

I. COUNTRY REFORM PROGRESS

Significant improvements have been made since the last Tax Administration Diagnostics Assessment Tool (TADAT) evaluation in April 2021. They include the development of plans to promote tax culture, the generalization of e-procedures, the large-scale automated cross-checking of internal and external data; a multi-year compliance improvement plan, risk mitigation plan 2023-25 implemented and regularly monitored; and multiple initiatives encouraging taxpayers to file accurate declarations.

To improve transparency in budget execution the ministry of Finance should apply some of the legal, or management measures recommended by a diagnostic mission held in December 2024. The authorities are also working towards greening public financial management. In April 2025, as planned, the authorities completed the development and adoption of a draft disaster risk financing strategy and National Climate Plan with GPFP support. They have requested a Climate Public Investment Management Assessment (C-PIMA) for the coming months.

II. PROJECT DELIVERY HIGHLIGHTS

RM II: Revenue Module II – Revenue Administration

Key Progress in FY25: The repeat TADAT assessment conducted in April 2025 showed significant progress since the first evaluation in 2017. The number of A grades rose from 2 to 11 and B grades from 3 to 6. The authorities plan to use the main findings of the TADAT assessment to update their strategic reform plan.

Next Steps: Following a formal request from the authorities expressed during the 2025 Spring Meetings, support will be provided for the development of the tax administration strategic reform plan and the compliance improvement plan.

SM II: Spending Module II – Managing Public Finance

Key Progress in FY25: The diagnostic assessment of budget execution conducted in December 2024 provided authorities with a comprehensive work plan to modernize public financial management (PFM). Implementing this plan will facilitate improvements in the budget cycle, enhance multi-year capital budgeting, and enable effective monitoring and piloting of in-year budget.

Next Steps: Next fiscal year's primary activity will be the C-PIMA. This diagnostic will assist authorities in identifying the necessary measures to fully integrate considerations for climate change adaptation and mitigation into their capital investment decisions and infrastructure policy.

III. LOGICAL FRAMEWORK

Country – Cameroon		
RM II: Objective - Strengthened revenue administration management and governance arrangements (SDG 17.1) - RAM		Rating - 1
Outcome	Rating	Narrative
Authorities have a baseline understanding of the current state of the government's revenue administration, management, and governance arrangements and core revenue administration operations	1 Not Achieved	The TADAT assessment was conducted in April 2025. The authorities will use the main findings to design the new strategic reform plan.
Corporate priorities are better managed through effective risk management	1 Not Achieved	Reforms in this area will be launched based on the main findings of the April 2025 TADAT assessment.
Tax and/or customs laws are updated, simplified, and better aligned with modern standards and international protocols	1 Not Achieved	Reforms in this area will be launched based on the main findings of the April 2025 TADAT assessment.
RM II: Objective - Strengthened core tax administration functions (SDG 17.1) - TAD		Rating - 1
Outcome	Rating	Narrative
A larger proportion of taxpayers meet their payment obligations as required by law	1 Not Achieved	Reforms in this area will be launched based on the main findings of the April 2025 TADAT assessment.
Audit and other verification programs more effectively ensure accuracy of reporting	1 Not Achieved	Reforms in this area will be launched based on the main findings of the April 2025 TADAT assessment.
SM II: Objective – Frameworks to Build Sustainable Fiscal Institutions and Frameworks - FIF		Rating - 1
Outcome	Rating	Narrative
Strengthened capacity to plan, implement and sustain priority area reforms including climate, gender, and SDGs	1 Not Achieved	No action has been taken on this topic so far.
SM II: Objective – Strengthened Budget Management - PBM		Rating - 2
Outcome	Rating	Narrative
Strengthened identification, monitoring, and management of fiscal risks	1 Not Achieved	No action has been taken on this topic so far.
Strengthened annual budget process, and effective allocation	1 Not Achieved	No action has been taken on this topic so far.

Strengthened budget execution and control processes	2 Partially Achieved	A diagnostic of budget execution processes was realized in December 2024 and provided a series of recommendations to improve budget efficiency and transparency.
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IV. RISK ASSESSMENT

Description	Rating	Mitigation Measures
Political Support		
RM II: Political support is critical to help the tax administration implement the main recommendations of the last Governance Diagnostic Assessment mission (May 2023)	Low	Remind the authorities to implement the main recommendations with the support of the Country Team
SM II: Lack of political support for reforms, inhibits, requires actions or reforms that are needed for public financial management reform	Medium	Ensure fiscal risk CD is focused on priority areas by engaging regularly with ministers and senior management to ensure government ownership of reforms.
Management and Technical Staff Support and Commitment		
RM II: Commitment to tax administration reforms has remained solid since the last FAD tax administration mission organized in March 2021.	Low	N/A
SM II: Complex in-depth technical reforms require full engagement of management and technical staff to implement changes of processes.	Low	Engage with senior management and technical staff pro-actively and explain the importance of improving fiscal transparency.
Resource Adequacy		
RM II: Resources are available and secured	Low	N/A
SM II: Insufficient technical capacity and human resources necessary to implement reforms are limited	Medium	Ensure CD plans include sufficient capacity building and training elements and direct CD to priority or highest risk areas.
Other Risks		
SM II: Multiple donors are providing technical assistance on same topics and gaps, or overlaps may arise as a result.	Medium	Take an active role in engaging with other donors to ensure support is well coordinated.

V. PROJECT MANAGERS CONTACT INFORMATION

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