

Support Programme to Modernization of Public Finance (PAMFIP)

SUSTAINABLE DEVELOPMENT GOALS



Challenges

Cameroon has adopted a series of texts aimed at enhancing its development. These include strategic documents, such as Vision 2035 and the National Development Strategy (NDS30) 2020-2030, which set development priorities, as well as laws to improve financial governance, the most important of which are the Law on the Financial Regime of the State and Other Public Entities and the 2018 Code of Good Governance and Transparency.

The achievement of strategic objectives requires the mobilization and efficient management of significant financial, material and human resources. Following this, Cameroon is committed to strengthening its public financial management system, with a view to introducing a new administrative culture, that is, results-based management. A coherent Planning, Programming, Budgeting and Monitoring process (PPBM chain) has been established.

However, this exercise must not remain purely formal. To be developed, the results-based management culture requires a better operationalization of the budget cycle, which aims to strengthen the link between planning and budgeting of national priorities under the constraint of budgetary resources.

The tools for program-based budgeting, in particular sectoral and ministerial strategies, translated into strategic program performance frameworks, medium-term expenditure frameworks (MTEFs), administrative performance projects (APPs) and annual performance reports (APRs), have also been put in place. The effective use of these tools should allow for better management of public policies, greater efficiency in achieving Cameroon's development objectives and ultimately contribute to poverty reduction.

Title	Support Programme to Modernization of Public Finance
Commissioned by	Federal Ministry for Economic Cooperation and Development (BMZ)
Implementing Agency	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Lead executing Agency	Ministry of Finance (MINFI)
Partners	Ministry of Finance (MINFI), Ministry of Economy, Planning, and Regional Development (MINEPAT), Directorate General of Taxation (DGI), Directorate General of Customs (DGD), Directorate General of Budget (DGB)
Duration	Phase I: 2014 – 2017 Phase II: 2017 – 2020 Phase III: 2020 – 2023

Approach

The GIZ Support Programme to Modernization of Public Finance (PAMFIP) assists the Cameroonian government both in mobilizing fiscal resources and in seeking greater efficiency in public spending, within the framework of the new regime resulting from the CEMAC directives, adopted in December 2011. In this regard, the program provides technical support to the Ministry of Finance (MINFI) and the Ministry of Economy, Planning, and Regional Development (MINEPAT). Both Ministries oversee the budget process in Cameroon, for recurrent and capital expenditures, respectively.

The performance of these two ministries in terms of good financial governance needs to be strengthened in the long term in order to:



Left:

Mid-term evaluation workshop of PAMFIP III

Right:

Action plan to improve Cameroon's access to international climate change financing



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- Ensure greater financing of the national economy from its own funds;
- Ensure more coherent and results-based planning, programming and budgeting;
- Implement appropriate budget execution and monitoring;
- Ensure effective collaboration on local finance between the central government and the councils.

The program's technical support to MINFI on revenue mobilization supports the performance of Cameroon's tax administration, by strengthening tax auditing through the digitization of the entire tax auditing process and by extending access to the FUSION computer system to regional tax centers. This computer system includes a tax fraud risk management system that was developed in phases I and II of PAMFIP.

The program's technical advice to MINFI and MINEPAT in the area of public expenditure aims to improve the coherence between expenditure programming, the annual budget law and its execution, by strengthening management control in the area of costing and internal control. The approach chosen combines direct support to the two ministries in charge of the budget with assistance in operationalizing tools and procedures in two pilot ministries, namely the Ministry of Decentralization and Local Development (MINDEVEL) and the Ministry of Public Health (MINSANTE).

Finally, PAMFIP's support also aims to strengthen the collaborative relationship between the central government, particularly the Ministry of Finance (MINFI) and the Ministry of Decentralization and Local Development (MINDEVEL), on the one hand, and the councils on the other. This collaboration is strengthened through the reform of local taxation and the implementation of the General Code of Decentralized Local Authorities with respect to its implications for local finances.

Activities

PAMFIP is currently in its 3rd phase. During the 1st and 2nd phases, the Program contributed to the development of important tools for coherence along the PPBM chain up to the monitoring and steering of budget execution.

The implementation of these tools in the pilot ministries has increased coherence in the said ministries and has served as an exemplary case for the piloting of the reform by the Budget Reform Division of MINFI.

In the area of tax revenues, concrete tools using information techniques such as FUSION are now operational and regularly enhanced. Within the framework of joint controls, increases in the identification of tax revenues have been achieved. A modernization dynamic with the implementation of numerous initiatives has been created and supported by PAMFIP.

Success factors

PAMFIP's activities are based on a participatory support and advisory approach based on:

- Facilitation of inter-ministerial teamwork;
- Direct support and advice to the various partners;
- Complementarity operational approach with the Support Programme to Municipal Development (PROMUD) on local finance and with other Technical and Financial Partners in Cameroon, on the follow-up of the Global Plan for Public Finance Management Reform.

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