



PROJECT FACT SHEET

Cameroon Agriculture infrastructure and value chain development project

Overview

The Project is implemented in the South West Region of Cameroon which is predominantly an agricultural area in the Country. The interventions of the Project are concentrated in the production basins along the principal road corridors.

Country Context

- Agriculture is the dominant sector of the Cameroon economy
- It employs about 70% of the labor force, basically in family farms and plays an irreplaceable role in income generation for most villagers.
- The sector contributes about 25.5% to the GDP, 27% of export revenues and 15% to budgetary revenue
- It provides income to more than 70% of the active population
- 70% of the estimated 1.2 million farmers have less than 2 ha of land, some of whom are tenants.
- Agricultural commodity crops are rich and varied, including cocoa, coffee, cotton, oil palm, rubber, banana, and pineapple.
- The main food crops are roots and tubers (cassava, taro, cocoyam's, yams, potatoes, and sweet potatoes), plantains, cereals (maize, rice, sorghum and millet) and leguminous crops such as beans, cowpea, groundnuts and soya beans.
- Apart from cotton, sugar cane and oil palm which are processed at industrial scale by the agro-industrial complexes involved in the production of these crop sub-sectors, most crop products are sold both nationally and internationally as primary products with little or no transformation.
- The Government of Cameroon has taken some fundamental options which have led to liberalizing the economy, promoting family farming and small and medium size agricultural enterprises. These options have led to the emergence of several actors in the private sector in the implementation of the agricultural policy resulting in the establishment of state owned and para-statal corporations as well as agri-businesses that occupy large areas.
- Besides the agro-industrial complexes, there are about 1.2 million farm families that make up small holders with over 70% owning less than 2 ha as farm size.
- The structure of the agricultural sector has over 2000 associations comprising Common Initiative Groups (CIGs), their unions and federations, professional agricultural organizations, village/farmers associations, cooperative societies and their unions and federations. There are also umbrella organizations of farmers organizations
- The cooperative environment is rich and diversified with over 2,215 production cooperatives, 1,575 savings and loan cooperatives, 67 unions of cooperatives and 11 federation of cooperative societies which are fully registered with the 10 Regional Registries in the Country.



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- The microfinance sector plays a vital role in poverty reduction and in boosting agricultural production. There are about 400 microfinance institutions recognized by the monetary authority with about 1.5 million depositors for a savings volume of 400 billion FCFA (about 800 million US\$)

Project Objectives

The Project's overall goal is to contribute to inclusive growth through enhanced agricultural productivity and value chain development.

The development objectives are:

1. Increase income of small holders and agricultural service providers
2. Improve access to basic social/public infrastructure and services (water and sanitation, basic education, and basic health)
3. Facilitate the development of rural enterprises and institutions involved in the crop value chain and
4. Enhance the capacity (operational and institutional) of small holder farmers and cooperatives in undertaking rural development projects

Anticipated Results

1. Increased agricultural production and productivity
2. Increased sales of agricultural products
3. Increased value addition for agricultural produce
4. Increased employment of the population
5. Improved access to quality food
6. Improved access to social infrastructure

Project Components:

The Project activities are based on the following 5 components:

- ❖ Component A = Value Addition and Market Access
- ❖ Component B = Agricultural Productivity Enhancement
- ❖ Component C = Basic Social/Public Infrastructure & Services
- ❖ Component D = Capacity Building and Institutional Development



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- ❖ Component E = Project Management and Coordination

Project Rationale

- The Project is implemented in the South West Region of Cameroon which is predominantly an agricultural area in the Country. The interventions of the Project are concentrated in the production basins along the principal road corridors.
- The total surface area is estimated at about 14,500 Km² with a population of about 1.500 million inhabitants touching about 600 communities out of the 960 that make up the South West Region. There is an active youth population representing about 60% and 52% of the population are women
- GDP growth rate has remained below the 6% target set in the Growth and Employment Strategy Paper (GESp-2010-2020)
- Poverty rate is still high, around 40%
- General unemployment affects 70.6% of the labor force and is more prevalent in the rural areas (78.8%) than in the urban areas (55.7%). The employment structure shows that youth mostly operate in informal agriculture sector where conditions are precarious due to significant shortage decent work resulting in low income.
- Project is aligned to Vision 2035, operationalized in the 2010-2020 GESp whose three pillars are 1. Growth 2. Employment and 3. Governance and strategic management of the state
- Project is consistent with the pillars of the rural sector development Strategy, namely: 1. institutional development and capacity building for public and private stakeholders 2. Improvement of crop productivity and competitiveness and 3. Modernizing rural infrastructure and 4. Sustainably natural resource management.
- Project is aligned with IDB Strategy of Comprehensive Human Development, is aligned with LLF Guidelines, and aligned with the agenda of the Sustainable Development Goals (1, 2,3,4,5,6,8 and 9)

Key project information.

- **IC Approved:** 02nd July 2017
- **Total Project Cost:** \$ 57.795 million
- **LLF Financing:** \$ 33 million, OCR \$ 15.7 million, Loan \$ 4.99 million
- **Government co-financing:** \$ 4.089 million
- **Project duration:** 5 years from effectiveness



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Expected Outcomes

1. Increased agricultural production and productivity
2. Increased sales of agricultural products
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Benefits and impact

1. Increased household incomes among the population in the South West Region (SWR)
2. Improved food security for the population of the SWR
3. Improved access to social services for the population of the SWR

Strategic departments and services

- The Ministry of Agriculture and Rural Development
- The Ministry of the Economy, Plan and Regional Development
- The Ministry of Finance
- The South West Development Authority
- The Institute of Agricultural Research for Development (IRAD)
- PAMOL
- The Seed Multiplication Farm, Barombi Kang
- Community-based organizations and civil society organizations

Donor Partners

- **Abu Dhabi Fund for Development (ADFD)**

The Abu Dhabi Fund for Development (ADFD) is an aid agency established by the government of Abu Dhabi in 1971. ADFD aims to help developing countries to achieve sustainable socio-economic growth; through financial assistance in the forms of concessionary loans, managing government grants and equities. ADFD also peruses investments in order to encourage the private sector in the recipient countries to play an essential part in accelerating the economic development process, and at the same time playing a pivotal role in

strengthening and diversifying the future resources of the Fund.

- **Bill and Melinda Gates Foundation (BMGF)**

The Bill & Melinda Gates Foundation (BMGF) is an American private foundation based in Seattle, Washington. The primary goal of the foundation is to enhance healthcare and reduce extreme poverty across the globe and to expand educational opportunities and access to information technology in the U.S.



- **Islamic Solidarity Fund for Development (ISFD)**

The Islamic Solidarity Fund for Development (ISFD) is dedicated to reducing poverty in its member countries by promoting pro-poor growth, emphasizing human development, especially improvements in health care and education, and providing financial support to enhance the productive capacity and sustainable means of income for the poor, including financing employment opportunities, providing market outlets especially for the rural poor and improving basic rural and pre-urban infrastructure.

- **King Salman Humanitarian Aid and Relief Centre (KSRelief)**

Saudi Arabia established the King Salman Humanitarian Aid and Relief Centre (KSRelief) in 2015. KSRelief works in 46 countries around the world with a focus on humanitarian and relief work in the Middle East and North Africa region.

- **Qatar Fund for Development (QFFD)**

QFFD is a public development institution committed, on behalf of the State of Qatar, to improving the livelihood of communities around the world by providing financial tools to developing countries in the Arab and Muslim world and beyond for responsive and effective humanitarian and development aid.

- **UK Aid – The Foreign, Commonwealth, and Development Office (FCDO)**

UK Aid Direct is DFID's main centrally managed funding mechanism for small and medium sized civil society organizations, based in the UK and overseas, who are working to achieve the global goals. Formerly known as the Global Poverty Action Fund (GPAF), the fund was relaunched in 2014 as UK Aid Direct.