



Climate Change Financing and Aid Effectiveness

Cameroon Case Study

DRAFT

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Acronyms

AAA	Accra Agenda for Action
AfDB	African Development Bank
CARPE	Central African Regional Programme for the Environment
CCPM	Consultation Circle of Partners
CDCF	Community Development Carbon Fund
CDDE	Capacity Development for Development Effectiveness
CDM	Clean Development Mechanism
CEMAC	Economic Community of Central African States
CF-SEA	Carbon Fund for Sustainable Energy in Africa
CIFOR	Centre for International Forestry Research
CIRAD	Agricultural Research for Development
COMIFAC	Central African Forests Commission
COP	Conference of Parties
CSOs	Civil Society Organisations
DAC	Development Assistance Committee
DFID	UK's Department for International Development
DoL	Division of Labour
FCO	UK's Foreign and Commonwealth Office
FESP	Forest and Environment Support Programme
GDP	Gross Domestic Product
GEF	Global Environment Facility
GESP	Growth and Employment Strategy Paper
GNI	Gross National Income
IUCN	International Union for Conservation of Nature
MDC	Multi-Donor PRSP Monitoring Committee
MDGs	Millennium Development Goals
MINEP	Ministry of Environment and Nature Protection
MINFOF	Ministry of Forestry and Fauna
MINPLADAT	Ministry of Economy, Planning and Rural Development
MRV	Monitoring and Results Verification?
MTEF	Medium Term Expenditure Framework
NAMA	Nationally Appropriate Mitigation Actions
NAPA	National Adaptation Programme of Action
NEMP	National Environment Management Plan
NIS	National Institute of Statistics
NGO	Non Governmental Organisation
ODA	Overseas Development Assistance
OECD	Organisation for Economic Cooperation and Development
ONACC	National Observatory for Climate Change
PBAs	Programme Based Approaches
PD	Paris Declaration
PFM	Public Financial Management
PFMS	Public Financial Management Systems
PIU	Project Implementation Unit
PRSP	Poverty Reduction Strategy Paper
REDD	Reducing Emissions from Deforestation and Forest Degradation in Developing Countries
RPP	Readiness Preparation Plan
UNDP	United Nations Development Programme

UNFCCC

United Nations Framework Convention on Climate Change

Executive Summary

Introduction

This report is one of six that have been commissioned by the OECD/DAC and the African Development bank (AfDB) as part of a regional study on climate change finance¹. It follows from (and is coordinated with) a similar set of case studies undertaken in Asia, initiated by the Bangkok-based Centre for Development for Development Effectiveness (CDDE)² of UNDP, in collaboration with OECD/DAC. This work seeks to strengthen the management of funding for climate change using the framework of the internationally agreed Aid Effectiveness principles.

The analysis is based upon a review of literature and data, supported by a number of stakeholder interviews in country, with government officials, donors, civil society and the private sector. This report can only begin to raise key issues and is meant to be a prompt for discussion. As well as setting out the current position, it identifies challenges and makes recommendations.

It and the other African country assessments will be brought together into a synthesis report that will seek to stimulate debate in the region and internationally in order to strengthen how the continent responds to climate change. Findings from the country studies will be discussed in a workshop to be held during 2011, with a view to influencing the country and regional response.

Background

Cameroon is a resource rich country heavily dependent on revenues generated from oil, timber, and agricultural products. Despite high development prospects in the early 1980s Cameroon remains a low middle income country and economic gains have yet to translate into improved living conditions for the majority of the country's population. Since 2000 Cameroon's annual growth rate has been on a downward trajectory with only 2% growth in 2009³. Almost 40% of the population continue to live below the national poverty line and Cameroon currently ranks 131st out of 169 nations in the Human Development Index⁴.

Cameroon is a signatory to the UNFCCC and the Kyoto Protocol. More recently the country has participated in the Conferences of the Parties (COP) although it has not yet signed the Copenhagen Accord and it remains unclear whether the government will do so in the future. Civil society representatives in Cameroon have lobbied the government against signing the Accord which they consider to be 'not right for Africa'. Cameroon submitted a set of Nationally Appropriate Mitigation Actions (NAMAs) to the UNFCCC in 2010 and is currently developing a REDD Readiness Preparation Plan (RPP) and a National Adaptation Plan of Action (NAPA) to prepare for future climate change financing.

There is no formal joint assistance plan in Cameroon although coordination between donors and government is facilitated to some extent by the relatively small number of donors active in country. Traditionally coordination has taken place through consultative forums and is the responsibility of the Directorate-General for Cooperation and Integration at the Ministry of Economic Planning and Regional Development (MINPLADAT). A multi-donor PRSP Monitoring Committee (MDC) was established in 2001 to provide a platform for dialogue and coordination around Cameroon's key development issues. Since 2005 the MDC has formed technical sub-committees to help to increase harmonisation and

¹ The others are Cameroon, Ghana, Kenya, Morocco, South Africa.

² Supported by the Asian Development Bank, Government of Korea, Government of Japan, Swedish SIDA. More information can be found www.aideffectiveness.org

³ World Bank Development Indicators, 2011

⁴ HDI 2010

alignment processes across a number of thematic development areas. This work is guided by the Aid Effectiveness principles set out by the OECD DAC.

The Role of Government

There is currently little government awareness around climate change in Cameroon although national focus on environmental and conservation issues has increased since the early 1990s. Government officials engaging in climate change are largely restricted to a climate change unit within MINEP and a select number of officials in the Ministry of Forestry and Fauna (MINFOF) who are engaged in climate change issues through the ongoing REDD process. Awareness is predominantly focused around REDD and REDD+ initiatives although other activities include the development of a NAPA, preliminary work towards around the Clean Development Mechanism (CDM), and the development of a small number of climate change components within existing and planned sector level projects, for example in a forthcoming agriculture project.

The country's national development strategy, the Vision 2035, makes only a brief reference to climate change and fails to articulate the development challenges that Cameroon is facing with regards to climate change or how these should be addressed. The medium-term Growth and Employment Strategy (GESP) subsequently mentions climate change only once. It is therefore difficult to identify how government plans to address climate change mitigation and adaptation needs as part of the country's wider development process.

At present Cameroon does not have a national climate change strategy although the government is working with development partners to prepare both the REDD RPP and NAPA by the end of 2011. These ongoing processes are expected to increase the level of awareness around climate change across government and lay the foundations for increased inter-ministerial coordination and programming at the sector level. A number of commentators indicated that the government is undergoing a period of 'positioning' in order to prepare itself for future access climate change financing. Strong government leadership on climate change will be required to maintain this emerging momentum once frameworks for action are in place.

The government is currently unable to report on climate change at the national or sector levels due to the lack of a climate change strategy and its absence in national development planning. It is therefore not possible to track and report against existing financial commitments for climate change in Cameroon. This is further constrained by donor funding for climate related activities being channelled through wider sector projects or programmes in which funding is not earmarked and thus not reflected on government budgets as climate change finance.

The Role of Donors

Donors play a much smaller role in Cameroon than in many other developing countries in the Continent; in 2009 Official Development Assistance (ODA) contributed only 3% of the country's GNI⁵. Coordination between donors is facilitated by the relatively small number of donors operating in the country and the need to maximise the impact of limited funding⁶. In the past there has been no formal donor coordination around climate change although a new sub-sector consultative group was established in January 2011 for REDD that will also provide a forum for wider climate change discussions.

The majority of donors providing support for climate change activities in Cameroon are either actively engaged in the Forestry and Environment Sector Programme (FESP) or are providing support separately to forestry and the REDD initiative. Donor experiences in this sector have been mixed and a number of donors have pulled out of the FESP programme prior to its completion. A large number of donor supported programmes, including on research and awareness raising, are currently being implemented by

⁵ OECD DAC 2011

⁶ OECD DAC Governance Assessments in Practice, Cameroon Case Study 2008

non-governmental organisations (NGOs), for example through CARPE and CIFOR. These include regional programmes that operate across the Congo Basin region.

Funding for climate change is provided through global funding, and through multilateral and bilateral support at the country level. It is delivered as grants, loans and in some cases through budget support, although donor appetite for the latter has declined in recent years. The absence of a national framework and identified priorities for climate change in Cameroon has contributed to some amount of donor fatigue around climate change financing in the country, particularly when neighbouring countries have been seen to overtake Cameroon in their REDD RPP processes.

The Nature of Climate Change Financing

Cameroon has been slow to respond to opportunities for climate change finance. Although a signatory to the UNFCCC and the Kyoto Protocol Cameroon has not signed the Copenhagen Accord despite awareness of the financial implications this may have. Processes are underway to develop the country's REDD RPP and NAPA which will help to prepare Cameroon for future access to climate change financing but these processes have been slow and very much donor driven. Outside of the forestry sector there is only limited awareness of the opportunities that exist for climate change financing.

In 2009 the President signed a decree setting out the government's intention to create a National Observatory for Climate Change (ONACC) under MINEP. The Observatory would be made up of a range of government and civil society technical experts and would help to both identify the country's climate change needs and to track and monitor global climate change commitments to Cameroon. However, this decree is waiting to be approved which means ONACC does not yet exist except on paper, despite a number of functions already being undertaken to some extent by MINEP. It is currently unclear when ONACC might become operational.

Participation in international climate change fora, for example through the COP 15 and COP 16 meetings, has enabled a small number of government and civil society representatives to learn about global financing opportunities for climate change. However, only a limited amount of this information has since been discussed and disseminated at the national level within Cameroon. There is a gap between those that 'know about' climate change financing and those select few that 'understand' climate change financing and how it can be accessed. The government therefore remains heavily dependent on donors to build the momentum around climate financing opportunities in Cameroon.

There are currently no sector programmes for climate change nor have there been systematic efforts to mainstream climate change across different sector programmes. The majority of financial support is provided at the individual project level or through wider programme components or activities that are linked to climate change issues. It is therefore not possible to track the amount of funding coming into Cameroon for climate change, including through ODA, at this time.

The private sector, whilst becoming more aware of the impacts of climate change, is not yet a strong player in climate change financing. Cameroon has been discussing opportunities for CDM since 2006 but the first project, which will focus on landfill, has yet to reach the implementation stage. There is also a huge need for private sector engagement around land use planning to address the potential for conflicts of interest related to climate change activities and economic development in Cameroon.

Conclusions

Climate change is not a priority for the Government of Cameroon and is unlikely to become so in the near future as Cameroon focuses on improving job creation and reducing widespread poverty. Awareness of climate change, both inside and outside of government, is largely limited to an understanding of environmental and climate related impacts at the local levels. Higher level political commitment for climate change is limited and there is currently no capacity within line ministries to mainstream climate change across sector programmes. A National Observatory for Climate Change

(ONACC) is expected to address some of these issues but its creation has been pending since the issuance of a Presidential Decree in December 2009.

The coordinating responsibility for climate change is currently located within MINEP although it does not benefit from higher level support within government, for example through an oversight committee chaired by the Office of the Prime Minister. This makes it difficult for MINEP to drive coordination across other line ministries and knowledge and capacity on climate change is therefore restricted to a small number of people within MINEP and MINFOF.

Cameroon is currently undergoing a process of 'positioning' in order to prepare the country for future access to climate change financing for addressing mitigation and adaptation challenges at the national level. The ongoing REDD RPP and NAPA processes are expected to increase awareness and focus on climate change across government, but long-term momentum will require a much stronger political commitment than is currently present. The development of strategies alone will not be sufficient to drive climate change in Cameroon and there is a danger that these processes will stagnate if government capacity is not strengthened simultaneously.

Once completed the REDD RPP and NAPA will provide frameworks for attracting international funding although government action and commitment will need to be visibly strengthened if this is to be scaled up sufficiently to meet the country's needs. A clear framework for action and increased government commitment will help donors to better align their financing and become less fragmented in their approach to supporting climate change in Cameroon.

1. Introduction

Climate change financing has emerged in response to the need for ‘adequate, predictable and sustainable’⁷ financing to address climate related issues, particularly in developing countries⁸. Since 2002 more than 20 global funds have been established, with donor partners pledging around US \$30 billion at the Copenhagen Conferences of Parties (COP) 15 for 2011-2013 as a Fast Start programme, and US\$ 100 billion annually by 2020 as long-term finance. Making the most of these resources will require increased capacity globally for coordination, implementation and monitoring. Putting in place effective country-level governance arrangements to properly manage these resources will be critical.

The OECD/DAC and African Development Bank (AFDB) has commissioned a number of country level studies in Africa (Kenya, Tanzania, Cameroon, South Africa, Ghana and Morocco) to identify opportunities for strengthened climate change financing in the future. Together these case studies provide a preliminary assessment of existing mechanisms for climate change financing. Each country report provides an analysis of existing national arrangements and sets out country specific recommendations. Individual country reports will be brought together into a synthesis report which will provide an overview of the enabling environment for climate change financing across the continent, which will be discussed in a workshop to be held in 2011. This work follows from and is co-ordinated with a similar set of case studies undertaken in Asia, initiated by the Centre for Development for Development Effectiveness (CDDE) facility⁹ of UNDP in collaboration with OECD/DAC. It is intended that the findings from all the case studies will be collated to similarly support the strengthening of the global response to climate change.

We have learnt much over the last decades about what makes external financing for development work better, and what inhibits it from doing so. This report places climate change financing within the wider development context, and in particular in relation to the Aid Effectiveness principles articulated in the Paris Declaration (PD) and the Accra Agenda for Action (AAA). It makes no judgement on whether the external finance is classified as Official Development Assistance or not. Rather it seeks to use the experience of how external financing works as articulated in the Paris Declaration, as a benchmark. In doing so it looks at existing climate change financing mechanisms in Cameroon and assesses the extent to which principles of aid effectiveness are being applied.

The analysis is based upon a review of literature and data, supported by a number of stakeholder interviews in country, with government officials, donors, civil society and the private sector. This was, however, a rapid exercise, and is not a comprehensive study. It can only begin to raise key issues and is meant to be a prompt for discussion.

2. Country Context

What development challenges is Cameroon facing?

Cameroon, formerly divided between France and Britain, gained its independence through a two stage process in 1960 and 1961 to become the Federal Republic of Cameroon. In 1984 the country was renamed the Republic of Cameroon. It has been under the Presidency of Paul Biya and his Cameroon People’s Democratic Movement Party since 1982 and enjoys relatively high political and social stability in the region. However, a constitutional change in 2008 has allowed the President to run for a third term in the 2011 Presidential elections, an act referred to by the opposition as a ‘constitutional coup’, although largely unquestioned in wider society. This action, combined with a lack of development and widespread poverty across the country, have sparked fears that Cameroon’s long-held political stability may be challenged in the near future. One commentator stated that *“poor governance, widespread corruption, the*

⁷ UNFCCC 2007, Bali Action Plan

⁸ OECD 2009, Climate Change and Development: Key Principles to Inform Climate Change Financing

⁹Supported by the Asian Development Bank, Government of Korea, Government of Japan, Swedish SIDA. More information can be found www.aideffectiveness.org

*politicization of the justice system, and the politicization of the electoral system is in fact a danger for the country and could eventually lead to conflict*¹⁰.

Cameroon is a resource rich country and is heavily dependent on revenues generated from oil, timber, and agricultural products. The country also has untapped resources of bauxite, natural gas, iron and cobalt. In the early 1980s Cameroon's development prospects were high; a new President had recently come into power and oil and pipeline projects were beginning to generate revenue and build economic stability. The country's annual GDP growth rate in 1981 was as high as 17.1%¹¹. Although the economic crisis of the late 1980s impacted heavily on growth the government was quick to initiate reforms to maintain the country's strong economic position within Africa. However, since 2000 Cameroon's annual growth rate has been on a downward trajectory with only 2% growth in 2009¹². Furthermore, economic gains have yet to translate into improved living conditions for the majority of the country's population and almost 40% continue to live below the national poverty line. Cameroon currently ranks 131st out of 169 nations in the Human Development Index¹³.

Cameroon has played a leading role in the CFA franc zone, accounting for over 50% of the wealth in CEMAC countries in 2007¹⁴. In principle Cameroon's location with its well established port in Douala, its wealth of raw materials and relatively high levels of education should serve as a driver for attracting high levels of domestic and foreign investment. In practice insufficient legal certainty, weak administrative structures and a lack of infrastructure continue to drive high production costs and keep potential investors away. Cameroon ranked 171st out of 183 countries in the World Bank's "Doing Business 2010" report. Although the country was once a leader amongst emerging African economies, evidence suggests that the slow pace of governance reforms has more recently contributed to the stagnation of economic growth and development within the country.

Achievement of the Millennium Development Goals in Cameroon

MDG 1: Eradicate extreme poverty and hunger

The proportion of underweight children under 5 has decreased from 22.2% to 19.3% between 1998 and 2006. The population below the national poverty line has fallen from 53.3% in 1996 to 39.9% in 2007.

MDG 2: Achieve universal primary education (on track)

Primary school enrolment rates have increased from 69.5% in 1991 to 88.3% in 2008 with primary school completion rates increased from 53.1% to 72.7% over the same period.

MDG 3: Promote gender equality and empower women (off track)

The ratio of girls to boys in primary education has increased marginally from 84.1% in 2006 to 85.1% in 2009. However, the proportion of seats held by women in national parliament has shown a slight decline dropping from 14.4% in 1990 to 13.9% in 2010.

MDG 4: Reduce child mortality (off track)

Child mortality remains high and has increased from 147.8 deaths per 1,000 live births in 1990 to 154.3 deaths per 1,000 live births in 2008.

MDG 5: Improve maternal health (off track)

Maternal mortality rates are high and levels have changed little in the last 20 years, falling from 680 deaths per 100,000 live births in 1995 to 600 in 2008.

MDG 6: Combat HIV/AIDS, malaria and other diseases (possible)

The proportion of people living with HIV/AIDS has decreased from 6% to 5.1% between 2001 and

¹⁰ Richard Moncrieff, West Africa Project Director for ICG – in VOA news, 2010

¹¹ World Bank Development Indicators, 2011

¹² World Bank Development Indicators, 2011

¹³ Human Development Index, 2010

¹⁴ AfDB/ OECD Africa Economic Outlook Report, 2007

2007.

MDG 7: Ensure environmental sustainability

Access to an improved drinking water source has risen steadily from 50% in 1990 to 74% in 2008, although the proportion of the population with access to an improved sanitation facility has remained static at 47% throughout the period.

MDG 8: Develop a global partnership for development

Part of this MDG aims to make available the benefits of new technologies, including communications. In Cameroon the number of mobile phone subscribers has increased steadily from 8.8 for every 100 people in 2006 to 32.6 in 2010.

UNSTATS: April 2011

Cameroon is currently 'off track' for meeting three of the eight MDG's. The only goal likely to be achieved based on current development trends is MDG 2 which seeks to achieve universal primary education. The government will need to overcome a number of significant obstacles including corruption, transparency and accountability, in order to step up these efforts and improve living conditions for its citizens. Furthermore, the country's heavy dependence on oil revenues could undermine sustainable growth in the future if alternative economic activities are not sought.

Climate change has a role to play in Cameroon's development.

What climate change is Cameroon experiencing?

Cameroon is often described as "Africa in miniature" as the country exhibits all major climates of the continent. The Southwest contains coastal and rainforest regions that are characterised by hot and humid conditions, the mountains in the North have a mild climate, and the Northern desert regions are hot and dry. Cameroon is therefore experiencing a number of diverse climate change impacts that vary between different regions of the country. Average temperatures in Cameroon have been increasing since 1930 with a net increase between 1930 and 1995 was 0.95°C¹⁵. Average rainfall has also decreased by over 2% per decade since 1960¹⁶, although the dense rainforest region continues to include some of the wettest places on earth. These changes have been linked to extreme weather conditions across the country. The Northern Sudano-Sahelian region is experiencing increased incidences of drought and desert advancement that have scorched large expanses of land, whilst the Southwest coastal and rainforest regions have experienced increased periods of prolonged rainfall that have led to flooding. Cameroon is a country of extreme contrasts and climate change is expected to make these differences more pronounced.

What will be the expected future change?

Observed trends in both temperatures and rainfall are expected to continue. Average annual temperatures are predicted to increase between 1.5°C and 4.5°C by 2100 with a 1.6°C to 3.3°C rise in coastal zones and a 2.1°C to 4.5°C¹⁷ rise in the Soudano-Sahelienne region. However, there is evidence to suggest that this temperature rise could in fact reach as high as 2°C by 2060¹⁸. A number of studies and models predict that average rainfall will continue to decrease, leading to a prolonged dry season in the Northern region as the three month rainy season common to that area migrates south¹⁹. Desert conditions are expected to dominate the Northern region by 2100. Decreased rainfall and increased temperatures are also expected to decrease run off by up to 21%, subsequently drying up feeder rivers and streams across the country. It is predicted that Lake Chad will be nearly completely dried up by 2060²⁰.

¹⁵ CEEPA Policy Note, 2006

¹⁶ Molua and Lambi, The Economic Impact of Climate Change on Agriculture in Cameroon, 2007

¹⁷ UNFCCC first national communication, 2005

¹⁸ Policy Note prepared by the Centre for Environment Economics and Policies Africa (CEEPA 2006)

¹⁹ CEEPA Policy Note, 2006

²⁰ CEEPA Policy Note, 2006

Given its location along the coast Cameroon is also expected to experience the impacts of sea level rise over the next Century. The 2007 Fourth Assessment Report of the Inter-Governmental Panel on Climate Change²¹ notes that a 2°C rise globally will result in a sea-level rise of between 69cm and 1m (depending on location) across the world. However, the consensus of subsequent modelling is that sea level rise is likely to be higher²².

What social and environmental impacts of climate change can we expect?

Cameroon is highly dependent upon its natural resources for continued development at both the national and local levels and millions of people are dependent upon the land for their livelihoods and food security. Cameroon is therefore highly vulnerable to the impacts of climate change. The country's tropical forests for example, cover almost 40% of the country and provide an estimated 8 million rural people with important traditional products including food, medicines, fuel and construction material²³. Recent estimates indicate that between 70 and 75% of Cameroon's population is dependent on agriculture for their livelihoods and in some cases for their subsistence. It is these poorest people that are most vulnerable to climate change.

Increased temperatures and prolonged drought in the Northern regions of Cameroon have already resulted in the migration of local populations into neighbouring countries or further south in search of water and arable land. Crop yields have been affected by a shortened rainy season and an increase in temperature. Communities dependent on Lake Chad for their livelihoods, either as farmers, fishermen or herders, have similarly had to migrate to other areas as a result of the continuous dwindling of the lakes water supply²⁴. As temperatures continue to rise these impacts are expected to become more profound throughout the century.

Whilst the north is expected to get hotter and drier, increased temperatures in Southern Cameroon will be accompanied by heavier rainfalls that have already led to incidences of wide spread flooding in this area. The devastation caused by this flooding has including loss of life, widespread loss or damage to property, and the ruin of agricultural crops both for local use and for export. An increase in warmth and wetness is also expected to promote the proliferation of pests, diseases, crop stress and livestock strain²⁵. Incidences of malaria are predicted to increase due to temperature rises, and increased outbreaks of other diseases such as dysentery and cholera are expected to become evident during prolonged periods of rainfall.

The low lying coastal regions in the Southwest of Cameroon will increasingly come under pressure from sea level rise with coastal flooding expected to contribute to a loss of wetlands, the salination of agricultural land, and increased soil erosion. Recent estimates indicate that approximately 30% of Cameroon's population, or 5.8 million people, currently live in coastal regions and are at risk from rising sea levels²⁶. Infrastructure will also be at risk, particularly around the economic capital of Douala which is the main shipping port for all countries in the sub-region. A 2010 study predicts that Cameroon will be one of the hardest hit countries in Africa with regards to the economic costs of sea level rise²⁷.

Cameroon's export industry is also at great risk from climate change. Agricultural production, which contributed 20% to Cameroon's GDP in 2008²⁸, is expected to decrease due to increased desertification in the North and higher incidence of flooding in the South. The forest sector is also of great economic

²¹ IPCC, *Climate Change 2007: The Physical Science Basis* (eds Solomon, S. et al.) (Cambridge Univ. Press, Cambridge, UK, and New York, 2007), also here http://www.ipcc.ch/publications_and_data/ar4/wg2/en/contents.html

²² Stefan Rahmstorf "A New View on sea level Rise" *Nature Reports Climate Change*, Published online: 6 April 2010 | doi:10.1038/climate.2010.29

²³ Topa et al, 2009

²⁴ CDKN 2011

²⁵ Molua 2006

²⁶ Molua 2010 **Climate and Location Vulnerability in Southwestern Cameroon: Assessing the Options and Cost of Protection to Property in Coastal Areas**

²⁷ Stockholm Environment Institute, 2010, *Sea Level Rise: Africa Review and New Estimates*

²⁸ World Bank, 2010

importance, second only to oil production. However, unregulated logging in some areas is contributing to the effects of climate change and causing irreparable environmental damage.

What is the context for making the most of external finance in Cameroon?

Cameroon's development challenges are articulated through its Vision 2035 which serves as the basis for the medium-term Growth and Employment Strategy Paper (GESP 21010-2020). The GESP has three main focus areas based on growth, job creation and poverty reduction. There is currently no formal joint assistance or coordination strategy to which donors and government in Cameroon have committed, although both parties regularly recognise the importance of aid effectiveness in official communications and strategies. Cameroon's commitment to aid effectiveness is underscored by its signing of the 2005 Paris Declaration on Aid Effectiveness, reinforced by the country's participation in the 2008 and 2011 Paris Declaration Monitoring Surveys.

Traditionally coordination between government and its development partners has been through the establishment of consultative groups. At the national level, the Directorate-General for Cooperation and Integration at the Ministry of Economic Planning and Regional Development (MINPLADAT) is responsible for monitoring cooperation between donors and government. However, in practice this structure is under resourced and there is room for this coordination to be strengthened. An independent ODI study (date) reported a weak development partner relationship between donors and the government in Cameroon that was lacking in mutual confidence and facing serious challenges to efficiency. The report recommended close coordination among donors in their dialogue and engagement with government, particularly in the area of governance and anti-corruption, to help build greater partner confidence²⁹.

In 2001 a multi-donor PRSP Monitoring Committee (MDC) was set up by twelve donors (Germany, AfDB, World Bank, Canada, Spain, United States, France, IMF, Great Britain, Japan, the Netherlands, UNDP, European Union) to provide a platform for dialogue and coordination around Cameroon's key development issues. Since 2005 the MDC has formed technical sub-committees to help to increase harmonisation and alignment processes across a number of thematic development areas. This work is guided by the Aid Effectiveness principles set out by the OECD DAC.

Box X: The Principles of the Paris Declaration

Ownership

Ownership is the foundational principle of the Paris Declaration. Development is something that must be done by developing countries, not to them. Policies and institutional reforms will be effective only so far as they emerge out of genuinely country-led processes. External assistance must be tailored towards helping developing countries achieve their own development objectives, leaving donors in a supporting role.

Alignment

Under the Paris Declaration, the principle of alignment refers to two important changes to aid practice. The first is that donors should base their support on the partner country's development priorities, policies and strategies ('policy alignment'). The second is that aid should be delivered as far as possible using country systems for managing development activities, rather than through stand-alone project structures ('systems alignment').

Harmonisation

Harmonisation refers to cooperation between donors to improve the efficiency of aid delivery. Donors are aware that multiple initiatives by different donors, each with their rules and procedures, can be very draining for developing country administrations. To reduce the transaction costs of aid, donors have

²⁹ OECD DAC Governance Assessments in Practice, Cameroon Case Study 2008

been developing a range of new approaches, including programme-based approaches, pooled funding arrangements, joint country plans and other common arrangements.

Managing for Results

Managing for results is a general principle of management that involves using information about results systematically to improve decision-making and strengthen performance. In the development field, it means ensuring that all development activities are orientated towards achieving the maximum benefits for poor men and women. It means ensuring that all initiatives, from individual aid projects through to national development strategies, are designed so as to generate performance information and use it for continuous improvement.

Mutual accountability

Mutual accountability is perhaps the most controversial of the Paris principles, and the most difficult to put into practice. It suggests that, in a true development partnership, there are commitments on both sides of the relationship, and both donors and partner countries should be accountable to each other ('mutual' accountability) for meeting those commitments. However, there are also many other accountability relationships involved in the development process that need to be taken into account.

One of the innovative aspects of the Paris Declaration is that commitments are reciprocal in nature, applying both to donors and to developing countries. This is an advance on its predecessor, the Rome Declaration, where the commitments were all on the donor side, and to traditional aid practices where the obligations were mostly on recipients. Reciprocal commitments create for the first time the possibility of mutual accountability.

Findings from the 2008 Paris Declaration Monitoring Survey indicate that Cameroon will need to overcome a number of obstacles before it can embark on strategic national development. Recommendations focused on the need for improved harmonisation between planning and budgeting systems, including the finalisation of the medium-term expenditure framework (MTEF), acceleration of sector strategies and programme approaches, and improved use of statistical data to track progress and increase the ability of government departments to control and evaluate the use of development aid³⁰.

At a global level the 2008 Paris Declaration Monitoring Survey found that progress being made on aid effectiveness was insufficient to meet international commitments and targets by 2010. Recommendations focused on strengthening country ownership and capacity, increasing accountability over development resources, more cost effective aid management, for example through Programme-Based Approaches (PBAs), and a stronger division of labour (DoL)³¹. It is important to draw on this evolving policy direction when considering recommendations for strengthening the governance arrangements of climate change financing³² (see below). The following principles have been developed by the OECD/DAC to encourage lesson learning from previous development experience and ensure complementarity between development and climate change objectives in the future³³.

Box x: OECD DAC Key Principles to Inform Climate Change Financing

³⁰ Paris Declaration Monitoring Survey 2008

³¹ OECD 2008 Survey on Monitoring the Paris Declaration

³² See for comparison Nigel Thornton 2010, Climate Change Financing and Aid Effectiveness: Cambodia Country Analysis

³³ Climate Change and Development: Key Principles to Inform Climate Financing, OECD DAC, 2009

Ownership	Activities in response to climate change should be country-driven and be based on needs, views and priorities of partner countries. National sustainable development strategies and climate change policies should be taken into account where they exist. Recipient countries should lead in establishing and implementing their climate change strategies in a broad consultative process ensuring full integration into policies, plans and programmes in all relevant sectors.
Alignment	Climate change financing needs to be integrated into countries' own planning and budgeting mechanisms to ensure genuine ownership. Where possible, new and additional climate change financing is channeled through countries' existing financial allocation systems.
Capacity Development	Capacity development is critical to ensure that recipient countries have the sufficient capacity to absorb and manage climate change financing.
Harmonisation	To reduce administrative costs, it is important that the international community coordinates their actions, simplify procedures and share information to avoid proliferation and duplication of funding mechanisms. A shift to programmatic approaches can help.
Managing for Development Results	The Bali Action Plan acknowledged the challenge of yielding actual results on the ground and stressed the need for actions to be undertaken by Parties to implement the convention to be "measurable, reportable and verifiable (MRV)"

OECD Factsheet October 2009

The following considers Cameroon's current activities in the light of these principles.

What has been the government's response to climate change?

The government's response to climate change in Cameroon has been mixed. At the international and regional levels Cameroon is active in a number of processes, including through its participation in the Central African Forests Commission (COMIFAC), established in 2005 as part of a commitment to sustainable forest management in the Congo Basin. Regional awareness on climate change has been established in line with the opportunities presented by emerging carbon markets and financial incentives for voluntary reductions in national deforestation rates. Through COMIFAC Cameroon has played an important role in contributing to the development of the REDD+ option, in particular with regards to avoiding deforestation and forest degradation, and also the enhancement of carbon stocks in protected areas³⁴.

At the national level the government's response to climate change is much less clear. Political discourse around climate change has not yet emerged in Cameroon despite the country's high level international commitments. Government participation in COP 15 and COP 16 meetings has had little impact on knowledge and understanding around climate change at the national level. However, increased national focus on environmental conservation and protection over the last decade has laid some of the groundwork for building a national climate change agenda, not least through the Forest and Environment Sector Programme (FESP) which CIFOR describes as the '*most tangible indication of Cameroon's efforts to meet its commitments*'³⁵.

Discussion and activity around climate change currently takes place at the technical level between only a small number of government officials that are engaged on this issue, largely MINEP and MINFOF officials. There is little awareness and capacity outside of these two ministries on how climate change

³⁴ (Amougou et al. In De Wasseige et al. 2009). (REALU report).

³⁵ CIFOR REDD+ report 2011

should be mainstreamed across development activities and sector programmes. Knowledge on climate change financing is therefore limited.

Where the government is engaging in climate change the focus is largely on mitigation through the REDD Readiness Preparation Proposal (RPP) process, although the government is also working with UNDP to prepare its first National Adaptation Plan of Action (NAPA) which is expected to increase understanding around adaptation needs. These processes are supporting government efforts to prepare for increased levels of climate change resourcing in the future. However, the success of these processes remains heavily dependent on donor assistance and it is arguable that without donor interest and support the government may not have chosen to pursue these activities.

The Ministry of Environment and Nature Protection (MINEP) has been engaging with the private sector since 2006 on the Clean Development Mechanism (CDM), although whilst a number of projects are in the pipeline implementation on the first project has yet to begin. Cameroon has substantial solar, hydro, and biomass resources, and a liberalised electricity sector which provides significant potential for CDM. To date issues of land use planning and conservation versus immediate economic gain have played a role in stalling progress in this area.

3. Ownership

The 2008 Paris Declaration Monitoring Survey states explicitly that aid is ‘most effective when it supports a country owned approach to development’. Findings from the Cameroon country report highlighted a number of limitations to national ownership, not least the need for strengthened institutional, organisational and human resource capacities to drive development at both the sector and national levels.

Policy

In 2006 the government launched a National Environment Management Plan (NEMP). This was the first legislation to introduce strict environmental requirements including environmental impact assessments, air quality safeguards, and the preservation of local ecosystems and natural resources.

Cameroon is a signatory to the UNFCCC and the Kyoto Protocol although it has not yet signed the Copenhagen Accord; indeed it remains unclear whether Cameroon will do so in the future. Civil society organisations continue to advise the government against doing so, claiming that it is ‘not right for Africa’³⁶. The government has yet to develop a policy framework that sets out Cameroon’s objectives for climate change. Although the REDD RPP and NAPA are expected to provide strong foundations for national mitigation and adaptation activities, there are currently no plans for the government to develop a comprehensive national framework for climate change.

Cameroon’s national development plan, the Vision 2035, focuses on the need for improved governance, enhanced economic growth and employment, and increased social unity and development. It does not address the impacts and challenges of climate change although general reference is made to the need for climate change to be considered in national and regional development. Subsequently the medium-term Growth and Employment Strategy (GESP) fails to adequately include climate change in the country’s development plan. Alongside gender and specific groups the GESP states that “*the effects of climate change will be examined in the planning, programming and budgeting phases, in order to sufficiently mainstream them in the economic and social development process*”. This is not yet happening and there is no government leadership on how this mainstreaming should begin to take place. Political leadership and commitment for climate change will need to be scaled up significantly if climate change is to become embedded across sector programmes.

Discussions are reported to take place around environmental issues at the Ministerial level, although dialogue at between ministries has yet to establish a strong link between environmental issues and the

³⁶ Pan Africa Climate Justice Alliance, 2011

climate change agenda. International interest in the preparations for global financing, in coordination with MINEP, has yet to attract sufficient attention and oversight from more senior levels of government.

There is limited awareness of climate change outside of central government although a strong national focus on environmental issues has contributed to local awareness of changing weather patterns and the environmental impacts that affect people's lives. This awareness is particularly around extreme weather events and the impacts these are having on people's homes, livelihoods and food and water supplies across the country. However, the majority of the population are not yet linking these conditions to climate change and are therefore unable to demand a systematic climate change response from their government. Opportunities exist for climate change information and evidence to build upon existing environmental awareness at these local levels. It is therefore unlikely that climate change will feature in national politics during any campaigning for the October 2011 Presidential elections. Furthermore the current President, Paul Biya, is widely expected to win a third term in office with minimal campaigning prior to the October elections.

Institutional

The UNFCCC requires each country to have a National Focal Point and a National Climate Change Committee, both of which are located, for Cameroon, in the Ministry of Environment and Nature Protection (MINEP). In 2005 the government provided a First National Communication to the UNFCCC and in 2010 prepared a set of Nationally Appropriate Mitigation Actions (NAMAs).

Administrative leadership for climate change is currently situated in MINEP and is coordinated through a monitoring unit (Cellule du Monitoring) headed by the UNFCCC focal point. The unit is staffed by the Ministry and includes civil servants from a range of backgrounds including livestock and agriculture, satellite geometry, environmental business development, and communications specialists. Current activities are focused on the REDD RPP and the development of Cameroon's first NAPA. However, despite reports of strong technical leadership and awareness on climate change from the Focal Point, the capacity of this unit to drive the climate change agenda beyond its own immediate activities and workplan has been limited thus far.

As the coordinating ministry for the environment and the nature protection MINEP is mandated to coordinate climate change at the Ministry level. To date MINEP has been slow to convene ministries and build momentum for climate change across government. Although a number of line ministries, for example the Ministry of Agriculture, are becoming increasingly aware of the impacts of climate change they are currently unable to identify how it should be mainstreamed across their sector programmes. A lack of capacity for costing additionality at the sector and national levels is also evident across government departments.

In December 2009 the President signed a decree that set out the functions for a new National Observatory on Climate Change (ONACC) to be established under MINEP. This indicated a level of political 'buy-in' for climate change previously not experienced at the national level, although the Decree has yet to be passed and at the time of writing ONACC is not yet operational. MINEP's Climate Change Unit reports that it is already undertaking a number of activities that fall under ONACC, without having additional resources for these tasks. Donor and civil society respondents expressed frustration around the ONACC process and the delays faced in establishing this unit. Concern was also expressed that the creation of ONACC under the existing Climate Change Unit in MINEP could result in climate change being monopolised by a small number of actors who could act as gatekeepers to information and resources for climate change in the future.

The role of ONACC

ONACC is a new body that will be made up of environmental and climate change experts and civil society representatives, including grassroots groups. Cameroon's Minister of Environment and Nature Protection, Pierre Hele, states that the observatory will aim to provide "*unprecedented data and information for more improved climate change mitigation and adaptation action.*" It is also expected to "*counsel and sensitise the population*" of Cameroon on climate change issues.

Nzana Amogou, a maize farmer from Southern Cameroon, said the Cameroon people welcomed help in tackling the effects of climate change, but indicated that the observatory should be given a free hand to do its work without undue government influence. He noted that the effects of Cameroon's changing weather were already evident in his own fields, *"the yields of my maize production last year dropped from 120 to 95 tonnes due to unprecedented irregular rains."* Farmers cultivating other food crops have experienced similar impacts and reduced yields.

"We hope with the creation of this observatory, farmers will be provided with adequate climate variation information that will help them cope and adapt to the changes."

Source: Eden Group Newspapers, supported by CDKN, 2011

Climate change remains an internationally driven agenda in Cameroon. The current lack of national ownership for climate change has resulted in tensions between international community expectations and the government's capacity to deliver. MINEP is focused on establishing itself as an operational entity for climate change and building its own role within the climate change agenda; its capacity to promote understanding and mainstreaming of climate change issues across government will remain limited until it has established its own position. A number of donors have considered technical support to MINEP although this has not yet emerged; respondents indicated a need for increased government appetite for climate change to emerge as a precondition. In time, as climate change is expected to gain more prominence, the government might consider establishing a higher-level coordination body that has the power to convene line ministries and hold them to account on buy-in and delivery for climate change activities.

Future developments

MINEP is planning to conduct a series of local level workshops and consultations throughout 2011 in order to engage Cameroon's citizens around the REDD RPP and NAPA processes. These workshops will be held in collaboration with a range of development partners, including donors and civil society, and are expected to provide a two-way channel for awareness-raising around climate change. The UNFCCC focal point states the importance of ensuring that *'MINEP listens to and responds to the needs of local people on the ground'*. Similarly local people will be provided an opportunity to learn more about climate change and the different mitigation and adaptation activities that could be supported by the government in the future.

Additionality

1. In Kyoto project-based mechanisms (i.e. Clean Development Mechanism and Joint Implementation projects) *additionality* describes that a carbon dioxide reduction project would not have occurred had it not been for concern for the mitigation of climate change. It is thus beyond "business as usual" project. To qualify funding, a project has to demonstrate additionality.

1. *Additionality* for climate change financing can also refer to donors providing funds beyond "business as usual" ODA levels, in order to enable communities and countries to adapt to climate change impacts. This means identifying the additional cost to development programmes and projects that adapting to climate change will require. It is also an area of considerable international debate, since developing countries argue, as they did at COP15 in Copenhagen, that this financing should not be classified as ODA.

Mixed incentives are also emerging around climate change in Cameroon. Although MINEP is working to meet international requirements for accessing REDD funding, the government still needs to address wider national questions around land use planning, economic incentive and human rights. Land use and access rights continue to challenge the country's development and will ultimately have an impact on how the country seeks to address climate change in the future. International community incentives for forest protection fail to match the economic revenues that can be derived from activities such as logging and

mining. A study by Agricultural Research for Development (CIRAD) estimates that revenues from logging will generate \$13 per hectare, compared to only \$2 per hectare from REDD³⁷. The presence of a large research capacity within the Congo Basin region provides an opportunity for increased evidence generation to support discussions and action around these important issues.

For their part donors in Cameroon are recognising errors made by the international community in other countries, where the external drive for processes such as REDD have undermined national ownership. Donors are taking a more cautious approach in Cameroon, recognising the need for increased government ownership if climate change preparations are to succeed in the long-term. Strengthened country ownership for climate change in Cameroon should seek to gradually embed climate change into national development priorities rather than driving it forward as an independent development agenda. The ongoing preparatory work for the REDD RPP and the NAPA will provide an important opportunity for increasing awareness and beginning to build such ownership.

Challenges to increased ownership include:

- Lack of political leadership and limited awareness on climate change across government
- Climate change remains donor-driven with little domestic traction
- No national strategy or policy for climate change in Cameroon, and no agreed mechanism for future climate change financing

Opportunities for increased ownership include:

- Potential for ONACC to drive climate change awareness and expand evidence base once operational
- NAPA and REDD RPP expected to provide frameworks for inter-ministerial action on climate change from 2012
- Strong regional base for climate change research and analysis
- Increasing domestic awareness of climate related issues and their impacts, e.g. drought and desert advancement in the North

4. Alignment

Alignment takes a two-pronged approach to aid effectiveness. It focuses on how well external funders are channeling their aid in response to the government's development priorities, and they are helping to strengthen and increase their use of national systems (for budgeting, procurement and reporting). The 2008 Cameroon country report highlighted a number of challenges to increased use of local systems including high levels of corruption, delays in public financial management reforms, and a proliferation of project implementation units (PIUs) that were apparently required due to weaknesses in public administration.

Cameroon is less dependent on external funding than many other African countries; in 2009 ODA represented only 3% of the country's GNI³⁸. External funding is currently provided through global funding (either from global funds or donor headquarters), bi-lateral funding in country, and regional funding for projects and programmes in Central Africa. Budget support has been provided by a number of donors although this has largely been at the sector level, for example channelled through the Forestry and Environment Support Programme (FESP). The majority of external project aid continues to be delivered through parallel implementation systems although joint donor and government efforts are currently seeking to improve public financial management systems to enable more on-budget financing.

³⁷ Get report from James at WB – follow up

³⁸ OECD DAC 2011

A national focus on environmental issues (specifically the sustainable development of natural resources, agriculture, and livelihoods) has given donors a basis for addressing climatic issues in Cameroon, for example through the FESP. However, the absence of a national strategy for climate change, and limited reference to climate change in the Vision 2035 and GESP, continue to undermine donor efforts to strategically align climate change financing behind national priorities. Cameroon has yet to document the country's climate change needs and funding required for addressing them. Instead, the loose reference to climate change in the GESP allows donors to determine their support based on their individual priorities and interpretations.

Donor support to climate change activities in Cameroon has been heavily focused on the forestry sector and the huge potential for REDD and REDD+ initiatives in the country and wider region. There is currently no formal division of labour for climate change activities in Cameroon and no comprehensive picture of what activities donors are supporting across the country. The International Union for Conservation of Nature (IUCN) is currently preparing a development partner matrix for climate change that aims to map all projects and programmes supported by donors, NGOs and civil society organisations. However, a number of partners have been slow to provide information for this exercise despite broad consensus around the need for such a matrix. Financial information will not be included in the matrix at this time as a number of partners believe this information is 'too sensitive'.

Despite no formal efforts to coordinate the division of labour, one area in which there is a clear division of responsibility is through the preparatory work for global climate change funding. Japan has provided \$3m (double check), channelled through the United Nations Development Programme (UNDP), to support the development of a NAPA for Cameroon. Similarly the World Bank is leading on support to MINEP for the REDD RPP process.

There is currently no joint donor and government working group on climate change. A joint donor and civil society Consultation Circle of Partners (CCPM) meets monthly to coordinate development partner support to the forestry and environment sector and their respective ministries. Although government is not a member of this group it can be invited to participate on an ad hoc basis. CCPM partners recently recognised the need for a number of sub-sector working groups to sit beneath the wider forest and environment group in order to focus on more specific implementation issues, for example on REDD and on the legislative environment. The need for a sub-sector group on climate change group was also identified in January 2011 and is currently being created. This group could provide an important platform for more strategic donor discussions around climate change.

The UNFCCC focal point and a designated national authority (DNA) for the Clean Development Mechanism (CDM) are both housed in MINEP, although in different departments. MINEP also chairs the National REDD Steering Committee with MINFOF as vice-chair. The level of coordination and synergies between these focal points is questionable and a number of respondents reported ongoing coordination challenges between MINEP and MINFOF. A 2011 report by CIFOR also notes 'the coordination tragedy' of institutions in Cameroon and sets out three examples that hinder government coordination around the REDD+ process. These include a tendency for each ministry to seek full control over its own niche, a high number of weak and non-functioning inter- and intra-sectoral coordination committees, and the instability brought about through regular ministerial reorganizations³⁹.

Climate change financing in Cameroon has to date been largely fragmented and unpredictable. Although the country is currently positioning itself for increased climate change financing in the future the predictability of such financing is not guaranteed. International interest in the Congo Basin Forests region is likely to continue and there is also expectancy within Cameroon that the finalization of the REDD RPP and NAPA processes will lead to higher volumes of external funding. However, international funding is rarely predictable and will continue to be subject to international trends, events and interests. Increased programmatic support could help to reduce fragmentation and increase predictability over the medium-term, although experience from the FESP has shown that instability can still occur.

³⁹ CIFOR report REDD+ 2011

It is notable that REDD RPP and NAPA processes have applied a certain amount of pressure on the government to align with international systems and procedures. This is in direct contrast to the Paris Principles which require donors to seek opportunity for aligning their support to country systems. The FESP provides a good example of how donors in Cameroon have sought to align to government systems and provides some lessons learnt that could benefit future mechanisms for climate change financing.

The FESP experience

The FESP is a government-led initiative with multi-donor support that begun implementation in 2004. Donors provided funding to the FESP through sector budget support (World Bank, GEF, DFID, France) and a basket fund for technical assistance and capacity building in MINFOF (DFID, Canada, Germany, France). The failure of government to meet a number of programmatic requirements for the release of budget support funds (including on issues such as forest classification and logging concessions) and severe delays in implementation has meant no budget support has been released since 2006 and a large proportion of the remaining \$25m is expected to remain unspent.

An audit covering the first two years of the FESP programme indicated a lack of government capacity to account for donor funding through government systems. Whilst it did not indicate that funds had been misused the audit highlighted the need for improvements in the management of government transactions and record keeping. Technical assistance from GTZ to MINFOF is now being followed up by support from a national accounting firm. The end objective is to make the Ministry totally responsible for the management of the basket fund, potentially a mechanism through which additional support could be channeled in the future.

To date support to MINFOF has enabled the Ministry to strengthen its programme budgeting approach and develop annual costed workplans that include information on objectives, indicators and programme results. The Ministry of Finance has also continued to allocate money to MINFOF in line with this budget despite donors not releasing funding for FESP.

Development partners continue to support ongoing public financial management (PFM) reforms in Cameroon. These include the production of budget review laws, tackling endemic and high levels of corruption, and ongoing revision of the Public Procurement Code to improve the quality and standard of procurement⁴⁰.

At the national level the government in Cameroon is currently unable to track the amount of external climate change financing being provided to the country. A number of international tracking mechanisms highlight elements of the support being provided through global funds, for example for REDD (see below), but these do not provide a comprehensive picture on total climate change funding to Cameroon. Where external funding is captured on budget it is recorded at the project or programme level. Funding for climate change components or activities within wider projects is not disaggregated. A number of donors, both inside and outside of Cameroon, also provide funding for climate change directly to NGOs, particularly for activities across the wider Congo Basin. These funds are not captured within government systems.

Table 1: Example of current commitments for climate change from Global funds in Cameroon (US\$m)

Project	Fund	Amount	Disbursed	Theme
Reconciling the needs of the logging industry with those of forest dependent people	Congo Basin Forest Fund	\$1.94	\$0	Mitigation - REDD
Involving Bagyeli Indigenous peoples in the sustainable management of Campo Ma'an National Park	Congo Basin Forest Fund	\$0.22	\$0	Mitigation – REDD

⁴⁰ AfDB Country Strategy Paper

Table 1: Example of current commitments for climate change from Global funds in Cameroon (US\$m)				
Project	Fund	Amount	Disbursed	Theme
Alternatives to mangrove destruction for women's livelihoods in Central Africa	Congo Basin Forest Fund	\$0.38	\$0.38	Mitigation – REDD
Reforestation of degraded areas and promoting value addition for non-timber forest products in the Sanaga Maritime Region of Cameroon	Congo Basin Forest Fund	\$0.40	\$0.40	Mitigation – REDD
Promoting community land tenure rights in the Congo Basin	Congo Basin Forest Fund	\$0.73	\$0.73	Mitigation – REDD
Stabilising carbon emissions in the Sangha Tri-National forest complex through sustainable financing and improved livelihoods	Congo Basin Forest Fund	\$0.92	\$0.92	Mitigation – REDD
Achieving conservation and improving livelihoods through the sustainable management of community based forest operations in Cameroon	Congo Basin Forest Fund	\$1.72	\$1.72	Mitigation – REDD
Quantifying carbon stocks and emissions in the forests of Cameroon and the Republic of Congo	Congo Basin Forest Fund	\$1.74	\$1.74	Mitigation - REDD
Partnership for the development of community forests	Congo Basin Forest Fund	\$1.79	\$1.79	Mitigation – REDD
Building foundations for success: community participation is central to REDD	Congo Basin Forest Fund	\$2.03	\$2.03	Mitigation - REDD

Source: www.climatefundsupdate.com

The Directorate-General for Cooperation and Integration at the Ministry of Economy, Planning and Regional Development (MINPLADAT) is responsible for the coordination of all donor financing in Cameroon. However, this Ministry is currently under-resourced and will need to be strengthened to support improved inter-ministerial coordination around external resources. In 2005 the government introduced an integrated public financial management system (PFMS) to improve monitoring of public commitments and expenditures. This system has enhanced the quality of monthly data on budget execution since 2005⁴¹. A medium term expenditure framework (MTEF) for construction, health, education and rural affairs has also allowed some level of synthesis between domestic and external financial revenues in these sectors and provides a mechanism for translating national development priorities into costed activities⁴². Further actions to streamline financial processes and disseminate the MTEF more widely are also ongoing.

At the sector level there is almost no awareness of how climate change financing will be channelled across government in the future. The Ministry of Agriculture reports that *“no funds are currently provided to the Ministry to react to the impacts of climate change”*. A new programme being developed by the Ministry of Agriculture, with support from the French, plans to include a component on climate change but the Ministry remains dependent on donor support to identify and cost activities for this new approach. Awareness and capacity across government for identifying and capturing additonality costs for climate change is weak, if not inexistent in some ministries.

Cameroon has yet to fully explore the potential for private sector funding for climate change although a number of steps have already been taken towards launching Clean Development Mechanism (CDM) in the country. A Designated National Authority (DNA) has been identified in MINEP and a website has been created with support from Carbon Finance for Sustainable Energy in Africa (CF-SEA), a Canadian based organisation. To date up to 10 project information notes (PINs) have been submitted to the World Bank's Community Development Carbon Fund (CDCF) although Cameroon is still awaiting implementation of its first CDM project. The government has blamed these delays on the high preparation costs for CDM and a lack of international support for this process.

⁴¹ AfDB/OECD Africa economic Outlook report 2007

⁴² AFRODAD report 2007

Outside of the small number of actors engaging in CDM preparations, the private sector is not yet uniting around the challenges and opportunities related to climate change in Cameroon and the wider region. Respondents indicate that private sector engagement is currently missing from the climate change debate and that there is a need for government to drive their increased participation.

Challenges to increasing alignment:

- Weak general capacity for managing external funds through national systems
- Currently no financial tracking system within government for capturing external funding for climate change
- Lack of a identified and costed national priorities behind which external climate change financing can align
- Limited coordination amongst development partner on climate change activities and funding

Opportunities for increasing alignment:

- REDD RPP and NAPA expected to set out Cameroon's priority areas for mitigation and adaptation support
- Donors, NGOs and civil society already working together closely through CCPM, new opportunity emerging for increased coordination in climate change sub-group
- Donor matrix being developed to increase coordination of climate change financing

5. Harmonisation

International lessons learnt on aid effectiveness indicate the need for more coordinated and streamlined donor activities to promote a harmonised approach to development that ultimately helps partner country's to achieve better results. The 2008 Paris Declaration Monitoring Survey for Cameroon acknowledges a number of joint programme approaches by government and donors, including sectoral support to the FESP and joint initiatives around public financial management (PFM) and HIV/AIDS. Joint working is similarly reflected in number of sector level studies and analyses.

Coordination around external funding for climate change has been largely absent in Cameroon and there is no official mechanism or agreement for a streamlined donor approach in this area. The FESP provides a good example of harmonised donor behaviour at the sector level although these behaviours are not necessarily reflected at the issue or component level within the forestry and environment sector. A climate change sub-sector group is currently being established under the CCPM although the need for such a group has been identified later in Cameroon than in a number of other African countries. It is too early to comment on the structure and effectiveness of this group although there is clearly potential for much improved coordination around climate change.

No formal division of labour exists between funders of climate change in Cameroon, in part due to the relatively small number of active donors within the country. The majority of donors are putting their funding into the forestry sector, either through the FESP or through other non-climate change specific projects and programmes. Coordination for the FESP is managed through the CCPM although a number of duplications still exist, for example the World Bank and AfDB are currently operating separate funds for forestry, the Forest Carbon Partnership Facility (FCPF) and Congo Basin Forest Fund (CBFF) respectively. Coordination around these separate funding mechanisms could be stronger. Only a small number of donors provide financing for specifically focused climate change projects; examples include World Bank support to the REDD RPP process and funding from JAPAN for the NAPA. A joint development

partner activity matrix for climate change is currently being finalised by the IUCN and is expected to provide a clearer picture of donor support to facilitate future coordination and reduce transaction costs for both donors and government. This matrix does not plan to include financial allocations.

Table 2: Examples of existing donor commitments for Climate change Activities (US\$ m)			
Donor	Timeframe	Committed/ planned	Focus
World Bank		\$0.2	FCPF: REDD RPP development
JICA		\$3m	NAPA development
NORAD			Reducing Emissions from All Land Uses in Cameroon (REALU)
EU	2011 – 2015 (5 years)	TBC	Local level preparation for REDD – Southern Cameroon
USAID (through IUCN)	October 2011 – 2017/20 (tbc)	Tbc (currently providing \$15m per year to 9 countries)	Regional forestry – CARPE Phase III (to inc. climate change component)

The absence of climate change priorities and actions in the national development vision and medium-term plan has contributed to difficulties in establishing a harmonised approach to climate change financing. As a result the donor approach to climate change in Cameroon has been heavily fragmented to date. Some clear progress has been made in MINFOF on developing a sector strategy that sets out an annual workplan and budget, enabling donors to better harmonise support, but this focuses on forestry focused not climate change. The finalisation of the NAPA and the forthcoming development partner matrix could together provide a basis for a more harmonised government and donor approach to climate change. It is also expected that the NAPA will increase government focus on adaptation as an important development challenge for Cameroon. The NAPA in particular could provide the initial momentum for mainstreaming climate change activities across government ministries and programmes.

External financing for climate change in Cameroon is not systematic and each donor has individual preferences for how they provide support. Donors based outside of Cameroon for example, regularly channel their funding through global funding mechanisms for climate change and/ or multi-lateral development programmes. However, the extent to which these international mechanisms and procedures for global climate change funding are being harmonised at the national level remains unclear. The government, for example, is currently more focused on securing funding rather than integrating climate change activities. Given that Cameroon is in the preparatory stage for accessing global funding for climate change there are clear opportunities for a more strategic approach to emerge to ensure different funding mechanisms become more harmonised at the implementation stage.

Within the environment and forestry sector donors and civil society organisations (CSOs) have already developed a strong coordination mechanism at the national level through the CCPM. These relationships are not yet focusing specifically on climate change although the foundations for doing so have to a large extent already been laid. It is expected that the joint donor and CSO participatory approach will similarly be applied within the climate change sub-sector group that is currently being established.

Coordination with the private sector is much less developed and both donors and civil society are unclear around the current levels of awareness and engagement that exist within the private sector on climate change and sustainable national development. No formal coordination mechanism exists for working with the private sector on climate change issues although there is potential to invite representatives to participate in the climate change sub-sector group. A clear understanding of roles and responsibilities would need to be agreed from the outset to incentivise private sector engagement and ensure the discussions have a direct impact on their work.

A harmonised donor approach to capturing and reporting on additionality does not yet exist at the global level and therefore remains absent amongst Cameroon's donors. Requirements for each donor are different and are usually set at the headquarters level. To date there has been limited discussion on additionality reporting between donors in Cameroon, in part due to the lack of a climate change coordination group but also due to the limited number of climate change projects and programmes being supported at the national level.

Challenges to increased harmonisation:

- Lack of coordination between national focal points and designated authorities for CDM, UNFCCC and REDD
- Fragmented donor approach and lack of coordination around climate change
- Limited engagement with private sector around climate change activities
- Not all donors have country offices

Opportunities for increased harmonisation:

- Donor matrix and NAPA to provide a basis for improved coordination and identification of financing priorities and gaps
- Strong potential for increased engagement with civil society
-

6. Managing for Development Results

The Paris Declaration commits donors and partner countries to work together in building national capacity to manage resources and achieve desired national results. The 2008 Paris Declaration Monitoring Survey identified weak statistical systems and a lack of continuity between sector strategies and annual budgets as a principle factor in Cameroon's limited capacity to manage development information⁴⁵.

There is currently no national results management framework for climate change in Cameroon. The government and its development partners are therefore unable to monitor and report on climate change activities and impacts at the national level. At the sector level MINFOF has developed an annual sector workplan that outlines the main objectives and intended results for the forestry sector but this does not provide a comprehensive picture of wider climate change results for the country, nor does it provide a comprehensive picture of *climate change* results within the forestry sector. No plans exist for developing a national climate change strategy for

⁴⁵ Paris Declaration Monitoring Survey for Cameroon 2008

Cameroon at this time. However, it is expected that the NAPA, once completed, will provide a mechanism for capturing *adaptation* results from 2012.

At the national development level the GESP does not include a results framework although its annexes include three sets of tables for tracking and monitoring selected national indicators. These include a table of key development outcomes that captures indicators, baselines and targets, a matrix of priority actions that also allocates responsibility for results, and a list of 'additional indicators' for monitoring sector programmes. Climate change is not captured in any of these tables although it could be linked to statements on biodiversity and sustainable energy development (one for each).

The National Institute of Statistics (NIS) in Cameroon is currently focused on more traditional areas of development statistics and in particular those prominent in the GESP, for example employment generation, health and education. It is not yet collecting data for tracking and reporting on climate change. This role is expected to fall under ONACC which is mandated, on paper, to oversee all information relating to climate change (including the collection of technical data e.g. on carbon emissions and absorption). However, it is not clear whether or when the observatory will become operational and how long it might take for this reporting capacity to be built. There are insufficient resources within MINEP to undertake this task at present.

A strong research base exists at the regional level for climate change although this is heavily skewed towards forestry due to the region's geographical location. There is potential for Cameroon to increase its engagement with regional research institutions in order to make effective use of existing information and potentially share resource costs in the future. For example Cameroon has been engaged in the creation of a regional observatory for forest management which is already tracking specific data sets for the region. It would not be an effective use of ONACC resources to duplicate these efforts at the national level.

At the donor level there is also potential to introduce a climate change scorecard in Cameroon for monitoring progress and results on climate change by donor. This (if desired and with appropriate refinements) could be linked to the existing OECD Creditor Reporting System that includes markers for climate change adaptation and mitigation in current bilateral reporting.

Challenges to strengthened management for development results:

- No reporting framework for climate change
- Lack of reference to climate change in national level results frameworks
- ONACC not yet operational and fulfilling mandate on tracking climate change indicators
- NIS focused on national priority and traditional results areas, not yet focusing on climate change

Opportunities for strengthened management of development results:

- Strong research capacity within region able to collect baselines information and monitor results
- Potential to develop a climate change scorecard....
- NAPA and REDD RPP processes will help to set baselines for future monitoring

7. Mutual Accountability

The Paris Declaration recognises that “aid is more effective when both partner governments and development partners are accountable, both to their respective publics and each other, on the use and management of resources to achieve development results”. The 2008 Paris Declaration Monitoring Survey noted three main areas in which mutual accountability could be improved in Cameroon. These include the need to reinforce the fight against corruption, the creation of a national policy for aid management, and the development of more effective communication channels.

There is currently little focus on mutual accountability for climate change in Cameroon. This is partly due to the small number of climate change projects taking place at the national level and also the lack of a national strategy for climate change. The absence of a joint donor and government strategy on aid effectiveness has also limited in-country focus on the need for development aid to be accountable to citizens both in Cameroon and in donor home countries. Cameroon is facing a number of important challenges with regards to accountability issues for development, including the need to address land use planning and human rights issues in the forestry sector. Ongoing and future climate change processes will need to ensure high levels of transparency and accountability during planning and implementation to minimise the risk of increasing socio-economic and environmental vulnerabilities and conflict over resources⁴⁴.

The limited predictability of donor funding and fractured approach to climate change financing has also undermined donor accountability in Cameroon to date. The absence of a national strategy and priority areas for aligning climate change financing makes it relatively easy for donor commitments and activities on climate change to fluctuate. This is one area where donors could seek to improve their accountability to government and also strive to meet international commitments on aid effectiveness relatively quickly.

A lack of awareness around climate change at the local levels means citizens are not yet holding their government and development partners to account on climate change delivery in Cameroon. However, awareness around environmental impacts is growing across the country and a number of local NGOs and CSOs are now including climate change in their operational mandates. As a result people are becoming more informed on the links between climate change and environmental impacts and are expected to become better able to hold the government to account on these issues in the future.

At present only a limited number of people in government are making decisions around climate change in Cameroon and their engagement with civil society to date has been limited. Development stakeholders, for example CIFOR, have been working to ensure increased participation of less powerful stakeholders in the formulation and implementation the REDD RPP and NAPA processes. Combined with international requirements for accessing global funding this regional and national level advocacy is beginning to have an impact. MINEP has recently indicated a desire to become more accountable to its citizens is currently planning local level consultations for the REDD RPP process. The UNFCCC focal point noted the “*need for MINEP to listen to and respond to the needs of local people on the ground*”.

Global financing mechanisms and international requirements often mean donors are more accountable to international systems than to local citizens on the ground. Externally driven reporting mechanisms, including the need for continual reporting to headquarters, often take

⁴⁴ IUCN strategy and Vision on REDD

precedence over the sharing of information at the national level. There is awareness globally of the restrictions embedded within the international aid architecture although no solutions have yet been identified to address this balance in Cameroon. Recent attempts to increase local level accountability in the forest and environment sector include the adoption of a new procedures manual on community forest allocation and management standards in which the CCPM played a leading role⁴⁵. Whilst this indicates increased accountability at the activity level a more systematic approach will be required to manage accountability around climate change financing in the future.

Media awareness around climate change in Cameroon has followed a similar pattern to that in a number of other African countries with journalists more focused on reporting events than on systematic reporting of climate change as an issue. The UK, through its Foreign and Commonwealth Office (FCO), has supported a media competition in Cameroon to encourage incentive for reporting on environmental issues. However, the impact of this support has been limited. One respondent noted that *“the media should be encouraged to document and report on the challenges and costs of climate change in Cameroon in order to build local demand for government action”*.

Challenges to strengthening mutual accountability:

- Majority of population not yet aware of climate change financing and what it means at local levels
- Global financing mechanisms and aid architecture skew balance of accountability and reporting towards donor countries
- Lack of capacity in media to report on climate change issues, focused only on events

Opportunities for strengthening mutual accountability:

- Increased number of NGOs and CSOs engaging in climate change and raising awareness at local levels
- REDD RPP and NAPA processes require local level consultations and participation
- Awareness of the role that the media should play to drive mutual accountability

8. Conclusion/ Recommendations

Climate change is not yet a prominent development issue in Cameroon. It does not feature in the national development vision or medium-term plan and the government has been slow to respond to opportunities for external climate change financing. Where there is awareness around climate change this has been heavily donor driven and is largely focused on the forestry sector. There is a need for stronger national commitment and higher level leadership on climate change to increase awareness across government, civil society and the private sector. MINEP does not have sufficient capacity to do this alone.

The government’s intention to create a National Observatory for Climate Change (ONACC) could provide a huge opportunity for driving evidence based awareness on climate change at the national and local levels. However, its creation has been pending since the issuance of a Presidential Decree in December 2009 and it remains unclear when this observatory might become operational.

⁴⁵ CIFOR REDD Report 2011

The finalisation of the REDD RPP and NAPA processes are expected to provide clear frameworks for action that will help donors to become less fragmented in their approach to supporting climate change in Cameroon. However, these processes have been slow and expectations between the government and donors are currently misaligned. Whilst the government remains heavily dependent on donors to build momentum around climate financing, donors are waiting to see stronger leadership and appetite emerging from government in order to promote national ownership. This potential deadlock needs to be addressed urgently.

Although Cameroon is currently undergoing a process of ‘positioning’ in order to prepare for future access to climate change financing it is important to note that the development of strategies alone will not be sufficient to drive climate change financing in the country. Government action and commitment needs to be visibly strengthened if external financing is to be scaled up sufficiently to meet the country’s needs. Donors should therefore seek to support capacity development within government to ensure ongoing processes do not stagnate.

There is also a need for donors to become much better coordinated around climate change in Cameroon, a process which has already started through the creation of climate change working group in January 2011. The REDD RPP and NAPA frameworks are expected to facilitate an improved division of labour in the future. Donors may also wish to consider formalising their commitment to climate change in Cameroon in line with the completion of these frameworks, for example through a Heads of Missions statement.

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