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Cameroon: Transport Sector Reform

The main objectives of the project which closed in mid-1999 were to support government efforts to :

- i. Launch the transport sector program, which would result in the:
 - creation of a new private civil aviation company;
 - private operation of rail services;
 - liquidation of the urban bus company;
 - sale of public shares in the Cameroon Shipping Lines (CAMSHIP) and in the Cameroon Container Transport and Freight Forwarder company (CAMTAINER);
 - restructuring of the Ministry of Transport (MOT); and
 - reform of the regulatory framework for the air, urban, and maritime transport.
- ii. Continue preparation of the subsequent phases which would result in the :
 - restructuring of the Ministry of Public Works (MOPW) – contract out most of the road maintenance program; and implement a pluri-annual programming system, as well as a sustainable financing mechanism for road maintenance;
 - restructuring and downsizing of the port authority – implement an efficiency-driven organization for dredging;
 - upgrading of the customs' institutional framework – overhaul the customs' computerized information system; implement a new international transit system.

Impact on the ground

- Railway activities are being devolved to private operators under a concessioning arrangement. The public enterprise operator, REGIFERCAM is in the process of liquidation. The efforts are expected to be finalized under the follow-on Railway Concessioning project.
- SOTUC, the urban public bus company was liquidated and urban transport was liberalized.
- Both CAMSHIP and CAMTAINER were privatized.
- The restructuring of MOT and MOPW is continuing as part of the Transport Sector project and the Third Structural Adjustment credit.

- With respect to road maintenance, the project established a framework for sustainable financing, adequate road management, and the private execution of maintenance.
- Efforts at reforming the port sector are continuing under the Third Structural Adjustment Credit.
- The improvement of the international transit system was only partially achieved, while the privatization/liquidation of the civil aviation company did not take place.

Lessons learned

- The budgetary and social impact of privatization, including severance payments, should be addressed during project preparation.
- The involvement and commitment of senior management (from the donor's side and the government) is crucial to the process of reform implementation.
- Continuity in Bank support strategy through successive projects is essential for supporting the different phases of reforms and for consolidating those achieved through the project.
- Financial management issues need to be addressed squarely and up-front.

This article has been almost completely excerpted from the Evaluation Summary prepared by the Operations Evaluation Department of the World Bank. For more information on this review, please contact Binyam Reja: Breja@worldbank.org

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