

PRESS RELEASE

The **Prime Minister, Head of Government, His Excellency Joseph DION NGUTE**, today Thursday 2 July 2020 at 10 a.m. in the auditorium of the Prime Minister's Office, chaired a special Cabinet meeting devoted to the examination of the Medium-Term Economic and Budget Programming Paper for the 2021-2023 period, as a prelude to the Budgetary Orientation Debate to be held in Parliament in the days ahead.

Ministers of State, Ministers and Ministers Delegate took part in this Meeting, whose sole item on the agenda was the statement by the Minister of Finance on the *guidelines of the Economic and Budgetary Programming Document for the 2021-2023 period*.

Taking the floor after the introductory statement by the Head of Government, the Minister of Finance recalled that the budget orientation debate, provided for by the law of 11 July 2018 on the financial regime of the State and other public entities, is aimed at enabling Parliament and the Government to better contribute to the definition of the macroeconomic and budgetary framework, which underpins the drafting of the State finance law.

With specific reference to the Economic and Budget Programming Paper for 2021-2023, the Minister of Finance indicated that it had been drawn up in a context marked by a significant contraction in economic activity worldwide, due to the health crisis linked to the coronavirus pandemic. However, the Response Plan implemented by the Government, under the impetus of the Head of State, has made it possible to mitigate the socio-economic impacts of this crisis and to define the conditions for economic recovery.

From this perspective, public action for the period 2021-2023 will focus on (i) controlling the health situation and mitigating the impacts of the COVID-19 pandemic; (ii) continuing to implement the recommendations of the Major National Dialogue, in particular the reconstruction of the Northwest and Southwest Regions; (iii) accelerating the decentralization process; (iv) the gradual deployment of Universal Health Coverage; (v) the maintenance of security surveillance throughout the national territory; and (vi) the finalization of major first-generation projects, in particular those relating to the Three-Year

Emergency Plan for Economic Growth, the Three-Year Special Youth Plan and the organization of CHAN 2021 and AFCON 2022.

Continuing his remarks, the Minister of Finance stressed that, in view of the decline in public revenue, the State's economic and financial prospects for the 2021-2023 period are mainly based on the "**import-substitution**" policy, through the reduction or gradual abolition of exemptions on certain products that burden the balance of trade, so as to promote local production on a larger scale. In addition, various types of facilities will be granted to national producers to promote the "*made in Cameroon*" label, and emphasis will be laid on improving the profitability and competitiveness of public enterprises.

At the end of the discussion following this presentation, the Prime Minister instructed the Minister of Finance to fine-tune the proposed budget guidelines and to submit to him within a fortnight with concrete and detailed measures that could be included in the Finance Law for the 2021 financial year. He also instructed him to give priority to partnership engineering, by identifying those public enterprises whose capital can be opened up to the private sector, with a view to relieving pressure on the Treasury and increasing their performance.

The Head of Government has also instructed the Minister of Finance and the Minister of Economy to make budgetary provisions for the completion of ongoing infrastructural projects, by making savings on current consumption expenditure, fuel, the acquisition of service or official vehicles and mission expenses, which will be considerably reduced. Finally, he instructed them to speed up the process of preparing the finance bill for the 2021 financial year, so that it could be tabled in Parliament within the prescribed deadlines.

The Meeting was adjourned at 1:15 p.m.

Yaounde, the 02 JUL 2020

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