

Head of State's message to the Nation on the occasion of the end of year 2012 and the New Year 2013

Yaounde, 31 December 2012

Fellow Cameroonians,

My dear compatriots,

I told you a year ago that the period starting in 2012 would be devoted to the stimulation of growth which, as you are aware, is indispensable for achieving our objectives, that is, improving living conditions and curbing unemployment. This end-of-year message affords me the opportunity to take stock with you of our efforts and to know where we stand and where we are going.

It is heartening to note that investment is recovering. After a long period, during which national and foreign investors were hesitant to commit themselves, due to the crisis, more and more investors are now expressing interest in various sectors of our economy: energy, mining, agriculture, infrastructure, among others. This is clearly a sign of the confidence they have in us so that, together, we can successfully implement some of our major projects.

The first sector I want to mention is that of energy because it is THE sine qua non for the development of our economy. In recent months, we launched the construction of several dams and hydro-power plants: Lom Pangar and Memve'ele. In early 2013, we will launch the construction of the Mekin dam. Others will follow, particularly when we will have developed the Sanaga River. The Kribi Gas-fired Power Plant will soon complete this system. Thus, we will increase our electricity generating capacity and put an end to shortages which have penalized our people and industries for a very long time. At the end of this process, we should even be able to export energy to less endowed neighbouring countries. Thus, in the medium term, we will have won the energy "battle".

The optimization of our power generating capacity will provide much better conditions for the development of our industrial fabric. Entrepreneurs who could hesitate to commit themselves for lack of assurance about power supply will no longer have reasons to postpone their projects. It therefore appears that we will be able to embark on the

second phase of our country's industrialization. Henceforth, we will be able to process our raw materials and, why not, access more advanced technologies. We are already assembling tractors. We may soon assemble cars. Industrial development is the lever for modernity. We will obviously do everything possible to promote it.

Investors are equally willing to support us in implementing our major infrastructure projects. The Kribi Port is a good example. Another is the Yaounde-Douala highway project, whose first section should soon be launched. The second bridge over the Wouri River and the east and west access roads to Douala, whose works will soon begin, will help to improve traffic flow in our economic metropolis. Our road network will be completed or rehabilitated such that all our regional capitals will soon be linked by tarred roads. Part of these works is already underway. We see the benefit that it will represent for the movement of people and goods within our country and with neighbouring countries.

The resources of our subsoil are also rousing the interest of foreign companies vying for their exploitation. Oil exploration and exploitation is making progress. Although at present our expectations in this domain are modest, we cannot rule out the possibility of making new discoveries. Conversely, we have promising natural gas deposits. Part of the gas will be exploited to supply energy like in Kribi, and to satisfy the domestic needs of the population; another part will be liquefied for export. A project of this nature will soon be implemented.

The mining sector is expected to witness intense activities in the coming months. Exploitation of the Lomie cobalt deposit and other associated minerals should start as soon as financing arrangements are completed. The Mballam "iron ore" project entered its final phase with the recent signing of the agreement between Cameroon and CamIron. Negotiations for the exploitation of the Minim-Martap and Ngaoundal bauxite are continuing normally. The Mobilong "diamond" project is in the exploitation phase. It will take into account the rules of the Kimberley Process to which we have adhered and which ensures traceability of diamond from Cameroon. Similarly, strict order will be restored in gold exploitation.

With respect to the mining sector, our attitude should be guided by two concerns: on the one hand, the State – that is the general interest – should derive due benefit from it; on the other hand, our minerals should, as much as possible, undergo primary processing before exportation.

As you can see, and as I indicated to you, Cameroon has become a “vast construction site”, and there is every reason to believe that it will continue to be for a longer time.

Lastly, agriculture, our main source of wealth. At the Ebolowa Agro-pastoral Show, I outlined the major thrusts of what should be a real “agrarian revolution”. I am fully aware that it is a complex issue on account of both the size of the population involved and the number of problems that need to be solved. But I am also aware that agriculture is our development trump card. That is why we must successfully implement our agrarian revolution at all costs. To that end, we need to modernize our methods, provide better training for our farmers, take advantage of scientific progress, secure innovative financing; in other words, move onto second generation agriculture. In so doing, we will not only be able to consolidate our food self-sufficiency, but also to process our agricultural raw materials, export our products, reduce our imports of some foodstuffs and, lastly, create tens of thousands of jobs.

Job creation is our constant concern. The State is playing its role by absorbing many youths into the public service and the security forces. The growth recovery we are experiencing has already triggered some upturn in employment. As an illustration, and according to available statistics, Cameroon’s economy created about 160 000 jobs in the modern sector in 2012. There is reason to hope that with the pick-up in economic activity, the trend will increase. I am aware that the problem is particularly acute among youths, graduates and non-graduates alike. That is why our educational system reform lays emphasis on professionalization.

One of the conditions for renewed growth was the improvement and consolidation of our public finance. Throughout the year that is coming to a close, and in compliance with IMF recommendations, we continued efforts to increase our revenue and better manage our expenditure. We will continue along this path. Concerning the budget, we will, in 2013, implement the transition from resource budget to programme budget based on medium-term objectives, together with measurable indicators that conform to our development strategy. This will enable us to better assess our performance and adjust its course, if necessary.

Regarding this new budget, I will make just a few remarks which, I think, are not unimportant. I will, first of all, point out that it has increased by 15%, which is an expression of our will to give fresh impetus to our economy. I will add that the budget is hinged notably on a 6.1% growth

assumption, which means that we are banking on marked progress in economic activity. Lastly, I will point out that the public investment head represents close to 30% of the overall expenditure envelope.

Socially, the Government stayed on the path of continuity in 2012. In the major sector of education, it pursued its infrastructure construction, teacher recruitment and professionalization efforts. It remains true to its objective of providing the widest possible access to knowledge at all levels and ensuring equal opportunities.

With respect to health, mother and child care and pandemic control activities, immunization campaigns, etc. were continued. New outreach hospital infrastructure was constructed and state-of-the-art equipment provided to referral hospitals. In the same vein, there are ongoing efforts to develop a social security system that is accessible to the greatest number of people. The proportion of the population covered by social security is expected to increase from 10% in 2012 to 20% in 2015. These rates are unsatisfactory and should be improved as much as possible.

Moreover, I am not forgetting that the goal of the progress our country can pride itself on is to improve the living conditions of our people. However, in that regard, it must be acknowledged that much remains to be done. Access to water and electricity remains largely inadequate in urban and rural areas. This situation should improve significantly in the short and medium term. Major works are under way and, hopefully, will provide solutions to these shortages. Similarly, low-cost housing in our country is not commensurate with the needs of the population. To offset this shortage, we will soon launch pilot programmes in Yaounde and other urban centres, where our SMEs will have their own part to play. If the results are satisfactory, they would be replicated in our regional capitals.

Still in the social sphere, I would like to address our retirees who have trouble obtaining their pensions. Delays of several months are sometimes noted, which is unacceptable. Instructions given to remedy the situation are already bearing fruit.

Government's focus on reviving growth did not prevent politics from claiming its place. In a bid to modernize our democratic process and enhance the transparency and credibility of our elections, a decision was taken to recompile electoral registers and introduce biometrics in the production of electoral documents. It is absolutely necessary to carry through this operation on schedule.

I take this opportunity to urge Cameroonians to register massively on electoral registers. To facilitate this process, I have decided that, as from 1 January 2013, national identity cards should be issued free of charge.

The recent adoption of a single electoral code is also geared towards modernizing our democratic process. It was also necessary to harmonize some provisions relating to the Constitutional Council with the Constitution in order to set up this superior court, after the senatorial elections slated for 2013.

Fellow Cameroonians,

My dear compatriots,

Thus, whatever may be said, we are forging ahead resolutely on the path to becoming an emerging country, guided by our roadmaps, like a navigator guided by his compass, watching out for any pitfalls along his way and taking advantage of favourable winds to shorten the distance. Yes, I affirm that the fresh impetus is on course and nothing and nobody can stop it.

Should we therefore rest on our laurels? Definitely not. I am fully aware that we still have to deal with the inertia, incompetence or malice of some people, which all constitute constraints on our recovery. In addition, there is corruption in various forms and public procurement fraud. In this regard, the latest NACC report is extremely revealing. Obviously, the embezzlement of public funds will not go unpunished. I count very much on the Minister of Public Contracts to put an end to such abuses in his sphere of competence.

The said failings are all the more reprehensible as a substantial segment of our population continues to languish in harsh living conditions. Obviously, the huge sums of money embezzled should have contributed to improving their situation in the domains of education and health. How many schools, health centres, and water supply schemes could have been built with the sums embezzled!

Such criminal behaviour on the part of a minority clearly tarnishes our country's image. It is used by critics in and outside the country who are unwilling to acknowledge the progress we have achieved in recent years. They claim that we are "stagnant" and our very stability is doubtful. Such lack of objectivity can only be due to some kind of political myopia that prevents them from seeing things as they are, and to failing

memory which prevents them from having any recollection of the hardships that our people have suffered to overcome unfair terms of trade, structural adjustment constraints and the damage caused by the recent economic and financial crisis.

Well, my dear compatriots, let us show these critics what we are capable of doing. When, in a couple of months, or a couple of years, our country will be dotted with construction sites, dams, power plants, ports, factories and roads, will they continue to say that we are “stagnant”.

But, before concluding, I would like us to spare a thought for all our compatriots who were affected a few months ago by severe floods. They should know that we have not forgotten them and that the recently established Natural Disaster Relief Fund will be there to help them.

On the other hand, I am pleased to announce that within the next few months, the right conditions should be in place for us to celebrate the fiftieth anniversary of Reunification with all due solemnity.

Fellow Cameroonians,

My dear compatriots,

I am well aware of the terms of the pact we entered into a year ago. We can already see the first achievements. Others will follow in the months ahead. Let us take advantage of the peace and stability our country is enjoying to do great things. I am determined to do so and I urge you to support my efforts. Of course, there will be obstacles, but with the support of everyone, especially the youth, I am sure we will overcome them.

We are a great people, a great Nation. We must show it, now or never.

Let me now extend to you all, my most sincere wishes for health and happiness in the New Year.

Happy New Year 2013!

Long live Cameroon!