Cabinet meeting of 28 November 2019

Exposé of Mr ALAMINE OUSMANE MEY, Minister of Economy, Planning and Regional Development

Planning work for the second phase of the Vision 2035

PILLARS OF THE 2020-2030 NATIONAL DEVELOPMENT STRATEGY AND INSTITUTIONAL MECHANISM FOR ITS IMPLEMENTATION

Yaoundé, 28 November 2019

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Your Excellency the Prime Minister, Head of Government;

Distinguished Members of the Government;

Following the presentation of the guidelines retained in the draft National Development Strategy 2020-2030, the topic of the first presentation, in this second paper, we are going to outline the main guidelines for action or pillars. The draft of the National Development Strategy, is structured around four (4) main pillars, namely:

- structural transformation of the economy;
- human development capital;
- promotion of employment and economic integration;
- governance and strategic management of the State.

As concerns the first pillar, we are proposing the structural transformation of the Cameroonian economy by making fundamental changes in economic and social structures, in order to foster a more inclusive development. To achieve this, in line with the guidelines adopted, the proposal makes the acceleration of industrialisation, the main objective towards which efforts should be concentrated. Actions under this pillar are organized under seven guidelines: (i) development of industries and services; (ii) development of the rural sector; (iii) development of productive infrastructure; (iv) regional integration; (v) revitalization of the private sector; (vi) development of the financial system; (vii) environment and nature protection.

In line with the Industrialization Master Plan (IMP), the development of the industries and services sector shall lay emphasis on:

- **the energy industry**, the objective being to produce energy in abundant quantity to cover domestic needs, but also exporting to neighbouring countries.
- **agro-industry** through the development of priority sectors such as cotton, cocoa-coffee, palm oil, sugar, rubber, rice and plantain. The implementation of development plans corresponding to these different speculations will be a top priority, aimed at covering the domestic market and promoting exports in a more competitive manner.
- **the digital** domain through the digital transformation of the economic space, the promotion of the use of ICTs in the society and the setting up of adequate
infrastructure in this sector. This will entail investing more in broadband infrastructure, fostering the emergence of a digital industry and providing various facilities to support the development of start-ups (setting up of business incubators).

◊ **other manufacturing industries**, here, priority will be given to the following sectors: forest-wood, textile-clothing-leather, mining-metallurgy-steel, hydrocarbon-refinery and chemist/pharmacy. In these different sectors, Cameroon will have to work not only to relaunch the industrial projects placed on hold (Mbalam iron, extension of Alucam, Kribi aluminium plant, chemical fertilizer plant, etc.), but also to better develop value chains (linking SODECOTON-CICAM for example). The aim will also be to encourage the emergence of new major industrial projects, and the development of an industry of small agricultural equipment and tools, pesticides, pharmaceutical production for common drugs and basic necessities.

◊ **the construction industry**, by promoting the emergence of an ecosystem of efficient and competitive companies. This is a domain destined to support the other sectors. This construction industry would serve in the development of public roads and buildings, tourist infrastructure, housing and factories, among others.

◊ **trade**, the main actions of which are aimed at: (i) strengthening the legal framework for competition and functioning of regulatory authorities; (ii) developing quality infrastructure, particularly as concerns technical regulations specific to trade and metrology; (iii) controlling marketing channels so that producers can really benefit from fair prices; (iv) implementing an export strategy; (vi) setting up the Export Promotion Agency.

◊ **cultural, tourist and craft industries**, by introducing incentive measures to strengthen the tourist and cultural offer based on the territory's heritage assets. The diversity of Cameroonian cultures and the youth component of the population make this domain a reservoir of jobs and value. The objective is to reach 3,500 tourists per year by diversifying notably tourist offer and promoting the development of luxury tourism thanks to attractions such as golf track and nautical sports. In addition, major tourist projects have been
identified and will not only be brought to maturity but also to execute them, like the YOYO tourist complex. The development of the cultural and tourist industry requires the mobilization of the national private sector and international investors.

**Concerning the rural sector**, the Government could reaffirm its option to switch to second-generation agriculture enabling to significantly reducing poverty in rural areas. The aim will therefore be to substantially increase the productivity of family farms, support the modernization of medium-sized and large farms, in order to support agro-industrial development. To this end:

- it will be necessary to work towards self-sufficiency in agricultural inputs by means of the fertilizer production, the development of the pesticide industry, the agricultural equipment and tool industry. It will also involve developing an industrial system of high-yield seeds, as some African countries have done in strategic sectors (Côte d’Ivoire and Ghana for Cocoa) and popularizing research results;
- structure and build the capacities of stakeholders of the sector around domains, production basins and municipalities to better address needs in terms of access to inputs, financing and farm modernization, etc.;
- promote a sector approach structured around value chains and clusters while taking into account the specificities of the different agro-ecological zones;

Moreover, access to land for the development of medium and large farms will have to be strongly addressed especially within the context of the constitution of land reserves.

**To facilitate access to facilities in rural areas**, it will entail continuing to open up production basins, as part of a general approach to regional development, with priority given to the industrialization option.

**With regard to Productive Infrastructure**, it will entail continuing the development of:

- **Energy production infrastructures.** In this light, we should continue to develop our hydroelectric potential, for domestic consumption needs and also in an industrial sense of export in accordance with the IDP. We should be able to increase our installed electricity production capacity to 5000 MW
by 2030. However, the issue of the quality of the electricity transmission network will be central to the security of supply and efficiency of distribution.

◊ **Transport infrastructures.** It will be necessary to develop an integrated multimodal transport offer in order to improve the performance of the transport system and reduce the costs of trading products on both the internal and external markets.

◊ **Road infrastructures.** Here, the density of the network should be increased by 2030 to 0.48Km/1000 inhabitants with quality roads (signalling and lighting) and in good traffic condition through maintenance, rehabilitation and new construction works. The new road nomenclature will enable the State and Regional and Local Authorities to play their respective roles appropriately. It is worth laying emphasis on road transport safety; if we were to go by statistics, about 3200 accidents are registered per year on our roads accounting for about 1000 deaths. The objective being to significantly reduce the number of road accidents by 2030.

◊ **Railway transport.** It will be a matter of accelerating the implementation of the Railway Master Plan in line with industrial projects that will make it possible to build robust profiles for economic and financial profitability within the framework of structuring financing.

◊ **Maritime transport**, through the promotion, in the light of industrialization, the advent of the industrial complex adjacent to the port in accordance with the General Development Master Plan (GDMP), in the form of a highly attractive economic area. In this regard, the related projects for the servicing of the Kribi industrial port complex will have to be built (access roads, electricity and water supply and fibre optics connection). It will also be a matter of completing the Cameroonian coastline, in accordance with the port master plan, by building the Limbe deep sea, in the light of an industrial port complex.

◊ **Air transport**, by exploring the possibilities of densification of local transport either by the national carrier or by the liberalizing the sector in accordance with the African Union directive on the 5th freedom and adopting
a development plan for our airport infrastructures, including notably the construction of a new terminal at the Douala international airport by 2030.

**With regard to housing and urban development,** it will be question to: (i) promote the emergence of private stakeholders capable of producing and marketing decent housing, at low cost and in large numbers throughout the country and particularly in big cities; and (ii) set up a huge programme to modernize cities “National Urban Renewal Program” in order to improve their economic attractiveness and the living conditions of the population.

**With regard to land tenure,** beyond the constitution of reserves for the setting up of industries, in connection with spatial planning tools, notably development plans and zoning plans, it will entail finalizing the more structural issue of land reform in order to better clarify and adapt conditions of access to land for industrialization needs.

**In terms of regional development,** it will be question to: (i) promote the harmonious and balanced development of the national territory; (ii) network urban and rural development poles; (iii) implement the National Development and Sustainable Regional Development Plan (NDSTDP), regional development plans as well as the zoning plan. The opening up of production basins, in line with industrialization choices, should be a priority.

**For sanitation,** the idea in the light of decentralization will be to give more responsibility to Regional and Local Authorities and to better organize waste collection and treatment.

**With regard to regional integration,** we will continue to work actively to foster integration in order to stimulate the growth of national markets, increase trade and investment flows and mitigate infrastructural deficiencies. Emphasis will be placed on strengthening regional integration, conquering markets with high development potential and intensifying economic relations with some ECCAS countries, not to mention the Nigerian market.

**As concerns the revitalization of the private sector,** the private sector should play a greater role as a driving force in the national economic system. The three (3) areas for revamping private initiative focus on: (a) Catching up and technological development by setting up all the quality infrastructure and support mechanisms
that will allow the Cameroonian private sector to have access to the state of the art technology for increased productivity, competitiveness in the face competition; it will entail starting with priority sectors for industrialization, (b) encouraging the development of enterprises and protecting the national economic space; this will involve devising incentives among with the public procurement, to enable the emergence of a category of Cameroonian enterprises in the various industrialization segments.

**In terms of development of the financial system,** it is envisaged to: (i) increase the share of the financial sector in the GDP from the current 3% to 10% in 2030; (ii) densify banking and complete financial intermediation by setting up missing sectors and increasing the number of banks and financial institutions; (iii) attract capital holders (investors and the diaspora) and professionals in the different sectors of the financial ecosystem. The urgent need in this domain should be draw inspiration from the existing experiences, in order not only to raise the level of credits to the economy through appropriate regulations, but also to devise well-structured collateral mechanisms to support the credit system. Particular attention will be focused on mortgage banking to meet the needs households in decent housing.

**As concerns the environment and nature protection,** in accordance with the sustainable development agenda for the year 2030, it is envisaged to control the impact of our industrialization on the environment. In this regard, the legislation that carrying out of environmental and social impact assessment studies will continue to be applied rigorously. It will entail ensuring the implementation of this law in the priority interest of the industrialization objectives of Cameroon. Moreover, to guard against the visible consequences of climate change, we will take a set of resilient measures across the national territory, especially in ecologically vulnerable zones.

**To conclude with this pillar,** I would like to mention the need to promote the economic zones by setting up the agency dedicated to them by law. Similarly, the promotion of national economic champions will be given special attention.

It is worth underscoring that, during the consultation meeting with the private sector at Douala, the business community asked for a review of our law on incentives, to render it more equitable.
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The **second pillar deals with human capital development**, which is a key factor in economic development and particularly in the industrialization of a country. Indeed, it is indispensable for the industrial sector to have a sufficient and good quality workforce. To this end, it is necessary to set up health, education and social protection policies that would enable a healthy and productive human development capital.

This pillar is structured around five (5) guidelines: (i) education, training and employability; (ii) research and innovation; (iii) health and nutrition; (iv) access to basic social amenities; and (v) social protection.

**With regard to education, training and employability, the ambition of Vision 2035** aims to promote an educational system in which every young graduate is sociologically integrated, bilingual, competent in a field corresponding to the country's development choices.

The strategic objectives pursued are: (i) guarantee access to primary education for all school-age children; (ii) achieve a 100% completion rate at the primary school level; (iii) reduce regional disparities in terms of school infrastructure and teaching staff; and (iv) increase the supply of vocational and technical training from 10 to 25% in secondary education and from 18 to 35% in higher education.

In support of the country's industrialization strategy, Government actions should be structured around three (3) components, namely: (i) access and equity; (ii) quality and employability; and (iii) strengthening the educational system.

**In terms of access and equity**, the actions envisaged will focus on correcting geographical disparities, ensuring the effectiveness of free measures, improving textbook policy to make it more accessible, on school retention, especially for girls, and also achieving the objectives of basic education, namely all pupils complete their second year of secondary education.

**With regard to quality and employability**, emphasis will be laid on training trainers, strengthening civic responsibility and providing technical and vocational training. In this regard, particular attention will be paid to the teaching of Science-Technics-Engineering-Mathematics (STEM), to prepare an industrial human
capital. The issue of laboratory equipment in secondary and higher institutions should concern us in order to bring theoretical education closer to reality, in view of fostering the development of a spirit of creativity, which is indispensable for industrialization.

Concerning specifically the issue of vocational training, it is envisaged to introduce a vocational training dynamics in a vast programme called "Train my Generation" to promote the improvement of the quality of workers in the informal.

**As concerns strengthening the educational system,** it involves: (i) better management of the personnel of the educational system; (ii) better distribution of educational infrastructure throughout the national territory; (iii) full transfer of decentralization resources; and (iv) promotion of private investment in the education and training sector.

**With regard to research and innovation,** it will entail strengthening our National Innovation System (NIS) to link three spheres: the productive, educational and the research spheres. This is likely to generate a dynamic of self-enhancement, allowing us to initiate economic development. It will entail: (i) aligning our national research and innovation policy with our industrialization and development choices; (ii) updating the status of researchers to broaden their involvement in priority areas of national development; (iii) enhancing research results through the establishment of functional bridges between research and the business world; (iv) supporting the financing of innovative projects, in particular through scholarships and calls for innovation projects in the various sectors of the economy; (v) promoting business incubators, start-ups and junior companies resulting from the initiatives of pupils and students.

**As concerns health and nutrition,** the aim will be to promote a better access of the population to quality health services and care. In connection with ODD 3 on health, it will particularly be a matter of: (i) reducing the maternal mortality rate to below 70 per 100 000 live births; (ii) reducing neonatal mortality to 12 per 1 000 live births at most and the mortality of children under-five to 25 per 1 000 live births at most; (iii) reducing by 50% the prevalence and mortality of the main transmissible diseases (AIDS, tuberculosis, malaria, etc.) and non-transmissible diseases; (iv) reducing by 2/3 malnutrition among children under 5 years of age; and (v) rendering viable 80% of intermediate and peripheral health facilities.
In this regard, and in line with our sectoral health strategy, it will entail improving the governance of the health system, strengthening the technical kit of central and reference hospitals, enhancing local therapeutic potential and implement Universal Health Coverage (UHC). The main components of this strategy should focus on: (i) health promotion; (ii) disease prevention; (iii) case management; (iii) nutrition; and (iv) strengthening the health system.

With regard to improving access to other basic social services or amenities, this include notably:

- **access to housing.** It will entail improving access to housing through: (i) extensive servicing of building plots; (ii) intensification of the production and promotion of local materials; (iii) promotion of building standards in urban areas; (iv) facilitation of access to land and real estate credit; and (v) encouragement of the establishment of private real estate companies capable of producing low-cost housing through the development of local materials and local skills developed in the domain.

- **access to safe drinking water,** in order to ensure universal and equitable access to safe drinking water at an affordable cost for all households, it will be necessary to work towards appropriate and local responses by collaborating with Regional and Local Authorities (RLA) for the production and distribution of safe drinking water.

- **household access to electricity,** in order to guarantee access for all to electricity at an affordable cost, we will adapt our electrification solutions here to the typology of needs. The mastery of solar electrification technologies and mini-dams will contribute in promoting rural electrification. To this end, the private sector could be attracted through various incentives.

Concerning social protection, in order to strengthen the social presence of the State and promote the well-being of the population, particularly the most vulnerable, it will be necessary to consolidate achievements and further broaden the scope of social security. There will also be the need to extend transfers and strengthen our national solidarity mechanisms. In this vein, projects have been launched following the production of our National Social Protection Policy. These works should be completed to clarify and make more fluid the facilities offered to
vulnerable people and the poor, on the basis of a unified social register, among other things.

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The third pillar concerns the promotion of employment and economic integration. The strategic guidelines on employment were established in the National Employment Policy (NEP) document adopted in 2017, the overall objective of which was to promote full and decent employment in Cameroon through the expansion and enhancement of job creation opportunities in the economy. It includes the following guidelines: (i) promoting employment in public investment projects and in rural areas; (ii) developing VSEs, SMEs and entrepreneurship; (iii) supporting formal private sector enterprises; (iv) matching employment demand with supply; and (v) regulating the labour market. Relating to this pillar, it will entail improving the effectiveness and efficiency of our support mechanisms to support the establishment of youths, to make them more coherent and less dispersed.

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The fourth pillar is related to governance and strategic management of the State. It deals with the rule of law, protection of human rights, decentralization and local development, the judicial system, maintenance of law and order and security as well as the role of the State in the economy. This pillar also includes issues related to multiculturalism and bilingualism, which are central to the third dimension of Vision 2035, namely "unity in diversity". Indeed, governance occupies a prominent place in the development strategy, as an essential component of Cameroon's emergence process by 2035.

Thus, this pillar is structured around political and institutional governance, administrative governance, economic and financial governance, regional governance, social and cultural governance.
The main points of focus in this domain are related to:

◊ the appropriate implementation of the recommendations of the Major National Dialogue (MND) for the restoration of peace in the North-West and South-West Regions, with the advent of a special status for these two regions and the setting up of a recovery, rebuilding and development plan (RRDP) for the two regions as well as for the Far-North.

◊ decentralization and local development, resulting in the completion of the decentralization process and the strengthening of local development to make Local Councils poles of integrated growth and development at the regional and local level;

◊ the strengthening of the judicial system. This will involve (i) strengthening the accessibility to justice and the protection of litigants; (ii) guaranteeing the independence and fairness of justice; (iii) improving the enforcement of court decisions; and (iv) ensuring the legal security of investments and combating prison overcrowding;

◊ improving the electoral system for free, fair, transparent and credible elections;

◊ reinforcing the rule of law to strengthen the confidence of citizens and investors with regard to the State;

◊ consolidating the performance and quality of public service;

◊ pursuing the modernization of public financial management;

◊ strengthening the role of planning in administrations;

◊ improving citizen access to public information;

◊ strengthening the coordination and coherence of public action;

◊ strengthening the fight against corruption and embezzlement of public funds;

◊ controlling indebtedness through the implementation of a coherent debt management strategy, prioritizing, among other things, recourse to Public-Private Partnerships and concessional loans;

◊ promoting bilingualism and multiculturalism;

◊ reappropriating citizenship and patriotism;

◊ permanently seeking social cohesion.

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With regard to the institutional framework for monitoring-evaluation and steering of the strategy, we will need to rationalize and unify the main instruments in strategic planning to make the monitoring and steering system more coherent. To date, there are multiple sector-based committees and secretariats that are most often detached from the national strategy contained in the Growth and Employment Strategy Paper.
The second issue to be solved is that of classifying ministries into planning sectors. The rigorous sectoral division generate compartmentalizations likely to undermine overall coordination of efforts deployed.

Finally, it is indispensable, for more efficiency at the organizational level, to bring closer together the spatial planning and strategic planning works.

This is why the draft strategy suggests the setting up of a National Council of Planning and Regional Development, a steering and monitoring-evaluation of the national development strategy and the sector-based and thematic strategies.

The Council chaired by the Prime Minister, Head of Government, will include members of Government, representatives of the private sector and the civil society. Its main missions would be: to oversee the implementation of the strategy; to decide on: major development guidelines, projects of national economic interest, strategic options for economic cooperation, evaluation of development options for purposes of reorientation, among others.

As an operational body, it has been proposed, the setting up, under the Council, of a National Committee for the monitoring and evaluation of the implementation of the strategy, under the authority of the Minister in charge of Planning and to which a Coordination Unit and secretariats dedicated to sector-based strategies in the current formats will be attached, these secretariats would be coordinated by managers of the key sector ministries).

For statistical monitoring, it is envisaged to put in place a strictly respected and drafted statistical by a national statistical system in accordance with the National Strategy on the Statistical Development.

Given lesson learnt from past experiences and in a bid to structurally and sustainably maintain the implementation of development programmes and projects stemming from our national strategy, it is suggested to submit a draft planning law to strengthen the status of Planning as well as the strategies that constitute its outputs.

This is the summary of the draft of the National Development Strategy for whose finalization your contributions will be highly awaited.

Thank you for your kind attention./-