

Systemic Approach to Inclusive Markets (SAIM)

Factsheet - Cameroon

Background

Cameroon is a lower middle income country with a population of 23.3 million people. Situated in Central Africa, it shares a border with Nigeria, Chad, Central African Republic, Equatorial Guinea, and Gabon. Two regions are Anglophone (the northwest and southwest regions that border Nigeria) while the rest of the country is Francophone. It is endowed with significant natural resources, including oil and gas, high value timber species, minerals, and agricultural products such as coffee, cotton, cocoa, maize, and cassava.

The East and Adamaoua regions are with the northern regions the parts of the Cameroonian territory where the development needs are the most crucial. These regions have been particularly impacted by the successive crisis in the Central African Republic (CAR) with large influx of refugees, notably during 2004-2008 period and more recently in 2014-2015. As of to date, there are over 250,000 refugees from CAR living in 15 municipalities of the East, Adamaoua and North regions (the large majority of refugees are scattered among the East and Adamaoua regions). Most refugees (70%) live in the villages with the host community while the remaining (30%) live in 7 camp settlements (Nagarisingo, Lolo, Mbile, Timangolo, Gado, Ngam and Borgop) managed by UNHCR and its partners. This important presence of refugees puts tremendous pressure on local resources with the risk of threatening pacific coexistence that quite surprisingly prevails in these regions between host community and refugees despite all the challenges.

A large majority of refugees (almost 70%) in age of working) have no education at all. An additional 18.2% only received informal education of some kind. Resulting from low educational levels, the majority of refugees are illiterate. The great majority of refugees are Peuhl (88%) who are traditionally a nomadic tribe living on livestock breeding. However, most of them lost their cattle when fleeing from CAR and had to find alternative livelihoods opportunities and shifted mainly to crops farming, horticulture and small stock breeding among other activities. It should be noted that differences in the work experience exist between men and women: while men are traditionally responsible for herding and breeding cattle, women are more likely to engage in agricultural activities and other small income-generating activities.

Problem analysis

The market assessment and sector selection exercise has identified two main value chains, the mais and groundnut value chains, that are estimated to hold significant potential to increase incomes and create additional employment in the target regions. However, agricultural production by refugees is currently hampered by the inavailability of suitable land for production. In some regions, small tensions between refugees and local communities exist due to competition for land. Furthermore, both refugees and host community farmers suffer from the inavailability of high quality seeds which results in low productivity levels. Additionally, harvest is frequently damaged by insects and diseases as products to protect plants are rarely available on the local market and producers often lack knowledge on correct utilisation of these products. The same problem exists for fertilizers that are needed as land allocated to refugees is often not naturally fertile.

The potential of the target group to launch, plan and manage small income-generating activities is severely hampered by low levels of entrepreneurial skills, a lack of financial education and low literacy levels. Most refugees therefore seem unable to engage in long-term planning of income-generating activities, calculation of costs and profit margins of these activities or management of household and business resources. As most refugees are traditionally livestock breeders, technical knowledge necessary for other income-generating activities is also largely lacking. For instance, knowledge about agricultural production techniques or feeding and breeding techniques for raising smaller animals is limited.

Access to finance seems to be a challenge for most small enterprises in Cameroon, with 81% of small firms and 70% of micro firms claiming that accessing finance represents a major constraint for them. For refugees, the problem seems to be even worse as refugees often do not possess the necessary documentation to receive loans. Networks can significantly facilitate access to relevant information and services. In the case of Cameroon, it was found that adhering to a cooperative and, for refugees, to a mixed cooperative with members of the host communities significantly facilitate access to financial services, increase bargaining power vis-à-vis intermediaries and improve access to necessary input supplies for agricultural production as suppliers often sell directly to cooperatives. Yet, only a small percentage of refugees adhere to cooperatives in Cameroon.

Recommendations

Following the assessment a joint UNHCR-ILO action plan was developed that foresees a combination of interventions that would a) strengthen technical and entrepreneurial skills of refugees and host communities as well as access to financing, information and networks to enable them to exploit existing opportunities on the market, and b) develop value chains with potential to increase the quality and quantity of existing opportunities on the market. Recommended interventions to achieve these objectives are outlined in the following:

Strengthening skillsets and access to finance, information and networks:

- Roll out “Start and Improve your Business (SIYB)” entrepreneurship trainings for low-literacy groups as well as Get Ahead entrepreneurship trainings for women with low literacy levels in cooperation with local SME Agency
- Roll out trainings on modern agricultural production techniques
- Establish and train mixed cooperatives of refugees and host communities to increase bargaining power vis-à-vis off-takers and improve access to finance and other services
- Establish dialogue forums and liaise with local authorities to distribute arable land equally

Develop agricultural value chains, and in particular maize and groundnut value chains:

- Improve access to necessary agricultural inputs such as high quality seeds, fertilizers and crop protection products by linking refugee and host community producers to inputs suppliers
- Establish links to interested off-takers and commercial buyers (Brasseries du Cameroun, Maiscom, Chococam, etc.) to improve access to markets
- Strengthen sector-specific provision business development services (BDS)