

Document of  
**The World Bank**

**FOR OFFICIAL USE ONLY**

Report No: PAD2780

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT PAPER

ON A

PROPOSED ADDITIONAL GRANT FROM THE IDA18 REFUGEE SUB-WINDOW

IN THE AMOUNT OF SDR 27.7 MILLION  
(US\$40 MILLION EQUIVALENT)

AND A

PROPOSED ADDITIONAL CREDIT

IN THE AMOUNT OF EURO 6.6 MILLION  
(US\$8 MILLION EQUIVALENT)

TO THE

REPUBLIC OF CAMEROON

FOR AN ADDITIONAL FINANCING TO THE

COMMUNITY DEVELOPMENT PROGRAM SUPPORT PROJECT RESPONSE TO FORCED  
DISPLACEMENT

March 30, 2018

Social, Urban, Rural And Resilience Global Practice  
Africa Region

This document has a restricted distribution and may be used by recipients only in the performance of their official duties. Its contents may not otherwise be disclosed without World Bank authorization.

## CURRENCY EQUIVALENTS

(Exchange Rate Effective February 28, 2018)

Currency Unit = CFA Franc (CFAF)

CFAF 537 = US\$1

US\$1 = SDR 0.69161554

US\$1 = EURO 0.81843107

## FISCAL YEAR

January 1 - December 31

## ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
AFD	<i>Agence Française de Développement</i> (French Development Agency)
CAA	Autonomous Sinking Fund ( <i>Caisse Autonome d'Amortissement</i> )
CDD	Community-Driven Development
CDP	Communal Development Plan
CDPSP	Community Development Program Support Project ( <i>Programme National de Développement Participatif</i> )
COMES	Municipal Council Extended to Technical Deconcentrated Services ( <i>Conseil Municipal Elargi aux Sectoriels</i> )
CSO	Civil Society Organization
DA	Designated Account
ECAM	National Household Survey ( <i>Enquête Camerounaise des Ménages</i> )
ERSP	Education Reform Support Project
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
FEICOM	Special Council Support Fund for Mutual Assistance ( <i>Fonds special d'équipement et d'intervention intercommunale</i> )
FGM/C	Female Genital Mutilation or Cutting
FM	Financial Management
GBV	Gender-Based Violence
GDP	Gross Domestic Product
GoC	Government of Cameroon
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
HDI	Human Development Index
HSPRP	Health System Performance Reinforcement Project
ICOR	Incremental Output Ratio
IDP	Internally Displaced Person
IFMIS	Integrated Financial Management Information System

IFR	Interim Financial Report
IMF	International Monetary Fund
IPP	Indigenous Peoples Plan
LDP	Letter of Development Policy
LSP	Local Service Provider
M&E	Monitoring and Evaluation
MINATD	<i>Ministère de l'Administration Territoriale et de la Décentralisation</i> (Ministry of Territorial Administration and Decentralization)
MINEPAT	Ministry of Economy, Planning and Regional Development ( <i>Ministère de l'Economie, de la Planification et de l'Aménagement du Territoire</i> )
MINEDUB	<i>Ministère de l'Éducation de Base au Cameroun</i> (Ministry of Basic Education)
MINREX	<i>Ministère des Relations Extérieures au Cameroun</i> (Ministry of Foreign Affairs)
MINSANTE	<i>Ministère de la Santé Publique au Cameroun</i> (Ministry of Public Health)
MTR	Mid-Term Review
NCU	National Coordination Unit
NGO	Nongovernmental Organizations
NIES	Notice of Impact Environmental and Social
NPF	New Procurement Framework
NPV	Net Present Value
O&M	Operations and Maintenance
PDO	Project Development Objective
PFM	Public Financial Management
PIA	Annual Investment Plan ( <i>Plan d'Investissement Annuel</i> )
PIB	Public Investment Budget
PIU	Project Implementation Unit
PIM	Project Implementation Manual
PMP	Pest Management Plan
PNSC	Project's National Steering Committee
PPSD	Project Procurement Strategy Document
RAP	Resettlement Action Plan
RCU	Regional Coordination Unit
RPBA	Recovery and Peacebuilding Assessment
RPF	Resettlement Policy Framework
RSW	Refugee Sub-Window
SSNP	Social Safety Nets Project
TA	Technical Assistance
UNHCR	United Nations High Commissioner for Refugees
WFP	World Food Program

Regional Vice President: **Makhtar Diop**

Country Director: **Elisabeth Huybens**

Senior Global Practice Director: **Ede Jorge Ijjasz-Vasquez**

Practice Manager: **Robin Mearns**

Task Team Leader(s): **Benjamin Burckhart, Abel Paul Basile Bove**



**BASIC INFORMATION – PARENT (Community Development Program Support Project-Phase III - P144637)**

Country Cameroon	Product Line IBRD/IDA	Team Leader(s) Benjamin Burckhart		
Project ID P144637	Financing Instrument Investment Project Financing	Resp CC GSU01 (9357)	Req CC AFCC1 (6544)	Practice Area (Lead) Social, Urban, Rural and Resilience Global Practice

Implementing Agency: Republic of Cameroon

Is this a regionally tagged project?  No				
<input type="checkbox"/> Situations of Urgent Need or Capacity Constraints <input type="checkbox"/> Financial Intermediaries <input type="checkbox"/> Series of Projects	Bank/IFC Collaboration  No			
Approval Date 29-Sep-2015	Closing Date 30-Nov-2019	Original Environmental Assessment Category Partial Assessment (B)	Current EA Category Partial Assessment (B)	

**Development Objective(s)**

The development objective of phase 3 (PNDP III) is to strengthen local public finance management and participatory development processes in communes for the delivery of quality and sustainable social and economic infrastructure.

**Ratings (from Parent ISR)**

	<b>Implementation</b>	<b>Latest ISR</b>
--	-----------------------	-------------------



	16-Jan-2016	19-Jun-2016	23-Dec-2016	20-Jun-2017	21-Dec-2017
Progress towards achievement of PDO	S	S	S	S	S
Overall Implementation Progress (IP)	S	S	MS	S	S
Overall Safeguards Rating	S	S	S	S	S
Overall Risk	S	S	S	S	S

**BASIC INFORMATION – ADDITIONAL FINANCING (Community Development Program Support Project Response to Forced Displacement - P164803)**

Project ID P164803	Project Name Community Development Program Support Project Response to Forced Displacement	Additional Financing Type Restructuring, Scale Up	Urgent Need or Capacity Constraints
Financing instrument Investment Project Financing	Product line IBRD/IDA	Approval Date 12-Apr-2018	
Projected Date of Full Disbursement 30-Jun-2022	Bank/IFC Collaboration No		
Is this a regionally tagged project? No			

- Situations of Urgent Need or Capacity Constraints
- Financial Intermediaries
- Series of Projects

**PROJECT FINANCING DATA – PARENT (Community Development Program Support Project-Phase III - P144637)**



**Disbursement Summary (from Parent ISR)**

Source of Funds	Net Commitments	Total Disbursed	Remaining Balance	Disbursed
IBRD				%
IDA	70.00	35.92	35.40	50 %
Grants				%

**PROJECT FINANCING DATA – ADDITIONAL FINANCING (Community Development Program Support Project Response to Forced Displacement - P164803)**

**FINANCING DATA (US\$, Millions)**

**SUMMARY**

<b>Total Project Cost</b>	48.00
<b>Total Financing</b>	48.00
<b>Financing Gap</b>	0.00

**DETAILS**

International Development Association (IDA)	48.00
IDA Credit	8.00
IDA Grant	40.00

**COMPLIANCE**

**Policy**

Does the project depart from the CPF in content or in other significant respects?

Yes  No

Does the project require any other Policy waiver(s)?

Yes  No



Explanation

Given the emergency situation, the project will use the flexibility provided by the New Procurement Framework (Section III, H., parag. 4) to defer the completion of the PPSD and Procurement Plan to project implementation phase.

Has the waiver(s) been endorsed or approved by Bank Management?

Approved by Management

Endorsed by Management for Board Approval

No

Explanation

Country Director approved the deferral of the PPSD and Procurement Plan to project implementation phase.

**INSTITUTIONAL DATA**

**Practice Area (Lead)**

Social, Urban, Rural and Resilience Global Practice

**Contributing Practice Areas**

Governance

**Climate Change and Disaster Screening**

This operation has been screened for short and long-term climate change and disaster risks

**Gender Tag**

Does the project plan to undertake any of the following?

a. Analysis to identify Project-relevant gaps between males and females, especially in light of country gaps identified through SCD and CPF

Yes

b. Specific action(s) to address the gender gaps identified in (a) and/or to improve women or men's empowerment

Yes

c. Include Indicators in results framework to monitor outcomes from actions identified in (b)

Yes



**PROJECT TEAM****Bank Staff**

<b>Name</b>	<b>Role</b>	<b>Specialization</b>	<b>Unit</b>
Benjamin Burckhart	Team Leader (ADM Responsible)		GSU01
Abel Paul Basile Bove	Team Leader	Governance Specialist	GGOAC
Ibrah Rahamane Sanoussi	Procurement Specialist (ADM Responsible)	Procurement	GGOPF
Celestin Adjalou Niamien	Financial Management Specialist	Financial Management	GGOAC
Catherine Marie Rose Defontaine	Team Member	Fragility and M&E	GTFMR
Chrystelle Isabelle Mfout Tapouh	Team Member		AFCC1
Cyrille Valence Ngouana Kengne	Environmental Safeguards Specialist		GEN07
Edith Ruguru Mwenda	Counsel		LEGAM
FNU Owono Owono	Social Safeguards Specialist		GSU01
Faly Diallo	Team Member	Finance Officer	WFACS
Helene Simonne Ndjebet Yaka	Team Member	Operation Analyst	AFCC1
Herimpamonjy Mavoarisoa Ranaivoarivelo	Team Member		GGOAC
Monique Mogue Kamga	Team Member		AFCC1
Monique Ndome Didiba Epse Azonfack	Team Member	procurement	GGOPF
Nicolas Perrin	Peer Reviewer		GSU01
Odilia Renata Hebga	Team Member	Communication	AFREC
Olivier Maxime Nkouna Kouam	Team Member		GSU01
Sameena Dost	Team Member		LEGAM
Sylvie Munchep Ndze	Team Member	procurement	AFCC1
Varalakshmi Vemuru	Peer Reviewer		GSU07

**Extended Team**

<b>Name</b>	<b>Title</b>	<b>Organization</b>	<b>Location</b>
-------------	--------------	---------------------	-----------------





CAMEROON

COMMUNITY DEVELOPMENT PROGRAM SUPPORT PROJECT RESPONSE TO FORCED DISPLACEMENT

**TABLE OF CONTENTS**

<b>I. BACKGROUND AND RATIONALE FOR ADDITIONAL FINANCING .....</b>	<b>8</b>
<b>II. DESCRIPTION OF ADDITIONAL FINANCING AND RESTRUCTURING .....</b>	<b>19</b>
<b>III. KEY RISKS .....</b>	<b>27</b>
<b>IV. APPRAISAL SUMMARY .....</b>	<b>29</b>
<b>V. WORLD BANK GRIEVANCE REDRESS.....</b>	<b>38</b>
<b>I. SUMMARY TABLE OF CHANGES .....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>II. DETAILED CHANGE(S).....</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>VIII. RESULTS FRAMEWORK AND MONITORING .....</b>	<b>49</b>
<b>ANNEX 1: OVERVIEW OF REFUGEES AND HOST COMMUNITIES IN CAMEROON .....</b>	<b>59</b>
<b>ANNEX 2: WORLD BANK INTEGRATED APPROACH THROUGH IDA18 REFUGEE SUB-WINDOW IN CAMEROON .....</b>	<b>64</b>
<b>ANNEX 3: COST-BENEFIT ANALYSIS OF THE CDPSP PROJECT-PHASE III AND ITS ADDITIONAL FINANCING.....</b>	<b>66</b>



## I. BACKGROUND AND RATIONALE FOR ADDITIONAL FINANCING

### Parent Project Background

1. **The parent project—the Cameroon Community Development Program Support Project—Phase III (*Programme National de Développement Participatif*, CDPSP III – P144637)—has successfully implemented the community-driven approach to local development and supported the decentralization process.** The Project Development Objective (PDO) of the CDPSP III is to strengthen local public financial management (PFM) and participatory development processes in local councils for the delivery of quality and sustainable social and economic infrastructure. The parent project has three components:

- **Component A: Local development support (original financing: US\$46.77 million IDA).** This component is aimed at supporting local councils in using a participatory approach to development planning and providing grants to finance subprojects. Since effectiveness on April 1, 2016, 99 local councils have completed their Communal Development Plans (CDPs) and 72 others have started the process. Up to January 2018, out of the 800 subprojects identified, 357 were completed and 129 are ongoing.
  - (a) Subcomponent A.1 supports the implementation of a program of activities to support local development, through the provision of grants to finance (i) the preparation of the CDPs through a participatory approach, (ii) CDPs-related activities (for example, the preparation of Annual Investment Plan [*Plan d'Investissement Annuel*, (PIA) and citizens monitoring mechanisms], and (iii) subprojects. The CDPSP III also piloted in 2017 a performance-based financing of local councils (*Performance Financing Window*) to foster good governance and transparency in the management of local councils. Through the annual assessment of the *Performance Financing Window* completed with the local councils according to a list of objective criteria, the best local councils in each region benefit from an allocation of CFAF 50 million to finance subprojects, in addition to their original allocation.
  - (b) Subcomponent A.2 aims at supporting local councils from the most vulnerable regions where poverty rates are the highest—Adamawa, East, North and Far North—with a larger allocation to finance subprojects and waiving the conditionality of co-financing from the community.
- **Component B: Support of the decentralization process (original financing: US\$14.02 million IDA).** This component seeks to facilitate the sustainability of the CDPSP's benefits and strengthen the capacity of institutions that support the decentralization process.
  - (a) Subcomponent B.1 provides institutional support to the institutions responsible for the decentralization process through technical assistance, studies, legal framework dissemination, and study tours. The main results so far are (i) the definition of procedures with the Ministry of Economy, Planning and Regional Development (*Ministère de l'Économie, de la Planification et de l'Aménagement du Territoire*,



MINEPAT) to ensure that the CDPs are taken into account into the annual planning process of investment budget; (ii) the ongoing upgrade of the comprehensive local councils database (Pro-ADP) to a desktop, web, and mobile-based database and the definition of procedures to update the database by local councils and deconcentrated services; (iii) two ongoing studies on the institutionalization of the tools and mechanisms developed through the CDPSP phases so far; (iv) ongoing study on an operations and maintenance (O&M) manual for local councils; and (v) the revision of the CDPs' elaboration manual to include different approaches adapted to emerging needs (urban environment, land-use planning, inclusion of displaced communities, and rapid appraisal).

- (b) Subcomponent B.2 supports capacity-building activities of local councils and stakeholders involved in the decentralization process, including citizen engagement, environment, PFM from planning to budgeting, procurement and monitoring, and O&M of infrastructures. So far, 782 beneficiaries have benefited from the training provided by the project.
- (c) Subcomponent B.3 aims at strengthening the PFM of local councils by scaling up the implementation of the financial management (FM) information system SIM\_BA in all local councils, strengthening the capacity of the authorities to control local councils' FM (Audit Bench, *Ministère des Finances* [Ministry of Finance], Ministry of Territorial Administration and Decentralization [*Ministère de l'Administration Territoriale et de la Décentralisation*, MINATD]), and mainstreaming budget transparency and accountability. So far, all the 360 local councils have installed SIM\_BA, and the software is being translated in English to facilitate mainstreaming in the two Anglophone regions. All local councils with the software as well as the regional services of the Treasury have been trained every quarter. A local councils-led single window to speed up the lengthy payment process of contractors is being piloted in districts in some regions. Finally, the simplified budget template is being finalized and adapted to simplify its production using SIM\_BA.

- **Component C: Coordination, management, monitoring and evaluation and communication (original financing: US\$9.21 million IDA).** This component aims at providing the human and financial resources needed to implement the project. The Project Implementation Unit (PIU) is fully staffed and operational at the national and regional levels. The communication strategy has been finalized and is being implemented. The Call Center to manage grievances has been launched in June 2017.

2. **Since effectiveness (April 2016), the project is rated Satisfactory** for both implementation and progress toward the PDO. The disbursement rate stands at 50.6 percent as of February 07, 2018, (US\$35.42 million out of a total of US\$70 million). As PDO and selected intermediate results indicators show (see table 1), progress toward meeting the development objectives of the CDPSP III is satisfactory. Of the six PDO-level indicators, one has already surpassed end-of-project targets, two show progress, one is not yet relevant, two have no actual value yet as data will be collected during the Mid-Term Review (MTR). Regarding the intermediate indicators (see annex 3), four have surpassed end-of-project targets,



three have reached their targets, and nine are on track and should achieve their target by the closure of the project.

**Table 1. Summary of PDO-Level Indicators for the CDPSP III**

Indicator	Baseline 2015	Latest Actual 30-Nov-2017	End Target 30-Nov-2019
<i>PDO Indicators</i>			
Share of decentralized Public Investment Budget projects derived from Local Development Plans	0%	60.50%	50%
Share of local councils which financial accounts are submitted to the Audit Bench ( <i>Chambre des Comptes</i> )	0%	8.26%	50%
Subprojects or investments for which arrangements for community engagement in post-project sustainability and/or operations and maintenance are established	0%	79.19%	100%
Eligible 31 new communes that have prepared CDPs of a quality acceptable to the association	0	Those CDPs are underway but not completed yet.	31
Beneficiaries that feel project investments reflected their needs (gender-specific)	0% (male: 0% female: 0%)	Survey will be done for the MTR	80% (male: 80% female: 20%)
Direct project beneficiaries (females)	0 (female: 0%)	392,320 (female: 20%)	1,300,000 (female: 50%)

## Refugee Crisis

3. **The sub regional crises linked to Boko Haram and the conflict in the Central African Republic, as well as vulnerabilities stemming from external shocks,**<sup>1</sup> has had direct and severe consequences on the Far North, the North, Adamawa, and the East, particularly in cross-border areas.<sup>2</sup> As of November 2017, Cameroon was host to 338,505 refugees.<sup>3</sup> Hosting regions account for 66 percent of the poor households in the country, even though they are home to only 38 percent of Cameroon's population. Forced displacements<sup>4</sup> have greatly increased humanitarian needs, exacerbated poverty levels, and put significant pressure on social, economic, and governance structures that are already overstretched, and on natural resources. The increased fragility, insecurity, and violence in the border countries have resulted in the loss of livestock, interruption of agricultural activities, trade decreases, and closed markets, roads, and borders.

<sup>1</sup> Vulnerability to food insecurity, malnutrition, and epidemics is exacerbated by the deterioration of the economic landscape, recurring floods and droughts, and by the lack of access to adequate basic social services.

<sup>2</sup> The bordering regions of Nigeria in the Far North (Mayo Sava, Mayo Tsanaga, Logone-Chari Districts) and the Central African Republic in the East (Lom-Jerem, Kadei, and Bouma-Ngoko Districts) and Adamaoua (Mbéré and Vina Districts) and North (Mayo Rey District) are more directly and more severely affected by the crises. In these areas, physical destruction (Far North), lack of pre-crisis administrative and social services, high flows of displaced populations, and growing insecurity—including serious security incidents, and an increase in crime—makes the lives of local and displaced people particularly difficult.

<sup>3</sup> As of end November 2017. *Source:* United Nations High Commissioner for Refugees (UNHCR).

<sup>4</sup> See the Recovery and Peacebuilding Assessment (RPBA).



4. **About 248,000 refugees from the Central African Republic live along the eastern border** (the majority of them in the East region and the rest of them in the Adamawa and North regions). The Central African Republic refugees live mostly integrated in Cameroonian villages and sometimes in households headed by Cameroonians. The Central African Republic refugees represent 5 percent of the total population in Adamawa and 18 percent in the East region. In some cases, refugees represent more than half of the overall population of the most affected municipalities; in Kenzou, for example, refugees account for 70 percent of the overall population. Post-2013, arrivals of refugees, who mostly live in dedicated refugee sites, have upset prior host-refugee relationships that were largely positive and have led to some conflicts over resources and land use. Overall, 31 percent of the Central African Republic refugees live in one of the seven dedicated refugee sites, while 69 percent live in villages. Aid which is often primarily directed to refugees is also starting to cause resentment among host communities who do not benefit from as much attention from the humanitarian community; however, despite all humanitarian efforts directed toward refugees, the majority of them remains fully dependent on aid and live in extreme poverty.<sup>5</sup> The situation may become particularly problematic, due to the gradual reduction of humanitarian assistance. For example, the World Food Programme (WFP) had to reduce the number of people receiving monthly food rations by 50 percent between 2017 and 2018.

5. **The Far North** hosts about 91,000 Nigerian refugees and 242,000 internally displaced persons (IDPs). Refugees fled Boko Haram attacks, and most have been in exile for three to four years. Approximately one-fourth of these refugees have experienced multiple displacements. The majority of Nigerian refugees (some 62,500, as of January 31, 2018) live in Minawao camp, while some 25,000 to 30,000 refugees live side-by-side with IDPs and host populations in villages. While all refugees at the Minawao camp are individually registered with biometrics and provided with refugee-ID cards by the United Nations High Commissioner for Refugees (UNHCR), out-of-camp refugees are yet to receive refugee cards to facilitate their identification and protection. As for the host population, as well as IDPs, many lack birth certificates and identification documents, which increases their vulnerability. Inflows of refugees and IDPs, continued insecurity, violent attacks, and cross-border traffic restrictions, have destabilized the economy of a region that was already very poor, under-served, and largely dependent on trade with Nigeria.

6. **The number of refugees in the North** being lower than in other regions, the impact there is mostly on the economic and commercial activities (less commercial trade, price volatility, fewer investments, less

---

<sup>5</sup> According to a Food Security and Poverty Vulnerability Analysis of the Central African Republic, refugees in Cameroon, conducted by the American University of Beirut in collaboration with UNHCR and the WFP, poverty is alarmingly widespread amongst the Central African Republic refugee population, with the vast majority living far below the extreme poverty line. Based on the Republic of Cameroon's national poverty lines, 98.5 percent of the Central African Republic refugees fall below the poverty line (CFAF 22,500 per person per month) and 97.7 percent fall under the extreme poverty line (CFAF 17,962 per person per month). This is equally true for the old (arrival between 2004 and 2006) and new caseload (arrival between 2013 and 2017). Even when applying the Minimum Food Basket as determined by the WFP, which established that a person needs a minimum of CFAF 8,800 per month to reach minimum food requirements of 2,100 kcal per day, 70.1 percent of the total Central African Republic refugee population does not have sufficient means to consume sufficient levels of food even with current levels of assistance provided.



tourism). The number of communities<sup>6</sup> hosting refugees and in need of humanitarian assistance reached 18,443, as of November 2017.<sup>7</sup>

7. **The situation is particularly worrisome for women and girls.** Entrenched patriarchal norms dictate that girls and women in these communities are married early,<sup>8</sup> have limited access to land, and are prohibited from inheriting after the death of their husband. Gender-Based Violence (GBV), including sexual violence,<sup>9</sup> against women is widespread, including rape, sexual exploitation, physical assault, and domestic violence. Moreover, prostitution becomes a negative coping mechanism and is used in a context of limited access to livelihoods for refugees and reduced levels of assistance. The Demographic and Health Survey (2011) finds that 55 percent of women over 15 years have experienced physical violence, mostly by their current or recent partner, but also by biological and step-parents or siblings. Twenty percent of sexually active women have been forced into their ‘first time,’ especially those under the age of 15 (30 percent). Among ever-married women, 60 percent have suffered physical, sexual or emotional violence at the hands of their current or former husband. Women are particularly vulnerable to sexual violence when collecting firewood, drawing water, using latrines at night, and moving outside their camps. Harmful traditional practices, including breast ironing and female genital mutilation or cutting (FGM/C), is prevalent in Cameroon (1 percent of girls and women age 15–49 years who have undergone FGM/C, 2004–2015),<sup>10</sup> and in female refugees from Nigeria (25 percent), and the Central African Republic (24.2 percent).<sup>11</sup> While FGM/C was criminalized in Cameroon in 2016, concrete measures have not been implemented to enforce this law, which reduces the likelihood that these practices will stop, particularly in refugee communities.

8. **The presence and influx of refugees have led to additional needs.** The Far North, North, Adamawa, and East—all hosting refugees—represent about 41.3 percent of Cameroon’s population (about 9.1 million people). As a result of the annual joint interagency planning led by the United Nations Office for the Coordination of Humanitarian Affairs and UNHCR, financing requirements to support the influx of the Central African Republic and Nigerian refugees have been estimated at US\$176.3 million in 2016 and US\$198 million in 2017. Overall, humanitarian priority needs, including those of IDPs and vulnerable host populations, amounted to US\$310 million in 2017 and are estimated to reach US\$305 million in 2018.<sup>12</sup>

---

<sup>6</sup> A host community in the context of World Bank-led development programs is a community where the socioeconomic environment has been transformed, positively and/or negatively, by an inflow of refugees. This is because the development response to forced displacement aims to help host communities pursue their development efforts within such transformed environments. For practical purposes of identification and delineation, the host community can be defined as the administrative level where refugees are located. In the context of Cameroon, such administrative levels refer to the local council level. Such a community will be considered ‘affected’ if its socioeconomic environment has been substantively affected by an inflow of refugees.

<sup>7</sup> UNHCR, November 2017.

<sup>8</sup> The legal age of marriage for girls in Cameroon is 15 years, versus 18 years for boys, while in the Adamawa and Far North regions, girls are married between 8 and 9 years. Source: UNHCR. *Cameroon: Information on Forced or Arranged Marriage*. <http://www.refworld.org/docid/3f51ec864.html>. (accessed: November 28, 2017).

<sup>9</sup> GBV refers to physical, sexual, emotional, and psychological abuse, and financial control by a person (or a group of people) that cause harm to another person.

<sup>10</sup> Source: Office of the United Nations High Commissioner for Human Rights. *Committee on the Rights of the Child Examines the Report of Cameroon*. <http://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=21675&LangID=E> Accessed: 11/28/2017

<sup>11</sup> Percentage represents the prevalence of girls and women age 15–49 years who have undergone FGM/C, between 2004–2015.

<sup>12</sup> See Humanitarian Response Plans for Cameroon (2016 and 2017):





The financing gap reached 81 percent. The International Monetary Fund (IMF) has calculated the budgetary impact of the conflict due to Boko Haram (including security expenditures) at around 1–2 per cent of gross domestic product (GDP) in 2015—in other words, between US\$325 million and US\$650 million.<sup>13</sup> The Government of Cameroon (GoC) has estimated the financing impact of the destruction of goods, houses (40,000 homes destroyed), schools, markets, roads, and health centers at CFAF 40 billion. However, the share of the investment budget allocated to these regions never reached 10 percent of the total budget between 2013 and 2016.

9. **Additional stress on services and resources as a consequence of forced displacements could** (a) intensify tensions between communities, and (b) fuel social discontent against the Central Government, especially since humanitarian aid is progressively withdrawing. The current volatile and unstable situation in the Central African Republic and Nigeria does not seem to allow for any potential return of refugees in the near future. Violence in the context of poverty and social discontent about perceived Government's ineffectiveness and corruption, and a lack of economic opportunities constitute serious concerns for the Government.

10. **The GoC is committed to respond to the crises.** The GoC has deployed the army on the Far North border and has been working closely with neighboring countries to counter Boko Haram violence. The GoC has also received a large number of refugees and facilitated the intervention of humanitarian actors in most of the affected areas. The Government has adopted an emergency plan to respond to the impact of the crises and improve the development of the four lagging regions. Sectoral strategies identify the Far North, North, and Adamawa as priority intervention areas. An inter-ministerial ad hoc committee to manage the refugee emergency in Cameroon was created by Presidential Order 269 on March 13, 2014. The August 11, 2017, Letter of Development Policy (LDP) noted the policy commitment of the Government toward refugees in Cameroon and articulated a strategic approach to move toward long-term solutions that benefit refugees and host communities.

11. **Overall, the Government has maintained a relatively laissez-faire attitude toward refugees.** Among the national and local authorities, there is a commitment to the acceptance of refugees, but also concerns around tensions with hosting communities and security risks associated with the presence of refugees, especially in the Far North region, where due to the asymmetric nature of the conflict, authorities fear the infiltration of potentially radicalized individuals among the refugee population. While the approach toward the Central African Republic refugees in the East has been relatively welcoming, the attitude toward Nigerian refugees in the Far North has been influenced by the tactics of the Boko Haram insurgency, which includes indiscriminate attacks on civilians and armed forces, suicide bombings, and raids on villages on Cameroonian territory. The Government relies on external partners, including UNHCR to manage the situation and provide assistance to refugees. This largely reflects the lack of fiscal resources and the limited administrative and technical capacity available in remote border regions. Nevertheless, the Government collaborates closely with humanitarian partners and has opted to receive over 70 percent of refugees in the East, Adamawa and North regions—in local villages instead of dedicated camps. In collaboration with the CDPSP and consistent with the CDPs, a dedicated joint support plan for the Central African Republic refugee-hosting municipalities is currently being developed to strengthen the access of

---

<https://www.humanitarianresponse.info/operations/cameroon>

<sup>13</sup> <https://www.crisisgroup.org/africa/central-africa/cameroon/b133-extreme-nord-du-cameroun-le-casse-tete-de-la-reconstruction-en-periode-de-conflit>



both host and refugee populations to basic social services and livelihoods in the concerned areas. In addition, the Government is strongly committed to the ongoing Recovery and Peacebuilding Assessment (RPBA) process, which has a dedicated pillar, that is, “security, forced displacement and protection.” Finally, the LDP clearly outlines the engagement of the GoC to improve the living conditions of the displaced persons and refugees.<sup>14</sup>

**12. Development partners provide significant support to the GoC by aligning their programs to the Government’s strategy.** Part of this commitment is through budget support and multi-annual cooperation programs. Recognizing the impact of the sub-regional crisis and preexisting structural weakness in the Far North, North, Adamawa, and the East, partners have stepped up their support to interventions targeting these four regions. This includes the 2018–2020 United Nations Development Assistance Framework and several cooperation agreements between the Government, European Union, and World Bank. Bilateral partners, such as the French Development Agency (*Agence Française de Développement, AFD*), German Agency for International Cooperation (*Gesellschaft für Internationale Zusammenarbeit*), the European Commission, and the African Development Bank also work closely with the Government to implement its development programs. Humanitarian actors are also strongly involved. The United Nations has adopted the Humanitarian Response Plan (2017–2020), which targets 1.2 million people, about 41 percent of the 2.9 million people in need. UNHCR has developed a Multiyear and Multipartner Protection Strategy, which has been endorsed by the Government, to reinforce the protection of refugees and strengthen their socioeconomic inclusion (2018–2020).

**Box 1. Stakeholders Agreements for Long-term Solutions that Benefit Refugees and Host Communities**

*Agreement 1: MINEPAT, European Union, United Nations, and World Bank (July 2016)*

The RPBA (2018–2022), targeting the four regions, was launched in 2017. It (a) assessed the economic, social, and physical impact of the conflict in the Far North region; (b) identified immediate and medium-term recovery and Peace-Building requirements; (c) laid the foundations for elaboration of a longer-term recovery and Peace-Building strategy; and (d) aimed at strengthening the link between humanitarian, development, and Peace-Building.

*Agreement 2: Ministry of Public Health (MINSANTE) and UNHCR (August 2016)*

UNHCR committed to financing 70 percent of fees for health services in public health facilities for the Central African Republic and Nigerian refugees in the Far North, North, Adamawa, and East regions for 2018–2020.<sup>15</sup> The convention is valid for two years (renewable), with an estimated allocation of US\$19 million for 2018–2020.<sup>16</sup>

*Agreement 3: UNHCR, GoC, and Government of Nigeria (March 2017)*

<sup>14</sup> Cameroon is a party to most major international agreements relevant to refugees. These include the 1951 Convention and the 1967 Protocol relating to the Status of Refugees and the 1969 Organization of African Unity Convention Governing the Specific Aspects of Refugee Problems in Africa. The status and treatment of refugees in Cameroon is governed by Law No. 2005/006 of July 2005 and implementing Decree No. 2011/389 of November 2011. Under these statutes, registered refugees and IDPs can access health and education services without paying significant fees. Documentation, however, remains a critical issue.

<sup>15</sup> Source: *Convention Cadre entre Le Ministère de la Santé Publique et Le Haut-commissariat des Nations Unies pour les Réfugiés au Cameroun* (2016). Accessed: January 20, 2018.

[https://www.humanitarianresponse.info/system/files/documents/files/convention\\_hcr\\_minsante.pdf](https://www.humanitarianresponse.info/system/files/documents/files/convention_hcr_minsante.pdf)

<sup>16</sup> Republic of Cameroon, LDP August 14, 2017.



Tripartite agreement for the Voluntary Repatriation of Nigerian refugees living in Cameroon. A Tripartite Commission was established to oversee the implementation phase of the agreement and ensure that practical modalities are developed to carry out the terms of the agreement.<sup>17</sup>

*Agreement 4: MINEPAT, UNHCR (October 2016), and World Bank (from June 2018)*

The objective of this agreement is to improve the living conditions of the populations in the East, North, and Adamawa regions that host refugees from the Central African Republic. Under this agreement, the following activities are included: (a) elaborate a support plan for local councils that host refugees and mobilize funds for its implementation; (b) facilitate inclusion of the needs of refugees and hosting populations in plans and budgets of the Government and development partners; and (iii) coordinate socioeconomic interventions related to improving the living conditions of refugees and host populations. A Steering Committee and a Technical Secretariat were established. Functioning of the Technical Secretariat is financed by UNHCR until June 2018 and by Additional Financing (AF) of the four AF projects from June 2018 onward. The CDPSP's AF will also support the implementation of the Local Council's Support Plan, provided that it is consistent with the CDPs, according to the CDPSP's operating mode.

*Agreement 5: Letter of Development Policy (August 11, 2017)*

The LDP on the support program for refugees and their host communities is the Cameroonian Government's statement of commitment to displaced persons and refugees, outlining the measures that have been implemented to improve their living conditions.

### Rationale for Additional Financing

13. **Cameroon meets the eligibility criteria for the IDA18 Refugee Sub-Window (RSW):**<sup>18</sup> (a) at the end of 2016, Cameroon was host to 375,415 refugees;<sup>19</sup> (b) the World Bank, in consultation with UNHCR, has determined that Cameroon adheres to a framework for the protection of refugees that is adequate for the purpose of the IDA18 RSW;<sup>20</sup> and (c) the GoC plans to design a strategy for identifying long-term solutions to challenges facing refugees and host communities.

14. **The AF seeks to support local development and participatory development processes in local councils hosting refugees in order to improve access to quality and sustainable socioeconomic infrastructure and services.** It will also contribute to reducing GBV, including sexual violence. The project will target local councils in the Far North, North, Adamawa, and East regions that are affected by the influx of refugees. The CDPSP has already implemented a successful community-driven development approach, including needs-identification, preparation of local development plans, and implementation of local projects nation-wide, including in the Adamawa, East, and Far North regions. In October 2016, the

<sup>17</sup> Source: Relief web (2017). Tripartite Agreement for the voluntary repatriation of Nigerian refugees living between the Government of the Republic of Cameroon, the Government of the Federal Republic of Nigeria, and the United High Commissioner for Refugees, March 2, 2017. Accessed: January 20, 2018. <https://reliefweb.int/report/cameroon/tripartite-agreement-voluntary-repatriation-nigerian-refugees-living-cameroon>.

<sup>18</sup> A country is eligible if (a) the number of UNHCR-registered refugees, including persons in refugees-like situations, it hosts is at least 25,000 or 0.1 percent of the country population; (b) the country adheres to an adequate framework for the protection of refugees; (c) the country has an action plan, strategy, or similar document that describes concrete steps, including possible policy reforms that the country will undertake toward long-term solutions that benefit refugees and host communities, consistent with the overall purpose of the sub-window.

<sup>19</sup> UNHCR. 2016. *Global Trends: Forced Displacement in 2016*.

<sup>20</sup> The adequacy is determined based on adherence to international or regional instruments such as the 1951 Refugee Convention or its 1967 Protocol, or the adoption of national policies and/or practices consistent with international refugee protection standards.



MINEPAT signed a convention with UNHCR to extend these participatory mechanisms to make them more inclusive of displaced populations. Under this AF, and based on its experience working in local councils hosting refugees, the CDPSP III will contribute to: (a) enhancing both service-delivery and social cohesion in refugee-hosting areas through community-driven development activities; (b) reinforcing capacity of local governments in accountable frontline service-delivery for both displaced and host communities; and (c) strengthening the capacity and role of local government in facilitating land planning and management through an inclusive approach.

15. **The proposed AF is fully consistent with the original PDO.** There are no outstanding or unresolved safeguards in the project. The additional investments would not require any changes to the environmental category B of the project, nor would they trigger any new safeguard policies.

16. **The proposed investment is aligned with the new Country Partnership Framework (FY17–FY21)** of Cameroon, and the Government’s strategy to improve the living conditions of refugees, IDPs, and host populations.

17. **The World Bank is adopting an integrated approach for the four projects targeting refugees and host communities.** Three AFs (Social Safety Net Project [SSNP] – P164830, CDPSP III – P164803, and Health System Performance Reinforcement Project [HSPRP] – P164954) and the Education Reform Support Project [ERSP] – P160926) benefit from the RSW financing and aim to support refugees and host communities.

18. **Activities from the IDA18-RSW funded projects will be integrated to enhance the impact on refugee populations and host communities.** Integrated approaches implemented in a coordinated and multi-sectorial fashion are more effective than interventions that work in isolation. Proposed activities largely complement each other and will be implemented in parallel and coordinated. The implementation of a harmonized approach will provide an integrated package of services to host communities. This would include: (a) aligning human development interventions with local planning processes (CDPs) supported by the CDPSP; (b) promoting synergies between the construction of basic infrastructure under the CDPSP and cash-for-work under the SSNP; and (c) using community workers across all projects to provide human development, psycho-social, and social cohesion services. For example, as part of the integrated approach, under the education, health, SSNP and CDPSP, teachers (education), community health workers (health) and community workers (SSNP and CDPSP) will be trained and sensitized on GBV, including sexual violence mental health, psycho-social problems, as well as early warning signs (for example, signs of psychological distress and so on), for implementation at the community level. A confidential, coordinated referral mechanism will be established for referral to community-level support mechanisms or health specialists at the health facility as appropriate.<sup>21</sup>

19. **Also, integrated coordination of the projects’ stakeholders, at the local and national levels, will ensure synergies of responses.** The three projects (SSNP, HSPRP and CDPSP III) will harmonize their methodologies to better implement activities targeting communities and at the local council’s level in order to ensure synergies, information sharing, coordination and collaboration, and avoid duplication and

---

<sup>21</sup> Mental Health and Psychosocial Support in Humanitarian Emergencies (MHPSS) (2017). Source: <https://interagencystandingcommittee.org/mental-health-and-psychosocial-support-emergency-settings/content/inter-agency-referral-guidance>



fragmentation. At the local council's level, the objective will be to integrate all sectoral communal committees (health, education, and social protection) into one overall committee. This will be achieved through the CDPSP-III supported Municipal Councils Extended to Technical Deconcentrated Services (*Conseil Municipal Elargi aux Sectoriels [COMES]*), which monitor CDPs' elaboration and implementation. At the village level, the village development committees (*Comités de Concertation*) that were institutionalized by the CDPSP over the last decade will integrate the village committees set up by the other three projects. Refugees will be represented in the villages' committees. At the regional level, regular coordination meetings will be held between the PIUs, local authorities, humanitarian actors, and UNHCR. At the national level, the respective PIUs will *de facto* collaborate and coordinate, as they will consolidate monitoring and evaluation (M&E) reporting on RSW-financed activities and regularly report to an ad hoc inter-ministerial committee comprising the MINEPAT, MINATD, the Ministry of Health (MINSANTE), the Ministry of Basic Education (MINEDUB),<sup>22</sup> the World Bank, and UNHCR on refugee-related activities, in addition to reporting to their respective project's Steering Committees.

20. **The coordinated projects will provide two entry points for policy dialogue:** (a) establishing an integrated approach to the medium-term socioeconomic aspects of forced displacement in order to bridge fragmentation across Government entities and enhance Government coordination with humanitarian and development actors. Over time, the objective is for the Government to build capacity to lead the development response to forced displacement crises by factoring forcibly displaced populations systematically into national planning and resource allocation processes and to prepare for possible future shocks. Furthermore, (b) the integrated approach will focus on lagging regions. To this end, the World Bank Group will support a review of allocation of Government resources according to vulnerability criteria, across all affected populations. This effort is part of the broader World Bank Group policy-dialogue on decentralization and PFM. For the Central African Republic refugees in the East, Adamawa, and North regions, the objective is to manage a gradual transition from humanitarian assistance to a Government-led development approach, inclusive of both displaced persons and host communities. For Nigerian refugees in the Far North, where the security situation remains fluid, the focus is on restoring conditions for a medium-term intervention. Flexibility will be key to allow for needed adjustments as refugee situations evolve.

21. The described approach will allow for quick implementation to address pressing needs and will also empower and strengthen the relevant sector agencies in addressing forced displacement under a common framework. The proposed integrated approach leverages AF of existing operations to help significantly reduce the time-lag between preparation and implementation, which tends to be long in Cameroon (12–18 months). Moreover, a dedicated senior staff, already based in Yaoundé—in addition to the respective Task Team Leaders and technical teams—will ensure the effective implementation and coordination of the proposed program, as well as synergies between the four projects that will benefit from RSW financing.

#### **Box 2. Overview of Integrated Approach**

The World Bank is supporting an integrated approach to address key challenges facing refugees and host communities, building on the work of ongoing projects (the CDPSP, SSNP, and HSPRP) and complementing projects in the pipeline (ERSP).

<sup>22</sup> The four projects included in the integrated approach will be represented by their respective line ministries.



Key features of the integrated approach include:

- Adopting common targeting mechanisms (same local councils and harmonized vulnerability criteria);
- Integrating interventions across four projects (as related to refugees and host communities);
- Using consolidated reporting for the four projects on refugee-related activities;
- Aligning human development interventions with local planning processes (CDPs) supported by the CDPSP;
- Promoting synergies between the construction of basic infrastructure under the CDPSP and interventions under the ERSP, SSNP, and HSPRP;
- Using community workers across all projects to provide human development, psycho-social, and social cohesion services;
- Using common grievance mechanisms; and
- Developing a single beneficiary database using existing national, UNHCR, and project-level data.

**Concrete examples of the integrated approach:**

The integrated approach proposed in the project paper will promote synergies between the CDPSP and Human Development projects (education, health and social protection). Therefore, if the CDPSP is supporting infrastructure investments in the education sector for example, this will be done in collaboration with the Education Project (that also benefits from AF under IDA18 RSW) that will focus more on the provision of qualified service providers, thus improving the quality of service delivery. The same approach will be used with regard to health services.

The four projects will be integrated at different levels:

- Central level: the existing coordination mechanism established under the Partnership Agreement between the GoC and UNHCR will be used and reinforced;
- Project management level: the PIUs will coordinate at the national and regional levels, through an overlapping M&E framework, local coordination mechanisms, and report to a Refugee-specific Steering Committee; and
- Community level: all existing sectoral communal committees (CDPSP, ERSP and SSNP) will be integrated into one overall committee at the communal level. Community health worker representatives and members of the district health committee will participate in coordination meetings organized at the local council's level.

Building on the RPBA process, efforts will be made to engage with additional actors, including the United Nations Resident Humanitarian Coordinator, United Nations' agencies, international humanitarian organizations, key bilateral partners, the private sector, and nongovernmental organizations (NGOs).

**Rationale for Restructuring**

22. **The AF is also the opportunity to clearly integrate innovative pilots into the project.** First, the performance-based financing of local councils was not planned in the original project document, but was piloted in 2017 with the original financing from Component A to test the feasibility, the interest of stakeholders, and the potential effect. The pilot was successful in several ways: (a) nearly all mayors participated in the exercise; (b) the results of the assessment and the reward system had the intended effects of emulation between mayors; (c) MINEPAT and MINATD found the process particularly useful; and (d) the published results also nurtured the accountability process between constituencies and mayors, as well as between mayors and the State (that is, MINATD). Given this success, it has been decided to repeat the process in subsequent years. Second, the database on local councils' socioeconomic data and infrastructures (Pro-ADP) developed by the CDPSP under Phase II and scaled up under Phase III, was



initially developed for the project's M&E purpose and not mentioned as an activity in the project document. However, given the potential of such a tool, it was decided to gradually transfer the tool to the State. Indeed, Pro-ADP improves the monitoring of integrated investments under the CDPs and sectoral plans to respond to the identified needs and it has become a tool for integrated and territorial planning, which will be beneficial for the AF. This activity would appear as a new activity in Component B, but at no additional cost. Moreover, two studies are ongoing and a committee has been set up to explore options on how to institutionalize the CDPSP. Therefore, CDPSP extension will provide an opportunity to deepen the policy and technical dialogue with the Government regarding the CDPSP institutionalization (as this was the initial goal of the CDPSP Phase III) and the progressive roll-out of the decentralization reform. The CDPSP will also continue activities implemented under the CDPSP II, aimed at supporting local councils on civil registration.

23. **Also, the closing date needs to be extended from November 30, 2019 to June 30, 2022**, to accommodate the AF. Consequently, the MTR planned for March 2018 is postponed to early 2019, aligning with AFD's MTR (co-financing CDPSP III). This will provide the necessary time to act upon the road map for 2019–2022 decided by the client on how to institutionalize the CDPSP.

24. **Finally, the results framework needs to be updated** to reflect current realities and the project's extension dates: some baseline data need to be corrected, some targets have been over-achieved and needs to be revised upward, some indicators can be integrated into a new one (for example, the Local Councils Performance Index has several dimensions) and dates of most indicators need to be aligned with the new closing date.

## II. DESCRIPTION OF ADDITIONAL FINANCING AND RESTRUCTURING

25. **The PDO of the CDPSP will remain the same:** to strengthen local PFM and participatory development processes in local councils for the delivery of quality and sustainable social and economic infrastructure. A third subcomponent under Component A has been added to reflect new activities financed by the AF. Concerning the results framework (see annex 3), new intermediate indicators have been introduced to monitor the progress of the project in alleviating pressures induced by the influx of refugees in targeted host local councils. Moreover, the PDO-level indicator on the number of direct beneficiaries will be further disaggregated to account for refugee and host communities specifically.

26. **Overarching objective.** A community-driven development (CDD) approach will contribute to reinforcing social cohesion and conflict prevention. Also, local committees and participatory planning and monitoring mechanisms can act as early warning systems to mitigate the risks of intercommunity tensions.

27. **Beneficiaries.** Direct beneficiaries will be the residents of the 360 local councils, as originally planned in the parent project. Under the parent project, other beneficiaries include local service providers (LSPs), NGOs, decentralized ministries, private contractors, civil society, communal staff, municipal councilors, and other elected officials. Through the AF, local councils hosting refugees in the Far North, North, Adamawa, and East regions will benefit from additional support. As a consequence, beneficiaries will be both host communities and refugees.



**Component A: Local development support (original financing: US\$46.77 million IDA/AF: US\$34.42 million)**

28. There are two sub-components:

29. **Subcomponent A.1.: Local development investments for communes (original financing: US\$16.77 million/AF: US\$3.09 million).** In October 2016, the MINEPAT signed a convention with UNHCR to extend these local mechanisms to make them more inclusive of displaced populations and host communities. Community-driven approaches have shown potential to improve budgeting for, and delivery of, activities that respond to community needs while also enhancing self-reliance and social cohesion. Original activities will continue to be implemented as planned, but will integrate the refugee element:

- Multi-disciplinary teams consisting of representatives of the decentralized units of technical ministries and the LSPs will assist local councils to prepare/update CDPs through a participatory approach. Under this AF, the project will enhance and improve the inclusion of the needs of refugees, as already piloted in 2017 in the first wave of CDPs revision, with a particular focus on women and girls. The CDPs will be updated on an annual basis through the local councils' PIA and will take into account movements of refugees in the local councils.
- Moreover, as part of the CDPs' update process – and taking into account the Joint Support Plan for refugee hosting municipalities (MINEPAT-UNHCR), comprehensive information and data will be collected in targeted villages hosting refugees to identify problems faced by refugees and host communities. This consultative work will include refugees living in these communities and provide the project with a participatory diagnostic of the investment needed in host villages. Refugees' camp representatives will also be included in the local councils' level policy dialogue around CDPs' finalization. This will also be the opportunity to strengthen feedback loops on CDPs' implementation for both host communities and displaced persons. Village consultation committees will be set up during these participatory consultations and will systematically include refugees.<sup>23</sup> These committees will be useful to prevent risks of intercommunity tensions as they could eventually act as early warning mechanisms. The CDPSP III will support local councils in undertaking this activity and facilitate the consideration of the refugees' and host communities' needs in the plans.
- Under the AF, the project will continue to support performance-based financing (*Performance Financing Window*) to foster good governance and transparency. The 2017 competitive mechanism will be repeated annually and reward the best-managed local councils in each region of Cameroon with an additional allocation of CFAF 50 million to

---

<sup>23</sup> The CDPSP has already piloted the inclusion of refugee population in the participatory elaboration of the CDPs in 19 local councils hosting refugees since October 2017. The CDPs' development methodology has been revised to integrate refugees at all stages of the process. Refugees living in camps have not been included, as they have been supported by UNHCR so far. The inclusion of refugees in the participatory elaboration of the CDPs has been carried out smoothly. Refugees have participated in all preparation activities and have been engaged in the diagnostic process. Their views have been taken into account in the selection of subprojects. Refugees have also been represented in all local committees, such as the Village Development Committees.





finance subprojects. Moreover, a reward for the best annual progress of CFAF 25 million will be allocated to one local council in each region.

**30. Subcomponent A.2. Targeted investments for the poorest and vulnerable populations in the Adamawa, North, Far North and East regions (original financing: 30 million IDA/AF: US\$31.33 million).**

The objective of this subcomponent is to strengthen the level and quality of socioeconomic infrastructure in refugee-hosting local councils in the Adamawa, North, Far North and East regions, which include areas with refugees. Original activities under the parent project will continue to be implemented as planned, but a new financing window (*Refugee Financing Window*) will be created, targeting refugee-hosting local councils based on UNHCR's biometric registration data. Activities to be implemented or continued under this AF are the following:

- The AF will finance: (a) social infrastructure, including health, education, water and sanitation; and (b) economic or productive investments, such as the construction/rehabilitation of rural markets, communities' storage facilities, rural roads, small bridges, culverts, small-scale irrigation schemes, and small electrification projects. Investments will be identified in consultation with communities in the CDPs and appraised per technical, financial, social, economic, institutional, and environmental criteria set out in the Project Implementation Manual (PIM). Generally, local councils/communities will be responsible for all phases of the subproject, including preparation of the proposal, contracting, implementation, and O&M. As needed, the LSPs will provide support. The project will prioritize local councils affected by inflows of refugees, where structures delivering basic services are already overstretched. It will increase access for the most vulnerable to essential physical assets and social services and thereby, create an environment for economic and social activities in the local councils of the four regions. Moreover, improving access to essential services for women is key. Therefore, a prioritization of public infrastructures (public lighting, reducing distance to water points, and so on) will be done in a participatory manner in a way that mitigates risks of conflicts between communities and contributes to reducing GBV, including sexual violence.
- Under the AF, the project will create a special financing window—*Refugee Financing Window*—for the local councils hosting refugees. The CDPSP III will work in all local councils hosting refugees in the Far North, North, Adamawa, and East regions and the allocation will be made on a pro-rata basis. The database of local councils hosting refugees will be updated on an annual basis, taking into account the UNHCR refugees database, CDPs, and data from the population census carried out by the Central Bureau for Population Census and Study in Cameroon (*Bureau Central de Recensement et d'Etude de la population au Cameroun*). Priority criteria will be developed by the project to help the COMES select subprojects to mitigate the impact of the refugee crisis. Feasibility studies for these priority subprojects will be conducted. Because financed socioeconomic infrastructures (the subprojects) are public goods, beneficiaries will be both refugees and host communities. The project will adopt an inclusive and conflict-sensitive approach to avoid exacerbating tensions between host communities and displaced persons in the choice of subprojects and their location. Because host communities will benefit from additional resources owing to the refugee populations, this should not be perceived as a diversion of resources from Cameroonians to refugees. Communication activities will emphasize this fact.



**Component B: Support of the decentralization process (original financing: US\$14.02 million IDA/AF: US\$5.73 million)**

31. This component seeks to facilitate the sustainability of the CDPSP's benefits and to strengthen the capacity of institutions that support the decentralization process. There are three subcomponents:

32. **Subcomponent B.1.: Institutional support to the decentralization process (original financing: US\$1.34 million IDA/AF: US\$350,000).** Under the parent project, this subcomponent provides institutional support of the GoC's institutions responsible for the design and implementation of the decentralization process through technical assistance, implementation of studies, organization of workshops, and study tours on decentralization. Original activities under the parent project will continue to be implemented as planned. Moreover, the Pro-ADP web-based database will be transferred to MINEPAT with the related capacity-building, contributing to the production of routine statistics, and public accessibility. The AF will finance additional studies as needed, related to refugees' inclusion, GBV, including sexual violence, and forced displacement.

33. **Subcomponent B.2.: Capacity building (original financing: US\$9.92 million IDA/AF: US\$4.76 million).** Under the parent project, this subcomponent supports the implementation of capacity-building activities for local councils to strengthen their operational capacities and for other local stakeholders that support the decentralization process. It supports community-based O&M systems and builds the capacity of municipalities to manage infrastructures. Moreover, local councils play a central role in managing refugees, as (a) local councils are the smallest local administrative authorities in the country; and (b) the decentralization process is deepening and local councils have competences, often shared, over sectors (education, health, roads, and so on) that are crucial for refugees and host communities. However, local councils are overstretched and do not have the capacity to meet the needs. Therefore, under the proposed AF, capacity strengthening of local councils will be critical. The project will provide support to local councils hosting refugees so that they will be better equipped to face the challenges. The operational capacities of local councils will need to be strengthened. Dedicated technical assistance to local councils (technical assistance and equipment) will be financed to implement additional activities under the *Refugee Financing Window*. Capacity-building activities, training, and technical assistance to local councils (local elected officials, communal staff, territorial administration, and so on) will be carried out in partnership with UNHCR<sup>24</sup> and could include: (a) the basics of international protection as well as international and national refugee laws; (b) common features and aspects of managing refugee populations and peaceful cohabitation; (c) effective management of risks and opportunities associated with the presence of large numbers of refugees; (d) awareness of protection risks, such as GBV, including sexual violence, (especially as risks of GBV, including sexual violence, are particularly high in the context of forced displacements); and (e) concrete how-to guidelines for local councils to interact with different refugees' communities in various environments (campsites and outside-of-camps in urban and rural areas) and for fostering the socioeconomic inclusion and self-reliance of refugees. This could also be the opportunity to organize events to present good practices and thus create a community of practice for local councils' executives (mayor, permanent secretaries, and so on). Logistical support to local councils and the harmonization of databases (in particular, map databases) will also be included under the AF.

---

<sup>24</sup> UNHCR has been involved throughout the preparation process of the three AFs: the CDPSP, HSPRP, and SSNP, however this strong collaboration from UNHCR and humanitarian actors will have to continue and be even reinforced during the implementation phase. The project will build the capacity of UNHCR on the CDD approach.



Study tours will be organized to draw lessons from similar projects in Africa and to encourage the development of a community of practice among institutional partners in Cameroon. Moreover, the project will support the creation of community radios, as part of its work on citizen engagement, in the four regions. The CDPSP will also support a municipal-level civil registration management system and proactive registration of newborns and women, according to the Cameroonian law. This support includes the issuance of birth certificates to host communities and refugees through the endogenous solutions approach, the establishment of special local hearings for the purpose of issuing replacement birth certificates or duplicates, and to foster outreach by trained register officers into the communities and villages, working in synergies with the SSNP, HSPRP, and ERSP. It will be crucial to carry out these activities in coordination with the National Registration Bureau (*Bureau National de l'État civil*, [BUNEC]) to ensure the recognition of birth certificates issued by the project. Specific training will also be provided to village consultation committees on risks mitigation. Indeed, these committees will be useful to prevent risks of intercommunity tensions, as they can act as early warning mechanisms. Strengthening institutional capacity at the local and national levels will be crucial to help authorities develop an integrated response to handle the refugee crisis.

34. **Subcomponent B.3.: Local public financial management system (original financing: US\$2.76 million IDA/AF: US\$615,000).** Under the parent project, this subcomponent implements a program of activities to strengthen the PFM systems of local councils, as well as transparency, building on the financial information management system SIM\_BA. It builds the capacity of local councils in local revenue mobilization and finance management (for example, integrating amortization into the budgeting process). Original project activities will continue.

**Box 3. Gender and GBV, including Sexual Violence**

Gender is integrated in the parent project activities mostly by adapting the participatory mechanism for the elaboration of the CDPs to the community's context. Indeed, community-based approaches promote a process of direct consultation and dialogue with the entire community, ensuring the engagement and leadership of women and girls.<sup>25</sup> In communities where women are culturally inclined not to voice publicly their concerns, separate groups are set up to ensure women's priorities are heard, before being shared and consolidated among the other groups' inputs to be consolidated into the village plan. CDPs must explore the specific concerns of women and girls linked to any sub-projects, community investments, and social mobilization efforts to ensure their considerations are included in any plan. If women and female youth are not part of community consultations, their particular issues may not surface, and even when they do participate, sociocultural norms may limit the extent to which GBV issues are discussed. Therefore, facilitating discussions on sensitive topics like GBV issues with community members is key.<sup>26</sup> Also, there is also always the need for a woman to be selected in the village development committee (*comité de concertation*), whose function is to follow up both the CDPs and the village plan's implementation. Moreover, the CDPSP will carry out activities aimed at supporting documentation, especially birth certificates. Women without IDs (95 percent of the population) cannot have access to the justice system. For example, according to Cameroon's penal code, a female youth under the age of 18 cannot be forced

<sup>25</sup> As outlined in the report "Kenya Development Response to Displacement Impact Projects. Understanding and addressing gender-based violence" (World Bank), addressing GBV, including sexual violence, throughout a project starts with understanding and promoting guiding principles so that survivors and those at risk are safe and treated with respect, that confidentiality is maintained, and discrimination avoided. Therefore, the report advises that all GBV-interventions (including sexual violence) should be informed by human rights-based, survivor-centered, and community-based approaches.

<sup>26</sup> World Bank. 2017. "Kenya Development Response to Displacement Impact Projects. Understanding and Addressing Gender-Based Violence."



into marriage. However, without IDs, it is very difficult for women to defend their rights. Therefore, supporting documentation, along with awareness-raising campaigns conducted by the Education Project, would be a good opportunity to fight GBV, including sexual violence.

**Synergies with the other three projects:**

Complementary to the CDPSP's activities, the other three AFs will also carry out activities that will contribute to reducing GBV, including sexual violence. The SSNP will introduce complementary interventions to address GBV by including men, boys, couples, and their communities. The feasibility of establishing an Early Warning System on GBV issues, shared by the four projects, will be studied. In local councils, where the Health Project will carry out activities, the SSNP will explore identifying and referring beneficiaries in need of this care to health structures. The Health project will: (a) provide emergency health services, sexual, and reproductive health services, including those related to the provision of care for victims of rape, FGM, and GBV; (b) deliver a comprehensive mental health and psychosocial support program for victims of GBV, including sexual violence, at the health facility and community level; (c) provide sensitivity training on GBV and sexual violence for frontline health professionals, community health workers, and through school-based sexual health programs; and (d) deliver focused training of health professionals and community health workers on the provision of care for victims of rape, FGM and GBV, including physical, sexual and psychological violence. The Education Project will carry out training activities to teachers and their pedagogic supervisors, complemented by sensitization on gender and GBV, including sexual violence.

In addition, adjustments will be made in the project's Environmental and Social Management Framework (ESMF) to tackle GBV, including sexual violence, issues given the particular vulnerability of the targeted beneficiaries (see Social Safeguard section).

Refugee camps are also not exempt from violence against women. Apart from cultural and religious factors, which may hinder the equal development of women and girls (access to schools, limited household occupations, and exclusion from the decision-making system), phenomena such as rape, sexual exploitation, physical assault, domestic violence, and prostitution are also a reality for refugees.

**Component C: Coordination, management, monitoring and evaluation and communication (original financing: US\$9.21 million IDA/AF: US\$7.85 million)**

35. The PIU will be strengthened to ensure project implementation.

- **M&E:** Under the AF, this component will support a regular M&E system and knowledge management. Efforts will be made to support the Government in mainstreaming data collection, sharing, and utilization. Inclusion of refugee-related information will be progressively included in the Government's regular database. Data used for the calculation of the allocation formula will be updated annually to adjust the funds on a needs-basis. Current data on the project will be updated and cross-referenced with UNHCR data to enable a more precise diagnostic of local councils and propose a new allocation formula for the *Refugee Financing Window*. The CDPSP's results' framework will be updated to take into account microprojects implemented as part of the *Refugee Financing Window*. Specific mechanisms for participatory monitoring by local committees will be established and will include representatives of the refugees and host communities. Moreover, to enable the project to monitor the implementation of activities in hard-to-reach areas, the project will explore innovative mechanisms, such as third-party monitoring and the use of information and communication technologies.



- **On knowledge-management:** The project will develop a knowledge-management strategy, based on its database and short studies conducted on refugees. The scope of these studies will be discussed with the three other projects that benefit from the IDA18 refugee window and with partners (United Nations agencies, AFD, MINEPAT, and so on)
- **On coordination:** A collaboration framework will be established to foster coordination of interventions at the local and national levels and promote synergies among partners.<sup>27</sup>
- **Grievance-redress mechanism:** Project beneficiaries will have access to the grievance redress mechanism (GRM). The four projects will establish a harmonized GRM and explore different mechanisms to receive and process grievances, including the setting up of a single free hotline.
- **Staffing:** Additional staff dedicated to the *Refugee Financing Window* will be required in the project's National Coordination Unit (NCU) and the Regional Coordination Units (RCUs) to enable rapid and effective implementation of activities.

#### Box 4. Integrated RSW Coordination and Project Management

- **GRM:** The IPP and RAPs will include a unique and harmonized GRM, which will address complaints received from the population (refugees included). The GRM to be implemented will build on the CDPSP's experience based on three essential components: (a) systematic collection and management of the project's activities related to claims by the PIU; (b) a formal, popular complaint mechanism through a free hotline number; and (c) requests for direction and management to/by local councils and local authorities (traditional rulers included). Based on these three pillars, the borrower should refine its actual GRM. This will serve as a 'one-stop-shop' GRM that will be streamlined in other World Bank Group's financed projects.
- **RSW shared M&E system:** The respective M&E system will be coordinated to ensure synergies and savings in data collection on refugees and host communities.

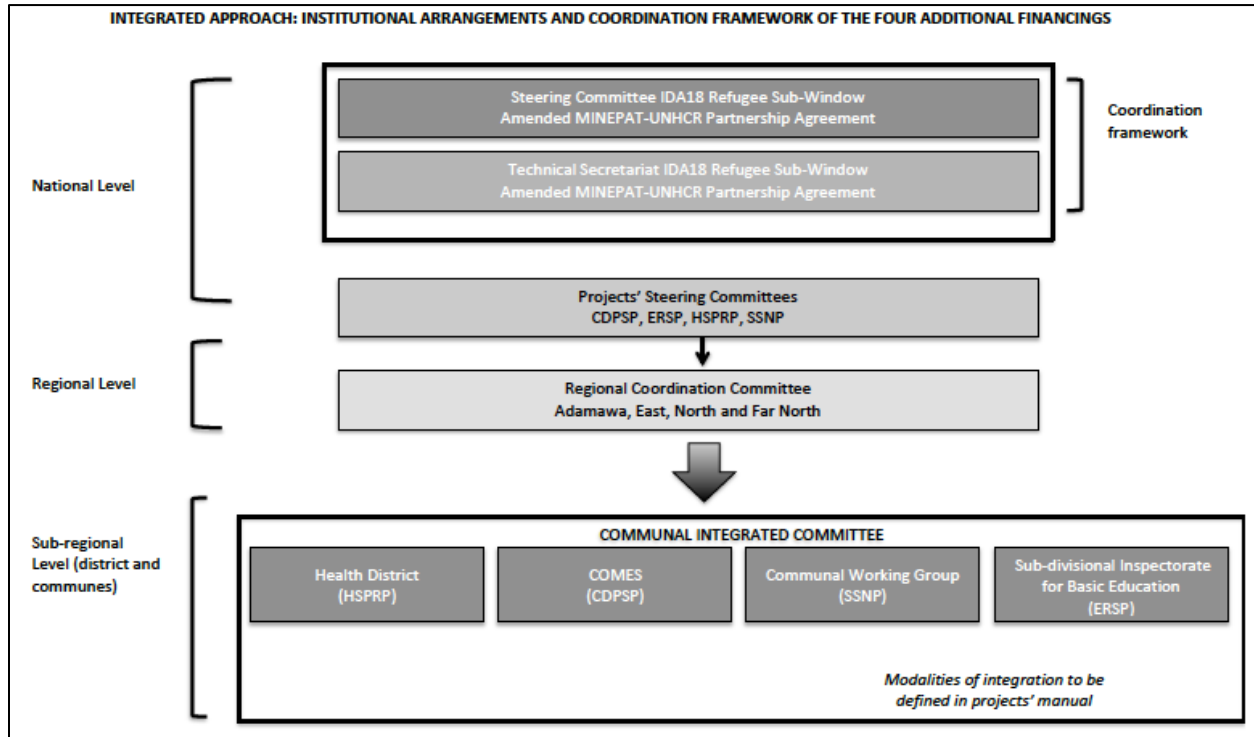
36. **Project implementation arrangements.** The coordination and management of the project is organized at two levels: the NCU prepares work and budget plans and monitors and evaluates project activities on a national level, while the RCUs prepare work and budget plans, monitors and evaluates the implemented activities, and manages the project/s in their regions. At the NCU level, the project team in place comprises the Project Coordinator, the FM Specialist, the Procurement Specialist, the M&E Specialist, the Environmental Specialist, the Training Specialist, the Infrastructure Supervisor, the Internal Auditor, and the Communication Specialist. The project will hire an M&E Assistant in charge of monitoring all the activities related to the *Refugee Financing Window*, as well as an accounting assistant. At the RCU level, the team comprises the RCU Coordinator, the FM Specialist, the Procurement Specialist, the M&E Specialist, the Infrastructure Supervisor, the Environmental Specialist, and the Training Specialist. It is envisaged to hire four specialists in charge of vulnerable populations – in particular refugees – in each of the four regions hosting refugees. The MINEPAT is responsible for overall project oversight. Implementation arrangements follow the decentralization framework. The Project's National Steering Committee (PNSC), with a broad representation of stakeholders, is responsible for approving the annual

<sup>27</sup> See next sections on the project implementation arrangements.



work plans and budgets, as well as examining annual internal auditor reports and financial audit reports, and guiding the overall project implementation. The PNSC meets twice a year.

37. **A light coordination mechanism**, building on relevant existing setups, will be established to ensure: (a) complementarity between the activities of the four World Bank projects benefiting from the IDA18 refugee window; (b) the development and use of the integrated database to facilitate the monitoring of joint impact indicators; and (c) good interactions with the GoC and other partners. This mechanism would include a platform at the strategic level and a Technical Secretariat at the operational level. It is envisaged to use, reinforce, and adapt the existing coordination framework that has been put in place as part of the Partnership Agreement between the GoC and UNHCR, signed on October 4, 2016. Under this agreement, a Steering Committee, with representatives of all stakeholders working with refugees and host communities, and a Technical Secretariat have been established. Therefore, the AF would be used to finance the Secretariat and the Steering Committee. The Steering Committee will ensure the coordination of the four AFs and the Secretariat will be responsible for overseeing and monitoring the implementation of all the activities implemented by the four projects under IDA18 RSW. Therefore, the Technical Secretariat will consist of an M&E Specialist to monitor the activities of the four AFs under IDA18 RSW. This approach will promote the establishment of an integrated M&E system with a single consolidated reporting system for the activities of the IDA18 RSW with all relevant information and synergies for the four projects, as well as collaboration between them for data collection. This will be discussed during implementation to ensure synergies and savings. The four projects will define the operational modalities in their PIMs. This coordination mechanism would also foster coordination with Pillar 1 of the RPBA.





### III. KEY RISKS

38. **The overall risk rating of the project is Substantial.** All risks are rated before mitigation. The most important risks and mitigating measures are discussed in this section.

39. **Political and governance risks are High.** Governance indicators for Cameroon (e.g. World Governance Indicators, Mo Ibrahim Index, Corruption Perception index) point to considerable challenges which affect the decentralization process, social accountability and the proper management of resources at local councils' level. The decentralization policy has been implemented slowly but steadily (1994 Constitution, 2004 Law on Decentralization, 2009 Law on Local PFM). Elections to be held in 2018 may affect key policies such as those with respect to refugees and decentralization or may affect access to some areas. To mitigate the governance risk at local councils' level, the project will implement a core package of activities on citizen engagement fostering social accountability, and provide Technical Assistance (TA) to ensure local councils' proper financial management and control (using SIMBA). To mitigate the risk on the decentralization and refugee policies, the Bank will pursue a close policy dialogue with the GoC and other development partners as well as provide TA on the decentralization process. With regards to the risk related to fragility and access to some areas, the Bank has been engaged with the GoC, the UN and the EU on the RPBA process since 2016 and will continue to do so.

40. **Technical design of project or program risk is Substantial.** This risk is related to: (a) poor quality of contracts and service delivery to local councils; and (b) delays in preparation and poor budget executions at the communal levels. To mitigate these risks, the PIU is in the process of developing an Operations Manual for local councils that will include quality norms (such as region-specific unit costs for each type of investment). It will provide support for local councils to improve budget planning and control.

41. **Refugee protection risks are Substantial.** The World Bank, in consultation with UNHCR, has confirmed that Cameroon's protection framework is adequate for the purposes of the sub-window. UNHCR has provided the World Bank with an overall positive assessment of Cameroon's protection framework. However, five key risks have been identified: (a) potential deportation remains of particular concern in the volatile security environment in the Far North region; (b) insecurity and high levels of violence in the Far North pose significant protection challenges; (c) the Government does not issue identity documents to refugees; (d) GBV, including sexual violence, remains one of the most serious threats to the safety and security of refugee and IDP women and children; and (e) refugees have the right to legal residency, primary education, public health, and employment, but their living conditions are generally precarious because of the lack of employment and regular income. To mitigate these risks, the GoC has committed to a number of new progressive reforms, outlined in its LDP: (a) preparing a medium-term refugee management strategy; (b) facilitating greater access to basic social services for refugees, host communities, and IDPs; (c) improving legal security for refugees to facilitate their resilience; and (d) better understanding the causes of vulnerability of refugees and host communities. The GoC has also taken explicit protection-related commitments in the LDP, namely the (a) "Issuance and recognition of biometric identity documents for refugees (along with travel documents): in accordance with Decree 2007/ 255 of September 4, 2007, and Decree 2016/373 of August 4, 2016, on the procedures for Law 97/012 of January 10, 1997, on the requirements for the entry and exit of foreigners (General Delegation for National Security, *Délégation Générale à la Sûreté Nationale*, DGSN – MINATD); (b) systematic issuance



of birth certificates for refugee children born in Cameroon with new registry offices (or reinforced existing registry offices) in areas with large populations of refugees and displaced persons; and (c) strengthening of the institutional capacities of refugee status management bodies to facilitate the registration of asylum seekers and decisions on refugee status (Technical Secretariat of the Ministry of Foreign Affairs, MINREX), and ensuring that the population census planned in Cameroon in 2018 is comprehensive and counts all of the people living in border areas.” The Steering Committee will also provide a platform to discuss the issue of refugees and returns. At the project level, to mitigate refugee protection risks, the CDPSP will contribute to civil registration (issuance of birth certificates or duplicates), social cohesion, and peace through a participatory approach.

42. **Fiduciary risks.** Because of the complex nature and the nationwide scope of the project, which involves many stakeholders—including local councils with relatively weak fiduciary capacity—and procurements risks related to activities carried out in red zones<sup>28</sup> (including scarcity of contractors, security issues, and thus, the need for specific security arrangements, in particular),<sup>29</sup> the risks of delay in the implementation of activities at the local councils’ level (ineligible expenditures and occurrence of fraud and corruption under the AF) are **Substantial**. To mitigate these risks, the NCU will: (a) build on the existing implementation and oversight arrangements used for the original project; (b) reinforce the internal audit unit and field supervision activities; (c) rely on procurement committees established at the level of local councils; (d) rely on continuous support by the Procurement Specialist of the CDPSP—and/or the recruited Procurement Consultant(s)—to provide technical assistance for procurement planning, preparation and evaluation of bidding documentation, contract management, reporting and capacity building; (e) facilitate community-participatory monitoring of subprojects; and (f) build on the strategy developed by the CDPSP III since 2016 to address the risks related to activities implemented in red zones. Lessons learned developed by the CDPSP will be included in the Project Procurement Strategy Document (PPSD). Moreover, the project will finance: (a) a Procurement Consultant and a dedicated Integrated Financial Management Information System (IFMIS) team; and (b) a survey to estimate standard costs for commonly procured items and establish an Item Master that would be used by the Purchasing Module of the IFMIS. Additionally, an in-depth fiduciary review was conducted by the World Bank in December 2017 and January 2018.

43. **Institutional capacity of the implementing agencies, implementation arrangements, and M&E.** The risk that the development outcome—in terms of the organizational setup, and budgetary, political, and environmental issues—will not be maintained is **Substantial**. Indeed, Cameroon organizes municipal elections every five years and during every election, there is a renewal (that is, re-election) of about 70 percent to 80 percent of the members of the municipal executive branch in all regions. The low capacity of these municipal executives could have a negative impact on the short-, medium-, and long-term sustainability of the project’s benefits. To mitigate these risks, the PIU must train new municipal executives on the participatory approach and implementation procedures for project activities after each municipal election. Moreover, there is a substantial risk regarding the coordination capacity of the institutions in charge of the projects’ implementation, especially at the local level (for example, a common

<sup>28</sup> Red zones are defined as areas along the border with Nigeria with heightened level of insecurity and violence.

<sup>29</sup> Those risks should also be noted for social and community participation, as this may affect the availability of local CSOs for community outreach and the full deployment of citizen engagement mechanisms (in particular, security can have an impact on social inclusion dimensions to ensure the participation and the effective closure of the feedback loop of citizen engagement activities (budget monitoring, scorecards, GRM, and so on) for excluded groups—women, youth, displaced, ethnic minorities).





GRM mechanism for all RSW-financed projects). Past experience has shown the many challenges of coordinating between the SSNP and the CDPSP; hence the focus is on the integrated approach discussed between the projects benefitting from IDA18 RSW. The light coordination mechanism proposed risks delays, miscommunication, and lack of cooperation between the different PIUs and agencies. To mitigate coordination risks, a collaboration framework will be established to foster coordination of interventions at the local and national levels and promote synergies among partners. Moreover, clear milestones will be established to assess the performance of this coordination mechanism to ensure it remains practical and efficient. This will be done on a regular basis to allow teams to make adjustments in response to evolving situations. The 2019 MTR could be one of these milestones to assess the effectiveness of the coordination.

**Table 2. Systematic Operations Risk-Rating Tool (SORT)**

Risk Category	Rating
1. Political and Governance	High
2. Macroeconomic	Substantial
3. Sector Strategies and Policies	Moderate
4. Technical Design of Project or Program	Moderate
5. Institutional Capacity for Implementation and Sustainability	Substantial
6. Fiduciary	Substantial
7. Environment and Social	Moderate
8. Stakeholders	Moderate
9. Other: Refugee Protection	Substantial
<b>OVERALL</b>	Substantial

**IV. APPRAISAL SUMMARY**

**A. Economic and Financial (if applicable) Analysis**

44. **The objective of the cost-benefit analysis** is to evaluate *ex-ante* the project’s Phase III support to the CDPSP (National Community Development Program) as well as its AF, which follows the influx of refugees in Cameroon. The methodology chosen is cost-benefit analysis, because it is based on economic rationality, which compares the costs with the benefits of any economic policy program—even before its implementation—to justify its rationale. The following results were obtained: (a) the dysfunctional analysis reveals that Phase III will support the decentralization process by making it possible to correct several dysfunctions in the management of municipalities—related to the lack of financial resources, lack of control over municipal development plans, lack of transparency in the management of funds and projects, lack of control over the process of project preparation, and weak capacity of municipal staff. The AF project reinforces these actions with an emphasis on the areas hosting refugees; (b) the financial analysis of some of these dysfunctions reveals a net value of CFAF 17,127 million or US\$28.688 million. This amount represents the minimum benefit expected from the project. The economic analysis also



mentioned potential gains—such as social cohesion and inclusiveness—that unfortunately cannot be financially evaluated.

## B. Technical

45. **Impacts of the refugee presence on host communities** include: increased pressure on scarce social services; depletion of natural resources; and competition for limited livelihood opportunities. The CDPSP therefore supports interventions to mitigate the social, economic, and environmental impacts through investments subcomponent that supports social infrastructure and economic or productive investments for the poorest and most vulnerable populations in host communities in the Adamawa, North, Far North, and East regions. Capacity-building activities and the promotion of a community of practice under Subcomponent B.2 will enhance learning approaches and interventions to mitigate risks related to the influx of refugees in host communities. The CDD approach will continue to be flexibly implemented to respond to the scale and nature of community needs in the diverse local conditions of the project target areas. As in previous phases of the CDPSP implementation, the approach will allow for devolving decision making to communities in order to prioritize local infrastructure and service-delivery needs, and incentivize collective action. Community-responsive approaches will be strengthened and integrated into the local development processes of planning and will promote the inclusion of refugees into participatory planning processes.

## C. Financial Management

46. **The FM arrangements will be managed within the existing setup for the original CDPSP Phase III for which a FM in-depth review is underway.** The previous FM review concluded that the project has acceptable FM arrangements to ensure reliability of financial reporting, effectiveness, and efficiency of project operations, and compliance with applicable laws, guidelines, and procedures. The FM team comprises a Financial and Administrative Officer and Accountants at the levels of the NCU and its regional units. The team is supported by an Internal Auditor. Additionally, the project is endowed with a Procedures Manual and an accounting software. However, following the last comprehensive supervision review, the overall FM performance of the project and the associated risk were rated **Moderately Satisfactory** and **Substantial**, respectively. This is due to the existence of shortcomings, related mainly to the lack of proper justification of mission advances, and a lack of consistency between data from regions and those of the coordination units. The latest assessed risk level will remain the same for the AF. The project is committed to addressing these weaknesses and will include the results/recommendations of the in-depth review in a global action plan whose implementation would be followed very closely. One such recommendation is to reinforce the internal audit team by recruiting a second Internal Auditor. This is underway. On that basis, it has been agreed that FM arrangements would remain the same as in the original project. However, because the current arrangement is not taking into account AF specifics that include operations toward refugees and host communities, it is recommended that the following measures should be taken within three months of effectiveness to mitigate associated risks: (a) the project Procedures Manual should be updated to include the accounting and reporting needs under the AF; in so doing, (b) the accounting software should be customized accordingly; (c) one dedicated Designated Account (DA) should be opened and managed by the Autonomous Sinking Fund (*Caisse Autonome d'Amortissement*, CAA); (d) it should be ensured that the annual financial statements produced under the AF are audited, the ToR of the initial project External Auditor be updated to reflect the AF activities; and (e) finally, the recruitment of the Internal Auditor should be accelerated and finalized.



47. **There are no overdue unaudited interim financial reports (IFRs) or audit reports in the project and the sector at the time of preparation of this AF.** The IFRs are prepared every quarter and submitted to the World Bank regularly (for example, 45 days after the end of each quarter) with a delay that is notated to ensure future IFRs are submitted on time. For the sake of reporting on the activities performed under the AF, the FM team will submit quarterly IFRs in a form and content acceptable to the World Bank within 45 days of the end of the quarter. The format will be the same as the ongoing project and will be prepared jointly. The 2016 audit report was submitted on time and the External Auditor expressed an unqualified opinion. The accounts of this AF will be audited, together with the initial project, on an annual basis and the external audit report along with the Management Letter will be submitted to IDA within six months of the end of each calendar year. The terms of reference of the external auditing firm will include the scope of this AF and the project will comply with the World Bank disclosure policy of audit reports.

48. **Disbursement and funds flow. Upon AF effectiveness, the current disbursement arrangements under the initial project will apply to the AF as well.** The proposed additional IDA funding of US\$48 million, to be disbursed over four years, will finance 100 percent of eligible expenditures, inclusive of taxes. For that purpose, two new segregated DAs will be used to finance expenditures under disbursement Category 1 of Section III.A of the Schedule of the AF (DA.D) and Category 3 and 4 of Section III.A of the Schedule of the AF (DA.E). The DAs denominated in CFAF will be managed by the CAA and will be established at UBA. In addition to the advances to the DA, other methods of disbursing the funds (reimbursement, direct payment, and special commitment) will also be available to the project. The minimum value of applications for these methods is 20 percent of the DAs' ceiling. The project will have to sign and submit Withdrawal Applications electronically, using the eSignatures module accessible from the World Bank's Client Connection website.

49. To ease the fund flow mechanism, a transaction account (TA) will be opened by the CAA and managed by the coordination unit. The disbursement mechanism for the TA will be discussed and agreed upon with the CAA. The project procedures manual will be updated to reflect these arrangements.

50. Additional instructions for disbursements will be provided in the Disbursement Letters that will be issued for this AF.

51. The AF proceeds will be disbursed under categories according to table 3.

**Table 3. Allocation of the Proceeds of the AF by Disbursement Category, in US\$**

Category	Amount of the Credit Allocated (expressed in Euro)	Amount of the Grant Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, minor works, non-consulting services, consultants' services, Operating Costs and Training for the Project except: (a) CDP-Subproject Grants under Part A.1(a) of the Project; (b) CDP Preparation Grants under Part A.1(b) of the Project; (c) Poor and Vulnerable Investment Support Grants under Part A.2 of the Project; and	6,600,000	3,900,000	100%



(d) CDP Performance Grants under Part A.1(d) of the Project			
(2) CDP-Subproject Grants under Part A.1(a) of the Project	0	0	100% of amounts paid by the Recipient under the CDP-Subproject Grants
(3) CDP Preparation Grants under Part A.1(b) of the Project; and CDP Performance Grants under Part A.1(d) of the Project	0	4,000,000	100% of amounts paid by the Recipient
(4) Poor and Vulnerable Investment Support Grants under Part A.2 of the Project	0	19,800,000	100% of amounts paid by the Recipient under the Poor and Vulnerable Investment Support Grants
<b>TOTAL AMOUNT</b>	<b>6,600,000</b>	<b>27,700,000</b>	

**Table 4. FM Action Plan**

<b>Risk</b>	<b>Mitigation Measures</b>	<b>Timeline</b>
The AF funds might be commingled with the initial financing funds	Open two new segregated DAs	Immediately after effectiveness
The AF activities may not be adequately captured in the current internal control system	Update the Procedures Manual to take into account AF specifics (operations toward refugees and host communities) including the associated accounting and reporting needs	Within two months of effectiveness
Delays may occur for the submission of agreed consolidated IFRs and annual project financial statements	Customize the accounting software to take into account the AF activities	Within two months of effectiveness
AF annual financial statements might not be audited	Update the terms of reference of the External Auditor	Within three months of effectiveness
The internal control additional challenges may not be adequately covered by the current internal audit unit	Finalize the recruitment of the second Internal Auditor	Within one month of effectiveness

52. Based on the current overall residual FM risk, which is **Substantial**, the project will be supervised twice a year to ensure that FM arrangements still operate well and funds are used for the intended purposes in an efficient way.

**D. Procurement**

**Applicable policies and procedures**

53. The project will be governed by the New Procurement Framework (NPF). All goods, works, non-consulting services, and consulting services required for the project and to be financed out of the proceeds of the loan will be procured in accordance with requirements set forth or referred to in the Procurement Regulations (World Bank Procurement Regulations for IPF Borrowers, dated July 1, 2016, revised November 2017) and in the provisions of the Procurement Plan. In accord with Clause 12 of OP 10 for



‘Situations of urgent need of Assistance or capacity constraints,’ a PPSD and the derived Procurement Plan may be deferred up to the project implementation phase. Considering that the activities under this project are similar to those of the parent project, it is expected that the clients, with the support of the World Bank, will familiarize themselves and be prepared to implement the provisions of the documents (PPSD and the Procurement Plan) no later than the beginning of this project.

**Procurement Arrangement**

54. Procurement activities for this AF will be carried out by the existing CDPSP PIUs (National and Regional Units) in close collaboration with respective beneficiaries.

55. The procurement performance for the original project has been rated **Satisfactory** during implementation thus far.

56. Key risks identified for procurement under this project are as follows: (a) staff involved in the project may not have sufficient knowledge of the NPF and/or there is a risk of confusion with previous sets of guidelines; (b) the weak procurement capacities at the level of local councils, and/or inadequate communication and interaction between local councils and the project unit, may lead to delays in procurement processes and poor cost estimates; (c) administrative routines may increase delays in the procurement processes and affect project implementation; and (d) poor filing may lead to the loss of documents.

57. The project procurement risk is rated **Substantial** and the following mitigation measures summarized in the action plan in the table 5 have been agreed.

**Table 5. Procurement Action Plan**

<b>Risk</b>	<b>Action</b>	<b>Responsibility</b>	<b>Date</b>
1. Staff involved in the project may not have sufficient knowledge of the NPF; and/or risk of confusion with the former guidelines	Organize workshop sessions to train all staff involved in the procurement of the project concerning the NPF;  Continuous hands-on training of the identified key staff concerning the NPF	National Project Unit /World Bank;  World Bank Procurement Specialist	Two months after effectiveness;  During the life of the project
2. Weak procurement capacities at the level of local councils; and/or inadequate communication and interaction between the beneficiaries and the PIU, which may lead to delays in procurement processes and poor estimates of the costs	Continuous support by the Procurement Specialist of the CDPSP—and/or the recruited Procurement Consultant(s)—to provide technical assistance for procurement planning, preparation and evaluation of bidding documentation, contract management, reporting, and capacity building;  Update the manual of administrative, financial, and accounting procedures to consider this AF and the NPF to clarify the role of each team member involved in the procurement process of the project and the maximum delay for each procurement stage—specifically with regard to the review, approval system, and signature of contracts	National PIU Procurement Specialist  National PIU	During the life of the project;  Two months after effectiveness



Risk	Action	Responsibility	Date
3. Administrative routines may increase delays in the procurement processes and affect project implementation	Exercise quality control on all aspects of the procurement process, including developing terms of references, technical specifications, bidding documents, proposals, request for quotations, evaluations, and awards	National and Regional PIU	During the life of the project
	Monitor on a regular basis the Procurement Plan implementation and establish close follow-ups in relation with beneficiaries and official bodies involved ( <i>Ministère des Marchés Publics</i> [Ministry of Public Contracts], CAA) to ensure that appropriate actions are taken on time	National and Regional PIU	During the life of the project
4. Poor filing, which can lead to loss of documents	Set up an appropriate filing system at the level of PIU (National and Regional units) to ensure compliance with the World Bank procurement filing manual	National and Regional PIU/ Procurement Specialist	During the life of the project

58. **Frequency of procurement reviews and supervision.** The World Bank’s prior and post-reviews will be carried out based on thresholds indicated in table 6. The IDA will conduct six-month supervisory missions and annual post-procurement reviews; the standard post-procurement reviews by the World Bank staff should cover at least 15 percent of contracts subject to post-review. Post-reviews consist of reviewing technical, financial, and procurement reports by World Bank staff or consultants selected and hired by the World Bank. Project supervisory missions will include a World Bank Procurement Specialist or a specialized consultant. IDA may also conduct an Independent Procurement Review at any time until two years after the closing date of the project.

59. **Procurement prior review. The procurement risk is rated Substantial.** Table 6 summarizes the prior procurement review as a ‘Substantial risk.’ These prior review thresholds can evolve, correlative to the variation of procurement risk, during the life of the project.

**Table 6. Procurement Prior Review Thresholds (US\$, millions)**

Type of Procurement	Thresholds
Goods, information technology, and non-consulting services	2.0
Consulting firms	1.0
Individual consultants	0.3

## E. Social (including Safeguards)

### Social Safeguards Performance under the Parent Project

60. Before the start of Phase I in 2004 and in accordance with the requirements of the regulations in force, as well as the World Bank safeguarding policies, the CDPSP was subject to an environmental assessment. Two social safeguards’ policies were triggered: OP 4.10 on Indigenous Peoples and OP 4.12 on Involuntary Resettlement. An Indigenous Peoples Plan (IPP), which aims to ensure that the development process undertaken promotes full respect of indigenous peoples’ dignity, human rights and their culture, was developed. A Resettlement Policy Framework (RPF) was elaborated to set guidelines



and conditions of Resettlement Action Plans (RAPs) in case there are resettlement issues when implementing micro-projects.

61. **Indigenous Peoples Plan.** Initially implemented in 9 local councils of the Southern region during Phase I of the project, the IPP expanded in all 31 local councils hosting indigenous peoples during Phase II, of which 3 were in the Center region, 11 in the South region, and 17 in the East region. The IPP was implemented based on more detailed action plans developed following a participatory diagnosis. Activities implemented were related to citizenship, education, health, agriculture, and the management of non-timber forest products, intercommunity dialogue, and land tenure security.

62. **IPP main outcomes.** (a) Strengthening of the IPP's institutional implementation mechanism, mainly based on the local committee headed by the Sub-Divisional Officer and coordinated by the Social Officer appointed by the Ministry of Social Affairs (*Ministère des Affaires Sociales*); (b) training of Social Officers on the Free Prior and Informed Consent methodology; (c) around 1,175 people were trained in leadership/civic education; (d) acquisition of official documents for 106 indigenous peoples; (e) better oversight of birth certificates and marriage certificates; (f) 130 health centers were supplied with essential medicines; (g) 350 traditional nurses were trained; (h) around 610 indigenous peoples were beneficiaries of the health care advanced strategy; (i) 5,385 indigenous peoples' children were supplied with school's materials (exercises books and books); (j) 15 indigenous peoples' children were supported to obtain vocational training; and (k) more than 50 hectares plantations were created and maintained.

63. **Lessons learned.** (a) There is still a need to strengthen coordination of indigenous peoples' interventions to maximize overall impact. The intersectoral committee for the monitoring of vulnerable peoples should be active at the national and local levels; (b) strengthening of the representativeness and leadership of indigenous peoples' in decision-making bodies; (c) facilitating indigenous peoples' socio-professional integration; and (d) improving indigenous peoples' school attendance.

64. **Involuntary resettlement.** Main outcomes were: (a) more attention to the choice of sub-projects site by the project owners; (b) all the sub-projects—around 1,785—were screened before land donation by the local communities or municipalities; and (c) very few (two) sub-projects led to involuntary resettlement. Compensation rates were aligned with the World Bank Group principles and regulations in force.

65. **Lessons learned.** In general, the principle of minimizing involuntary displacement was very often implemented because of the complexity of the process and especially because of insufficient municipalities' resources to meet all resettlements requirements. Municipalities were then obliged to change project sites.

66. The AF will be implemented in regions (East, Adamawa, North and Far North regions) with extreme poverty and with very limited access to good basic services for local communities. The arrival of thousands of refugees in those regions increases pressure on already inadequate basic infrastructure (schools, potable water, health care centers) and resources (land). Furthermore, the arrival of refugees introduces new social practices in an already heterogeneous environment (with many ethnic groups and the presence of indigenous peoples' and/or other vulnerable groups). This generates or exacerbates social cohesion problems and other issues related to land acquisition, concerns for vulnerable groups, and GBV.



The implementation, in the AF framework, of additional basic infrastructure projects will also necessitate land-taking.

67. **OP 4.12 Involuntary Resettlement.** Land acquisition for agriculture and other livelihood activities in refugees' settlements and host communities is a critical and very sensitive issue. Land availability for thousands in the influx of population into rural areas—especially in the Far North, North and Adamawa regions—is already scarce, and the demands of new refugees for plots for livelihoods would critically minimize access to land in those pastoral areas. The RPF has been updated during the project's preparation, to set land needs for refugees and acquisition strategies (collaboration with traditional rulers, local councils, and administration). A more detailed RAP should be developed before the project's implementation to identify more concrete needs and negotiate land usage for refugees. A specific RAP should be developed—if required, in case land is not donated—for local infrastructures sub-projects.

68. **OP 4.10 Indigenous Peoples.** In general, Indigenous Peoples (Baka in the East Region), depending on their settlements, will also be directly affected by the presence of refugees. Impacts will mainly be felt as pressure on forest resources (bushmeat, for instance) and on schools and health care access. The project's IPP will be adjusted to integrate new challenges imposed by the arrival of refugees near indigenous peoples' villages and camps. Adjustments will include construction of more health and education infrastructure, distribution of more school materials, and necessary attention given to other relevant aspects (for example, hunting) of the new arrangements.

69. **Gender-Based Violence.** GBV is widespread in Cameroon and in neighboring countries— refugee camps are not exempt from violence against women. Apart from cultural and religious factors, which hinder the development of women and girls (for example, access to school, household occupations, and exclusion from the decision-making system), phenomena such as rape, sexual exploitation, physical assaults, domestic violence, and prostitution are a reality among the refugee populations. These are risks that could jeopardize the implementation of the AF. Adjustments will be made in the project's ESMF to tackle those GBV issues; for example, (a) each local development plan will systematically analyze risks at the local level and set mitigation measures to be implemented; and (b) impact assessments will be elaborated for sub-projects to ensure that those issues are analyzed, and mitigation measures are established and implemented.

70. **Citizen engagement.** The project would continue its support of citizen engagement and ensure mechanisms in place are inclusive of refugees. Local councils and beneficiaries are engaged through the CDP participatory process, community scorecard, community oversight, access to information (community radios, communal newsletters and citizen budget), grievance-redress mechanisms, and management committees of socioeconomic infrastructure that will be implemented in the project. The project will promote refugees' engagement in these mechanisms.

## **F. Environment (including Safeguards)**

71. The implementation of ESMP from 2016 to 2017 included: (a) CDPS trained 404 officials from the Ministries of Environment and Social affairs, etc. and 334 CBOs leaders involved in the environmental and screening process of subprojects; (b) 1785 subprojects underwent the environmental and social-screening process, which led to the elaboration of 81 ESIA/NIES reports; and (c) environmental and social mitigation measures associated with the implementation of 1611 sub-projects were adequately managed.





72. The parent project was categorized as B and the proposed AF would not trigger new safeguards policies and would therefore, also be categorized as B. None of the activities financed by the proposed AF is expected to induce adverse, irreversible environmental and social impacts. The potential environmental risks and impacts of the project will be limited, site-specific, and manageable to an acceptable degree if the monitoring safeguards already in place are complied with and continue to be operational. The parent project triggered four environmental safeguard policies (Environmental Assessment OP/BP 4.01; Natural Habitats, Forests OP/BP 4.36; Pest Management OP 4.09; and Physical Cultural Resources OP/BP 4.11).

73. **Safeguard instruments.** The following environmental safeguards instruments, which were prepared in 2015 under the parent project, were updated and disclosed on March 8, 2018.

74. **Environmental Assessment (OP/BP 4.01).** An ESMF was prepared and disclosed in 2015, and it makes provisions for the World Bank Safeguard policies underlined for this project, such as OP 4.01 on Environmental Assessment; OP 4.36 on Forests; and OP 4.11 on Physical Cultural Resources. The ESMF establishes a mechanism to determine and assess the future potential environmental and social impacts of the project and then establishes mitigation, monitoring, and institutional measures to be taken during planning and implementation of subprojects. The ESMF was updated in February 2018 to include new national environmental laws and regulations, environmental challenges associated with refugees, occupational health-safety guidance, GRM requirements, working conditions, and new project descriptions. The ESMF also underscored the importance of the gender dimension of access to socioeconomic infrastructures to ensure that any social mitigation actions will have gender-differential positive impacts.

75. **Pest Management (OP 4.9).** A Pest Management Plan (PMP) was prepared and disclosed in 2015. It proposes measures to prevent and address environmental and human risks associated with pest-management related activities. This PMP was updated and disclosed on March 8, 2018.

76. **Physical Cultural Resources (OP/BP 4.11).** During the Environmental and Social Impact Assessment (ESIA)/ESMP and/or Notice of Impact Environmental and Social (NIES) processes, attention will be placed on physical cultural resources, and relevant mitigation measures will be proposed, if needed. The environmental and social screening form was updated in 2017 to include chance find procedures/measures. Furthermore, a comprehensive chance find procedure was prepared for the parent project and will be embedded in the bidding documents.

77. **Forests (OP/BP 4.36).** The project does not support commercial forest exploitation. However, this policy was triggered as the project intended to finance small-scale reforestation activities, such as REDD+, construction of rural markets, rehabilitation/construction of rural roads, and so on. The ESIA and ESMP/NIES for these activities will assess risks and provide guidance during site selection to avoid or reduce any potential negative impact on the health and quality of forests.

78. Project activities include monitoring environmental safeguards compliance. The ESMF has identified indicators to be used to monitor environmental and social improvements in the following areas: (a) capacity-building; (b) mitigation measures; (c) M&E; (d) grievance management; and (e) stakeholder engagement. Moreover, environmental and social mitigating and monitoring measures, identified in the ESMF, will be distributed along with the project Operations Manual. The PIU has recruited five full-time safeguards staff (one for the project's NCU and four for the RCU) who are responsible for following up on



environmental and social safeguards. This staff will be maintained full time and will undergo relevant training in such areas as social development, sensitization on gender, GBV, including sexual violence, and social inclusion.

**V. WORLD BANK GRIEVANCE REDRESS**

79. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB’s Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaints to the WB’s independent Inspection Panel, which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank’s attention and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank’s corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).

**I. SUMMARY TABLE OF CHANGES**

	Changed	Not Changed
Change in Results Framework	✓	
Change in Components and Cost	✓	
Change in Loan Closing Date(s)	✓	
Change in Safeguard Policies Triggered	✓	
Change in Legal Covenants	✓	
Change in Procurement	✓	
Change in Implementing Agency		✓
Change in Project's Development Objectives		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Change in Disbursements Arrangements		✓
Change of EA category		✓
Change in Financial Management		✓



Change in APA Reliance		✓
Other Change(s)		✓

## II. DETAILED CHANGE(S)

### RESULTS FRAMEWORK

#### Project Development Objective Indicators

Share of Decentralized Public Investment Budget projects derived from Local Development Plans Unit of Measure: Percentage Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	58.80	60.50	70.00	Revised
Date	01-Mar-2016	30-Nov-2017	30-Jun-2022	
Share of local councils which financial accounts are submitted to the Audit Bench (Chambre des Comptes) Unit of Measure: Percentage Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	8.26	50.00	Marked for Deletion
Date	31-Mar-2016	30-Nov-2017	01-Jan-2019	
Sub-projects with post-project community engagement or O&M arrangements (%) Unit of Measure: Percentage Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	53.40	79.19	100.00	Marked for Deletion
Date	29-Sep-2015	30-Nov-2017	30-Nov-2019	
Eligible 31 new Local Councils that have prepared Local Development Plans of a quality acceptable of the association Unit of Measure: Number Indicator Type: Custom				



	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	31.00	Marked for Deletion
Date	29-Sep-2015	30-Nov-2017	30-Nov-2019	
<b>Direct project beneficiaries (non refugees)</b> Unit of Measure: Number Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	392,320.00	1,300,000.00	Revised
Date	29-Sep-2015	30-Nov-2017	30-Jun-2022	
<b>Female beneficiaries (non-refugees)</b> Unit of Measure: Percentage Indicator Type: Custom Supplement				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	20.39	50.00	Revised
<b>Beneficiaries that feel project investments reflected their needs (percentage)</b> Unit of Measure: Percentage Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	91.50	0.00	80.00	Revised
Date	29-Sep-2015	30-Nov-2017	30-Jun-2022	
<b>Total beneficiaries - female (number)</b> Unit of Measure: Number Indicator Type: Custom Supplement				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	650,000.00	Marked for Deletion
<b>Beneficiaries that feel project inv. reflected their needs - female (percentage)</b> Unit of Measure: Percentage Indicator Type: Custom Supplement				



	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	80.00	Revised
<b>Total beneficiaries - male (number)</b> Unit of Measure: Number Indicator Type: Custom Supplement				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	650,000.00	Marked for Deletion
<b>Beneficiaries that feel project inv. reflected their needs - male (number)</b> Unit of Measure: Number Indicator Type: Custom Supplement				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	520,000.00	Marked for Deletion
<b>Direct Project beneficiary (refugees)</b> Unit of Measure: Number Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	250,000.00	New
Date	28-Feb-2018	28-Feb-2018	30-Jun-2022	
<b>of which female (refugees)</b> Unit of Measure: Number Indicator Type: Custom Breakdown				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	125,000.00	New
Date	28-Feb-2018	28-Feb-2018	30-Jun-2022	
<b>Percentage of communes having obtained at least the mid-point score in the Guichet Performance</b> Unit of Measure: Percentage Indicator Type: Custom				



	Baseline	Actual (Current)	End Target	Action
Value	24.00	24.00	35.00	New
Date	01-Jun-2017	01-Jun-2017	30-Jun-2022	

**Intermediate Indicators**

Subprojects that have implemented the required environmental and social risk mitigation measures and are functional

Unit of Measure: Percentage

Indicator Type: Custom

	Baseline	Actual (Current)	End Target	Action
Value	0.00	95.63	100.00	Revised
Date	30-Jun-2015	30-Nov-2017	30-Jun-2022	

Improved community water points constructed or rehabilitated under the project

Unit of Measure: Number

Indicator Type: Custom

	Baseline	Actual (Current)	End Target	Action
Value	1,721.00	2,320.00	4,519.00	Revised
Date	30-Jun-2015	30-Nov-2017	30-Jun-2022	

Roads rehabilitated, Rural

Unit of Measure: Kilometers

Indicator Type: Custom

	Baseline	Actual (Current)	End Target	Action
Value	465.00	632.00	1,063.00	Revised
Date	30-Jun-2015	30-Nov-2017	30-Jun-2022	

Classrooms built and/or rehabilitated

Unit of Measure: Number

Indicator Type: Custom

	Baseline	Actual (Current)	End Target	Action
Value	971.00	1,367.00	2,525.00	Revised
Date	30-Jun-2015	30-Nov-2017	30-Jun-2022	

Health facilities constructed, renovated or equipped



Unit of Measure: Number Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	38.00	153.00	211.00	Revised
Date	30-Jun-2015	30-Nov-2017	30-Jun-2022	
Rural markets constructed under the project Unit of Measure: Number Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	12.00	70.00	97.00	Revised
Date	30-Jun-2015	30-Nov-2017	30-Jun-2022	
Community storage facilities constructed under the project Unit of Measure: Number Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	34.00	70.00	97.00	Revised
Date	30-Jun-2015	30-Nov-2017	30-Jun-2022	
Communes benefiting from the project grant Unit of Measure: Number Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	328.00	360.00	360.00	Revised
Date	30-Jun-2015	30-Nov-2017	30-Jun-2022	
Commune's land use plans prepared Unit of Measure: Number Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	91.00	124.00	135.00	Marked for Deletion
Date	30-Jun-2015	30-Nov-2017	30-Nov-2019	
Communes with a public information and citizen control mechanism on service delivery (citizens scorecards)				



Unit of Measure: Number Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	10.00	157.00	360.00	Revised
Date	30-Jun-2015	30-Nov-2017	30-Jun-2022	
<b>Communes publishing their Simplified Budget</b>				
Unit of Measure: Number Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	111.00	111.00	300.00	Marked for Deletion
Date	30-Jun-2015	30-Nov-2017	30-Nov-2019	
<b>Number of beneficiaries trained</b>				
Unit of Measure: Number Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	1,720.00	3,843.00	4,200.00	Revised
Date	30-Jun-2015	30-Nov-2017	30-Jun-2022	
<b>of which female</b>				
Unit of Measure: Number Indicator Type: Custom Breakdown				
	Baseline	Actual (Current)	End Target	Action
Value	50.00	1,096.00	1,260.00	Revised
Date	30-Jun-2015	30-Nov-2017	30-Jun-2022	
<b>External financial audit report are produced on time and without any reservations</b>				
Unit of Measure: Yes/No Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	Yes	Yes	Yes	Marked for Deletion
Date	15-Jun-2016	30-Nov-2017	30-Nov-2019	
<b>One technical audit on the quality of achievements is carried out randomly each year</b>				





Unit of Measure: Yes/No Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	Yes	No	Yes	Marked for Deletion
Date	15-Jun-2016	30-Nov-2017	30-Nov-2019	
biannual monitoring / evaluation reports are produced within agreed timeframes Unit of Measure: Yes/No Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	Yes	Yes	Yes	Marked for Deletion
Date	15-Jun-2016	30-Nov-2017	30-Nov-2019	
Grievances registered related to delivery of project benefits addressed (%) Unit of Measure: Percentage Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	75.00	90.00	Revised
Date	30-Jun-2015	30-Nov-2017	30-Jun-2022	
Communes with investment procedures manual - including planning, budgeting, contracting and financial management Unit of Measure: Number Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	278.00	325.00	Marked for Deletion
Date	15-Jun-2016	30-Nov-2017	30-Nov-2019	
Village Development Committee of host villages with at least one refugee represented in the comittee/bureau Unit of Measure: Percentage Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	95.00	New
Date	28-Feb-2018	28-Feb-2018	30-Jun-2022	



Percentage of communes with at least 30% villages having implemented endogenous solutions

Unit of Measure: Percentage

Indicator Type: Custom

	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	50.00	New
Date	28-Feb-2018	28-Feb-2018	30-Jun-2022	

## COMPONENTS

Current Component Name	Current Cost (US\$, millions)	Action	Proposed Component Name	Proposed Cost (US\$, millions)
Component A: Local development support	46.77	Revised	Component A: Local development support	80.14
Component B: Support to the decentralization process	14.02	Revised	Component B: Support to the decentralization process	20.29
Component C: Coordination, management, monitoring and evaluation and communication	9.21	Revised	Component C: Coordination, management, monitoring and evaluation and communication	17.57
<b>TOTAL</b>	<b>70.00</b>			<b>118.00</b>

## LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Current Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-57180	Effective	30-Nov-2019	30-Nov-2019	30-Jun-2022	30-Oct-2022

## Expected Disbursements (in US\$, millions)

Fiscal Year	2016	2017	2018	2019	2020	2021	2022
Annual	14.00	12.00	22.00	33.80	15.90	15.20	5.10
Cumulative	14.00	26.00	48.00	81.80	97.70	112.90	118.00



**SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)**

Risk Category	Latest ISR Rating	Current Rating
Political and Governance	● High	● High
Macroeconomic	● Moderate	● Moderate
Sector Strategies and Policies	● Moderate	● Moderate
Technical Design of Project or Program	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	● High	● Substantial
Fiduciary	● Substantial	● Substantial
Environment and Social	● Substantial	● Substantial
Stakeholders	● Moderate	● Substantial
Other	● Substantial	● Substantial
Overall	● Substantial	● Substantial

**COMPLIANCE**

**Change in Safeguard Policies Triggered**

Yes

Safeguard Policies Triggered	Current	Proposed
Environmental Assessment OP/BP 4.01	Yes	Yes
Natural Habitats OP/BP 4.04	No	No
Forests OP/BP 4.36	Yes	Yes
Pest Management OP 4.09	Yes	Yes
Physical Cultural Resources OP/BP 4.11	Yes	Yes
Indigenous Peoples OP/BP 4.10	Yes	Yes
Involuntary Resettlement OP/BP 4.12	Yes	Yes
Safety of Dams OP/BP 4.37	No	No



Projects on International Waterways OP/BP 7.50	Yes	No
Projects in Disputed Areas OP/BP 7.60	No	No

**LEGAL COVENANTS – Community Development Program Support Project-Phase III (P144637)**

Loan/Credit/TF	Description	Status	Action
IDA-57180	Finance Agreement :Recruitment of External Auditor   Description :The Recipient has recruited an independent external auditor no later than 4 months after effectiveness, with qualifications, experience and terms of reference acceptable to the Association   Due Date :31-Mar-2016	Complied with	Marked for Deletion

**LEGAL COVENANTS – Community Development Program Support Project Response to Forced Displacement (P164803)**

**Sections and Description**

The Recipient shall not later than thirty (30) days after the Effective Date, update the Project Implementation Manual, in form and substance satisfactory to the Association.

**Conditions**

Type	Description
Effectiveness	The Association is satisfied that the Recipient has an adequate refugee protection framework
Disbursement	Financing Agreement - Schedule 2 Section 3, B. For the category (2) after : (a) the applicable Grant Agreement has been signed in accordance with Section I.F of Schedule 2 to the Financing Agreement; and (ii) the Beneficiary to such CDP-Subproject Grant has a Receveur Municipal in accordance with Section V.D of Schedule 2 to the Financing Agreement or (b) for Categories (3) and (4) after the applicable Grant Agreement has been signed in accordance with Section I.F of Schedule 2 to the Financing Agreement; or (c) in respect of any CDP Performance Grant under Category (3) prior to the date January 1, 2020.



**VIII. RESULTS FRAMEWORK AND MONITORING**

**Results Framework**

COUNTRY : Cameroon

Community Development Program Support Project Response to Forced Displacement

**Project Development Objectives**

The development objective of phase 3 (PNDP III) is to strengthen local public finance management and participatory development processes in communes for the delivery of quality and sustainable social and economic infrastructure.

**Project Development Objective Indicators**

Action	Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source / Methodology	Responsibility for Data Collection
Revised	<b>Name:</b> Share of Decentralized Public Investment Budget projects derived from Local Development Plans		Percentage	58.80	70.00	Annual	M&E system	NCU, RCUs, communes

Description: This indicator measures the cumulative percentage of decentralized Public Investment Budget projects derived from Local Development Plans. The baseline was not available when finalizing the parent project PAD and was calculated in 2016.



Revised	<b>Name:</b> Direct project beneficiaries (non refugees)		Number	0.00	1,300,000.00	Bi-annually	M&E system	NCU, RCUs, communes
Revised	Female beneficiaries (non-refugees)		Percentage	0.00	50.00	Bi-annually	M&E system	NUC, RCUs, communes
<p>Description: Direct beneficiaries are people or groups who directly derive benefits from an intervention (i.e., children who benefit from an immunization program; families that have a new piped water connection). Please note that this indicator requires supplemental information. Supplemental Value: Female beneficiaries (percentage). Based on the assessment and definition of direct project beneficiaries, specify what proportion of the direct project beneficiaries are female. This indicator is calculated as a percentage.</p>								
Revised	<b>Name:</b> Beneficiaries that feel project investments reflected their needs (percentage)		Percentage	91.50	80.00	MTR and at the end of the project	Beneficiary assessments, qualitative analysis	NCU, RCUs
Revised	Beneficiaries that feel project inv. reflected their needs - female (percentage)		Percentage	0.00	80.00	MTR and at the end of the project	Beneficiary assessments, qualitative analysis	NCU, RCUs
<p>Description: This will measure the extent to which decisions about the project reflected community preferences in a consistent manner.</p>								
New	<b>Name:</b> Direct		Number	0.00	250,000.00	Bi-annually	M&E system	NCU, RCUs,



	Project beneficiary (refugees)							communes
New	of which female (refugees)		Number	0.00	125,000.00	Bi-annually	M&E system	NCU, RCUs, communes

Description: Direct beneficiaries are people or groups who directly benefits from an intervention. In this case, it will focus on refugees beneficiaries.

New	<b>Name:</b> Percentage of communes having obtained at least the mid-point score in the Guichet Performance		Percentage	24.00	35.00	Annually	M&E system	NCU, RCUs, communes
-----	---	--	------------	-------	-------	----------	------------	---------------------

Description: This indicator measures the percentage of communes having obtained at least the mid-point score, meaning half of the maximum score (eg. 25/50 or 50/100, etc.) in the Guichet Performance

**Intermediate Results Indicators**

Action	Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source / Methodology	Responsibility for Data Collection
Revised	<b>Name:</b> Subprojects that have implemented the required		Percentage	0.00	100.00	Bi-annually	M&E system	NCU, RCUs, communes



	environmental and social risk mitigation measures and are functional							
Description: Assesses the extent to which subprojects are implemented in an environmentally and socially sustainable manner.								
Revised	<b>Name:</b> Improved community water points constructed or rehabilitated under the project		Number	1,721.00	4,519.00	Bi-annually	M&E system	NCU, RCUs, communes
Description: Number of improved community water points constructed or rehabilitated under the project in rural and urban areas. A community water point is defined as a public outlet for the provision of water supply to a number of households. Improved community water points refer to standpipes, protected dug well, borehole, or protected spring. Hence, improved community water points do not include, inter alia, unprotected wells or unprotected springs.								
Revised	<b>Name:</b> Roads rehabilitated, Rural		Kilometers	465.00	1,063.00	Bi-annually	M&E system	NCU, RCUs, communes
Description: Kilometers of all rural roads reopened to motorized traffic, rehabilitated, or upgraded under the project. Rural roads are roads functionally classified in various countries below Trunk or Primary, Secondary or Link roads, or sometimes Tertiary roads. Such roads are often described as rural access, feeder, market, agricultural, irrigation, forestry or community roads. Typically, rural roads connect small urban centers/towns/settlements of less than 2,000 to 5,000 inhabitants to each other or to higher classes of road, market towns and urban centers.								
Revised	<b>Name:</b> Classrooms built and/or rehabilitated		Number	971.00	2,525.00	Bi-annually	M&E system	NUC, RCUs, communes
Description: Measures the number of classrooms built/rehabilitated under the project								





Revised	<b>Name:</b> Health facilities constructed, renovated or equipped		Number	38.00	211.00	Bi-annually	M&E system	NCU, RCUs, communes
Description: Measures the number of health care facilities constructed/renovated or equipped under the project.								
Revised	<b>Name:</b> Rural markets constructed under the project		Number	12.00	97.00	Bi-annually	M&E system	NCU, RCUs, communes
Description: Measures the number of rural markets constructed under the project.								
Revised	<b>Name:</b> Community storage facilities constructed under the project		Number	34.00	97.00	Bi-annually	M&E system	NCU, RCUs, communes
Description: Measures the number of storage facilities constructed under the project.								
Revised	<b>Name:</b> Communes benefiting from the project grant		Number	328.00	360.00	Bi-annually	M&E system	NCU, RCUs, communes
Description: Measures the number of communes benefitting from the project grant.								
Revised	<b>Name:</b> Communes with a public information and citizen control mechanism on service delivery		Number	10.00	360.00	Every two years	M&E system	NCU, RCUs, communes



	(citizens scorecards)							
Description: Measures the number of communes with a public information and citizen control mechanism of grant.								
Revised	<b>Name:</b> Number of beneficiaries trained		Number	1,720.00	4,200.00	Bi-annually	M&E system	NCU, RCUs
Revised	of which female		Number	50.00	1,260.00	Bi-annually	M&E system	NCU, RCUs
Description: Measures the number of beneficiaries who received training through the project.								
Revised	<b>Name:</b> Grievances registered related to delivery of project benefits addressed (%)		Percentage	0.00	90.00	Bi-annually	M&E system	NCU, RCUs, communes
Description: This indicator measures the transparency and accountability mechanisms established by the project so the target beneficiaries have trust in the process and are willing to participate, and feel that their grievances are attended to promptly. It is understood that local sensitivities and tensions will not allow grievance or redress mechanisms to be established in all projects.								
New	<b>Name:</b> Village Development Committee of host villages with at least one refugee represented in the committee/bureau		Percentage	0.00	95.00	Bi-annually	M&E system	NCU, RCUs, communes, village development committees
Description: Measures the percentage of Village Development Committees in host villages with at least one refugee represented in the committee.								
New	<b>Name:</b> Percentage of		Percentage	0.00	50.00	Bi-annually	M&E system	NCU, RCUs,



	communes with at least 30% villages having implemented endogenous solutions							communes
Description: Measures the percentage of communes with at least 30% villages that have implemented endogenous solutions.								



Target Values

Project Development Objective Indicators

Action	Indicator Name	Baseline	YR1	YR2	YR3	YR4	End Target
Revised	Share of Decentralized Public Investment Budget projects derived from Local Development Plans	58.80	63.00	65.00	68.00	70.00	70.00
Revised	Direct project beneficiaries (non refugees)	0.00	500,000.00	800,000.00	1,100,000.00	1,300,000.00	1,300,000.00
Revised	Female beneficiaries (non-refugees)	0.00	35.00	35.00	35.00	35.00	50.00
Revised	Beneficiaries that feel project investments reflected their needs (percentage)	91.50		60.00		80.00	80.00
Revised	Beneficiaries that feel project inv. reflected their needs - female (percentage)	0.00		65.00		80.00	80.00
New	Direct Project beneficiary (refugees)	0.00	50,000.00	100,000.00	150,000.00	250,000.00	250,000.00
New	of which female (refugees)	0.00	35.00	35.00	35.00	35.00	125,000.00
New	Percentage of communes having obtained at least the mid-point score in the Guichet Performance	24.00	27.00	30.00	33.00	35.00	35.00



**Intermediate Results Indicators**

Action	Indicator Name	Baseline	YR1	YR2	YR3	YR4	End Target
Revised	Subprojects that have implemented the required environmental and social risk mitigation measures and are functional	0.00	100.00	100.00	100.00	100.00	100.00
Revised	Improved community water points constructed or rehabilitated under the project	1,721.00	2,642.00	3,061.00	3,744.00	4,519.00	4,519.00
Revised	Roads rehabilitated, Rural	465.00	785.00	890.00	985.00	1,063.00	1,063.00
Revised	Classrooms built and/or rehabilitated	971.00	1,624.00	1,982.00	2,204.00	2,525.00	2,525.00
Revised	Health facilities constructed, renovated or equipped	38.00	171.00	188.00	200.00	211.00	211.00
Revised	Rural markets constructed under the project	12.00	77.00	84.00	91.00	97.00	97.00
Revised	Community storage facilities constructed under the project	34.00	73.00	83.00	92.00	97.00	97.00
Revised	Communes benefiting from the project grant	328.00	360.00	360.00	360.00	360.00	360.00
Revised	Communes with a public information and citizen control mechanism on service delivery (citizens scorecards)	10.00	260.00		360.00	360.00	360.00
Revised	Number of beneficiaries trained	1,720.00	3,957.00	4,081.00	4,151.00	4,200.00	4,200.00



Revised	of which female	50.00	35.00	35.00	35.00	35.00	1,260.00
Revised	Grievances registered related to delivery of project benefits addressed (%)	0.00	80.00	83.00	87.00	90.00	90.00
New	Village Development Committee of host villages with at least one refugee represented in the committee/bureau	0.00	45.00	75.00	90.00	95.00	95.00
New	Percentage of communes with at least 30% villages having implemented endogenous solutions	0.00	15.00	35.00	45.00	50.00	50.00



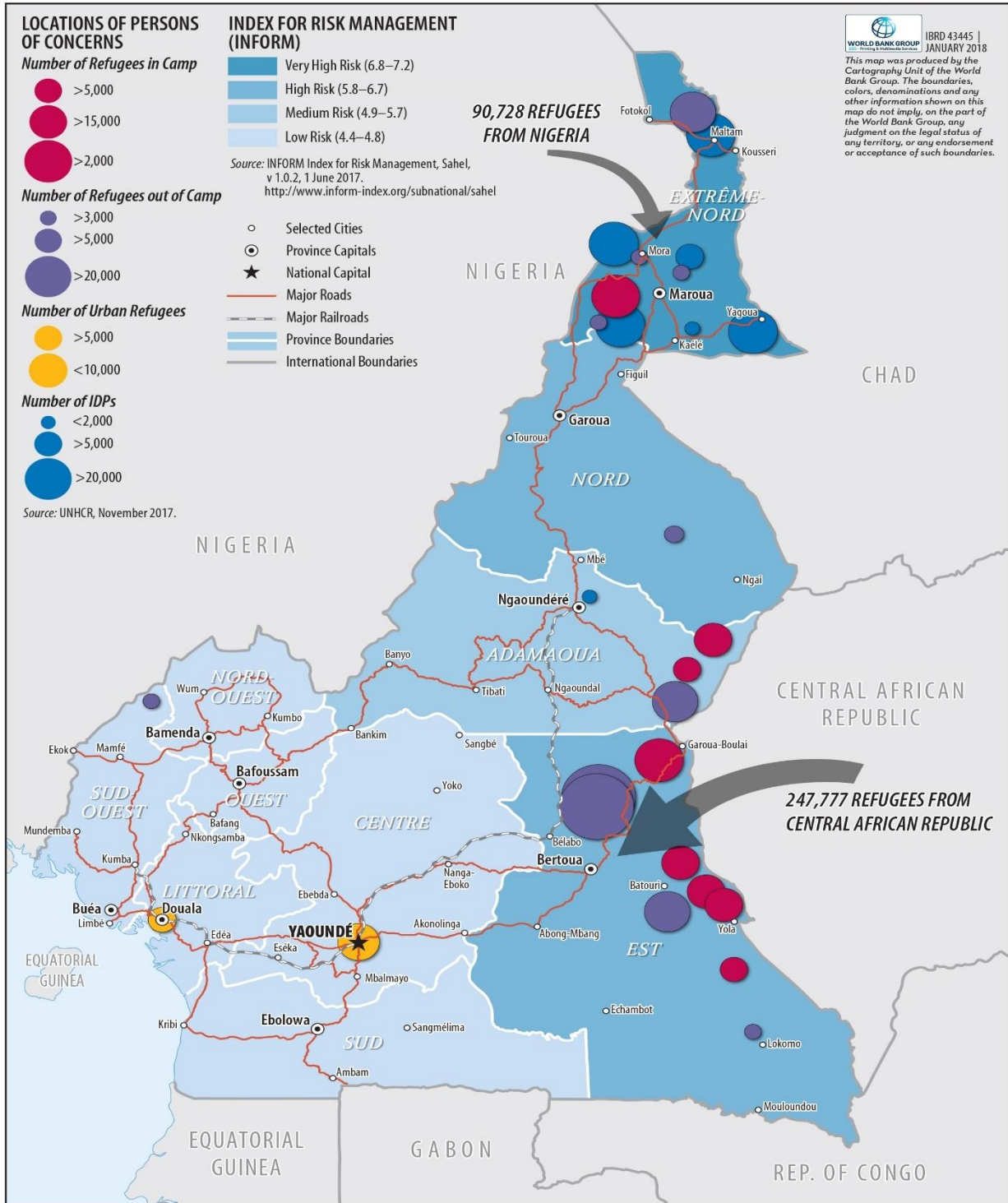
## ANNEX 1: OVERVIEW OF REFUGEES AND HOST COMMUNITIES IN CAMEROON

### *Context and Description of the Refugee Crisis*

1. Hosting approximately 339,000 refugees and asylum-seekers (as well as 242,000 IDPs), Cameroon has the 11th largest refugee population in the world and the 6th largest in Africa, after Ethiopia, Kenya, Uganda, the Democratic Republic of Congo (DRC), and Chad. Refugees account for almost 2 percent of the population, which makes Cameroon the 10th largest host in the world in relative terms (refugees per 1,000 inhabitants). About 60 percent of refugees are below the age of 18. Both refugees and host communities have significant unmet needs in terms of nutrition, food security, access to basic services (health, education, water, sanitation), and livelihoods.
2. **The refugee crisis is primarily affecting remote and poor border regions (see figure 6.1).** Even before the crisis, refugee-hosting regions (particularly Adamawa and the Far North) had the lowest human development indicators and deepest levels of poverty in the country. Altogether, these four regions (North, Far North, East and Adamawa) account for 66 percent of the poor households in the country (even though they are home to only 38 percent of the total population). Access to basic services is limited, and these regions are relatively isolated from the rest of the country. The presence of large numbers of refugees has exacerbated these pre-existing challenges.
3. The refugee crisis has reinforced existing territorial inequities and a rapid increase in poverty in northern Cameroon had been observed before the heightened insecurity in the region associated with Boko Haram activities. The deterioration of the security environment in northern Cameroon occurred in large part after data were collected for the 2014 ECAM. The poverty estimates for the northern regions should, therefore, be considered lower bounds, since the impact of an influx of refugees, the closure of markets, roads and frontiers, were largely not recorded by the ECAM. Because of the interruption of agricultural activities and trade, as well as population displacement and increased vulnerability and food insecurity in the Far North, approximately 2.4 million people are considered food insecure and 250,000 people are estimated to be suffering from acute malnutrition.
4. According to preliminary results of the Central African Republic refugee poverty analysis (American University of Beirut, forthcoming), using expenditure data from a Household Economy Analysis (UNHCR/IFORD 2017), Central African Republic refugees in the East, Adamawa, and North regions show alarming levels of poverty. Data suggest that 96 percent of refugees fall below the extreme poverty line (less than CFAF 17,962 per person per month). If the Minimum Food Basket (MFB) calculated by the WFP is used as a reference, 71 percent of the Central African Republic refugee population fall below this line, meaning that their expenditure is less than CFAF 8,800 per person per month—the amount necessary to purchase minimum food energy requirements (emergency standards: 2,100 kcal per person per day).



Figure 6.1. Locations of Displaced Populations



Source: UNHCR 2017.

5. There are two distinct refugee situations in Cameroon – with marked differences in the challenges faced by refugees and host communities.

- **Approximately 248,000** Central African Republic refugees live along the eastern border (the majority of them in the East region and the rest in the Adamawa and North





regions). These refugees fled violence in the country in two waves. Approximately 100,000 refugees fled Central African Republic between 2003 and 2006, primarily from border regions. While some of these refugees have achieved a degree of socio-economic inclusion, living outside of camps and integrated in their host communities, the majority remains extremely vulnerable in terms of food security and has very limited access to livelihoods. An additional 160,000 Central African Republic refugees arrived after 2013. Some of these refugees originated from more distant parts of CAR, including Bangui. Overall, 30 percent of Central African Republic refugees live in of the seven designated refugee sites while 70 percent live in villages. Central African Republic refugees represent around 5 percent of the total population in Adamawa and 18 percent in the East region; it should be noted that in some of the most affected municipalities such as Garoua-Boulai (Adamawa) or Kenzou (East), refugees largely outnumber the local population. Areas hosting refugee populations are poor and isolated, with limited access to services. In some areas, post-2013 refugee arrivals strained previous host-refugee relationships that were largely positive, and have in some localities led to tensions related to access to scarce resources and land. Humanitarian assistance being primarily directed to refugees, in particular in the dedicated sites, has also caused resentment among host communities.

- **Approximately 91,000 Nigerian refugees live in the Far North region.** The destabilizing impact of refugee populations in this region is compounded by the presence of 242,000 IDPs. These refugees fled the Boko Haram attacks, and most have been in exile for three to four years. Approximately one-fourth of these refugees have experienced multiple displacements. The traumatic events they have experienced, coupled with suspicion and stigmatization from security forces, authorities, and in some instances host populations following incidents of indiscriminate violent attacks against civilians by armed elements, have hindered opportunities for social inclusion. The inadequate recognition of UNHCR-issued refugee documents for refugees registered in Minawao camp and a lack of identification papers for out-of-camp refugees place significant restrictions on freedom of movement and, in the case of out-of-camp refugees also makes it difficult to distinguish between them, IDPs, and hosts. Approximately 62,000 refugees live in the Minawao refugee camp that opened in July 2013, where living conditions are poor and the population remains fully dependent on humanitarian assistance. Refugees who live outside the camp and IDPs face an even more precarious situation with some living in areas that are extremely difficult to access or are unregistered and lack any documentation. Overall, the situation remains very fluid, with ongoing movements of people that follow the ebb and flow of the conflict. Inflows of refugees and IDPs, continued insecurity, and cross-border traffic restrictions have destabilized the economy of a region that was already very poor, under-serviced, and largely dependent on trade with Nigeria. Looking ahead, there is the risk of further increases in the number of people displaced by the Boko Haram conflict.

6. The humanitarian crisis associated with the Boko Haram insurgency and conflict in Central African Republic has increased the strain on already precarious regions. Populations in these areas have urgent needs, including security, protection, food security, adequate documentation, and access to basic social services like health and education. Challenges associated with education are exacerbated by the nomadic culture of most of refugees from CAR, with only a minority having attended primary school in their country of origin. In some instances, cultural practices paired with the need to involve children in household chores, food production and income-generating activities to make ends meet, privilege children assisting with cattle rearing and household activities above going



to school. Moreover, before the recent humanitarian crises, these regions had limited educational infrastructure, contributing to a deteriorating learning environment and poor levels of learning.<sup>30</sup>

7. Host communities in the northern and East regions have the highest poverty rates in Cameroon, and the lowest human development indicators. The influx of refugees and IDPs, escalating insecurity, cross-border traffic restrictions, and the drastic reduction in cross border trade with Nigeria has intensified poverty in these regions, and placed further strain on limited service delivery. Aid directed primarily toward refugees has left some host communities feeling disenfranchised and disadvantaged, fueling in some cases resentment among host communities. In some instances, increased tensions between host communities and refugees have led to conflicts over resources and land use. The insufficient access to civil registries for the issuance of birth certificates and the lack of recognition by security forces and local authorities of UNHCR-delivered refugee identity cards, and the absence of refugee cards delivered by the state, remain a critical challenge for accessing social benefits including education and social grants for refugees. Lack of documents such as birth certificates and national ID cards often put host populations in equally challenging situations. The continued volatility in Central African Republic and increasing frequency of attacks by Boko Haram, reduces the likelihood that refugees will return home soon.

8. The conditions for women and girls are often very difficult. Female heads of households face an especially precarious situation. Child marriage and early pregnancy is common, and one can assume high rates of forced marriage and instances of rape of girls and adolescents. However, it remains very difficult to assess and study these forms of SGBV as they are rarely discussed openly. Poverty has obliged some refugee women and girls to survival sex particularly in the East and Adamawa. In other instances, anecdotal evidence suggests that some displaced women experience more favorable conditions in exile than at home, including access to education (through the support of UNHCR and/or other Partners) and, in some cases, access to land.

### ***The Government's Approach***

9. There is a commitment from Government to welcome refugees. Among national and local authorities there is both a commitment to acceptance and harmony, and concerns around tensions with hosting communities and potential security risks stemming from the presence of refugees and increased cross-border activities. While the approach toward Central African Republic refugees in the East has been relatively welcoming (with a degree of socioeconomic inclusion in host communities), the attitude toward Nigerian refugees in the Far North has been influenced by the fear of Boko Haram, with repeated reports of Nigerian refugees being rejected at the border or forcibly returned and the imposition of a stricter encampment policy.

10. Overall, the legal framework governing the situation of refugees is adequate, but implementation is difficult. Cameroon is a party to most major international agreements relevant to refugees (1951 Convention, 1967 Protocol, and 1969 Organization of African Unity Convention) and promulgated a refugee law in 2005. In terms of IDP protection, Cameroon acceded to the Kampala Convention in April 2015, but the convention has not yet been translated into national law. Within the framework convention on the gradual integration of refugees into the national health system that was signed between the Ministry of Public Health and UNHCR in October 2016, UNHCR subsidizes the free provision of basic health care services for refugees (70 percent of the costs); however, the convention currently covers less than 50 percent of the health districts which host refugees. As for access to education, while refugees benefit in principle from free access to primary public education, as with

---

<sup>30</sup> Source: Cameroun | Rapport sur les Déplacements, Région de l'Extrême-Nord. Round 9 | 26 Juin 7 Juillet 2017 (UE, OIRF, OIM).



poor Cameroonians, they often struggle to cover the substantive secondary costs (Parents and Teachers' (APEE) contribution, uniforms, school material, and so on). Documentation however remains a critical issue for refugees. For the time being refugee cards are issued to refugees by UNHCR; however, these cards are not always recognized by authorities and security forces at local level which can have a negative impact on free movement and access to the labor market and services. As for out-of-camp refugees in the Far North region, registration of refugees and access to refugee cards remain a challenge and put refugees in an even more precarious situation in terms of protection. While refugees have the right to own land, this is in practice not consistently implemented due to traditional rules governing land distribution and competing local claims.<sup>31</sup>

11. There is neither a clear policy, nor institutional arrangements to manage the medium-term, socio-economic dimension of the refugee crisis. Several ministries and various levels of Government share overlapping responsibilities. MINATD is central to the Government's approach to refugees, particularly in rural areas where they are represented through a strong network of *gouverneurs*, *prefets* and *sous-prefets*, who play a key role related to issues such as intelligence and crisis-management, land issues, as well as local conflicts. The Ministry of Regional Administration and Decentralization is furthermore the focal point within the Government for humanitarian issues. MINEPAT is the key coordinating counterpart for development actors, and is also co-leading the RPBA process. Sectoral ministries (for example, education, water, health, agriculture, or social affairs) tend to pay relatively less attention to remote hosting regions. Devolved and decentralized authorities as well as traditional leaders often lack resources, although some have developed creative responses to improve the situation of their communities. The network of associations and civil society organizations is comparably weak (for example, for youth and women) and operates in a fragmented manner – with varying objectives and coordination mechanisms.

12. The influx of refugees increases pressure on basic community infrastructure and generates urgent needs with regard to access to education, food, water, sanitation, and health care. Education is, in this context, one of the many sectors that requires support from Cameroonian authorities and development partners. No specific measures have been taken by the Ministry of Basic Education (*Ministère de l'Éducation de Base au Cameroun*, MINEDUB) to support schools with increased refugee-related enrollment. Many affected schools lack sufficient numbers of teachers, and quality teaching and learning materials. While some data are available from specialized agencies, MINEDUB faces a shortage of school-level data relevant to the education challenges of refugees and affected host communities necessary to inform pragmatic support to schools. There is a need for the education sector to identify and update needs on a regular basis, and to establish a response mechanism to address immediate needs in schools.

---

<sup>31</sup> Conflicts related to land are multiple and involve many actors. The law on the national domain is in flagrant contradiction with customary law, applied at the local level. The dualism born of this situation has a double impact on: (a) access to land ownership of certain category of actors; and (b) the lack of development of agricultural areas and sustainable land management. If the land issue remains one of the major sources of conflict in the four regions, the cohabitation between the different actors who use the land resource can also be a source of tension. Conflicts between pastoralists and farmers in overlapping areas of their activities are the most frequent one. Poor agricultural practices (that is, shifting slash and burn cultivation system) or the overexploitation of pastures have a negative impact on land. The tensions are huge, not only over natural resources, but also between the different actors who exploit this same resource; this situation is exacerbated by the influx of refugees in some areas. The consultations carried out within the framework of the definition of the CDPs by the CDPSP show that for local populations, the questions of subsistence prevail over the issue of sustainable management, because of the insecurity of land tenure. Although mechanisms to address land related disputes exist (subdivisional commissions of land disputes), they are not functional because of the lack of budget lines dedicated to their functioning.



**ANNEX 2: WORLD BANK INTEGRATED APPROACH THROUGH IDA18 REFUGEE SUB-WINDOW IN CAMEROON**

1. The World Bank is supporting an integrated approach to address key challenges facing refugees and host communities, building on the work of ongoing projects (CDPSP, SSNP, and HSPRP) and complementing projects in the pipeline (ERSP). Table 2.1 summarizes the key interventions financed under IDA18 RSW.

**Table 2.1. Interventions under Preparation in Cameroon Supported by IDA18 RSW**

Project Name	Additional Activities under RSW	RSW Financing	Synergies under RSW
ERSP	<ul style="list-style-type: none"> <li>• Improved distribution of teachers recruited by the state in public primary schools (including focus on refugee-affected local councils)</li> <li>• Increased capacities of teachers in the effective and efficient use of the new curriculum in pre-primary and primary schools (including a focus on refugee-affected local councils)</li> <li>• Increased availability of essential textbooks in public primary schools</li> <li>• Increased access to preschool in rural areas through community preschools, in line with national standards</li> <li>• Establishment of a standardized student learning assessment system for primary and secondary education</li> <li>• Integrated Education Management Information System (EMIS) that is functional and operational</li> <li>• An improved learning environment and quality of education for children in host community schools affected by refugees</li> <li>• Support for transition from input-based financing to performance-based financing at school level (including a focus on refugee-affected local councils)</li> </ul>	US\$36 million	<p>Integration of health, nutrition, and early childhood development contents in CPCs;</p> <p>Inclusion of contents related to GBV, including sexual violence, prevention, child rights, and refugee protection in teacher training;</p> <p>School-based sensitization on birth registration; and</p> <p>Modules on parental education.</p>
SSNP AF	<ul style="list-style-type: none"> <li>• Human capital development (parental awareness campaigns) for children of ages 3 to 5</li> <li>• Development of training modules in partnership with United Nations Children’s Fund</li> <li>• Facilitator training (recruitment, contract, duration, training)</li> <li>• Registering for national ID and birth certificate</li> </ul>	US\$36 million	<p>Common targeting at the local council’s level;</p> <p>Training sessions (parental education) in schools; and</p> <p>Organization of public hearings and sensitization.</p>



HSPRP AF	The proposed AF will support the reinforcement of equity mechanisms of performance-based financing to ensure the provision of healthcare services to refugees and vulnerable host populations; and will finance training of health personnel, and provide, through the performance-based financing approach, new specific healthcare to refugees and host populations (care provision for victims of rape, FGM, and GBV, including physical, sexual and psychological violence)	US\$36 million	School-based activities (Psychosocial support, deworming, nutrition, water, sanitation, and hygiene and other health promotion activities)
CDPSP AF	<ul style="list-style-type: none"><li>• The proposed AF will assist in continuing activities initiated under the original project CDPSP III (Components A, B, C) to ensure sustainability and alleviate pressures in host local councils affected by the influx of refugees</li><li>• The AF will target all hosting local councils in the Far North, North, Adamawa, and East regions currently affected by the influx of refugees</li><li>• Under this AF, and based on its experience with working in local councils hosting refugees, the CDPSP III will be the main vehicle for: (a) enhancing, through CDD activities, both service-delivery and social cohesion in refugee-hosting areas; (b) reinforcing the capacity of local governments in accountable frontline service-delivery for both displaced and host communities; and (c) strengthening the capacity and role of local government in facilitating land planning and management through an inclusive approach</li></ul>	US\$48 million	Enhance service delivery and social services for the local councils hosting refugees; and  Develop social infrastructure in the education sector.



### ANNEX 3: COST-BENEFIT ANALYSIS OF THE CDPSP PROJECT-PHASE III AND ITS ADDITIONAL FINANCING

#### Context and Justification of Project Phase III Project

1. Since 2004, Cameroon has been engaged in a process of decentralization that already has seen the transfer of important competences to territorial decentralized communities. This process aims to accelerate Cameroon's development, enabling the population to seek adapted solutions to their socioeconomic problems through a better implementation of policies to local conditions, allowing for greater participation of the population and civil society. However, a poorly conducted decentralization process can vitiate this same development—a result of a waste of resources due to patronage practices of local leaders. It is for this reason that the Cameroonian Government has requested the assistance of the international community, and more particularly, the World Bank, to help safeguard its decentralization process. This assistance has taken the form of support programs for the CDPSP. The Phase I Project was enacted from 2004 to 2009, the Phase II Project from 2009 to 2013, and the Project-Phase III is planned from 2015 to 2019. Impact measures have concluded that Phase II had improved the quantity and quality of people's access to social infrastructure (World Bank 2014).<sup>32</sup> But many dysfunctions had also been noted, related to lack of resources, poor management practices—especially in relation to projects—low staff capacity, and lack of transparency in the municipalities. While Project-Phase III (parent project) is in full implementation, Cameroon has experienced an influx of refugees into its territory, following insecurity in some neighboring countries. Their number had increased to 225,216 refugees at the end of 2017, including 19,530 in the North region, 53,628 in the Adamawa region, and 152,058 in the East region.

#### Cost-Benefit Analysis of Parent Projects and AF

2. The Parent Project and the AF have a lot of similarities in that the funding has three objectives: (a) the reinforcement of the investment capacities of the municipalities—in accord with which the AF grants additional funding—in the form of a Refugee Window—to the municipalities sheltering refugees; (b) priority of support for the decentralization process to those municipalities hosting refugees; and (c) reinforcement of managerial capacities of municipal agents through public investment management training, or the supervision and evaluation of the financed projects.

#### Component A: Local Development Support

3. Some activities in this component aim at strengthening capacities of municipalities for a participatory approach to project management. There will be better identification of people's needs, better preparation of local development plans, and better implementation of local projects. These operations will be inclusive of refugee areas, integrating refugees and host populations. The expected gains from improving the efficiency of municipal investments are analyzed in Component C.

4. The AF will also finance activities to support decentralization. For this purpose, some activities will focus on the collection of data on both refugees and host populations. Improvements in the quality of Cameroonian growth, as well as the reduction of inequalities, are expected gains from the support of decentralization and are analyzed in Component B.

---

<sup>32</sup> World Bank. 2014. *Community Development Program Support Project-Phase II*.



5. It should also be noted that most activities in Component A allocate significant resources to communal investments through several mechanisms.

- Through Subcomponent A.1, the parent project provides support to local development investments for the municipalities in the amount of US\$16.77 million. This amount is US\$2.62 million in the AF. But the disbursements of these funds in the AF will be partially made on a competitive basis through the performance window, which awards funding in the form of a reward based on transparency and good management.
- The parent project provides, through its Subcomponent A.2, targeted investments of US\$30 million for the poorest in the East, Adamawa, North, and Far-North regions. This amount is US\$30.75 million in the AF.

6. Overall, these funds are earmarked for social investments in health centers, schools, potable water, rural markets, rural roads, bridges, small production units, and small-scale irrigation projects. Considering that these infrastructures will be beneficial for the host populations, as well as for the refugees, several gains are expected:

- In the long term, a specific theoretical gain is expected from education expenditures that measure human capital, as the economic growth model of Mankiv, Romer, and Weil (1992)<sup>33</sup> shows that any country that maintains a positive human capital accumulation rate guarantees a positive long-term economic growth rate.
- Another long-term gain expected from these investments is the improvement of the Human Development Index (HDI)—the current measure of appreciation of development efforts. The HDI is very low for Cameroon—0.512 (UNDP 2015)<sup>34</sup>—placing the country 153 of 176 countries evaluated. The HDI is configured from three indicators related to GDP per capita, health, and education. Once this subcomponent improves monetary, health, and education opportunities in Cameroon, the importance and value of this subcomponent gain can be quantified according to the improvements it will bring to Cameroon’s HDI. Unfortunately, it is difficult to quantify or estimate its value or importance in advance.
- In the short run, the project will improve the impact of public investment benefits, particularly in education and health. Profit impact analysis allows governments to ensure that the poorest of some regions are not excluded from the public investment benefit. To take only the case of education, this table<sup>35</sup> indicates that only 71 percent of children at age 6 and a 1/2<sup>36</sup> from the poorest households (belonging to the first decile of income) actually have access to basic education. In the 10th decile, about 100 percent do not have such access. Similarly, Table 2<sup>37</sup> indicates that children of age 6 in the North, East, and Far

<sup>33</sup> Mankiv N. G., P. Romer, and D. N. Weil. 1992. "A Contribution to the Empirics of Economy Growth," *Quarterly Journal of Economics*: 407–437.

<sup>34</sup> United Nations Development Programme. 2015. Report on Human Development in the World: Work for Human Development, New York.

<sup>35</sup> Table: *Source*: Calculations from the ECAM4 database; TAEB = Accessibility Rate to Basic Education.

Deciles	1	2	3	4	5	6	7	8	9	10
ARBE	71	78	80	84	89	94	92	96	99	100

<sup>36</sup> Six years is the maximum age of first compulsory enrollment in basic education in Cameroon.

<sup>37</sup> Table 2

Regions	Dla	Yde	Adam	Cent	East	FN	Litt	North	N-W	W	South	S-O
TAEB	99	100	88	87	78	73	98	67	90	95	100	92



North regions have access to basic education rates below the national average of 87.7 percent. Ideally, the children of the poor should have as much access to basic education as the children of the non-poor, and all children in all regions at school age should be enrolled in elementary schools. The project is likely to make substantial corrections to these inequalities.

- Still in the short term, these cash amounts—in the aggregate of US\$80.14 million (16.77 + 2.62 + 30 + 30.75) millions—are considered an additional investment and their benefit may be evaluated by use of the Marginal Productivity of Capital Ratio or Incremental Output Ratio (ICOR). By definition, the ICOR reports the amount of investment needed in an economy to increase a unit's GDP. The higher the value, the lower the investment productivity. If policies want a target growth rate, the ICOR is used to determine the amount of investment required. In this research, investments are known and team wants to know the growth rate that will result.

7.  $ICOR = PI\% \text{ GDP} / \Delta GDP$  where  $\Delta GDP$  is the economic growth rate, PI the Public Investment. Therefore, if the ICOR over a given period and the additional investment expressed in terms of a percent of GDP is known, the surplus growth that results from the additional investment can be calculated. To calculate the ICOR, a GDP of US\$35.052 million is considered in 2016, according to the website of the World Bank (World Bank Open Data). In conversion, US\$1 = CFAF 597. According to the same source, the growth rate for the same year (2016) is 4.5 percent. The PI of Cameroon in 2016 is calculated in the finance law<sup>38</sup> of the same year at CFAF 1,677,553 million. From this information, the  $ICOR = 1.78146$ . That is, to produce one unit of GDP, 1.78146 units of PI are needed. The year 2016 is considered the base year of the calculations (because it is the most recent for which there is available information on the GDP, the growth rate, and the amount of PI).

8. For further calculations, the projected growth rates are taken from an activity report on Cameroon (World Bank 2017).<sup>39</sup>

9. With all this information, the gains of Component A are estimated in table 1.

<sup>38</sup> Cameroon Tribune, of Wednesday, December 23, 2015

<sup>39</sup> World Bank. 2017. Document of the World Bank Group report n° 107896-CM.





**Table 1: Gains from the strengthening component of municipal investments**

Labels	2016	2017	2018	2019	2020	2021	2022
Growth rate without project	4.5	4.8	4.8	4	4.6	4.6	4.5
GDP (CFAF) without project	20 926 031 821.20	21 930 481 348.62	22 983 144 453.35	23 902 470 231.49	25 001 983 862.13	26 152 075 119.79	27 328 918 500.18
ICOR	1.78146	1.78146	1.78146	1.78146	1.78146	1.78146	1.78146
Additional GDP related to the project	6 980 422.5	6 980 422.5	6 980 422.5	11 957 910.00	4 977 487.50	4 977 487.5	4 977 487.5
Additional GDP % Public Investment Budget (PIB) (4/2)	0.000333576	0.000318298	0.000303719	0.000500279	0.000199084	0.000190329	0.000182133
Surplus of growth (5/3)	0.000187249	0.000178672	0.000170489	0.000280825	0.000111753	0.000106839	0.000102238
Growth rate with project (1+6)	0.045187249	0.048178672	0.048170489	0.040280825	0.046111753	0.046106839	0.045102238
GDP (CFAF) with project	20 926 031 821.20	21 934 220 253	22 990 802 367	23 916 890 863	25 019 740 630	26 173 321 772	27 353 797 155
<b>Gains in Thousands CFAF (8-2)</b>	0.00	3 738 904.32	7 657 913.49	14 420 631.79	17 756 767.88	21 246 651.78	24 878 654.94

**Table 2: Calculation of the profits of component C**

Labels	2016	2017	2018	2019	2020	2021	2022
Growth rate without project	4.5	4.8	4.8	4	4.6	4.6	4.5
GDP (CFAF) without project	20 926 031 821.20	21 930 481 348.62	22 983 144 453.35	23 902 470 231.49	25 001 983 862.13	26 152 075 119.79	27 328 918 500.18
ICOR	1.78146	1.78146	1.78146	1.78146	1.78146	1.78146	1.78146
Efficiency score	0.5	0.5	0.6	0.7	0.8	0.9	0.9
Growth for 1% PIB	0.005	0.005	0.005	0.006	0.006	0.006	0.006
PI transferred to the municipalities	226 061 854.26	226 061 854.26	226 061 854.26	226 061 854.26	226 061 854.26	226 061 854.26	226 061 854.26
PI transferred /GDP (6/2)	0.010802901	0.010308112	0.009835985	0.009457677	0.009041757	0.008644127	0.008271892
Growth surplus f (7*5)	5.4014	5.15406	4.91799	5.67461	5.4250	5.18648	4.9631
Growth rate with project (1+8)	0.045054015	0.048051541	0.04804918	0.040056746	0.046054251	0.046051865	0.045049631
GDP (CFAF) with project	20 926 031 821.20	21 931 559 888.00	22 985 353 355.05	23 906 071 817.60	25 007 048 038.51	26 158 669 232.86	27 337 107 638.41
<b>Gains in CFAF (10-2)</b>	0.00	1 078 539.38	2 208 901.69	3 601 586.11	5 064 176.38	6 594 113.06	8 189 138.23

**Table 3: Calculation of the NPV**

The wording	2016	2017	2018	2019	2020	2021	2022
Gains component A (TCFAF)	0	3 738 904.32	7 657 913.49	14 420 631.79	17 756 767.88	21 246 651.78	24 878 654.94
Gains component B (CFAF)	0.00	1 078 539.38	2 208 901.69	3 601 586.11	5 064 176.38	6 594 113.06	8 189 138.23
Total Gains (CFAF)	0	4 817 443.70	9 866 815.19	18 022 217.91	22 820 944.26	27 840 764.84	33 067 793.17
Total loan (CFAF)	88 176 900						



## Component B: Support of the decentralization process

10. Most of the activities in this component aim at strengthening support for the decentralization process, especially in municipalities that are hosting refugees. These activities consist of technical support to the authorities in charge of decentralization and training for the care of refugees. Three types of gains are anticipated as a result of these activities.

- A well-conducted decentralization process ensures development of overlooked populations, instituting better identification of the needs of such populations, taking account of local realities—which may not attract the attention of the Central Government. In the labor market, for example, municipalities can combat unemployment by identifying the specific training needs in their environment and implementing training that is specific to local labor market opportunities. This is more relevant in a country with several agroecological zones—such as Cameroon<sup>40</sup>. Evaluating this gain seems difficult.
- By identifying investments related to improving the incomes of the poorest populations, decentralization can contribute to improving the quality of Cameroonian growth. Several studies<sup>41</sup> have shown that Cameroon's growth is not pro-poor, and the poor, in fact, find it difficult to benefit from the fruits of growth. It is evident that Cameroon has experienced sustained growth of around 5 percent for several years now; but its poverty rate remains fairly constant at 40.2 percent in 2001, 39.7 percent in 2007, and 37 percent in 2014.
- It is highly likely that improving the quality of growth will result in the reduction of inequalities. Ostry, *et al.*,<sup>42</sup> have shown that growth and long-term sustainability correlate to the degree of inequality. From a study of 828 observations, they estimate an elasticity of  $-0.1435$ . This means that increasing inequality by one point reduces growth rates by 14.35 percent. Notwithstanding such observations, it is difficult to estimate variations in inequality due to the project.

11. Some activities in this component seek to promote sub projects to benefit refugees and host populations. These activities aim to make these refugees and host populations more economically productive, resulting in significant gains to Cameroon's GDP. The training activities in public investment management seek transparency in the management of the GDP, and consequently, greater efficiency in that management. The potential gains are analyzed in Component C.

## Component C: Coordination, management, monitoring and Evaluation and communication

12. This set of activities aims to ensure that budgeted projects are executed by means of maximizing output. Several activities of the previous components pursue the same goal. Expected gain comes as a result of improvement in the efficiency of investments in the municipalities. This gain can be estimated

---

<sup>40</sup> OECD (Organization for Economic Co-operation and Development). 2003. *Managing Decentralization: A New Role for Labor Market Policy*, OECD, Paris.

<sup>41</sup> Nembot Ndeffo L, E. Arnault Christian, and Ningaye Paul. 2009. *Spatial Analysis of Pro-poor Growth in Cameroon: a Dual Monetary and Non-monetary Approach*, Study proposed by the World Bank and German Cooperation GTZ in Cameroon, Project." Shared Growth and Spatial Considerations in Cameroon, FINAL REPORT.

<sup>42</sup> Jonathan D. Ostry, Andrew Berg, and Charalambos G., Tsangarides. 2014. Redistribution, Inequality, and Growth, IMF Staff Discussion Note. <https://www.imf.org/external/pubs/ft/sdn/2014/sdn1402.pdf>.



from investment efficiency scores, which reflect the ability of a management system to maximize investments in terms of minimal consumed resources. Gains are calculated by considering a main input—the value of public capital stock—and three main dimensions of output: (a) the quantitative dimension—measuring the volume of road infrastructures, the production of electrical energy, access to drinking water, and social infrastructure related to health and education; (b) the qualitative dimension obtained by interviewing leaders about their impressions of the quality of the infrastructures mentioned earlier; and (c) a synthetic dimension combining quantitative and qualitative dimensions.

13. The Data Envelopment Method has been used by the IMF (2015) to calculate the efficiency limit that defines the maximum output (the most efficient country output) and the efficiency score of each country, which is the level of output it achieves for the same level of inputs. In other words, it is the distance that separates a country from the maximum efficiency frontier. On this basis, the effectiveness of Cameroon's GDP is very low. Its efficiency score is 50 percent while the average for all countries in Sub-Saharan Africa is 60 percent. This information is cited because it has served as the basis for the IMF's evaluation of the Cameroonian PIM system (IMF 2015).<sup>43</sup>

14. Furthermore, this same source (IMF 2015), working from a sample of 113 countries around the world, demonstrates that for first quartile efficiency scores, 1 percent additional GDP induces a rate of additional growth of 0.3 percent. This effect is 0.4 percent for the second quartiles, 0.5 percent for the third quartiles, and 0.6 percent for the fourth quartiles. With these calculations, it is possible to deduce gains related to the elimination of inefficiency, because it is enough to know the additional investment expressed in a percentage of the GDP. However, it is assumed that the elimination of inefficiency is gradual. It will be 0.5 in 2016 and 2017, 0.6 in 2018, 0.7 in 2019, 0.8 in 2020, and 0.9 in 2021 and 2022.

15. As a whole, the efficiency score of the GDP was 50 percent. Yet, municipal investment financing has three sources of different efficiencies: the PIB transferred from ministries, a Special Council Support Fund for Mutual Assistance (FEICOM) grants, and the CDPSP funding. Concurrent studies reveal that the CDPSP funding is the most efficient. For example, the average cost of constructing a classroom of standard dimensions is CFAF 7,213,829 for the CDPSP against CFAF 9,000,000 for the State services, and CFAF 11,165,000 for the FEICOM (Word Bank 2015).<sup>44</sup> This information suggests that gains related to efficiency improvement can be estimated on all municipal funding, except for those of the CDPSP.

16. In 2016, CFAF 226 billion of the investment budget were transferred to municipalities by various ministries. The same year, FEICOM had financed 312 development projects in 185 local councils amounting to FCFA36 billions. Assuming that this amount will remain constant throughout the project, it is necessary to calculate the effects that a more efficient management of this amount will have on growth (see Table 2). The total amount of the loan is US\$147.7 million. Thus, CFAF 88,176 million at the rate of US\$1 = CFAF 597. Therefore, the net present value (NPV) amounts to CFAF 17 million.<sup>45</sup>

<sup>43</sup> IMF (International Monetary Fund). 2015. "Making Public Investment More Efficient," Staff report.

<sup>44</sup> World Bank. 2014. Implementation Completion and Results Report, Report no. ICRO002814.

<sup>45</sup>  $\sum_{t=1}^6 \frac{Gains}{(1+taux)^t} = 105,304,184.4$  CFAF, with  $t = 3\%$ . This represents is a net present value (NPV) of  $105\ 304\ 184,4 - 88\ 176\ 900 = 17\ 127\ 284$  CFAF.