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May 4, 2020

**The Acting Chair's Summing Up
Cameroon—Requests for Disbursement Under the Rapid Credit Facility, Extension of
the Extended Credit Facility Arrangement, and Rephasing of Access
Executive Board Meeting 20/56
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Executive Directors noted that Cameroon is facing serious challenges from the twin Covid-19 pandemic and terms of trade shocks. The confluence of weak global demand, depressed commodity prices, and strong containment measures weigh on the domestic outlook and is causing significant adverse economic and social effects. These shocks have created substantial fiscal and external pressures and given rise to an urgent balance of payments need.

Directors commended the authorities' actions to limit the spread of the virus and its economic and social impact, including through strong containment measures and plans to scale up health spending. Directors encouraged the authorities to provide effective and swift support to vulnerable households and firms.

Directors welcomed the authorities' commitment to their reform agenda and encouraged them to step up efforts to improve performance under the ECF arrangement. While an accommodative fiscal and monetary stance is appropriate to mitigate the human and economic impact of the current outbreak, Directors supported the authorities' actions to prevent a collapse in revenues. Once the crisis abates, resuming fiscal consolidation and continuing structural reforms, including of state-owned enterprises, will be crucial for a strong recovery. Directors also highlighted the importance of avoiding non-concessional borrowing to safeguard debt sustainability.

Directors noted that the crisis has given rise to significant financing needs. They anticipated that assistance under the RCF would catalyze additional support from development partners. However, it will also be important to consider contingency plans in case a larger financing gap emerges. Directors underscored the importance of transparency and of strict budgetary controls including audits to ensure that the emergency assistance meets its intended objectives. They welcomed the authorities' commitment to observe strong governance and public financial management practices.