SOCIAL PROTECTION AND LABOR

DISCUSSION PAPER

No. 2603 | July 2025

Rethinking Poverty Reduction: Building an Effective Safety Net in Cameroon

Ioana Botea
Hrishikesh TMM Iyengar

WORLD BANK GROUP
Social Protection & Jobs

1818 H Street NW, Washington DC 20433
Telephone: +1 (202) 473 1000; Internet: www.worldbank.org.

Rethinking Poverty Reduction:
Building an Effective Safety Net in Cameroon

Ioana Botea and Hrishikesh TMM Iyengar[1]

July 2025

Abstract

This policy note examines the role of social safety nets in addressing persistent poverty and inequality in Cameroon. Building on over a decade of implementation, Cameroon's main safety nets initiative—the *Projet Filets Sociaux* (PFS)—has laid important foundations but remains limited in scale and reliant on external financing. Using administrative data and the 2021–2022 ECAM5 household survey, the analysis assesses PFS performance along key dimensions: expenditure, coverage, adequacy, and effectiveness. The findings show that while PFS has reached over 370,000 households, its poverty reduction impact is constrained by fragmented coverage, low benefit levels, and time-bound support. Microsimulations indicate that increasing both the size of transfers and the number of beneficiaries could substantially reduce poverty and help close the gap toward national targets. The note outlines five actionable recommendations to support the development of a national safety nets program: (1) establish a permanent institutional structure, (2) secure predictable financing, (3) expand coverage, (4) improve benefit adequacy, and (5) modernize delivery systems. These reforms would strengthen Cameroon's ability to protect vulnerable populations, foster economic inclusion, and accelerate progress toward its development goals.

JEL codes: D63, H53, I38, J28, O15

Keywords: social safety nets, poverty reduction, social protection, social assistance, cash transfers, public works, coverage, incidence, adequacy, spending, source of financing.

---

[1] This note was written by Ioana Botea (ibotea@worldbank.org) and Hrishikesh TMM Iyengar (htirumalamadabus@worldbank.org). The authors sincerely thank Rayner Tabetando for conducting the poverty reduction microsimulations and Ana Sofia Martinez Cordova, Muhsine Senart, and Bhavya Paliwal for their support with the ASPIRE data. We are also grateful to Julian Koschorke, Yuko Okamura, and Hugo Brousset for their insightful comments as well as to Emma Hobson and Colin Andrews for overall guidance. Finally, we appreciate the constructive inputs and feedback from the PFS implementation unit and government participants at the two workshops held in November and December 2024.

Table of Contents

Executive summary

Cameroon faces a persistent poverty challenge that threatens its development aspirations. Despite some progress, poverty has declined only marginally over the past two decades—from 40.2 percent in 2001 to 37.7 percent in 2021—and inequality remains high. Population growth has driven a sharp increase in the absolute number of poor individuals from 6.2 million to over 10 million during this period. Public perceptions reflect these trends: nearly 90 percent of Cameroonians believe the government is not doing enough to improve the living standards of poor people.[2] Without policy reforms, poverty is projected to rise further, underscoring the need for a new approach to inclusive development.

Over the past decade, Cameroon has laid the foundation for a poverty-targeted safety net system through the *Projet Filets Sociaux* (PFS). The project has reached more than 370,000 households across all ten regions and established robust delivery systems—including transparent targeting, a grievance redress mechanism, and digital payments. However, the system remains underutilized. PFS is still largely dependent on World Bank financing and operates through temporary project arrangements. Parallel efforts under the Ministry of Social Affairs are fragmented and face severe resource constraints. While the building blocks are in place, greater ambition is needed to fully harness the potential of safety nets as a tool for poverty reduction and inclusive growth.

The analysis underscores the transformative potential of safety nets as a policy instrument for poverty reduction in Cameroon. Drawing on administrative data and the 2021–2022 ECAM5 household survey, the note assesses the performance of PFS across four key dimensions: expenditure, coverage, adequacy, and effectiveness. Microsimulations reveal that scaling up coverage to 50 percent of poor households and doubling transfer amounts could lower the national poverty rate from 37.7 to 25 percent—enabling Cameroon to meet its NDS30 target. Even modest expansion, such as increasing coverage without raising benefit levels, could nearly halve the poverty gap. These findings highlight the power of well-designed safety nets to significantly reduce both the incidence and severity of poverty.

Key Findings

- **Expenditure:** Social assistance spending remains low at 0.10 percent of GDP—ten times below the regional average—and is overshadowed by fuel subsidies and civil service pensions. From 2013 to 2018, over 95 percent of PFS financing came from the World Bank. While the government has gradually increased its domestic contributions to PFS, particularly during the COVID-19 crisis, actual disbursements frequently fall short of

[2] Afrobarometer 2024

budgeted amounts. In 2020, less than half of committed funds were released, and no domestic disbursements occurred in 2023 or 2024, despite higher allocations in the national budget.

- **Coverage:** Since its launch, PFS has reached more than 370,000 households—equivalent to one in five poor households or about eight percent of the total population on a cumulative basis. However, support is time-bound, with beneficiaries receiving transfers for only 12 to 24 months. As a result, annual coverage is significantly lower. Even at its peak during the COVID-19 response in 2021, the program reached only 9.2 percent of poor households. In non-crisis years, coverage has remained steady at around 30,000 households annually, with new cohorts enrolled as previous ones exit.
- **Adequacy:** The real value of cash transfers has declined significantly due to inflation, as benefit levels have not been adjusted since their introduction in 2013. Under the regular cash transfer program (TMO), bi-monthly payments of 20,000 FCFA were worth just 15,845 FCFA in real terms by 2023—equivalent to only two percent of average national household consumption (down from 2.7 percent) and 14 percent of consumption among the poorest quintile (Q1) households. Emergency cash transfers (TMU) of 30,000 FCFA dropped to 25,665 FCFA in real terms, representing 3.1 percent of average consumption and 20 percent for Q1 households. Both fall well below regional and global benchmarks of 8–10 percent of household consumption.
- **Effectiveness:** An impact evaluation of PFS found positive effects at the household level, with transfers boosting consumption, school attendance, savings, and investment in livestock and small businesses. These outcomes are consistent with global evidence that safety nets enhance resilience and promote economic inclusion. However, microsimulations of national-level impacts suggest that, at current scale, PFS reduces the poverty rate by only 0.6 percentage points. While effective for individual households, PFS has yet to realize its full potential as a national poverty reduction instrument.

Policy Recommendations

1. **Establish a permanent institutional structure:** Transition from a time-bound safety nets project to a nationally anchored program. This would require the government to adopt a legal framework, designate a dedicated institutional home within the administration, and strengthen local delivery capacity. The government should clarify institutional roles—particularly between MINEPAT and MINAS—and ensure that implementation is aligned with broader social protection objectives.

2. **Guarantee adequate and reliable financing**: Ensure the sustainability of safety nets by creating a dedicated budget line and establishing predictable disbursement mechanisms. The government should reallocate fiscal resources—especially those resulting from fuel subsidy reforms—to finance pro-poor transfers. In addition, the government is encouraged to explore innovative financing instruments, such as disaster risk financing, to enhance the resilience of the social protection system.

3. **Expand coverage**: Increase the reach of safety nets by scaling up the number of poor households supported at the same time and considering the extension of support duration. The government should aim to cover at least 25 percent of the poor population and introduce recertification mechanisms in place of strict time limits. Building adaptive capacity into the system—particularly through the TMU program—would further enhance the government's ability to respond to shocks.

4. **Improve transfer adequacy**: Strengthen the impact of safety nets by increasing benefit amounts to meet regional benchmarks and instituting regular adjustments for inflation. The government should carefully consider the trade-off between expanding coverage and raising transfer values, recognizing that even modest increases in benefit levels can significantly improve outcomes for beneficiaries.

5. **Modernize delivery systems**: Prioritize the operationalization of Cameroon's Unified Social Registry (RESUC) to enable effective targeting and coordination of social protection programs. The government should also scale up the use of digital payments to improve efficiency, reduce administrative costs, and promote financial inclusion. Addressing delivery constraints, including ensuring access to national IDs and strengthening last-mile implementation, will be essential for effective program implementation.

With robust foundations already established, Cameroon has reached a pivotal moment to institutionalize and scale up its safety net system. A national program, backed by sustained financing and modern delivery systems, could become a cornerstone of the country's poverty reduction strategy. Taking decisive action now will enable the government to protect the most vulnerable populations, strengthen resilience to future shocks, and lay the foundation for a more inclusive and prosperous future.

1. Introduction

Poverty reduction in Cameroon has stalled over the past two decades. As of 2021, around 1 in 3 Cameroonians (37.7 percent) still live below the national poverty line of 296,688 FCFA per person per year,[3] only a modest decline from 40.2 percent in 2001 (World Bank, 2024a).[4] Due to rapid population growth, however, the number of people living in poverty has risen sharply—by 66 percent—from 6.2 million in 2001 to 10.3 million in 2021. Inequality also remains high: although the Gini coefficient declined from 44.0 in 2014 to 42.9 in 2021, it is still above its 2021 level of 40.4.

Sluggish and uneven economic growth has contributed to the stagnant poverty rate. GDP per capita is now lower than in the 1980s, and the economy has been unable to create enough productive jobs for the growing population. Notably, labor force participation declined from 79 percent in 2001 to 64 percent in 2021 (World Bank, 2024a). For those who are economically active, the shift away from agriculture has not resulted in significantly better livelihoods. While productivity is generally higher in services than in agriculture, many Cameroonian workers have shifted to self-employment in the informal service sector, resulting in only marginal income gains.

Mounting public frustration reflects broad dissatisfaction with living standards and government performance. According to Afrobarometer (2024), half of Cameroonians (49 percent) consider their living standards inadequate, and two-thirds (67 percent) are dissatisfied with the country's economic situation. An even larger majority rated the government's efforts poorly when it comes to improving living conditions for poor people (87 percent) and narrowing the gap between rich and poor (86 percent). These findings point to a growing recognition of Cameroon's persistent poverty challenges—and rising expectations for more effective government action.

The government has committed to ambitious poverty reduction and social inclusion goals. In 2020, Cameroon launched the National Development Strategy 2020-2030 (NDS30), which aims to: (i) boost economic growth; (ii) raise living standards, improve access to services, and reduce poverty; (iii) strengthen environmental management, including climate change adaptation and mitigation; and (iv) promote good governance. These objectives align with Cameroon's Vision 2035 initiative, which aspires to transform Cameroon into an upper middle-income country (UMIC) and reduce poverty to below 10 percent by 2035.

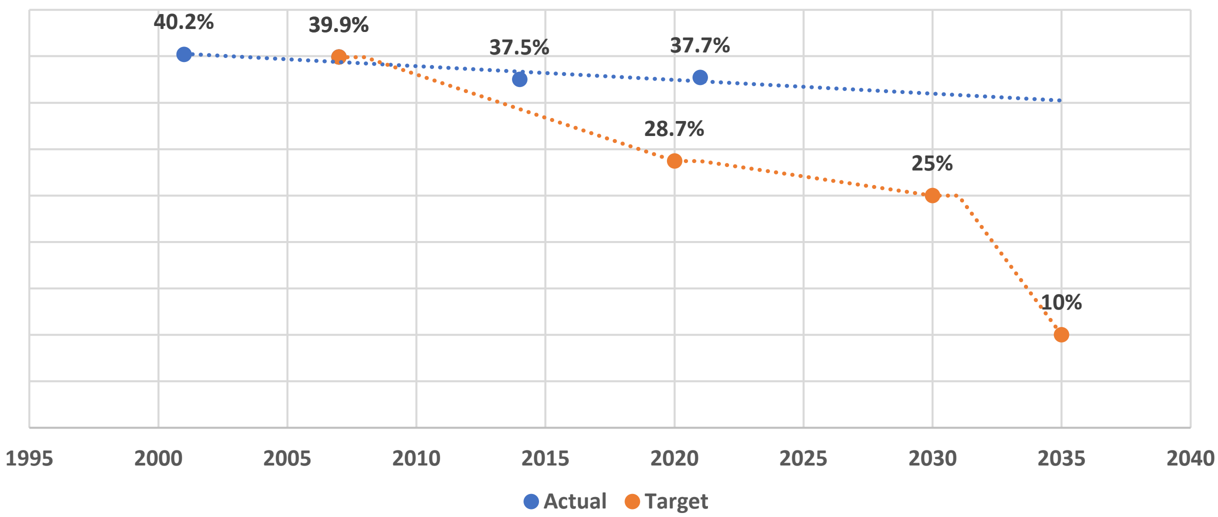
However, current policies are not achieving the desired results. The NDS30 acknowledged the country's limited progress towards the previous target of reducing poverty to 28.7 percent by 2020 and tempered expectations for the pace of poverty reduction. Instead of aiming to reduce poverty by 10 percentage points over 10 years, a new goal was set to reduce it by half that

[3] The national poverty line corresponds to US$3.04. Using the international poverty line of US$3.65 per day, the poverty rate was 46.7 percent in 2021.

[4] The difference is not statistically significant.

amount, targeting 25 percent by 2030. Despite this adjustment, progress has remained modest, owing to the stagnant poverty reduction. As shown in Figure 1 below, there is a significant and persistent gap between actual poverty rates and policy targets. Moreover, macroeconomic forecasts suggest that, without policy reforms, the poverty rate may, in fact, increase to 40 percent by 2025 (World Bank, 2024a).

Figure 1. Evolution of the poverty rate compared to policy targets, 2000–2035



Source: Original figure based on policy documents and the 2024 Poverty Assessment (World Bank, 2024a).

A new approach is needed to reduce poverty and enable inclusive development. The 2024 Cameroon Poverty Assessment underscores the urgency of comprehensive policy reform to unlock the country's poverty-reduction potential (World Bank, 2024a). Key measures proposed include policies fostering faster and more inclusive growth by improving the environment for private investment, leveraging international trade, and creating fiscal space for pro-poor spending. The report also calls for robust, cross-cutting support for all Cameroonians — most notably through the institutionalization and expansion of social assistance as a crucial tool to begin lifting people out of poverty. A successful strategy must therefore pair pro-poor growth measures with well-designed safety nets that help vulnerable households meet basic needs, grow their livelihoods, and break the cycle of intergenerational poverty.

Cameroon is well-positioned to harness the potential of safety nets given its decade-long experience with the Safety Nets Project (*Projet Filets Sociaux*, PFS). The country has established a strong foundation for a national safety nets program focused on poverty reduction. As of July 2024, PFS has reached over 372,500 households across all 10 regions since its launch in 2013. The program has also facilitated investments in systems critical to effective service delivery, including an objective and transparent beneficiary selection mechanism, a digital payments system, a management information system, and a grievance redress mechanism. However, PFS continues to rely on World Bank financing, while established safety nets programs under the Ministry of Social Affairs (MINAS) remain limited in scale and fragmented. Building on this foundation, the government now has an opportunity to consolidate and scale up its support to poor and vulnerable households through a cohesive national program.

This policy note aims to inform the creation of a national safety nets program in Cameroon. It begins with an overview of the social protection landscape and then narrows its focus on the country's largest safety nets mechanism, PFS. By evaluating PFS's performance across various metrics—including expenditure, coverage, adequacy, and effectiveness—the note highlights achievements and identifies areas for improvement as the government considers establishing a national safety nets program. It concludes with a set of policy recommendations aimed at guiding the creation of an effective and sustainable social transfers mechanism.

Box 1: Data sources and limitations

The analysis combines administrative and household survey data. First, it uses the World Bank's Atlas of Social Protection Indicators of Resilience and Equity (ASPIRE) database for standardized information on expenditure, coverage, and adequacy of social protection programs. ASPIRE provides data on qualifying programs in Cameroon and facilitates cross-country comparisons. Second, administrative data from PFS is analyzed to explore financing composition, disbursement rates, and year-on-year coverage. Third, data on Bank financing–both financing amount and financing type–is obtained from the World Bank's Client Connection Portal. Lastly, data from the 2021-2022 Fifth, Cameroon Household Survey (ECAM5) is employed for the coverage, incidence, and poverty reduction microsimulations.

Two main data limitations should be noted. First, the ASPIRE data relies on a 2022-2023 collection exercise, which gathered information from ministries and agencies to document actual coverage, expenditures, and implementation details. However, the quality of this data depends on the accuracy of government submissions, and some gaps may persist despite efforts to address them during the drafting of this note. Second, the ECAM5 survey faces typical challenges associated with household surveys and likely offers an incomplete picture of the social protection landscape in Cameroon. Program participation is self-reported, and the level of detail on program types and benefit characteristics is limited. Additionally, the ECAM5 data does not allow for direct identification of PFS beneficiaries among cash transfer recipients. This limitation precluded a more in-depth incidence analysis and required the assumption that PFS beneficiaries have similar baseline income levels as other cash transfer beneficiaries for the microsimulations.

2. Overview of the social protection sector

The government of Cameroon has increasingly recognized the importance of social protection in its development agenda. The NDS30 aims to "improve people's living conditions and their access to basic social services by ensuring a significant reduction in poverty and underemployment," with a focus on strengthening social protection and expanding support for poor people. Recognizing the early stage of its social protection sector, the NDS30 underscores the need to enhance the "social role" of the state and promote population well-being. One of its primary objectives is, therefore, to expand social services by establishing a national social transfer system. Additionally, Cameroon has committed to adequately finance health, education, and social protection as part of the 2021 CEMAC Economic and Financial Reform Program. However, the sector still lacks a clear framework and strategic direction, as the 2017 National Social Protection Policy has yet to be formally adopted.

Cameroon's social protection sector encompasses programs in social insurance, social assistance, and labor market interventions. According to the ASPIRE database, there were at least two social insurance programs, five social assistance programs, and nine labor market programs in 2021 (see Table A.1).[5] The two principal social insurance schemes—serving public and private sector employees—provide old-age, disability, and survivor benefits. Within social assistance, the PFS and health voucher programs are the most significant, while smaller initiatives managed by the Ministry of Social Affairs (MINAS) are consolidated into a single category for this analysis (see Figure 3). MINAS estimates that more than 150 interventions targeting vulnerable populations are implemented across various ministries, often operating with limited budgets and varying degrees of visibility within national systems.

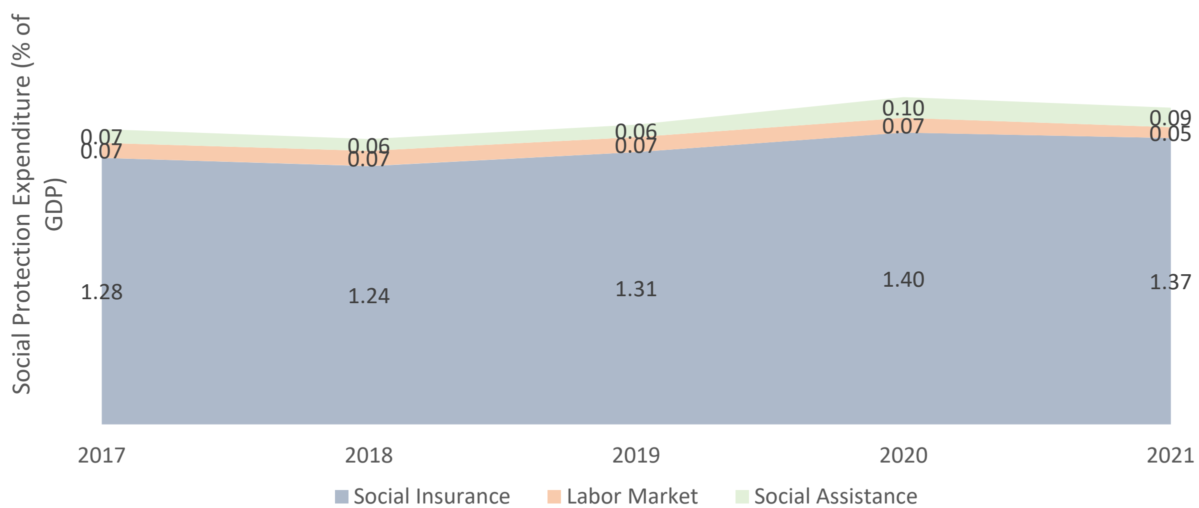
Public spending on social protection remains low and skewed toward better-off populations. In 2021, Cameroon allocated 1.52 percent of GDP to social protection—a level that has remained broadly stable since 2017 and is below the Sub-Saharan Africa average of 1.7 percent, as well as the LMIC and UMIC averages of 3.7 percent and 6.4 percent, respectively.[6] The bulk of spending (89 to 91 percent, or 1.24 to 1.40 percent of GDP) went to social insurance, primarily the civil service pension, which covers a relatively small, more affluent segment of the population (Figure 2). In contrast, labor market programs accounted for just 0.05 to 0.07 percent of GDP, with the remainder allocated to social assistance. Since only social assistance programs are explicitly

[5] The ASPIRE database includes data on Cameroon until 2021. It identifies three types of social protection instruments: (i) *social insurance,* such as contributory old-age, disability, survivors pensions; (ii) *social* assistance, which includes cash transfer, public works, social pension, in-kind, school meals, and health or education grant/fee waivers; and (iii) *labor market programs,* including training, job rotation, job sharing, entrepreneurship support, labor market services and unemployment benefits.

[6] Adapted from Okamura et al., 2025.

targeted to poor and vulnerable groups, the overall distribution of spending is regressive and less effective in addressing poverty (see Annex Figure A.3).

Figure 2. Social protection expenditure by instrument type (% of GDP), 2017–2021

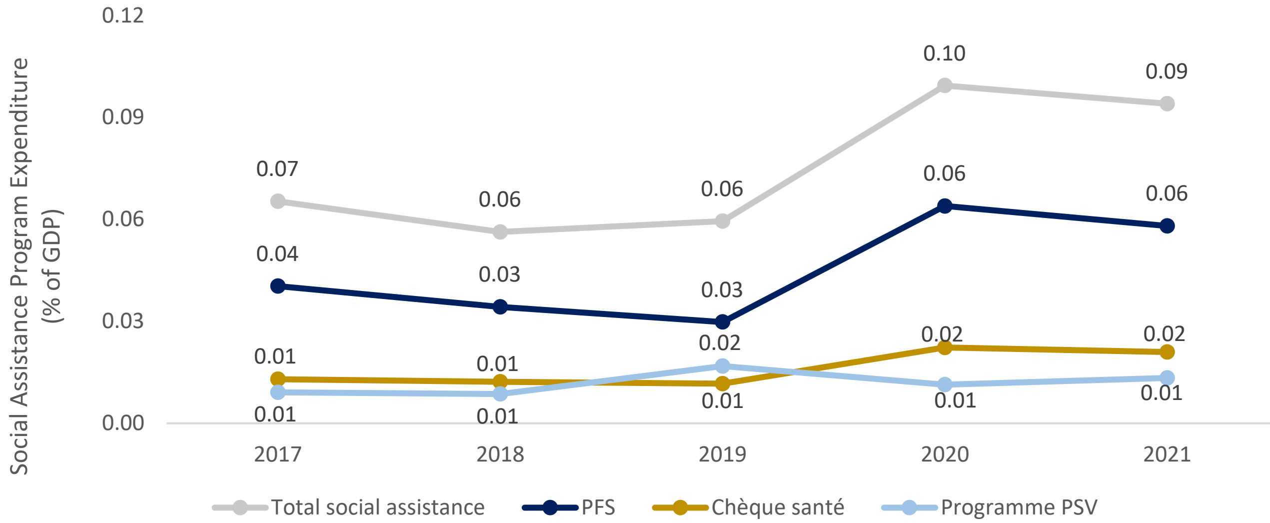


Source: Original figure for this paper based on the World Bank's ASPIRE administrative database.

Despite increases in social assistance spending since 2017, the level of investment remains insufficient to meet the country's poverty reduction goals. During the 2020-2021 COVID-19 crisis, spending rose from 0.06 to 0.10 percent of GDP but remains low compared to peer countries. In 2021, Cameroon's social assistance spending was nearly 10 times lower than the averages for Africa (0.8 percent) and LMICs (1.0 percent) and significantly lagged behind all its structural and aspirational peers (see Figure A.1, adapted from Okamura et al., 2025). This investment gap is especially concerning in the context of worsening poverty and inequality, exacerbated by conflict, droughts, and high global commodity prices—factors that typically warrant increased counter-cyclical spending on social assistance.

The *Projet Filets Sociaux* (PFS) plays a central role in Cameroon's social assistance landscape, standing out as the main program within a fragmented system. Between 2017 and 2021, PFS accounted for almost 60 percent of the total social assistance expenditure, making it the largest social assistance program in terms of expenditure (see Figure 3). In 2021, 62 percent (0.06 percent of GDP) of the social assistance allocation was directed to PFS, primarily funded through a World Bank loan. The second-largest program, the *Chèque Santé* Program, accounted for 0.02 percent of GDP, providing health waivers for pregnant women with support from the *Agence Française de Développement* (AFD). Meanwhile, the umbrella *Programme de Protection Sociale des Personnes Socialement Vulnérables* (PSV) represented only 0.01 percent of GDP, with all other social assistance programs combined contributing an additional 0.01 percent of GDP.

Figure 3. Social assistance expenditure by program (% of GDP), 2017–2021



Source: Original figure for this paper based on the World Bank's ASPIRE administrative database.
Note: Only the three largest Social Assistance programs in terms of expenditure are plotted alongside the total Social Assistance expenditure.

Finally, fiscal analysis reveals that the scale of PFS remains too limited to significantly impact the national poverty rate. An assessment of the distributive impact of the current tax and transfer system in 2022 found that Cameroon's fiscal system led to a net increase in poverty.[7] This outcome was primarily due to expenditures on fuel and electricity subsidies, which disproportionately benefited wealthier households and far exceeded spending on direct transfers. In 2022, targeted programs financed directly by the government were estimated to cover only 1 percent of the population, limiting their ability to make a difference at the national level. To enhance the poverty- and inequality-reducing effects of fiscal policy, the study recommends eliminating regressive fuel and electricity subsidies to create the fiscal space for institutionalizing and expanding pro-poor safety net programs.

[7] Cameroon's fiscal policy increases poverty by 2.1 percentage points at the national line and reduces inequality by 3.3 Gini points. (Houts et al., 2024).

3. Assessing the performance of the *Projet Filets Sociaux (PFS)*

The government launched PFS in 2013 to establish a system aimed at reducing poverty and promoting human capital development. The project's goal was to lay the foundation for a national safety net by developing core delivery systems and creating a permanent safety nets institution within the government. Managed by an implementation unit within the Ministry of Planning, Programming, and Regional Development (MINEPAT), PFS included two main interventions: regular cash transfers (*Transferts Monétaires Ordinaires*, TMO) and labor-intensive public works (*Travaux à Haute Intensité de Main d'Œuvre*, THIMO). A third intervention, emergency cash transfers (*Transferts Monétaires d'Urgence*, TMU), was introduced in 2016 in response to an inflow of refugees from the Central African Republic.

Box 2: Safety nets interventions under PFS

The *Projet Filets Sociaux* (PFS) includes three main interventions:

i. **The Regular Cash Transfers (*Transferts Monetaires Ordinaires*, TMO) Program** provides beneficiary households with a total of 360,000 FCFA (US$621) over two years to help them meet basic needs and work towards economic self-reliance. Households receive bi-monthly payments of 20,000 FCFA (US$35) and larger payments of 80,000 FCFA (US$138) at the 12- and 24-month points to support investments in income-generating activities (IGAs). At registration, beneficiaries sign a "moral contract" committing to use the transfers to support human capital development, including children's health and education. They also receive training in early childhood development, health, nutrition, hygiene, and IGAs.

ii. **The Emergency Cash Transfers (*Transferts Monétaires d'Urgence*, TMU) Program** provides 180,000 FCFA (US$312) to crisis-affected households through bi-monthly transfers of 30,000 FCFA (US$52) over 12 months. Unlike TMO, TMU doesn't include IGA training, focusing solely on monthly human capital development sessions. Beneficiaries are identified using a streamlined targeting approach that combines community listing with a simplified PMT.

iii. **The Labor-Intensive Public Works (*Travaux à Haute Intensité de Main d'Œuvre*, THIMO) Program** provides temporary employment through community microprojects, such as infrastructure rehabilitation and water management. Beneficiaries receive at least 60 days of work, with daily wages of 1,500 FCFA (US$2.60) in rural areas and 2,000 FCFA (US$3.47) in urban areas. To promote women's participation, mobile crèches are provided for childcare support.

In its third financing phase starting in 2022, the World Bank rebranded PFS as the Adaptive Safety Nets and Economic Inclusion Project (PFS-AIE), reflecting a stronger focus on shock-responsive systems and youth employment. In addition to TMO, TMU, and THIMO, the project now includes a Youth Economic Inclusion Program and a Business Plan Competition targeting 18–35-year-olds in urban areas. These are implemented in partnership with the Ministry of Youth and Civic Education (Ministère de la Jeunesse et de l'Education Civique, MINJEC) and the Ministry of Small and Medium-sized Enterprises, Social Economy and Handicrafts (Ministère des PME de l'Economie Sociale et de l'Artisanat, MINPMESA), respectively.[8]

Over the past decade, PFS has evolved to become the country's largest social assistance instrument. Since its launch in 2013, PFS has provided safety nets benefits to over 372,500 households—or 2.2 million individuals—across the country. The project has also facilitated investments in critical social protection systems by developing a robust targeting methodology, a management information system, and a grievance redress mechanism. Additionally, PFS has enhanced its shock-response capacity through increased digitalization along the delivery chain—from beneficiary registration using biometric tablets to payments via mobile money. Although PFS continues to be primarily financed by the World Bank, it has attracted contributions from the state budget as well as from other development partners such as the AFD and UNICEF.

This section assesses the performance of the PFS in achieving its objectives by examining four key dimensions. First, it analyzes expenditure, focusing on the allocation and utilization of financial resources. Second, it evaluates coverage, considering the extent to which the PFS reaches its target population. Third, it evaluates adequacy by comparing transfer amounts to consumption levels and examining benefit erosion over time. Finally, it examines effectiveness, analyzing the program's impact on poverty reduction and comparing outcomes under scenarios of higher coverage and adequacy.

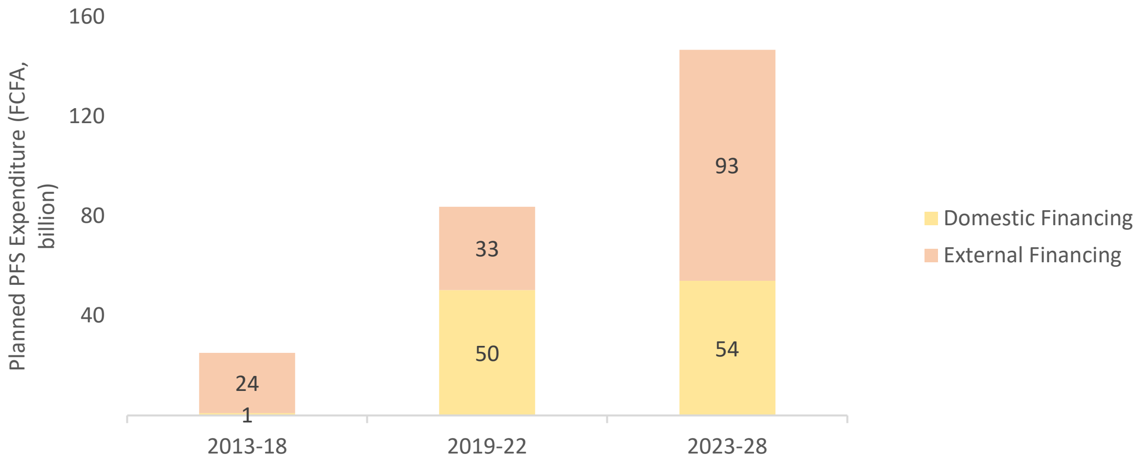
3.1. Expenditure

The government has steadily increased its direct financial allocations to PFS. The project has benefitted from three rounds of external financing from the World Bank, amounting to US$270 million (150 billion FCFA). Starting in 2019, the government began to contribute domestic resources, significantly increasing its allocations in 2020 in response to the COVID-19 crisis (see Figure 4). During the initial phase of the project (2013-2018), the World Bank covered over 95

[8] The new interventions fall outside the scope of this policy note, as they are not strictly safety nets. Given the objective of informing the creation of a national safety nets program managed by a dedicated institution, the note thus focuses exclusively on the three social transfer interventions and retains the PFS name throughout.

percent of the project's expenditures, with domestic resources contributing less than 5 percent. However, in the subsequent phases (2019-2022 and 2023-2028),[9] domestic financing increased substantially, amounting to approximately 60 percent and 40 percent in the second and third phases, respectively.

Figure 4. PFS budget allocations by financing source



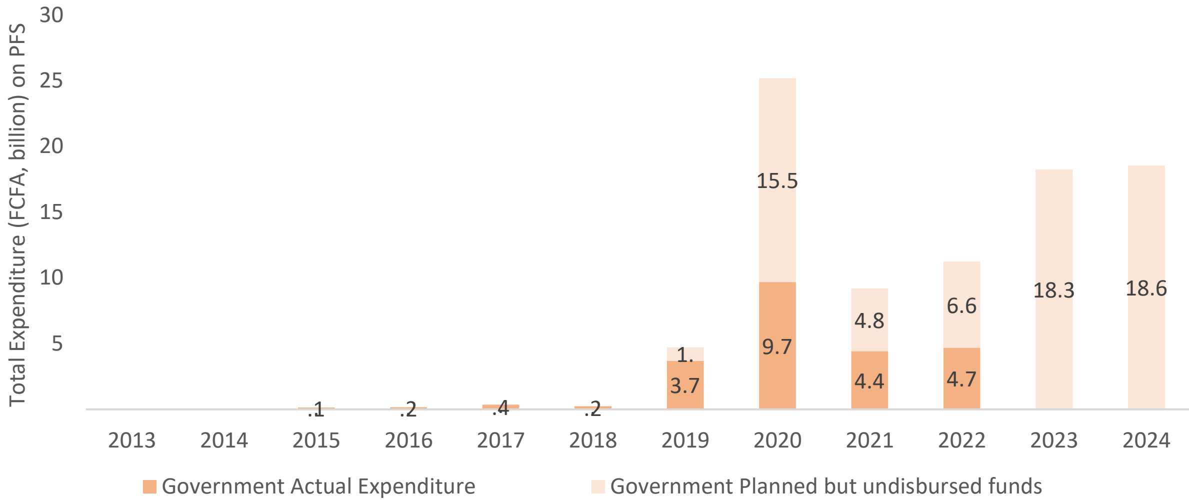
Source: Original figure for this paper based on Domestic Financing data from PIU administrative data and External Financing data from the World Bank documents (Project Appraisal and Project Paper). Exchange rate from the IMF's International Financial Statistics (IFS) database. GDP data from the World Bank and IMF.

However, there are significant discrepancies between the amounts allocated in the national budget and those actually disbursed. From 2015 to 2018, disbursements of domestic resources closely aligned with allocations (see Figure 5), which were modest and primarily used to cover the salaries of civil servants seconded to the implementation unit. Budget execution peaked in 2019, driven by the expansion of safety nets under the World Bank's US$300 million development policy financing. The highest disbursement was recorded in 2020 during the COVID-19 pandemic; however, less than half of the committed domestic resources were ultimately disbursed, resulting in incomplete transfers to beneficiaries.[10] This was largely due to delays in the release of funds by the Treasury, a challenge that also affected disbursements in 2021 and 2022. Despite a substantial increase in budget allocations to PFS in 2023 and 2024, no funds have yet been disbursed, limiting the project's ability to meet its beneficiary targets.

[9] The last phase (2023-28) covers PFS-AIE, including youth employment and entrepreneurship interventions, since government allocations to the project are not earmarked for specific components.

[10] Beneficiaries of COVID-19 emergency cash transfers received only one of the three expected payments.

Figure 5. PFS government expenditure: disbursed vs. undisbursed amounts



Source: Original figure for this paper based on government expenditure (disbursed and undisbursed amounts) from PIU administrative data. Exchange rate from IMF's International Financial Statistics (IFS) database. GDP data is from the World Bank and IMF.

Moving forward, adequate and reliable financing will be critical to the success of safety nets. Consistent funding enables programs to operate smoothly, ensuring timely service delivery, reducing interruptions, and maintaining continuous support for beneficiaries. For safety net programs in particular, stable financing is crucial, as their impact on poverty reduction hinges on households receiving predictable support. Global evidence shows that even modest cash transfers empower poor households to meet basic needs and invest in education and income-generating activities—but only when funding is dependable.

3.2. Coverage

PFS targets poor households in all 10 regions of the country. PFS interventions have been rolled out gradually across the country, starting with the poorest regions and departments. In each geographic area, the beneficiary selection methodology varies by intervention to meet specific objectives and target populations. TMO focuses on chronically poor households, primarily in rural areas, using a proxy means test (PMT) that estimates poverty status based on indicators like education level and housing characteristics that are closely correlated with consumption levels. Similarly, TMU combines community listing with a simplified PMT to quickly identify eligible refugees, internally displaced persons, and host communities. Lastly, THIMO targets poor individuals who self-select into the program based on time availability and the program's relatively low wages. Together, these programs aim to provide effective and timely support to those most in need.

Box 3: Beneficiary incidence and targeting accuracy

Data limitations restrict a detailed analysis of beneficiary incidence. While examining the distribution of beneficiaries across income quintiles is critical for assessing targeting accuracy—and, by extension, for performance assessments—several challenges with the ECAM5 data prevent this analysis for Cameroon. First, the survey does not distinguish between different cash transfer programs, making it impossible to identify PFS beneficiaries. Additionally, response errors seem to be significant, likely leading to an underreporting of cash transfer coverage. Such errors are common in household surveys, where respondents may struggle to provide accurate information, either due to unfamiliarity with the program (even if they or their household are beneficiaries) or concerns about stigma and the potential cancellation of benefits. In Cameroon's context, these issues are compounded by the limited coverage of safety net programs, resulting in a sample size too small for meaningful analysis.

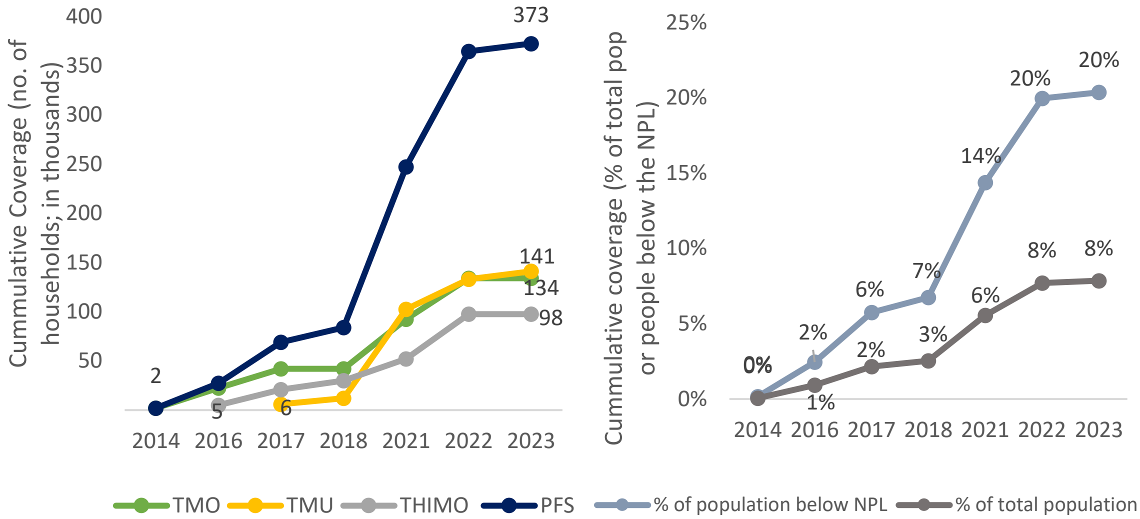
An in-depth assessment is needed to evaluate the targeting accuracy of PFS. Additional data collection and analysis is needed to assess whether beneficiaries were correctly targeted based on their poverty status and to estimate inclusion and exclusion errors. If significant inaccuracies are identified, re-estimating the PMT model may be necessary. The current model, based on 2012 ECAM3 data, likely no longer reflects Cameroon's changing socio-economic landscape. Shifts in demographics, income distribution, and poverty dynamics over time may have compromised its accuracy, leading to targeting errors. Recalibrating the PMT model using more recent household survey data would, therefore, enhance its ability to identify the poorest households and improve PFS's effectiveness.

Over its 10-year existence, PFS has benefited 1 in 5 poor households in Cameroon. The program has so far reached 372,500 households across all 10 regions,[11] covering 20 percent of the poor population[12] or 8 percent of the total population, in cumulative terms. Figure 6 (left panel) shows the overall coverage as well as the breakdown for the three specific interventions. Since its inception, PFS has steadily expanded. In its first three years, the focus was solely on regular cash transfers (TMO). However, the program began including beneficiaries in labor-intensive public works (THIMO) and emergency cash transfers (TMU) starting from 2016 and 2017, respectively. Significant scale-ups took place in the aftermath of the COVID-19 pandemic, with 180,000 households (48 percent of total coverage) and 88,000 households (24 percent) added in 2021 and 2022, respectively.

[11] The number of beneficiary households by region are as follows: Centre (3,500), Littoral (5,500), Sud (16,000), Ouest (20,000), Sud-Ouest (24,500), Yaounde (26,500), Douala (27,500), Adamaoua (35,000), Nord-Ouest (37,500), Nord (41,500), Est (49,500), Extreme Nord (85,000).

[12] This is applicable under the perfect targeting assumption. That is, if all the beneficiaries in the program are below the national poverty line, then the program reaches almost 20 percent of the population below the national poverty line.

Figure 6. Cumulative PFS coverage: number of households (left) and share of poor and total population (right)



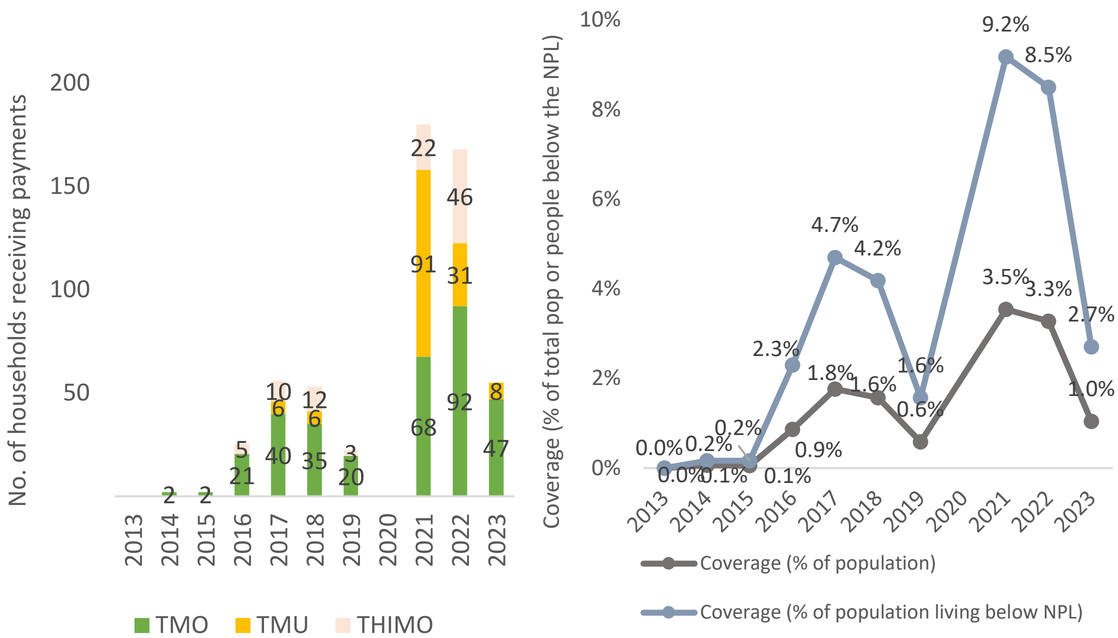
Source: Original figure for this paper based on coverage data from PIU administrative database; World Bank's World Development indicator provides data on population and Poverty headcount using National Poverty Line.

However, no more than 9 percent of poor people received PFS benefits in any given year due to the time-bound nature of support.[13] The project launched with a TMO pilot serving 2,000 households (13,923 individuals) in 2014–2015 and was scaled up over the following four years of the World Bank financing cycle (see Figure 7 left panel).[14] In 2020, however, there were no active beneficiaries due to financing delays and implementation restrictions linked to the COVID-19 pandemic. The sharp increase in TMU beneficiaries in 2021 reflects the government's COVID-19 emergency response, which reached 80,000 people in urban areas. This year also marked the peak of PFS participation, with active beneficiaries covering 9.2 percent of the poor population and 3.5 percent of the total population. Outside these exceptional circumstances, PFS's time-bound assistance maintains a relatively constant number of active participants, with new individuals enrolling as others exit at staggered intervals.

[13] TMO supports beneficiaries for 2 years, while TMU supports for 1 year. Also, Cameroon's safety net coverage lags behind its peers. ECAM5 data show cash transfers reached just 2.5 percent of the population in 2021-2022, compared to 18 percent in Bangladesh's flagship program and 86 percent in Viet Nam's.

[14] Figure 7 presents the number of beneficiaries active at any given year (known as active coverage), while Figure 6 presents the cumulative coverage from the program's inception up until the given year. For example, in 2017, there were 56,000 active PFS beneficiary households while the cumulative coverage (i.e., sum of coverage from the start in 2014 to 2017) was 69,000 households.

Figure 7. Point-in-time coverage: number of households (left) and share of poor population (right)



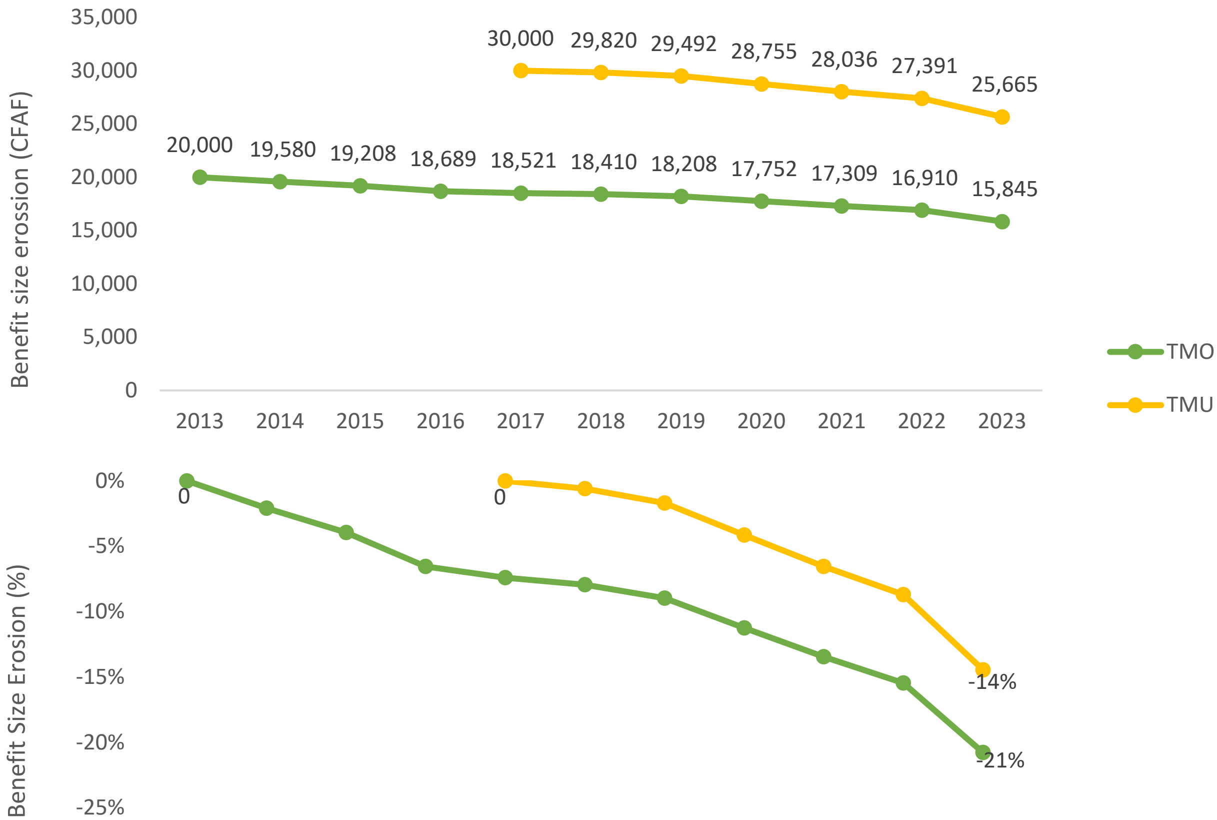
Source: Original figure for this paper based on coverage data from PIU administrative database; World Bank's World Development indicator provides population and Poverty headcount at National Poverty Line data.

PFS's limited operational footprint creates a structural constraint to both its coverage and long-term sustainability. While the rotating implementation model is designed to mitigate dependency by providing time-bound support to successive cohorts of beneficiaries, this approach constrains the program's potential impact on poverty reduction and weakens its constituency of public support. The one-off engagement with each community limits opportunities to build state-citizen trust through sustained service delivery. This constrained coverage undermines the political and social momentum needed to expand safety nets—whether through PFS or a future national program—thus reinforcing a cycle of limited scale and limited institutional support.

3.3. Adequacy

The real value of the transfers has significantly eroded since 2013. Given inflation during the last decade, TMO beneficiaries in 2023 effectively received 15,845 FCFA, compared to the 20,000 FCFA intended when PFS was launched in 2013. This represents a 21 percent decrease in the real value of the transfer (see Figure 8). For TMU, beneficiaries as of 2023 effectively received 25,665 FCFA, compared to the 30,000 FCFA set in 2017, which accounts for more than 14 percent decrease in the real value of the transfer. TMO benefits have eroded 7 percentage points more than TMU benefits because it started earlier in 2013 and neither program has adjusted transfers.

Figure 8. Erosion of benefit value: real transfer amounts (FCFA) and inflation impact

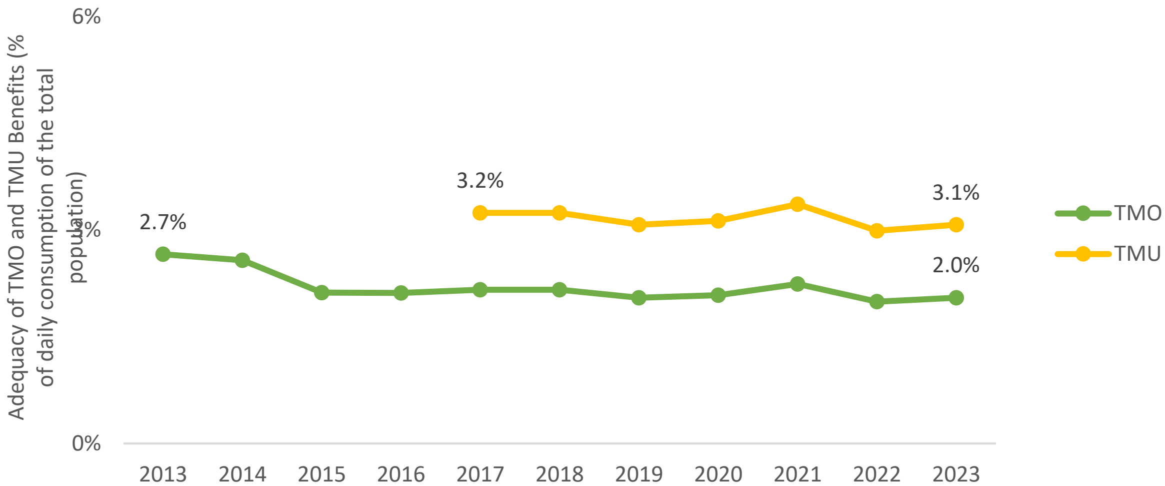


Source: Original figure for this paper based on administrative data from the World Bank documents (Product Appraisal and Project Papers) and IMF inflation (annual % CPI) data.

Furthermore, the adequacy of PFS transfer amounts has been modest from the outset and has declined further relative to household consumption over time.[15] In 2013, the value of TMO benefits represented 2.7 percent of consumption for the overall population, but this share has since fallen to 2 percent given the increase in household consumption levels (see Figure 9). When restricting to Q1, annualized TMO transfers represent 14 percent of annual household consumption. Covering a shorter time span, TMU benefits were initially set at 3.2 percent of household consumption and remained at 3.1 percent in 2023. For Q1 households, TMU transfers represent 20 percent of consumption. Cross-country comparisons indicate that current TMO and TMU transfer values are below both the global average (10 percent) and the Sub-Saharan African average (8 percent) (see Figure A.2, adapted from Okamura et al., 2025).

[15] Adequacy is defined as the percentage of transfer amounts received by beneficiaries of a group relative to the total welfare of the beneficiaries of that group, with quintile distribution based on post-transfer welfare aggregate.

Figure 9. Transfer adequacy: value as a share of household consumption or income



Source: Original figure for this paper based on Benefit size data from the World Bank documents (Product Appraisal and Project Papers). Household size data from UN DESA, exchange rate from IMF's International Financial Statistics (IFS) database, and daily consumption/income data from Our World in Data.

The adequacy of transfers should be improved to strengthen poverty reduction outcomes. Analysis suggests two areas of improvement. First, the value of the transfers should be increased to align closer to the Sub-Saharan Africa region average of 8 percent of household consumption. Second, the program should implement regular adjustments to preserve purchasing power amid inflation. Globally, 79 percent of national cash transfer programs periodically adjust benefits, either automatically or on a discretionary basis, as this practice is essential for achieving intended results (Gentilini et al., 2024).

3.4. Effectiveness

Cash transfers have demonstrated a wide range of positive impacts in Cameroon. From 2014 to 2016, the TMO program was piloted in the Far North region.[16] Consistent with global evidence (see Box 4), the accompanying evaluation[17] found that the transfers increased beneficiaries' consumption by 17 percent and substantially improved healthy behaviors, school enrollment, and financial inclusion.[18] Preliminary evidence further suggests that the program enhanced land access and value, increased agricultural production, and boosted the cultivation of main subsistence crops as well as livestock rearing among beneficiary households (Cheung et al.,

[16] The pilot benefited 2,000 households (around 15,000 individuals) in two different communes – a rural commune (Soulédé-Roua in the Far North with 1,500 households) and a semi-urban commune (Ndop in the North-West region with 500 households).

[17] The evaluation used quasi-experimental methods, i.e., propensity score matching and difference-in-difference estimation. A randomized impact evaluation of TMO is underway.

[18] Based on an internal PFS impact evaluation.

forthcoming). Notably, the transfers generated significant spillover effects, benefiting non-participants indirectly through better employment opportunities and access to more diversified food. These findings highlight the crucial role of cash transfers in combating poverty and chronic food insecurity in Cameroon by improving welfare and building households' capacity for future self-sufficiency through income-generating activities.

Box 4: Proven impact of safety nets on poverty reduction and inclusion

Among the best evaluated interventions in development policy, social safety nets are proven to have wide-ranging effects on poverty reduction, human capital formation, and resilience to shocks. A systematic review of 165 studies from LMICs found that non-contributory cash transfers had clear and significant impact on household consumption, access to schooling, and use of health services (Bastagli et al., 2017); and on secondary outcomes such as savings, productive investments, and diversification of livelihood strategies.

Safety nets programs have been found to have positive impacts on household consumption and reduce poverty. Among the 79 countries for which household surveys are available (including 23 Sub-Saharan African countries), household consumption rose by an average US$0.74 for each US$1.00 transferred, making transfers an effective way to alleviate poverty and reduce inequality (Coudouel et al., 2018). Concerns about the use of cash transfers to buy alcohol, tobacco, or other temptation goods have been shown to be unfounded (Evans & Popova, 2017).

Far from being handouts that foster dependence, safety nets encourage productive investments, improve earnings, and boost economic self-reliance. Beneficiary households are 4 to 20 percentage points more likely to save compared to similar non-beneficiary households, and evaluations indicate that households are also using transfers to reduce borrowing and indebtedness. Additionally, safety nets contribute to asset-building, with livestock ownership increasing by an average of 34 percent across seven programs tracking this outcome (Coudouel et al., 2018). These impacts are further amplified when a "cash plus" approach is used, helping beneficiaries start or expand income-generating activities.

The recent polycrisis stemming from the COVID-19 pandemic and the Russia-Ukraine conflict has also demonstrated the critical role safety nets play in responding to covariate shocks. Cash transfer programs help households build resilience to shocks, including climate shocks, by enabling them to protect consumption in the face of shocks and to protect and invest in productive assets (particularly livestock holdings) to diversify livelihoods and strengthen coping mechanisms.

Safety nets have strong impacts beyond direct beneficiaries, making them a smart investment. Safety nets have proven to have a multiplier effect: for each US$1 transferred to beneficiaries, non-beneficiaries can experience estimated income increases of US$0.30 or more (Coudouel et al., 2018). Together with the impacts on beneficiaries, these additional income effects lead to local economy multipliers of from 1.08 to 1.84; i.e., each dollar transferred through a social safety net to a beneficiary household is projected to add more than one dollar to the local economy.

Microsimulations suggest that PFS has a limited national impact at current coverage and adequacy levels. Using ECAM5 data, the analysis estimates changes in the poverty headcount and poverty gap under varying transfer amounts and coverage levels within the target population.[19] As shown in Figure 10a, the national poverty rate is expected to remain at 37 percent when PFS provides bi-monthly transfers of 20,000 FCFA to 10 percent of poor households—the highest coverage achieved to date (see Figure 7). The impact on the poverty gap, defined as the average shortfall of poor households' consumption relative to the poverty line, is similarly modest, projected to remain at around 13 percent (see Figure 10b). Even with inflation-adjusted transfer levels (25,000 FCFA), simulations show only marginal improvements when coverage remains low.

The analysis points to the transformative potential of safety nets when both coverage and benefit adequacy are enhanced. Expanding coverage to all poor households while maintaining current transfer amounts would reduce the poverty rate to 33 percent and the poverty gap to 10 percent. However, the most significant impacts emerge when both parameters increase. Providing bi-monthly transfers of 50,000 FCFA to all poor households could lower the poverty rate to 25 percent—a 34 percent reduction—meeting the SND30 target. This scenario would cost an estimated 1.25 percent of GDP, in line with LMIC spending levels.[20] Increasing the transfer to 100,000 FCFA would cut the poverty rate to 14 percent and the poverty gap to 3 percent under full coverage. While ambitious, this amount aligns with recent recommendations from the Cash Working Group and the National Institute of Statistics (NIS, 2024).[21]

---

[19] The analysis has several limitations. It assumes perfect targeting, disregards indirect economic effects and behavioral changes, and considers only cash transfers, omitting leakages, inefficiencies, and complementary interventions. Additionally, the estimates capture a single point in time, failing to account for long-term impacts on poverty, human capital, and resilience. As a result, the true effects may be either overstated or understated, making the net impact difficult to ascertain. The ongoing randomized evaluation will provide more precise estimates of the TMO program's impact.

[20] In practice, any scale-up would likely be gradual. Covering 30 percent of poor households, for example, would require a more manageable 0.4 percent of GDP.

[21] The report on ECAM5 key indicators recommends continuing targeted social transfers to strengthen resilience, citing PFS. It notes that, with perfect targeting, an annual transfer of 102,504 FCFA per poor person would be needed to lift them above the poverty line. Given an average household size of six among poor households, this translates to approximately 600,000 FCFA per household per year, equivalent to bi-monthly transfers of 100,000 FCFA.

Figure 10a. Simulated impacts on poverty incidence under alternative scenarios

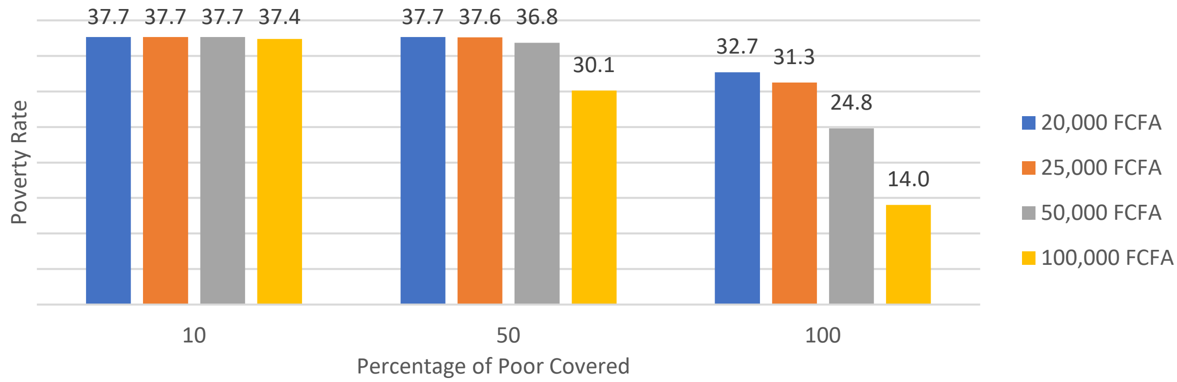
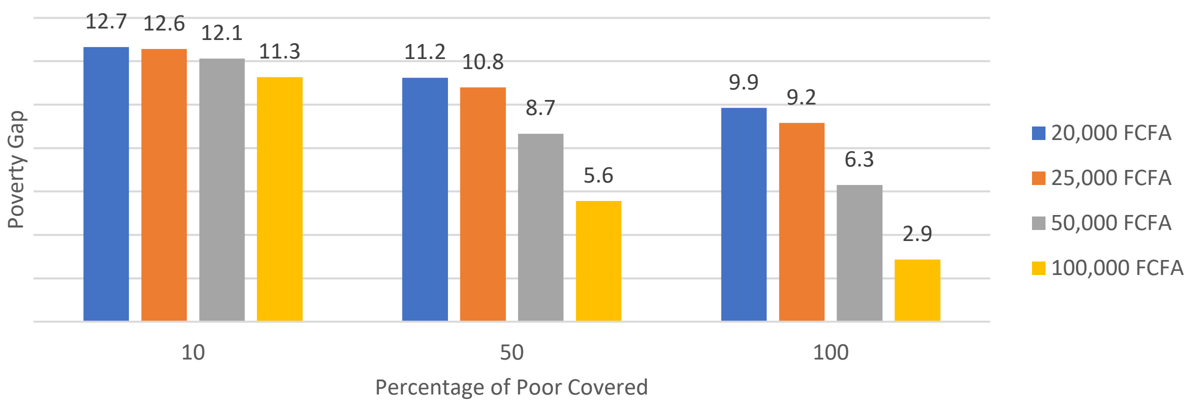


Figure 10b. Simulated impacts on poverty gap under alternative scenarios



Source: Original figure for this paper based on ECAM5 data.

These results underscore the strong potential of safety nets to reduce the depth of poverty and improve living standards for the poorest households. While modest transfers targeted to those furthest below the poverty line may not immediately shift the poverty headcount, they can significantly narrow the poverty gap, enabling families to better meet their basic needs and invest in their future. By progressively expanding coverage and enhancing benefit adequacy, a national safety nets program could serve as a powerful tool for reducing extreme deprivation and advancing more inclusive development.

4. Policy recommendations

Cameroon has made significant progress in establishing the foundation for a robust safety net system, yet its full potential remains untapped. Over the past 10 years, PFS has achieved remarkable results, positively transforming the lives of millions of poor Cameroonians. However, its capacity to systematically reduce poverty is not fully realized, while other safety net initiatives, such as those led by MINAS, remain fragmented and underfunded. A well-functioning safety net should go beyond its current limited reach to act as a reliable safeguard against setbacks—such as job loss, illness, crop failure, or forced displacement—and ensure a minimum standard of living for all. To achieve this vision, the government should adopt a more ambitious and coordinated approach, scaling up support for vulnerable groups and maximizing the overall impact on poverty reduction.

This section outlines five main recommendations for creating an effective and sustainable national safety nets program. Drawing on the findings of the PFS performance assessment, it provides the government with tailored, context-specific strategies to institutionalize safety nets and enhance their impact on poverty reduction. Countries such as Brazil, Mexico, South Africa, Ethiopia, India, and Indonesia have shown that targeted social transfers can significantly enhance well-being and social inclusion through a combination of political commitment, strategic planning, and continuous adaptation. By adopting a similar people-centered approach to poverty reduction, Cameroon can replicate these successes and make progress on its strategic development objectives.

Recommendation #1: Establish a permanent institutional structure

After 10 years of implementation, it is time to transition from the Social Safety Net "Project" to a national Social Safety Net "Program”. For Cameroon to make a meaningful impact on poverty and social inclusion, the government needs to transform PFS into a larger and more effective flagship program. Achieving this vision requires a strong legal and policy framework that aligns the program with broader development objectives and establishes clear parameters such as eligibility criteria and benefit levels. Most urgently, the program needs a dedicated institutional "home" within the government, equipped with a clear, permanent mandate to oversee its implementation. Institutionalization must also ensure the provision of adequate and sustainable financing (see Recommendation #2) and the development of a robust implementation ecosystem at the local level for effective service delivery.

When choosing a permanent home for safety nets, the government should weigh several considerations. First, the PFS unit within MINEPAT currently has the strongest implementation capacity and is well-positioned to continue managing the delivery of interventions. However, it is not a permanent government structure and exists only as long as there is a World Bank project. Second, MINAS holds the mandate for coordinating social assistance policies and programs. It also manages the National Solidarity Fund and the social registry, offering opportunities to integrate financing and delivery systems more effectively. Third, the question of frontline service delivery is also critical. PFS currently relies on contracted field operators, community-based agents, and temporary workers funded by the World Bank. Going forward, implementation could shift toward a more institutionalized approach—either by strengthening the role of local and territorial authorities, as outlined in the NDS30, or by leveraging MINAS’s decentralized network of commune-level social centers.

Recommendation #2: Guarantee adequate and reliable financing

An effective and sustainable safety net program requires sufficient and stable financial support. Current spending levels and the predictability of funding are inadequate to address Cameroon's high rates of chronic poverty and vulnerability to shocks. Institutionalizing and expanding safety nets will require a multipronged approach to fiscal policy. A key step is transitioning from a basket fund approach to a dedicated budget line in the Finance Law, which would ringfence financing and enhance budget execution. Moreover, in the current tight fiscal environment, reallocating resources toward poverty-targeted safety nets—potentially through the planned National Solidarity Fund—and improving spending efficiency offer the most feasible path forward. Innovative financing mechanisms, such as disaster risk financing, are also increasingly relevant. Ultimately, the government of Cameroon must find the right blend of domestic, international, public, and private funding to ensure long-term sustainability.

Creating fiscal space for an expanded safety nets program may require difficult but necessary reforms. The ongoing fuel subsidy reform presents a critical opportunity: in 2022, Cameroon spent 15 times more on fuel subsidies than on safety nets, yet simulations show that reallocating just half of that budget could have funded transfers for all poor households (World Bank, 2023). As shown in Section 3.4, this approach would not only cushion the subsidy reform's impact on poor people but also contribute significantly to poverty reduction. In parallel, civil service pension reform offers another path to free up resources. Although pension schemes cover less than 10 percent of the workforce, they accounted for 15 times the safety nets budget in 2021 due to generous benefits and low contributions (see Section 2). Reforming this system would improve equity and fiscal sustainability while creating room to scale up poverty-targeted programs.

Recommendation #3: Expand coverage

With increased financing, Cameroon should accelerate the scale-up of safety nets. While the PFS has reached millions across all regions, its expansion has been slow and fragmented. For a meaningful impact on poverty reduction, the government should focus on both horizontal and vertical expansion: horizontally, by increasing the number of beneficiaries to at least a quarter of poor households—on par with the Sub-Saharan African average—and vertically, by boosting support for current beneficiaries. This vertical expansion could include raising transfer amounts (see Recommendation #4) and extending the duration of support. Notably, countries with well-established safety nets, such as Brazil's Bolsa Familia, Indonesia's PKH,[22] and Pakistan's BISP,[23] set no strict time limits on benefits but implement periodic recertification every two to eight years (Lindert et al., 2020). Cameroon should consider a similar approach or set benefit durations based

---

[22] Program Keluarga Harapan
[23] Benazir Income Support Programme

on household profiles—considering factors such as age, disability, and the presence of children—or a life-cycle approach that aligns support with evolving risks.

To fulfill their protective role, safety nets should also be flexible, with the capacity to temporarily expand in response to shocks. When designed appropriately, safety net programs can significantly enhance households' ability to prepare for, cope with, and adapt to shocks, helping prevent poverty increases. Key adaptive features include using targeting approaches that integrate risk and household vulnerability into eligibility criteria, along with adequate preparedness measures and contingency plans. Expansion in response to large-scale shocks can, again, be vertical—if sufficient coverage and data are already available in affected areas—or horizontal, by temporarily adding households impacted by the shock. The TMU program has the potential to fulfill this role, provided it continues strengthening its shock-responsive features. Regardless of the approach, timely expansion is essential to protect household well-being and to prevent setbacks in poverty reduction efforts.

Recommendation #4: Improve adequacy of transfers

Increasing the value of cash transfers is critical to achieving meaningful poverty reduction and reducing the need for repeated support. Since 2013, the adequacy of PFS transfers relative to household consumption has steadily declined, leaving them well below regional and income-group benchmarks. Transfers are also significantly lower than the levels recommended by the Cash Working Group in Cameroon. Based on the minimum expenditure basket, humanitarian actors recommend monthly transfers of 5,000–10,000 FCFA per capita—or approximately 60,000–100,000 FCFA per household on a bimonthly basis. Simulations of different transfer values confirm that higher amounts have a greater impact (see Figure 11), reinforcing the case for revising current transfer levels.

To maintain the purchasing power of transfers over time, Cameroon should also consider regularly adjusting transfer amounts to reflect inflation. Globally, more countries are indexing social transfers to price or wage benchmarks to preserve their real value and enhance the responsiveness of social protection systems. Indexation can be applied automatically at fixed intervals or implemented on a discretionary basis, offering greater fiscal control. While the choice of approach has implications for both budget planning and transfer adequacy, any form of regular adjustment is preferable to none and should be considered as the country develops its national safety nets program.

In setting transfer values, the government must also weigh the trade-off between the size of the benefit and the number of recipients covered. Larger transfers yield greater impact per household, while smaller transfers can extend coverage to more people. Evidence suggests that even modest transfers—as low as 150,000 FCFA (US$250) in total—can generate small but positive effects on household consumption. Ultimately, given limited resources, the government will need to determine whether to prioritize deeper impacts for fewer recipients or broader coverage with more moderate benefits.

Recommendation #5: Modernize delivery systems

Successfully implementing the above recommendations hinges on the availability of robust delivery systems, particularly a social registry. The government has established the Unified Social Registry of Cameroon (*Registre Social Unifié du Cameroun*, RESUC) under MINAS. A decree issued by the Prime Minister (Arreté N°041/PM dated May 19, 2022) outlines RESUC's institutional framework, operational structure, and its role in supporting social programs. MINAS has also begun collecting data on vulnerable populations and is working to ensure interoperability with the PFS information system. However, progress has been slow, and the RESUC platform still requires significant technical and operational improvements. Given its central role in enabling cross-sector coordination and rapid shock response, accelerating the operationalization of RESUC should be a top priority.

In parallel, the government should establish an integrated digital payments system. The current method of benefit distribution—mainly cash payments via subcontracted agencies—is time-consuming and relatively costly. Transitioning to direct digital transfers would reduce delivery time and costs while also promoting financial inclusion and enhancing the economic resilience of beneficiaries. Since 2020, PFS has made important progress in this area, piloting digital payments in both urban and rural settings. In support of this shift, a 2022 decree authorized digital government-to-people and people-to-government payments. Despite persistent challenges—such as the continued lack of national ID cards among the target population—Cameroon should build on the expansion of mobile money services to scale up digital payments and strengthen the efficiency of its safety nets.

To accelerate poverty reduction and promote social inclusion, Cameroon should seize this pivotal moment to build a sustainable and effective safety net system. The recommendations outlined in this section provide a clear roadmap for institutionalizing and expanding safety nets while strengthening delivery systems. By adopting a people-centered approach and leveraging global best practices, the government can create a safety net program that not only reduces poverty but also enhances resilience and social inclusion. Realizing this vision will require decisive action, sustained commitment, and the mobilization of adequate resources to ensure that safety nets fulfill their potential as a reliable safeguard for the most vulnerable and a cornerstone of Cameroon's development strategy.

References

Afrobarometer. 2024. *Résumé des résultats de l'enquête Afrobarometer Round 10 au Cameroun*. Accra: Afrobarometer. https://www.afrobarometer.org/wp-content/uploads/2025/02/Resume-des-resultats-Cameroun-Afrobarometer-R10-1nov24.pdf

Bastagli, Francesca, Jessica Hagen-Zanker, Luke Harman, Valentina Barca, Georgina Sturge, and Tanja Schmidt. 2019. "The Impact of Cash Transfers: A Review of the Evidence from Low- and Middle-Income Countries." *Journal of Social Policy* 48: 569–94. https://doi.org/10.1017/S0047279418000715.

Coudouel, Aline, Kathleen Beegle, and Emma Monsalve, eds. 2018. *Realizing the Full Potential of Social Safety Nets in Africa.* Africa Development Forum. Washington, DC: World Bank. http://hdl.handle.net/10986/29789.

Cheung, Daphne, Sophie Wang Sonne, and Quentin Stoeffler. Forthcoming. "From Safety to Productive Net? Unconditional Cash Transfer and Agricultural Outcomes in Cameroon." Working Paper.

Evans, David K., and Anna Popova. 2017. "Cash Transfers and Temptation Goods." *Economic Development and Cultural Change* 65 (2): 189–221. https://doi.org/10.1086/689575.

Gentilini, Ugo, Hrishikesh TMM Iyengar, Giorgia Valleriani, Sofia Aziz, Hening R. Arimbi, Nelson Miranda, Jusaine Liriano, Maria A. Trujillo, and Cheryl Cheng. 2024. *Keep the Pace: How Inflation Erodes Cash Transfers and What to Do About It.* Washington, DC: World Bank. http://hdl.handle.net/10986/42485.

Houts, Ilan, Jonathan Lain, and Roger Tabetando. 2024. *The Impact of Fiscal Policy on the Income Distribution in Cameroon: 2022.*

Lindert, Kathy, Tina George Karippacheril, Ingrid Rodriguez Caillava, and Kenichi Nishikawa Chavez, eds. 2020. *Sourcebook on the Foundations of Social Protection Delivery Systems.* Washington, DC: World Bank. http://hdl.handle.net/10986/34044.

National Institute of Statistics (NIS). 2024. *Cinquième Enquête Camerounaise Auprès des Ménages (ECAM5): Rapport sur les Indicateurs Clés*. Yaoundé, Cameroon: NIS, March 2024.

Okamura, Yuko, Hrishikesh TMM Iyengar, and Colin Andrews. 2025. *Wake-Up Call for Social Assistance? An Unfinished Mission to Reach the Poor and Beyond. State of Social Protection Report 2025: The 2-Billion-Person Challenge Background Paper #3 (English).* Social Protection Discussion Paper Series: World Bank Group. http://documents.worldbank.org/curated/en/099816304042510848.

World Bank. 2018. *Cameroon Public Expenditure Review: Aligning Public Expenditures with the Goals of Vision 2035.* Washington, DC: World Bank. http://hdl.handle.net/10986/30979.

World Bank. 2023. *Cameroon Economic Update June 2023: Reforming Fuel Subsidies.* Washington, DC: World Bank. http://documents.worldbank.org/curated/en/099063023163038119/P1779950d70c4f0700aa5b0cbed824dc4a5.

World Bank. 2024a. *Cameroon Poverty Assessment 2024: A Pivotal Moment for Poverty Reduction in Cameroon*. Washington, D.C.: World Bank, 2024.

World Bank. 2024b. *Cameroon Public Finance Review: Collect More, Spend Better to Achieve Vision 2035 Goals.* Washington, DC: World Bank. https://hdl.handle.net/10986/41768.

World Bank. 2024c. *Cash Transfer Timing: How Transfer Duration and Frequency Contribute to Outcomes.* Evidence at Your Fingertips Series; Social Protection and Jobs Policy and Technical Note, no. 35. Washington, DC: World Bank Group. https://hdl.handle.net/10986/41717.

Additional tables and figures

Table A.1. Overview of Cameroon's social protection programs[24]

SP Area	Program Name	Ministry name	Start year	Beneficiaries in 2021 or latest	Expenditure in 2021 or latest (in FCFA)
Social Insurance	Régime de Retraite de la Fonction Publique	Ministry of Public Service and Administrative Reforms (MINFOPRA)	1974	309,606 individuals	233,853,141,000
	Caisse Nationale de la Prévoyance Sociale	Ministry of Labor and Social Security (MINTSS)	1974	117,549 individuals	109,024,658,163
Social Assistance	Chèque Santé	Ministry of Public Health (MINSANTE)	2014	250,897 individuals	5,236,666,667
	Programme Spécial pour l'Emploi Urbain	Ministry of Housing and Urban Development (MINHDU)	2013	200 individuals	200,000,000
	Protection Sociale des Personnes Socialement Vulnerables[25]	Ministry of Social Affairs (MINAS)	2013	2,773,106 individuals	3,319,232,849
	Programme National de Veille et de Renforcement de la Sécurité Alimentaire au Cameroun (PNVRSA)	Ministry of Agriculture and Rural Development (MINADER)	2018	1,000,000 individuals	210,000,000

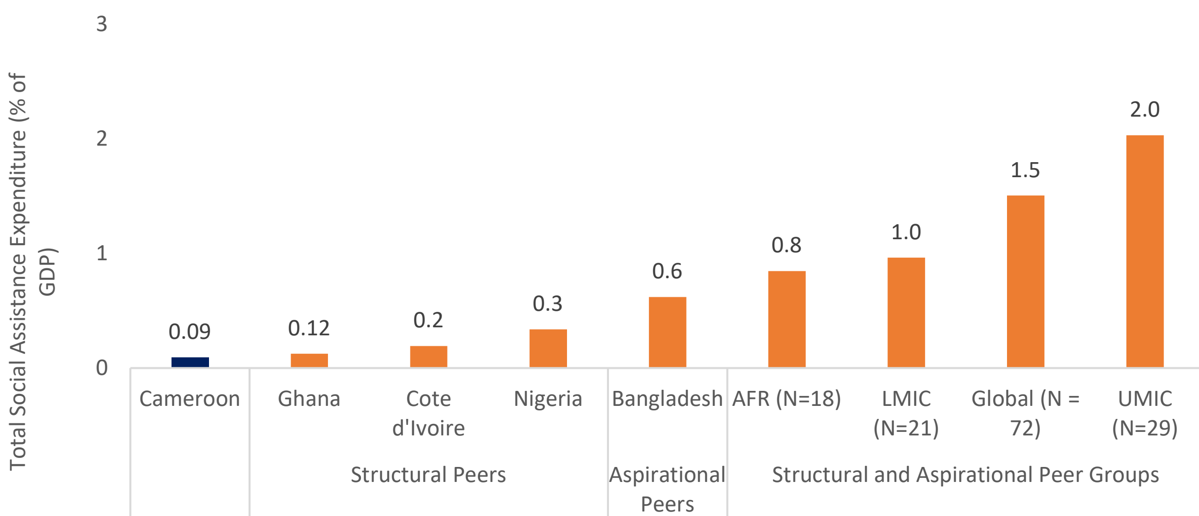
[24] Coverage and expenditure figures are reported on an annual basis, using the data for most recent year available in ASPIRE, typically 2021. Only active programs are included.
[25] This includes a series of programs aimed at specific socially vulnerable groups, such as children, elderly, people with disabilities, and Indigenous peoples.

	Projets Filets Sociaux (PFS)	Ministry of Economy, Planning and Territorial Development (MINEPAT)	2013	180,000 households	14,497,497,650
Labor Market	Plan Triennal Spécial Jeunes	Ministry of Youth Affairs and Civic Education (MINJEC)	2016	1,823 individuals	3,398,380,000
	Programme d'Appui à l'Insertion et à la Réinsertion Socio-Professionnelle des Personnes Vulnérables	Ministry of Social Affairs (MINAS)	2005	243 individuals	978,457,004
	Projet d'Appui au Développement du Cacao	Ministry of Economy, Planning and Territorial Development (MINEPAT)	2020	3,190 individuals	2,000,000,000
	Programme Intégré d'Appui aux Acteurs du Secteur Informel (PIASSI)	Ministry of Agriculture and Rural Development (MINADER)	2003	209 households	400,000,000
	Projet d'Appui à l'Installation des Jeunes Agriculteurs (PAIJA)	Ministry of Agriculture and Rural Development (MINADER)	2018	6,000 individuals	943,030,000
	Projet d'Appui à la Résilience Socio-économique des Jeunes vulnérables des Régions du Nord Cameroun	Ministry of Youth Affairs and Civic Education (MINJEC)	2016	540 individuals	2,000,000

	Programme de Promotion de l'Entreprenariat Agropastoral des Jeunes (PEA-Jeunes)	Ministry of Economy, Planning and Territorial Development (MINEPAT)	2015	2,546 individuals	3,041,146,015
	Programme 575 : Promotion de la Femme et du Genre	Ministry of Women's Empowerment and the Family (MINPROFF)	2015	---	2,787,256,226
	Programme d'Appui à la Micro-entreprise	Ministry of Small and Medium Enterprises, Social Economy and Crafts (MINPMEESA)	1990	55 individuals	50,000,000

Source: Authors' calculations based on World Bank's ASPIRE administrative database

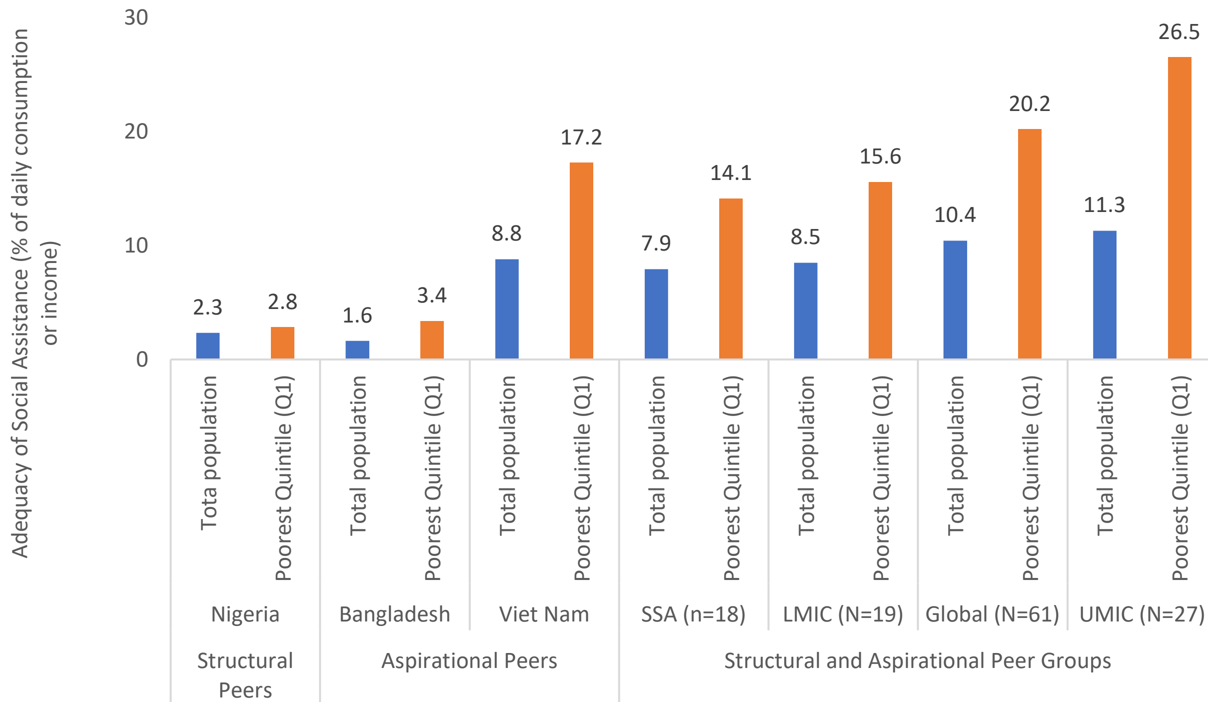
Figure A.1. Social assistance spending as a share of GDP



Source: Generated by authors based on ASPIRE Administrative database

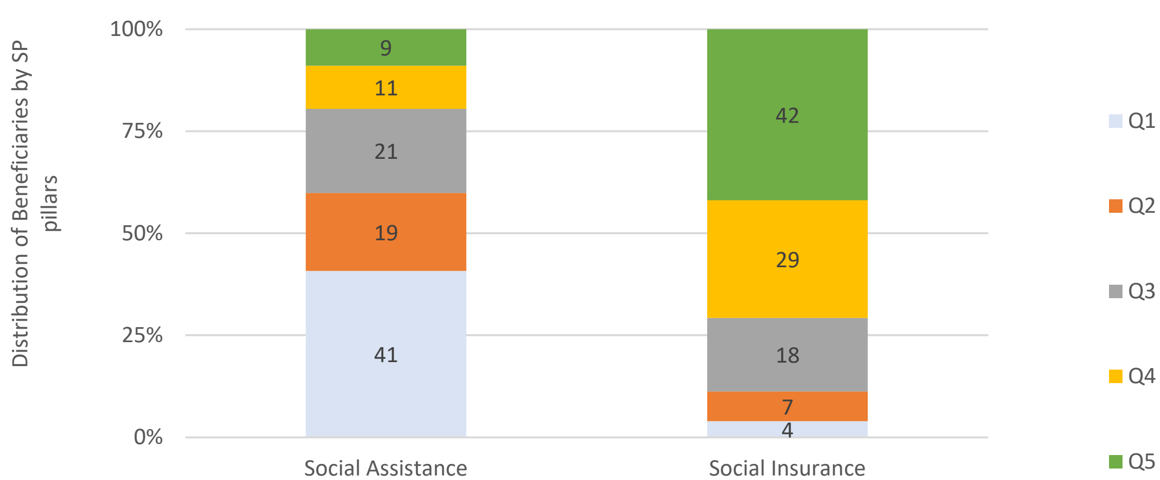
Notes: N stands for Number of countries. AFR stands for Africa region. LMIC and UMIC stands for Lower and Upper middle-income countries, respectively.

Figure A.2. Transfer adequacy by daily consumption level (%)



Source: Generated by authors based on data from Fifth Cameroon Household Survey (ECAM5) and ASPIRE database

Figure A.3. Distribution of beneficiaries by consumption quintile



Source: Generated by authors based on data from Fifth Cameroon Household Survey (ECAM5).
Notes: Q1 = Poorest or First Quintile, Q2 = Second Quintile, Q3 = Third Quintile, Q4 = Fourth Quintile, Q5 = Fifth Quintile.

Social Protection & Jobs Discussion Paper Series Titles
FY 2026

To view Social Protection & Jobs Discussion Papers published prior to 2021, please visit www.worldbank.org/sp.

ABSTRACT

This policy note examines the role of social safety nets in addressing persistent poverty and inequality in Cameroon. Building on over a decade of implementation, Cameroon's main safety nets initiative—the Projet Filets Sociaux (PFS)—has laid important foundations but remains limited in scale and reliant on external financing. Using administrative data and the 2021–2022 ECAM5 household survey, the analysis assesses PFS performance along key dimensions: expenditure, coverage, adequacy, and effectiveness. The findings show that while PFS has reached over 370,000 households, its poverty reduction impact is constrained by fragmented coverage, low benefit levels, and time-bound support. Microsimulations indicate that increasing both the size of transfers and the number of beneficiaries could substantially reduce poverty and help close the gap toward national targets. The note outlines five actionable recommendations to support the development of a national safety nets program: (1) establish a permanent institutional structure, (2) secure predictable financing, (3) expand coverage, (4) improve benefit adequacy, and (5) modernize delivery systems. These reforms would strengthen Cameroon's ability to protect vulnerable populations, foster economic inclusion, and accelerate progress toward its development goals.

JEL CODES

D63, H53, I38, J28, O15.

KEYWORDS

social safety nets, poverty reduction, social protection, social assistance, cash transfers, public works, coverage, incidence, adequacy, spending, source of financing.