



# Trading National Debt for Healthcare in Cameroon



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## Key takeaways:

The debt-to-health swap was considered a "triple win" as it allowed Cameroon to strengthen its local health system, permitted Spain to convert a bilateral claim into a high-impact health contribution, and enabled the Global Fund to mobilise additional resources for its mission.

The project encouraged a broader focus on building resilient and sustainable systems for health rather than addressing individual problems so as to reap larger long-term benefits.

## Reform objectives:

The Global Fund facilitates the Debt-to-Health (D2H) program whose objective is to raise more funds for healthcare, prioritising the long-term impact on health outcomes over simple debt reduction. It functions as a financing instrument designed to translate debt repayments into investments for health-related projects in low- and middle-income countries (LMICs)

## Context:

Like many low- and middle-income countries (LMICs), Cameroon has faced a "crowding-out effect". The crowding-out effect is observed when a nation is burdened with massive external debt, the requirement to service that debt often forces governments to reduce the amount of internal revenue they can allocate to essential sectors like healthcare. To address these constraints, Cameroon engaged in a debt-for-health swap with Spain in 2017. The funds were integrated into Cameroon's existing Global Fund HIV and AIDS grant.

## HIV/AIDs in Cameroon

Around the time of the project's inception, Cameroon had a generalised HIV/AIDs epidemic with an overall prevalence of 4.3% among those aged 15–44. Approximately 560,000 people were living with HIV (PLHIV). The burden was higher among women (5.9%) compared to men (2.9%). Prevalence in major cities like Yaoundé and Douala was several times higher than in the general population. While progress was noted, only about half of those aware of their status were actually on treatment. Furthermore, 25% of HIV-positive pregnant women were not receiving antiretroviral treatment (ART).

High infection rates were identified among female sex workers, men who have sex with men, transgender people, people who inject drugs, and prison populations. Vulnerable groups also included displaced people in refugee camps and specific categories of workers, such as forestry and construction workers.

## Policy / programme implemented:

The Spain-Cameroon Debt2Health (D2H) project was signed in November 2017. Spain, through its Ministry of Economy, cancelled €24.1 million in official bilateral debt claims owed by Cameroon. In exchange, Cameroon, through its Ministry of Finance, contributed approximately 40% of the cancelled amount, totalling €9.3 million to the Global Fund. These funds were counted as an additional contribution from Spain to the Global Fund through the D2H program. The Global Fund then integrated these proceeds into its existing HIV and AIDS grant in Cameroon, which totaled €81.7 million.

## Achievements:

- The primary use of the D2H investment was to start new patients on antiretroviral therapy (ART). This provided three years of life-saving treatment for an additional 30,000 to 38,000 patients who otherwise would have remained in the treatment gap.
- The funding supported a shift toward an integrated and patient-centered approach, utilising community-based organisations (CBOs) for HIV care support and referral services.
- A portion of the funds was also used to purchase new mobile digital X-ray machines specifically for use in HIV care.
- A portion of the investment was dedicated to supporting multidrug-resistant tuberculosis (MDR-TB) treatments.
- By integrating the debt swap proceeds into existing Global Fund grants, the program ensured that the funds were implemented, monitored, audited, and reported using established, transparent systems.
- The swap allowed Cameroon to fund initiatives that were previously relegated to the Prioritised Above-Allocation Request (PAAR) which is a list of high-quality programs that had been technically vetted but lacked available funding.
- The investment addressed critical gaps in the national strategy by focusing on communities and key populations, including sex workers, men who have sex with men, transgender individuals, and prison populations.

## Policy recommendations

1. Policymakers should move from discrete initiatives to comprehensive strategies that improve service delivery and health information systems. While early D2H projects focused on "vertical" programs like individual infectious diseases like HIV/AIDS, recent successful swaps show a shift toward "horizontal" Resilient and Sustainable Systems for Health (RSSH).
2. Policymakers should actively ensure that aid projects are the result of fair consultations that align strictly with their national health policies.
3. Policymakers must ensure that proceeds from programs such as D2H complement existing domestic resources for the health sector rather than replace them.
4. Debt transparency is an essential prerequisite to prevent financial errors or the abuse of resources. Policymakers should be prepared to conduct initial evaluations to determine project feasibility, describe investment plans, and establish strong oversight systems.

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**Method:** The study is a scoping review applying Arksey and O'Malley's five-stage framework, searching three major databases and one official website, supplemented by expert interviews with specialists in debt swap design.

**Evidence:** Hu, Y., Wang, Z., Zhou, S., Yang, J., Chen, Y., Wang, Y., & Xu, M. (2024). Redefining Debt-to-Health, a triple-win health financing instrument in global health. *Globalization and Health*, 20, 39. The Global Fund. (2023). Lessons from the Global Fund's successful implementation of debt swaps – The Debt2Health program. Garmaise, D. (2018, March 20). Cameroon's TB/HIV funding request to the Global Fund focuses on communities and key populations. *Global Fund Observer*, (333), Article 6.

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