the limestone deposits; processing experiments to determine possible uses; and study of the prospecting conditions, the potential market and the possible returns. The UNDP contribution is \$250,000.

Development of small and medium-sized enterprises

95. Despite the mixed success in promoting small and medium-sized enterprises, the fifth plan reaffirms their importance in industrial development. An overhaul of the Centre for Assistance to Small and Medium-Sized Enterprises (CAPME) is one of the objectives of the plan. In 1984 the Government took steps to reorganize the Guarantee and Capital Fund for Enterprises (FOGAPE) and the investment code. It should be noted that this area, a matter of priority for the Government, is also of particular interest to donors. Thus, for example, over the next five years the European Development Fund (EDF) is providing a total credit line of 3 billion CFA francs for small enterprises. France plans to make direct one-time interventions, acquire a share of the capital of small enterprises and open lines of credit. Canada has earmarked 5 million Canadian dollars for small and medium-sized enterprises and is studying the possibility of undertaking a joint venture to support the management of such enterprises. The UNDP programme in this industrial subsector currently comprises two projects.

Ongoing projectSupport for the Centre for Assistance to Small and Medium-Sized Enterprises
(CMR/84/006)Enterprises (CMR/84/006)

96. Past activities include an ongoing UNDP project. It began in 1970 and, despite various changes, has been aimed essentially at setting up and supporting the Centre for Assistance to Small and Medium-Sized Enterprises. The project, designed to strengthen the Centre's educational and promotional capabilities, focuses basically on professional training. It will continue until the end of 1987.

97. By the end of the training programme prepared in 1985, the Centre will have the services of about 15 more professionals at headquarters and in the branch offices, who will be able to assist the organizers in identifying projects and drawing up investment portfolios. The UNDP contribution is \$265,000.

New projectDevelopment of small and medium-sized enterprises

98. The results obtained in this sector call for a re-examination of the action taken. To this end, the ways and means employed must be systematically reviewed in order to determine the most effective forms of support for small and medium-sized enterprises. In preparing for future activities in this sector based on the options chosen by the Government, the first step must be for the potential users themselves to define their needs more precisely.

99. Thus, the new project to develop small and medium-sized enterprises will, with a view to overhauling the support for such enterprises, begin with a survey to establish contact with the clientèle so as to target their needs and expectations more accurately and to identify, by studying the practical difficulties they face, the kind of support services with which such enterprises should be provided. This preliminary survey will serve to determine the remaining content of the project. The UNDP contribution is \$290,000.

Programmed reserve

100. It has not been possible, for many projects in the industrial sector, to determine some of their important components. Consequently, the costs could not be estimated beyond the initial stages, during which, in fact, the project specifications will be completed. A reserve has therefore been set up for the industrial sector, and will be used for the objectives discussed at the beginning of this section. This reserve has also been set up because of the overall inadequacy of funds to cover all the costs. Since the hope is that supplementary funding will be forthcoming, it is prudent to set up a reserve allowing for greater flexibility in the allocation of available funds and making it possible to spread their use over a period of time. A sum of \$1,250,000 has been placed in reserve for the industrial sector.

Miscellaneous projects

101. This third part of the programme comprises miscellaneous projects which do not logically fall under the two main sectors covered by the present programme. It is not simply for reasons of continuity that some projects undertaken in past years have been continued. It is also because the UNDP programme cannot completely ignore the other facets of the economy and must therefore sometimes respond to specific requests. Moreover, it is advisable for UNDP to begin studies from which new projects will later emerge, in order to maintain the momentum of the programme.

Ongoing projects

Mining research (CMR/81/005)

102. This important project was started in 1975 and has reached its third phase. It covers a vast and inaccessible region consisting of 72,000 square kilometres of dense and little penetrated equatorial forest.

103. The purpose of this project has been to contribute to the inventory of mineral resources in southeastern Cameroon and to train national personnel in the various phases of mining research. With respect to information on the region's resources, a complete set of the technical reports that will be available upon completion of the project will allow the Government to assess the value of continuing and intensifying studies on the various minerals identified. As to training, the project has made it possible to build up a pool of Cameroonians with technical know-how. Nevertheless, the impact of such training is weakened by the high rate of turnover. The current phase of the project, signed in December 1982, should end in June 1987. Among the latest project activities are technical monitoring and interpretation of results of the side-looking airborne radar (SLAR) operation, which is to be financed by the Government in the amount of approximately \$2.4 million. The UNDP contribution is \$754,000.

Yaoundé airport II (CMR/84/001)

104. The project provides support to the Office of Civil Aviation in its task of overseeing work on the new international airport at Yaoundé, currently in its study phase, and provides for the training of management and airport maintenance staff. The project was signed in August 1984. The Government will finance it in the amount of \$2.4 million, two thirds of the total cost. The current project document envisages activities to end in 1989. The UNDP contribution is \$579,000.

Telecommunications planning (CMR/84/008)

105. The immediate objective of this project is to provide Cameroon with the frame of reference for the development of telecommunications and to set up a core group of national planners.

106. The Government attaches great importance to allocating this project to the International Telecommunication Union (ITU) and is contributing \$480,000, more than half the total cost. Cameroon is fully financing another project being executed by ITU, which is a plan for improving maintenance.

107. This project began only in February 1986, and will end in May 1987. The UNDP contribution is \$218,000.

Study of the forestry sector (CMR/86/003)

108. This project, approved in June 1986, follows a concerted international effort by donors which led to joint action being taken to promote the conservation and development of tropical forests. In Africa, three countries were chosen for this purpose.

109. The project will consist of a multi-donor mission with the objective of assessing all aspects of the forestry sector in order to draw up a programme of action and investment. In Cameroon, UNDP will be the co-ordinating body. The UNDP contribution is \$130,000.

New projects

Hotel school in Ngaoundere (CMR/84/007)

110. Cameroon has considerable tourist attractions, to develop which will require the necessary infrastructure. What is more, the business sector is developing and also needs facilities. The country's total hotel capacity in 1986 amounts to 7,146 rooms. So far staff have been trained either abroad or under a UNDP-assisted project in which 1,000 employees and 215 promoters and hotel managers took part.

111. The hotel training project (CMR/81/001) established the need for a hotel school in Cameroon and carried out a feasibility study for it. Following this study, the Government requested UNDP technical assistance to start up the school. The project, CMR/84/007, should have been executed in 1985 and 1986 but because of delays in purchasing equipment for the school the project will probably not start up until 1987. The UNDP contribution is \$393,000.

Town planning studies (CMR/86/013)

112. This is a feasibility study that should lead to a programme for using urban areas and reclaimed plots of land to build inexpensive housing. The purpose is to establish models and structures that would allow the rate of such development to be stepped up considerably in preparation for financing by the World Bank. The UNDP contribution is \$200,000.

Women and food technology (CMR/86/016)

113. The plan devotes a complete chapter to the mobilization and promotion of human resources. An assessment carried out during the United Nations Decade for Women has shown Cameroon's record in this area to be generally satisfactory, but has also revealed certain inadequacies which have been taken into account in elaborating strategies for the future.

114. The Government would like UNDP to increase its support to government efforts to enhance the productive activities of women. This new project aims to try out a

method of helping small investment units directly. The goal of the initiatives to be supported will be to introduce simple technology for processing agricultural products, reducing physical effort and the time necessary for tasks traditionally assigned to women, and increasing their income.

115. The project was conceived with the support of the United Nations Development Fund for Women (UNIFEM) project on women and food technology (GLO/85/W02), and will continue to receive technical support from this project. At first the initiatives to be supported will be in the north of the country, where the Government plans to establish an appropriate technology centre. The UNDP contribution is \$200,000.

The fight against desertification (CMR/86/010)

116. A United Nations Sudano-Sahelian Office (UNSO) planning and programming mission which went to Cameroon in 1980 further to General Assembly resolutions on the fight against desertification in the Sudano-Sahelian region, identified measures for a programme of action to stem the advance of desertification in the north of Cameroon.

117. A project was formulated to implement the programme, concentrating first on the pilot zone, the Gawar catchment basin. A number of cartographical studies and integrated rural development activities are planned for the chosen zone. The project is also intended to provide further training for officials in regional planning and integrated development in the north of Cameroon.

118. Canada has expressed interest in financing the project, the cost of which is estimated at \$2.5 million, through UNSO.

119. To allow work on the project to start and thus enable information to be provided for the Canadian contribution, UNDP and UNSO are called on to finance jointly a preparatory phase at a cost of \$350,000. The UNDP contribution is \$150,000, and the UNSO contribution \$200,000.

C. Unprogrammed reserve

120. It was decided to leave a small part of the funds unprogrammed. This reserve amounts to \$1,206,000, i.e., approximately 5 per cent of programmable funds. It will permit a certain flexibility to respond to unforeseen urgent requests from the Government for UNDP assistance. In this way funds will also be available if they are required for studies and work to develop new projects and for other programme support activities.

121. In addition, part of the unprogrammed funds could be used for training activities in appropriate cases, or to back up possible co-operation with UNDP regional projects or other initiatives, particularly in the context of South-South co-operation, which are likely to call on national capabilities.

Annex

FINANCIAL SUMMARY

I. ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING

<u>A. UNDP-administered sources</u>	<u>\$</u>	<u>\$</u>
Third cycle IPF balance	1 380 000	
Fourth cycle IPF	15 125 000	
Subtotal IPF		16 505 000
Special Measures Fund for the Least Developed Countries	-	
Special programme resources	-	
Government cost-sharing	6 175 000	
Third-party cost-sharing	-	
Operational funds under the authority of the Administrator (UNSO)	200 000	
UNDP special trust funds	-	
Subtotal UNDP non-IPF funds	<u> </u>	<u>6 375 000</u>
 <u>B. Other sources</u>		
Funds from other United Nations agencies or organizations as a result of the country programme exercise	-	
Parallel financing from non-United Nations sources	-	
Subtotal, other sources		<u> </u>
 TOTAL ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING		<u><u>22 880 000</u></u>

II. USE OF RESOURCES

<u>A. Programmed (all objectives)</u>		
Ongoing projects	6 092 000	
New project proposals	14 332 000	
Programmed reserve	1 250 000	
Subtotal, programmed resources		21 674 000
Unprogrammed reserve		<u>1 206 000</u>
 TOTAL USE OF RESOURCES		<u><u>22 880 000</u></u>

