ANNEX I CAMEROON

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1 ECONOMIC ENVIRONMENT

1.1 Main features of the economy

1.1. The Republic of Cameroon covers an area of 475,442 km^2, with a population estimated at 20 million in 2011 (Table 1.1), making it an average-sized country in African terms. Its geographical position in the heart of Africa, with common borders with Equatorial Guinea, Gabon, the Republic of the Congo, the Central African Republic, Chad and Nigeria, make it a regional centre for trade in goods and services. There has been no increase in the share of exports of goods and services in its GDP, while trade's share of GDP is falling (Table 1.1).

Table 1.1 Basic economic indicators, 2000, 2005, 2006, 2008, 2010-2012

	2000	2005	2006	2008	2010	2011	2012[a]
Gross domestic product (GDP)							
Nominal GDP (CFAF billion)	6,612	8,750	9,388	10,629	11,134	12,594	13,502
Real rate of growth (US$ [2 000],%)	4.2	2.3	3.2	2.9	3.2	4.1	5.5
Nominal GDP (€ billion)	10.9	13.3	14.3	16.1	17.0	18.3	..
Population (million)	15.7	17.6	17.9	18.8	19.6	20.0	..
Per capita GDP (€)	695.8	759.6	796.8	860.3	865.2	913.3	
National accounts (current market prices, as a % of GDP)							
Consumption	..	76.3	75.4	76.6	..	..	..
Public (Government)	..	8.1	8.5	9.5	..	..	..
Private	..	68.2	66.9	67.0	..	..	..
Gross fixed capital formation	..	26.3	25.4	26.3	..	..	..
Public (Government)	..	2.0	2.4	3.5	..	..	..
Private (companies and households)	..	24.3	23.0	22.7	..	..	..
of which petroleum sector	..	3.9	4.0	4.4	..	..	..
non-petroleum sector	..	20.4	19.0	18.3	..	..	..
Exports of non-factor goods and services	..	23.2	24.9	24.7	..	..	..
Imports of non-factor goods and services	..	-25.8	-25.7	-27.6	..	..	..
Share of GDP at current prices							
Agriculture	20.5	19.0	19.3	21.6	21.7	..	..
Food crops	13.3	12.9	12.9	13.6	14.0	..	..
Cash crops	2.0	1.5	1.3	1.4	1.6	..	..
Livestock breeding and hunting	2.4	2.2	2.3	2.7	2.8	..	..
Fishing and fish farming	1.1	1.3	1.3	1.2	1.2	..	..
Forestry and logging	1.7	1.1	1.4	2.8	2.0	..	..
Mining and quarrying	10.8	8.3	10.3	8.9	6.6	..	..
Manufacturing	19.3	17.5	16.4	13.9	15.0	..	..
Agri-business	7.1	5.5	6.0	5.6	6.2	..	..
Other manufacturing	12.2	11.9	10.3	8.2	8.8	..	..
Services	42.1	47.7	38.5	39.4	40.6	..	..
Production and distribution of electricity, gas	0.8	0.9	1.0	1.0	0.9	..	..
Construction and public works	2.5	3.1	2.9	3.0	5.1	..	..
Hotels and restaurants	16.5	20.6	19.7	19.7	18.0	..	..
Transport, storage and communications	5.5	5.5	5.7	6.1	6.5	..	..

	2000	2005	2006	2008	2010	2011	2012[a]
Banks and financial institutions	1.2	1.2	0.8	0.9	0.9	..	..
Public finance							
Total revenue and grants	..	17.7	21.6	20.8	17.4	18.7	..
Total expenditure and net loans	..	13.7	14.2	18.5	18.1	20.6	..
Total expenditure	..	13.7	14.2	18.4	17.2	17.8	19.3
Current expenditure	..	11.3	11.1	13.0	13.7	12.4	13.4
Wages	..	4.7	4.5	5.3	5.7	5.7	..
Procurement of goods and services	..	3.8	3.9	4.8	5.5	4.4	..
Transfers and subsidies	..	2.0	2.1	2.7	2.9	4.3	..
Payment of interest on int./ext. debt	..	0.7	0.6	0.3	0.3	0.4	..
Capital expenditure	..	2.2	2.9	5.5	3.6	5.4	5.9
Overall fiscal balance (payment order basis, including grants)	..	4.1	7.4	2.3	-0.7	-1.9	..
Overall fiscal balance (payment order basis, excluding grants)	..	4.0	4.8	1.5	-1.2	-0.5	-3.0
Change in arrears	..	-0.8	-1.8	-0.4	-1.6	-0.8	..
Overall balance, cash basis	..	3.2	5.6	2.0	-2.7	-1.7	-3.1
Prices and interest rates							
Inflation (CPI, % change)	1.2	2.0	5.1	5.3	1.3	2.8	3.0
Discount rate (annual %)	7.0	5.5	5.3	4.8	4.0	4.0	4.0
Interest rate (term deposit)	5.0	4.9	4.3	3.8	3.3	3.3	3.3
Exchange rates							
CFAF/US$ (annual average)	712.0	527.5	522.9	447.8	495.3	471.9	510.5
Real effective exchange rate (CPI index, 2005 = 100)	93.1	100.0	101.5	105.5	101.1	101.1	..
External sector							
Current account balance	..	-4.0	-1.3	-0.9	-3.4	-2.5	1.1
Outstanding external debt/ GDP ratio	..	36.9	10.7	8.5	..	..	..
Debt servicing/financial revenue ratio	..	24.5	129.5	4.9	..	..	..
Debt servicing/exports of non-factor goods and services ratio	..	18.9	101.7	4.0	..	..	..
Foreign exchange reserves (in months of imports c.i.f.)	..	3.5	5.2	6.8	..	..	..

.. Not available.

a Estimates.

Source: National Institute of Statistics (INS-Cameroun); International Monetary Fund.

1.2. Cameroon's economy has many assets: favourable conditions for farming, plentiful water resources and rainfall, forests, oil, etc. Agriculture, (including subsistence farming, breeding livestock, hunting, fishing and logging) play a key role, employing just over 60% of the labour force and contributing some 22% of GDP. The services sector makes a fairly modest contribution to GDP (Table 1.1), but continued to grow steadily over the period 2006-2011, highlighting a degree of dynamism, particularly in tradeable services for businesses, whereas the banking sector faced serious problems. The manufacturing sector's share of value added fell from 19% of GDP in 2000 to 14% in 2008, before recovering to 15% in 2010. Its contribution to GDP is limited because the capacity to supply energy has reached saturation point, although the start-up of a new gas-fired power station could improve the situation from 2016 onwards (Chapter 4.7.2).

1.3. Cameroon's ranking in the UNDP's Human Development Index has also remained stationary (150/187 countries in 2011 and 150/177 in 2006) and it is developing at a slower rate than the average for sub-Saharan Africa. As far as corruption is concerned, Cameroon is 134th out of 182 countries in Transparency International's index and, in terms of ease of doing business, it is 161st out of 185 countries in the World Bank's *Doing Business* classification for 2013. Life expectancy was 52 years in 2011 and two thirds of the adult population was literate. The informal sector continues to be very large and, according to estimates, accounts for around 50% of GDP. The unemployment rate is officially estimated to be 10%, but there is a high rate of under-employment in the economy (69%), unchanged from 2006 to 2012.[1] Seven out of ten workers receive a main monthly wage that is lower than the minimum guaranteed interprofessional wage (currently CFAF 28,000, or €43).[2]

1.2 Recent economic developments

1.4. The average per capita income in Cameroon rose between 2005 and 2011 to reach the equivalent of €915 annually, partly because raw material prices performed well and large quantities were exported, mainly cocoa, crude oil, timber and coffee. Macroeconomic performance was acceptable, with a positive rate of economic growth, albeit below the level needed to make any substantial inroad on poverty.[3] In 2008, however, the revision of the Poverty Reduction Strategy Paper (PRSP) led to the adoption of a new plan, the Growth and Employment Strategy Paper (GESP), which began to be implemented in 2010.[4] The 4.1% in GDP growth in 2011 represented an increase in comparison with previous years (5.5% for 2012), coming close to the target of 5.7% fixed in the GESP.[5]

1.5. Inflation remained under control during the period 2007-2011 thanks to the prudent monetary policy followed by the Bank of Central African States (BEAC) (common report, Chapter 1) and the tax reduction and price control measures introduced to ensure that the sharp increases in global prices for food and petroleum products did not have any marked impact at the domestic level. As underlined by the International Monetary Fund (IMF), however, the policy of subsidizing fuel consumption by fixing prices at artificially low levels is one of the main problems facing public finance (around CFAF 400 billion earmarked for 2012, or one seventh of the country's entire public spending and over 3% of GDP).[6] The second major problem identified by the IMF concerns over-spending, which accounted for over 15% of GDP in 2011, almost three times the level of spending on public investment.[7] The efforts to reform public spending announced, especially as regards fiscal and customs revenue, could permit the growing budget deficit and the fiscal pressure on companies to be reduced if they materialize (Table 1.1), thereby boosting economic growth. Cameroon's attraction in economic terms could be reinforced if the high rates of taxation were lowered (Table 2.3).

1.6. The Tax Administration has included an evaluation of fiscal expenditure in its action plan for 2013 so as to be able to exercise more control. It is intended to annex this evaluation to the draft finance law for 2014. A committee has been set up for this purpose, comprising *inter alia* the Directorate-General of Taxes (DGI), the Directorate-General of Customs, the Directorate of Economic Affairs in the Ministry of Finance (MINFI), INS, the Ministry of Trade (MINCOMMERCE), the Investment Promotion Agency (API) and other bodies, notably private bodies.

1.7. Cameroon reached the completion point for the Heavily Indebted Poor Countries (HIPC) Initiative in 2006. This gave it a substantial reduction in the amount of its public debt,

[1] Online information from the Ministry of Planning, Development Programming and Regional Development. Under-employment concerns people who work fewer hours than they would like (visible under-employment) or who are paid less than the minimum guaranteed interprofessional wage (SMIG), which was CFAF 23,500 in 2008 (€35.8).

[2] Hyefouais Ngniodem, A. (2006).

[3] World Bank (2013a).

[4] Growth and Employment Strategy Paper. Viewed at http://www.paris21.org/sites/default/files/Cameroon_DSCE2010-20.pdf.

[5] National Institute of Statistics of Cameroon (2011).

[6] According to calculations by the World Bank, most of the subsidies for petrol and diesel fuel and over 40% of the subsidies for consumption of rice, wheat and fish go to the wealthiest 20% of the population.

[7] International Monetary Fund (2012).

from 52% of GDP in 2006 to 10% in 2008 (Table 1.1). There was also a large decrease in the portion of government revenue devoted to servicing the debt. The injection into the economy of the supplementary resources released by external debt relief (US$1.3 billion) only boosted investment to a limited extent, mainly because of the State's poor capacity to absorb investment and issues of governance. The construction and public works sector was the principal beneficiary.

1.8. The share of total revenue in relation to GDP rose over the period 2006-2011 (Table 1.2), but fell once more in 2012, to 16.4%. The increase in revenue during this period was not so much the result of oil revenue, which decreased because production fell, but rather of fiscal revenue. In this respect, most of the increase came from income tax and domestic taxes (which rose from 5.9% to 8.2% of GDP between 2006 and 2011) rather than customs revenue (from 2.9 to 4.5% of GDP), although the latter rose to one quarter of the State's total revenue in 2011, compared to one fifth in 2006.

Table 1.2 Key components of government revenue, 2002, 2005, 2006, 2011, 2012
(CFAF billion)

	2002	2005	2006	2011	2012
Total revenue and grants	**1,303**	**1,601**	**1,396**	**2,295**	**2,267**
1 - Total revenue	**1,284**	**1,590**	**1,370**	**2,229**	**2,212**
1.1 Petroleum revenue	**369**	**439**	**475**	**613**	**621**
SNH (National oil company) fees	295	368	408	517	460
Oil company tax	74	71	67.0	97	161
1.2 Non-oil revenue	**913**	**1,151**	**895**	**1,615**	**1,591**
1.2.1 Fiscal revenue	**937**	**1,101**	**834**	**1,530**	**1,504**
1.2.1.1 Tax receipts	**643**	**752**	**557**	**984**	**952**
Wages and salaries	42	55	43	94	92
Progressive surtax	43	1	0	94	0
Tax on movable capital income	13	22	17	32.5	37
Tax on remuneration paid abroad	21	19	19	43	39
Tax on non-oil companies	102	146	125	214	231
VAT	184	235	192	338	298
Excise duty	32	43	37	81	77
Tax on sales of petroleum products	68	69	57	85	90
Forestry revenue	15	21	17	14	12
Other tax revenue	25	18	10	20	26
Registration revenue	26	46	37	61	48
Registration fees	12	19	16	30	22
Registration tax	3	4	4	2	1
Airport and vehicle stamp duty	11	23	18	3	3
1.2.1.2 Customs revenue	**294**	**349**	**276**	**545**	**552**
Customs duty on imports	142	182	146	259	258
VAT on imports	127	150	120	256	266
Excise duty on imports	3	2	4	16	15
Export duty	4	2	1	8	7
Computer tax	14	3	2	5	4
Other customs revenue	4	3	1	..	..
1.2.2 Non-tax receipts	**367**	**493**	**62**	**86**	**89**
2 - Grants	**19**	**11**	**27**	**66**	**55**

... Not available.

Source: Information provided by the Cameroonian authorities.

1.9. Streamlining the fiscal structure, including the elimination of special regimes and exemptions, together with expansion of the tax base, should be among the Government's priorities. Moreover, changes in the fiscal structure to align it with the finance laws do not help to reassure stakeholders. More efficient tax collection could also bring about substantial savings, both for the Government and for stakeholders: according to the World Bank's *Doing Business* Indicator, the time taken to make the 44 tax payments needed to do business in Cameroon is almost three times longer than the time required for such formalities in Côte d'Ivoire.

1.10. The authorities are also considering introducing money transfers to the poorest sectors of the population.[8] The introduction of such a minimum income for the poorest, combined with attribution of a tax identification number to all natural and legal persons, would help to combat poverty while at the same time encouraging domestic consumption. The tax identification number could also make it possible to collect all the information needed to set up a business and in relation to the conditions for paid work (for example, listing in the Commerce and Personal Property Credit Register (RCCM) and the register of employers and employees, and the registration required for import-export activities) and would help many to move out of the informal sector. Such reforms involve a cost, however, which could have a marked impact on the financial balance.

1.3 Trade and investment performance

1.11. The current account deficit rose sharply between 2008 and 2010 caused by large increases in imports of goods and, from 2009 onwards, by the decline in oil exports. Cameroon's trade balance, which had usually posted a surplus, turned into a deficit in 2009. Over the period 2006-2012, this deficit as a percentage of GDP grew each year. One reason for this was increased investment in infrastructure, imports of machinery, mechanical apparatus and transport equipment in particular. According to official statistics, the current account deficit was absorbed in 2012.

1.3.1 Trade

1.12. Certain statistical problems relating to Cameroon's submissions to the United Nations Comtrade database for the years 2008, 2009 and 2011 make it difficult to analyse the trend in foreign trade in goods for those years. Cameroon's principal exports are crude oil, timber, aluminium, cocoa, coffee, rubber, cotton and bananas (Chart 1.2). There was also a marked increase in other exports, highlighting a certain degree of diversification. The upturn in international oil prices offset the lower volume of exports. Oil thus continued to account for over half of Cameroon's total export revenue in 2012. New oil wells coming on line portend an increase in oil production between 2013 and 2016. Cameroon is also a large producer of aluminium (Table 1.3).

1.13. Apart from crude oil and aluminium, Cameroon mainly exports agricultural products (Chart 1.1 and Appendix Table A1.1), and even larger volumes could be exported if there was less red tape, costs were lower and fewer people were involved (see Chapter 3.2). Indeed, with the exception of exports of cocoa beans and processed cocoa (see section 4.1.2.1 below), there have been few or no changes in the structure of exports by product since 2006.

Table 1.3 Balance of payments, 2005, 2007-2011
(US$ million)

	2005	2007	2008	2009	2010	2011[a]
Current account balance	-659	-245	-848	-1,119	-800	-748
Current account balance excl. government transfers	-671	-349	-975	-1 249	-905	-879
Trade balance	277	568	421	-389	-210	-580
Exports of goods	3,166	4,268	5,102	4,170	4,513	5,653
Exports of goods excl. oil	1,773	2,178	2,612	2,716	3,103	4,040
Crude oil	1,394	2,090	2,490	1,454	1,410	1,613
Cocoa	248	233	461	622	718	621
Coffee	63	78	67	52	67	73
Cotton	133	144	63	93	82	118
Timber	413	680	604	353	447	487
Aluminium	161	194	199	91	120	116
Bananas	68	61	82	71	82	89
Natural rubber	45	59	66	57	95	131
Other	641	729	1,071	1,378	1,492	2,404

[8] World Bank (2013b).

	2005	2007	2008	2009	2010	2011[a]
Imports of goods	-2,890	-3,700	-4,681	-4,559	-4,723	-6,232
Net services	-706	-816	-1,127	-531	-548	-124
Transport	..	..	..	-65	-118	-341
Freight	..	..	..	-14	-96	-310
Other transport	..	..	..	35	40	48
Travel	..	..	..	-119	-19	-120
Insurance services	..	..	..	-80	-61	-87
Other business services	..	..	..	-301	-436	248
Other services (communications, etc)	..	..	..	34	87	177
Goods and services balance	-429	-248	-706	-920	-758	-703
Income	-382	-263	-453	-477	-263	-303
Current transfers	152	265	310	278	221	258
Private	140	162	184	148	117	127
Government	12	103	126	130	105	131
Capital and financial transactions account	386	1,425	1,158	1,007	824	498
Capital account	93	250	101	184	147	130
Financial transactions account	292	1,176	1,056	823	677	368
Direct investment	225	225	270	809	71	466
Portfolio investment	1	1	1	-97	74	-57
Other investment	67	949	786	111	532	-41
Errors and Omissions	116	-263	24	163	176	-97
Overall balance	-158	916	333	52	200	-347
Financing of overall balance	158	-916	-333	-52	-200	347
Net changes in reserves	-265	-916	-333	-52	-200	348
Special financing	423	0	0	0	0	-1

... Not available.

a Estimates.

Source: BEAC, online information for 2005-2008. Viewed at: http://www.beac.int. Information provided by the Cameroonian authorities for 2009-2011.

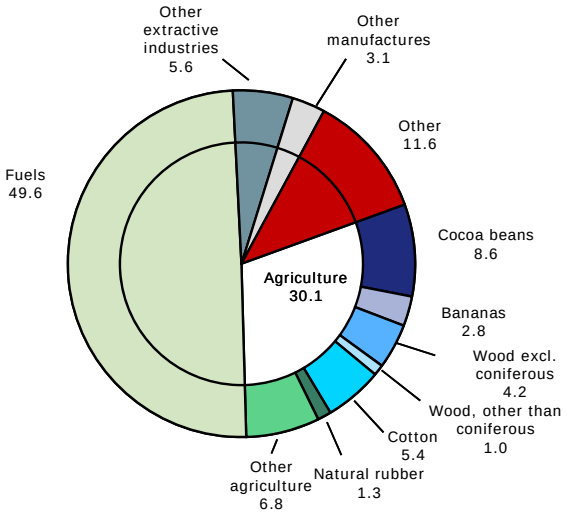
1.14. The share of food products in total imports appears to have remained stable, at the relatively high level of 18% (Chart 1.1 and Chapter 4.1.1). The share of imports of products of the extractive industries also appears to be stable at around 30%, consisting mostly of petroleum products and aluminium oxide for use in the refinery (Chapter 4.3). Other imports consist of manufactures, mainly chemicals, machinery and transport equipment (Table A1.2).

1.15. As far as trading partners are concerned (Tables A1.3 and 4), Europe's share of Cameroon's imports was around one third of the total and has been falling since 2006. The share of African countries in Cameroon's import market also declined over the period, confirming the absence of dynamic intra-regional trade. On the other hand, there was a strong increase in the market shares of several Asian countries, especially China (from 6.3% to 10.6% of Cameroon's total imports between 2006 and 2010) and Thailand (from 1.3% to 3%). Europe is still the leading destination for exports although there also appears to be a gradual decline in its share.

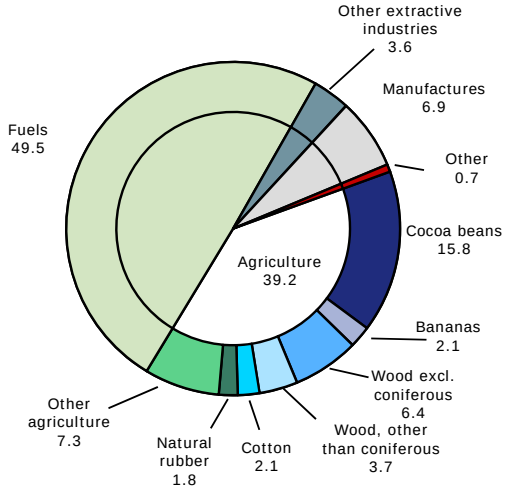
Chart 1.1 Structure of trade in goods, 2005 and 2010

2005 **2010**

(a) Exports (f.o.b.)

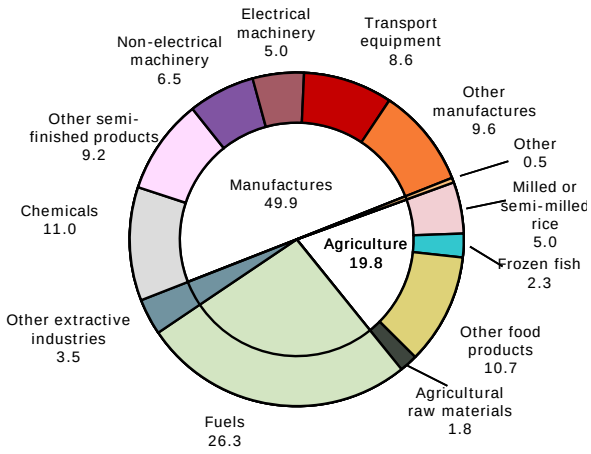


Total: US$2.4 billion

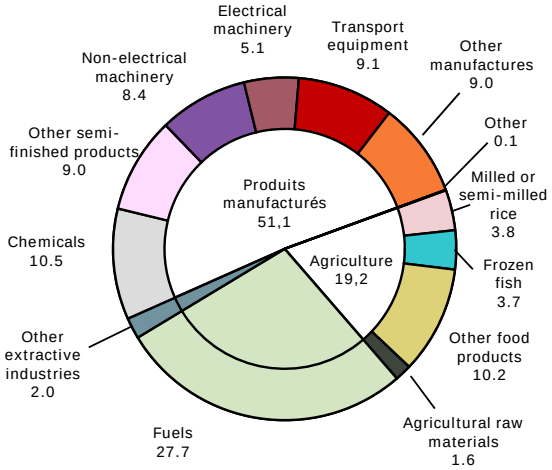


Total: US$3.9 billion

(b) Imports (c.i.f.)



Total: US$2.7 billion



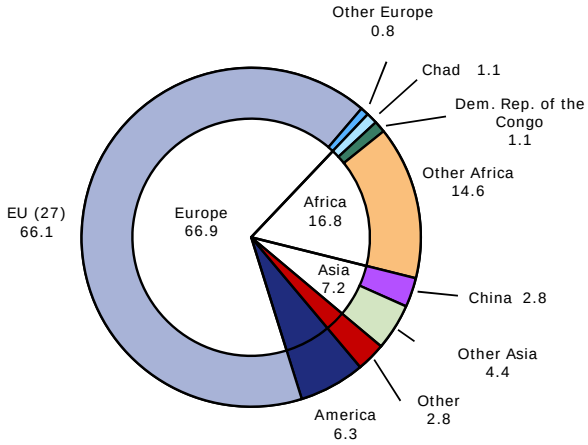
Total: US$5.1 billion

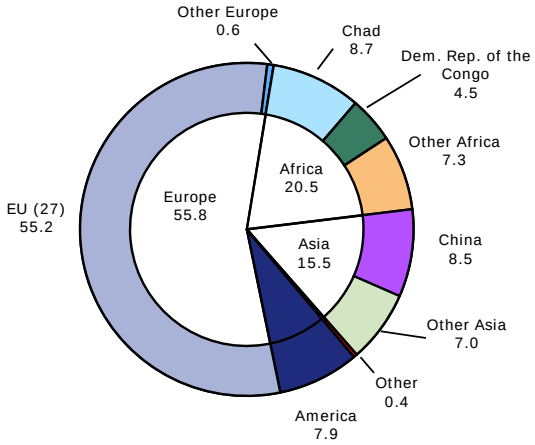
Source: WTO Secretariat calculations, based on data in the UNSD's Comtrade database (SITC Rev.3) and information provided by the authorities.

Chart 1.2 Destination of trade in goods, 2005 and 2010

2005 **2010**

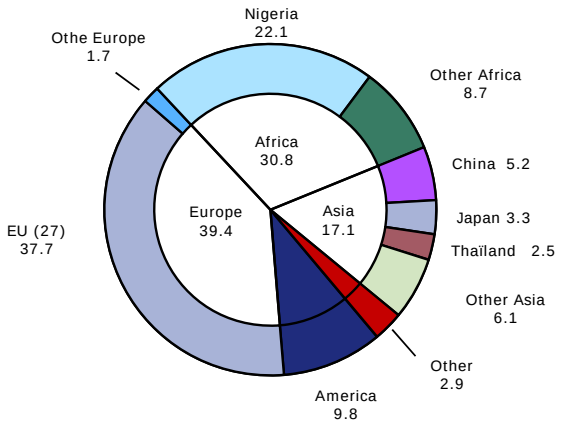
(a) Exports (f.o.b.)

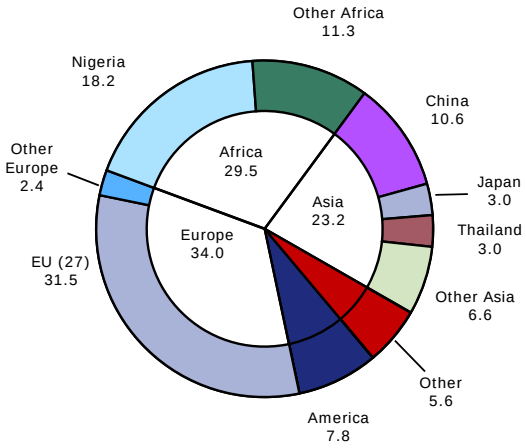




Total: US$2.4 billion **Total: US$3.9 billion**

(b) Imports (c.i.f.)





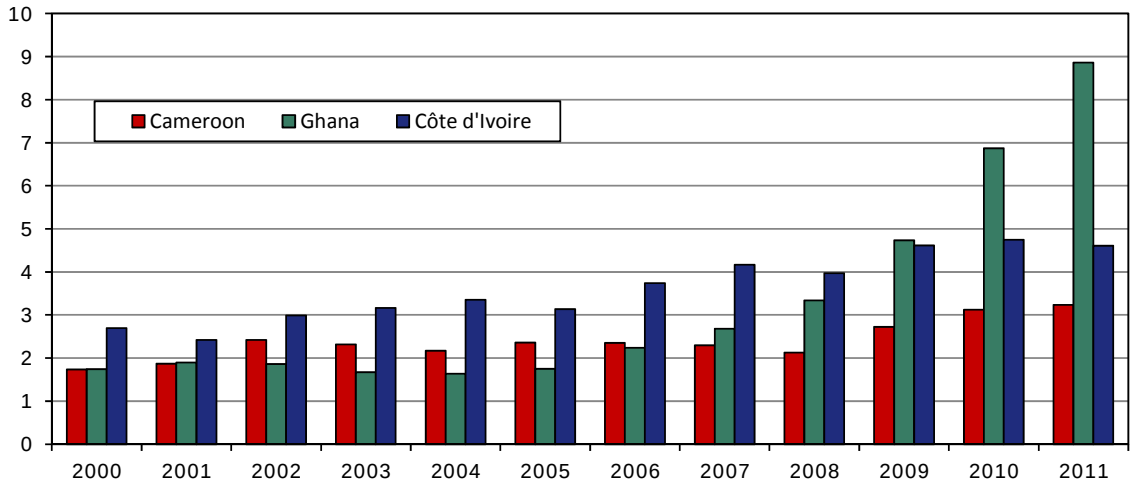
Total: US$2.7 billion **Total: US$5.1 billion**

Source: WTO Secretariat calculations, based on data in the UNSD's Comtrade database (SITC Rev.3) and information provided by the authorities.

1.3.2 Direct investment

1.16. The capital and financial transactions account is a reflection of the relatively large inflows of foreign investment into Cameroon following its debt relief. These inflows are, however, tending to slow down and the stock of foreign direct investment is still limited in international terms (Chart 1.3). The high rates of taxation, the complex fiscal structure and its unpredictability undoubtedly play a role in Cameroon's limited attraction for foreign investors.

Chart 1.3 Inflow of foreign direct investment, 2000-2011
(€ billion)



Source: Online information from UNCTAD. Viewed at: http://unctadstat.unctad.org/. (Database accessed in February 2013).

1.4 Outlook

1.17. Cameroon has all the assets needed for strong economic growth: a geographical position at the crossroads of trading routes on a continent with immense potential, vast and rich farm land, abundant raw materials, plentiful water resources, and a young bilingual population. At the economic level, government debt has been greatly reduced and the Government receives support from its financial partners. Despite the favourable trend in the price of the raw materials exported, these very advantageous conditions did not, unfortunately, suffice to lessen poverty during the period under review (2006-2012), and economic growth remains markedly below its potential.

1.18. Estimates by the World Bank and the IMF focus on growth of over 5% in 2012, driven by the non-oil economy, especially agriculture, and the services sector, which has seen strong growth. In 2013-2016, the completion of several large-scale projects, notably a gas-fired power station and a deep-water port at Kribi, should buoy up economic activity by helping to lessen bottlenecks. The efforts being made to improve agricultural yields could also catalyze the economy and accelerate the rate of growth. In addition, oil output is expected to recover. Nevertheless, in general, Cameroon's economic growth prospects will to a large extent depend on its capacity to implement the reforms needed to bring about a real improvement in both infrastructure and the business climate, as well as governance.

2 TRADE AND INVESTMENT REGIMES

2.1 Overall framework

2.1. Pursuant to its 1972 Constitution, as amended in 1996 and 2008 (see below), the Republic of Cameroon is a decentralized unitary State.[9] It has ten regions, each headed by a Governor appointed by the President of the Republic. The local authorities do not, however, have any responsibilities in the area of foreign trade. The 1996 amendments provided for regional councils to be responsible for promoting the development of the regions, but they have not yet been established.

2.2. The main objective of the constitutional amendment in 2008 was to abolish the two-term limit for the President of the Republic. Under the Constitution as amended, the President is elected by direct, universal and secret suffrage for a renewable term of seven years; the next presidential election will be held in 2018. The President is the Head of State and holds executive power. In this capacity, he shapes national policy; he is responsible, *inter alia*, for negotiating and ratifying international treaties and agreements and for enacting laws. The President appoints the Prime Minister and the other members of the Government; the current ministerial structure dates from 2004.[10] The President also appoints the members of the Supreme Court and other judicial authorities.

2.3. Legislative authority is vested in Parliament, composed of the National Assembly of 180 members elected for five years and the Senate of 100 members finally created in May 2013.[11] The current National Assembly was elected in 2007 and, after several extensions, it would appear that the members' current term runs until August 2013. Legislation is proposed both by the President and the members of Parliament (Assembly and Senate). The areas reserved to Parliament (regarding which the President must first seek Parliament's approval) include the property regime and financial and economic matters.

2.4. Judicial authority is vested in the Supreme Court, the courts of appeal and the lower courts. The Constitutional Council, provided for by the 1996 amendments to the Constitution, was created in 2004[12], but by March 2013 its members had not yet been appointed. It will rule on the constitutionality of laws, international treaties and domestic regulations, as well as on jurisdictional disputes among State institutions. Pending effective initiation of its functions, the Supreme Court carries out these tasks.

2.5. The Ministry of Trade (MINCOMMERCE) is responsible for defining, implementing and evaluating Cameroon's trade policy.[13] It works in consultation with many other ministries, including those responsible for finance, agriculture, industry, the economy and small and medium-sized enterprises (SMEs). The Ministry of Finance (MINFI) is responsible, *inter alia*, for developing and implementing fiscal policy, including customs policy, and accordingly has an important role to play in orienting trade policy. The Directorate-General of Customs[14], part of MINFI, is responsible for administering and enforcing customs regulations, including the CEMAC Customs Code (common report, Chapter 2).

2.6. MINCOMMERCE involves many other advisory structures in the development of trade policy, on an ad hoc basis:

- Chamber of Commerce, Industry, Mines and Crafts (CCIMA);
- Chamber of Agriculture, Fisheries, Livestock and Forests (CAPEF);

[9] Online information from the Office of the President of the Republic of Cameroon. Viewed at: http://www.prc.cm/pdf/nvelle_constitution_camer.pdf; the 2008 amendment was viewed at: http://www.prc.cm/pdf/loi_n_2008_001_du_14_avril_2008.pdf.

[10] Decree No. 2004/320 of 8 December 2004 on the structure of the Government.

[11] The constitutional reform of 1996 established the Senate, with ten members for each region, giving a total of 100 senators, of whom 70 are elected and 30 appointed by the President.

[12] Law No.2004/005 of 21 April 2004 laying down the conditions for membership of the Constitutional Council.

[13] MINCOMMERCE's services have set up a website. Viewed at: http://www.mincommerce.gov.cm/.

[14] Online information from the Cameroonian Customs. Viewed at: http://douanescustoms-cm.net/.

- Cameroon Employers' Association (GICAM), the largest organization in the private sector;
- Three approved management centres, which assist SMEs in managing their tax affairs and accounts, under the supervision of the CCIMA;
- Cameroon Business Forum;
- National Coffee and Cocoa Board (ONCC);
- Union of Cameroon Industrialists;
- Cocoa and Coffee Interprofessional Committee;
- National Federation of Small and Medium-sized Enterprises (SMEs);
- Committee to Facilitate Foreign Trade Transactions (FAL Committee);
- Union of Importers and Exporters;
- Cocoa and Coffee Interprofessional Council (CICC);
- Exporters' Grouping (GEX);
- Committee to Facilitate International Shipping;
- Agency of Standards and Quality (ANOR);
- Investment Promotion Agency (API);
- National Competition Commission (CNC);
- Council for Support for Partnership Agreements (CARPA);
- Single windows for facilitating enterprise creation formalities (GUFCE), six of which are operating; and
- Single Window for Foreign Trade Operations (GUCE).[15]

2.7. The Cameroon Business Forum is one of the most recent frameworks for dialogue between the public and private sectors. It was created in January 2009 and involves the Ministry of the Economy, Planning and Regional Development (MINEPAT), the private sector represented by the CCIMA and the GICAM, and the International Finance Corporation (World Bank Group). The Forum is an adjunct to the Prime Minister's Investment Council which, according to the authorities, is not currently operating, and to the other structures with the same objective, including the CNC (which only deals with competition-related issues), itself supervised by the Regulation and Competition Council (CRC) created under the Investment Charter. In general, it would appear that there are a large number of structures with a considerable risk of overlapping of activities. Moreover, their recommendations are frequently not followed up.

2.8. Cameroon's major donors also have their own framework for consultation with the Government, the Technical Committee on the Follow-up of Economic Programmes. Its objective is to ensure that development strategies become truly operational, to speed up the reform of government finance, and to expand and reinforce external control powers. In 2006, the National Technical Committee on Follow-up of the Marrakesh Agreements was reorganized and became the National Technical Committee on Follow-up of the WTO Agreements.

2.9. The Constitution takes precedence over all other national legal instruments. Below the Constitution (in descending order of importance) come laws, ordinances, decrees, orders, decisions, instructions, and circulars. International treaties and agreements are ratified by the President. Those whose ratification requires legislation are submitted for (legislative) approval by Parliament. Immediately after they are published, duly signed and ratified international treaties and agreements override national legal instruments, provided that each agreement or treaty is implemented by all the parties. The WTO Agreements are an integral part of Cameroon's internal law and may be invoked directly in its courts. Although they have not been invoked before the courts since 2006, they have been invoked before the Customs Administration (see Chapter 3.1.3, customs valuation).

2.10. The President puts draft legislation before Parliament once the texts have been drafted by the competent ministerial departments. In some instances, Parliament may give the President authority to legislate by means of an ordinance (for example, the measures against rising food prices in 2008 and those concerning the Investment Charter in 2009). In general, few new legislative texts on international trade have come into force since 2006 (see Chapters 3 and 4). Moreover, where new texts have been adopted, the situation has been made even more complicated by the quasi-systematic inclusion at the end of most new legal texts of an article indicating that "previous provisions to the contrary" are repealed, although any specific indication

[15] Online information from the Single Window for Foreign Trade Operations-GIE (GUCE). Viewed at: http://www.guichetunique-cameroun.org/.

of the text repealed is the exception rather than the rule. Consequently, in the absence of any consolidated position, these partial repeals make it difficult to analyse the provisions that are effectively in force and applicable.

2.11. According to the authorities, all laws and regulations are published in the Official Journal in English and French. The websites of the Customs and the Prime Minister's Office provide information on many laws and procedures, including those relating to international trade.[16] In addition, with technical assistance from UNCTAD, the Ministry of Small and Medium-Sized Enterprises, Social Economy and Crafts and the GICAM have created the eRegulations database to make business-related administrative procedures in Cameroon transparent.[17]

2.12. Commercial law is to a large extent derived from CEMAC legislation and the rules of the Organization for the Harmonization of Business Law in Africa (OHADA) (common report, Chapters 2, 3 and 4). In addition, at the national level, the creation of commercial companies and their activities are governed by Law No. 90/031 of 10 August 1990 regulating business activities in Cameroon.[18] This Law, which in principle governs all business activities in Cameroon, determines the principle of free enterprise for both foreign and Cameroonian natural and legal persons. Articles 8 *et seq.*, however, specify prior approval requirements and reciprocity for non-Cameroonians engaging in business activities. Its implementing decree reserves to Cameroonians the exercise of small-scale activities ("*petits métiers*"), namely, street vendors, hawkers ("*buyam-sellam*") and operators of family-run cafés. According to the authorities, a revision of this law is currently under consideration.

2.13. To combat corruption, in 2005 Cameroon set up the Audit Chamber and the National Financial Investigation Agency (ANIF). In March 2006, a National Anti-Corruption Commission (CONAC), with investigative and repressive powers, was created.[19] Units were set up in most of the Ministries to combat corruption. Nevertheless, for Cameroon, combating corruption remains a major challenge and has an impact on the growth of its economy and trade. According to *Transparency International*, which has had an office in Cameroon since 2000, the situation is gradually improving. Cameroon's corruption perception index (CPI) was 2.5 in 2011 compared to 2.3 in 2006.[20] Corruption may have been lowered still further by Cameroon's ratification of the United Nations Convention against Corruption (UNCAC) in 2006.[21] In addition, the signature and ratification of the African Convention on Preventing and Combating of Corruption and related offences and the implementation of the Law on the Declaration of Goods and Assets in 2006[22] may also have contributed.

2.2 Trade policy objectives

2.14. The public authorities have fixed as a goal making Cameroon an emerging economy by 2035. "Vision 2035", and the GESP of 2009, which is its medium-term operational framework, give trade an important role and consider it to be a powerful catalyst for creating wealth and promoting development.[23] At the internal level, the Government's objectives for boosting trade consist of ensuring regular supplies in the domestic market under healthy conditions of competition and, at the international level, seeking new markets for Cameroon's goods

[16] Government of Cameroon (2009).

[17] Online information from the eRegulations Cameroon database. Viewed at: http://cameroun.eregulations.org/.

[18] Business activity is defined as "any activity relating to production and/or trade in goods and services by any natural or legal person possessing the status of a business person in accordance with the provisions of the Commercial Code". Online information from the Government of Cameroon. Viewed at: http://www.spm.gov.cm/fr/documentation/textes-legislatifs-et-reglementaires/article/loi-n-90031-du-10-aout-1990-regissant-lactivite-commerciale-au-cameroun.html. Decree No.93/720/PM of 22 November 1993 determines the rules for implementing Law No. 90/031 of 10 August 1990 governing business activities in Cameroon.

[19] CONAC (2011).

[20] *Transparency International* draws up an index of the perception of corruption (CPI) which measures the perception by persons in business and country-analysts of the level of corruption in a country, ranging from 10 (a high level of probity) to 0 (highly corrupt).

[21] United Nations Office on Drugs and Crime (2004).

[22] Online information from the Government of Cameroon. Viewed at: http://www.spm.gov.cm/fr/documentation/textes-legislatifs-et-reglementaires/article/loi-n-0032006-du-25-avril-2006-relative-a-la-declaration-des-biens-et-avoirs.html.

[23] African Development Bank (2009).

and services, particularly those with high value added. The Government's trade policy objectives also include African trade integration, mainly with Nigeria and within the Economic Community of Central African States (ECCAS). The authorities realize that the problems currently inherent in Cameroon's trade regulations (Chapter 3), which explain its poor *Doing Business* ranking in the case of cross-border trade, hinder the achievement of these objectives.

2.3 Trade agreements and arrangements

2.15. Cameroon is an original Member of the WTO. In addition to the WTO, it belongs to several regional trade groupings, including the African Union, the associated African Economic Community (AEC), the CEMAC and the Economic Community of Central African States (ECCAS) (common report, Chapter 2).

2.3.1 World Trade Organization

2.16. During the period 2006-2012, Cameroon continued to benefit from the technical assistance and training furnished by the WTO. The Organization has spent around Sw.fr 1.13 million (not including the salaries of the WTO staff involved), mainly for travel and accommodation costs for the persons designated by the Government of Cameroon for training in the various topics dealt with by the WTO. In all, 135 persons took part in 97 activities, an average of 20 each year. The estimates of the annual amounts spent for this purpose ranged from Sw.fr 90,000 to Sw.fr 300,000.

2.17. Cameroon's participation in the activities organized by the WTO remained fairly stable between 2006 and 2010 (20-25 persons each year), but showed a marked decline in 2011 (8 persons) and 2012 (12 participants). Furthermore, during this period, Cameroon was invited to some 60 activities but did not take part.

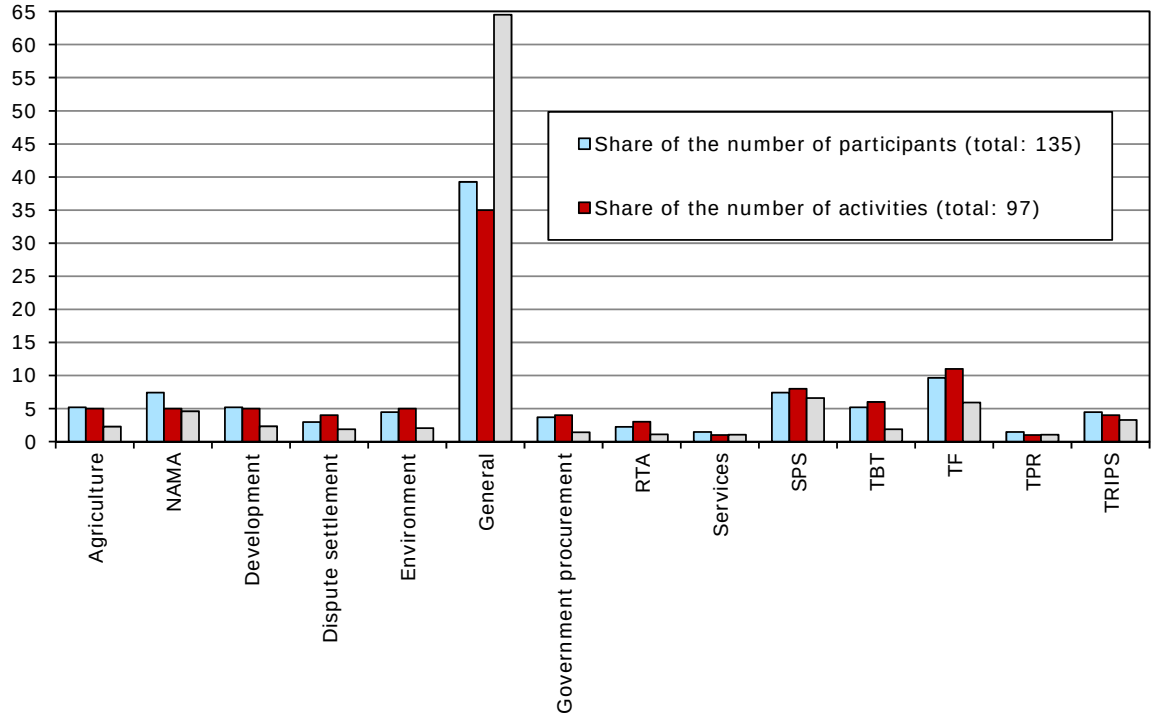
2.18. In all, 14.4% of these 97 activities (national or regional), involving 19% of the total number of participants, were held in Cameroon, at a cost of Sw.fr 123,000 (11% of total technical assistance to Cameroon over the period). As a developing country, Cameroon benefits in principle and at its request from two national activities annually financed by the WTO in connection with building human and institutional capacity. These activities are in the form of national seminars, workshops or missions in order to meet with the authorities, for example, in relation to preparation of the TPR. Each year, in all, more than two activities (national or regional) are held in Cameroon under WTO auspices.

2.19. Other activities (those outside Cameroon) in which Cameroon's representatives took part were held either in other African countries (43% of the activities, half of the participants and half of the cost) or in Geneva (43% of the activities, one third of the participants and 40% of the cost). In the case of the latter, two Cameroonian officials attended a ten-month course within the WTO Secretariat. Five Cameroonian officials followed a trade policy course in Geneva, while five others attended such courses in Cotonou or Rabat.

2.20. Notifications, of which Cameroon still has a sizeable backlog (common report, Chapter 2), were the subject of five activities, without any noticeable improvement.

2.21. In addition, during the period, 298 Cameroonian residents took part in an online course successfully completed by 204 participants (68.5%). Each of these courses involved 50 to 60 hours of training. The high number of participants in these online courses is perhaps the result of the introduction of a requirement to have successfully completed online training in order to be chosen for other activities.

Chart 2.1 WTO assistance to Cameroon by sphere of activity, 2006-2012
(%)



Source: WTO Secretariat.

2.22. As far as infrastructure is concerned, since October 2006, Cameroon has had three reference centres and four national enquiry points on sanitary and phytosanitary (SPS) measures, technical barriers to trade (TBT), trade-related aspects of intellectual property rights (TRIPS) and services, with MINCOMMERCE as the focal point. According to the latter, however, the reference centre there is not operational as there is no Internet access.

2.3.2 Relations with the European Union (EU)

2.23. Trade negotiations between Cameroon and the European Union (EU) are currently under way. In replacement of the trade provisions in the Cotonou Agreement (common report, Chapter 2), on 25 January 2009 Cameroon signed with the EU an "Interim Agreement with a view to an Economic Partnership Agreement between the European Community and its Member States, of the one part, and the Central Africa party, of the other part" (EPA), the Central Africa party comprising Cameroon alone. The EU notified this Agreement to the WTO on 24 September 2009 under Article XXIV:7 of the GATT 1994.[24]

2.24. By March 2013, the EPA had not yet come into force. It should enter into force as soon as the ratification process or other internal procedures have been completed, as provided in Article 98 thereof. According to Article 98.5, the Agreement should be applied provisionally by each party ten days after receipt of a notification of provisional application by the European Community and CEMAC. The EU has made such a notification, but not CEMAC.

2.25. While awaiting the definitive entry into force of the EPA, since January 2008 the EU has unilaterally accorded its benefits to Cameroon, pursuant to Council Regulation (EC) No. 1528/2007 of 20 December 2007 (hereinafter "Regulation No. 1528/2007).[25] This Regulation applies to products originating in Cameroon, and in all ACP countries or regions (listed in Annex I

[24] European Union (2009). See also WTO document WT/REG274/N/1, WTO's RTA database. Viewed at: http:rtais.wto.org.

[25] Council Regulation (EC) No. 1528/2007 of 20 December 2007 *applying the arrangements for products originating in certain states which are part of the African, Caribbean and Pacific (ACP) Group of States provided for in agreements establishing, or leading to the establishment of, Economic Partnership Agreements*. Viewed at: http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:348:0001:0154:EN:PDF.

to the Regulation) which have negotiated or initialled an EPA with the EU. These States or regions will remain on the list, unless the European Council, acting by qualified majority on a proposal from the Commission, amends Annex I to remove a region or State, in particular, where the region or State indicates that it intends not to ratify the EPA or not to do so within a "reasonable period of time", if the Agreement is terminated or the region or State concerned terminates its rights and obligations under the Agreement but the Agreement otherwise remains in force (Articles 2.1 and 3).[26]

2.26. In terms of customs duty, compared to the Cotonou Agreement it replaces, the EPA accords Cameroon substantial reductions, particularly in certain agrifood sectors. The Cotonou Agreement it replaces maintained non-zero preferential tariffs on most agrifood products, under tariff quotas. According to Article 20 of the Interim Agreement, all products originating in Cameroon may be imported into the EU free of customs duties, with the exception of four goods:

- arms and ammunition, which remain subject to MFN duties (Chapter 93);
- rice (heading 1006.10.10), on which customs duty will be eliminated upon the Agreement's definitive entry into force;
- sugar (subgroup 1701), subject to a tariff quota until 30 September 2015, with zero customs duty within the tariff quota and MFN duty outside the quota; a special surveillance mechanism is provided until September 2015 to prevent the import of excessive volumes causing a decrease in sugar prices on the EU market (Annex II.7); and
- bananas (heading 0803.00.19) sold in the "outermost regions" of the EU (some overseas departments and territories).

Table 2.1 Tariff preferences in favour of Cameroon on the EU market
(%)

	Cameroon's tariff preferences, 2007[a]	Cameroon's tariff preferences, 2008-2012[b]	MFN[c] 2012	GSP[d] 2012
Simple average duty applied	0.1	0.01	5.1	2.7
Agricultural products (WTO definition)	0.7	0.00	9.2	6.7
Non-agricultural products (WTO definition)	0.0	0.01	4.4	2.0
Range of rates	0-32	0-7.7	0-74.9	0-52.4
Duty-free tariff lines (% of total tariff lines)	90.6	99.4	24.6	56.5
Non-*ad valorem* duties (% of total tariff lines)	8.6	0.00	10.8	10.3
Total number of tariff lines	9,720	9,699	9,383	9,383

a Under the Cotonou Agreement.
b Under Regulation No. 1528.
c MFN: Most-favoured-nation.
d GSP: Generalized system of preferences.

Note: For the lines that are the subject of a tariff quota, only the out-of-quota duty has been taken into account when calculating customs duty. The calculations do not include specific rates but do take into account the *ad valorem* components of compound rates.

Source: WTO estimates based on data transmitted by the EU to the WTO's IDB.

2.27. As shown in Table 2.1, until 2008, i.e. the year when the EPA started to be applied by the EU on a provisional basis, the EU already accorded Cameroon considerable tariff

[26] Online information from the Directorate-General for Trade of the European Union. Viewed at: http://trade.ec.europa.eu/doclib/docs/2011/september/tra doc_148215.pdf.

preferences, with an applied average customs duty of 0.1%. In addition to these preferences, which the Interim EPA allowed to be retained, the main step forward in terms of access to the EU market for Cameroonian products since January 2008 concerns 915 tariff lines (9.4% of the total) covering all agrifood products, which did not have duty-free entry under the Cotonou Agreement, but became duty free with the provisional implementation of the EPA.

2.28. Reciprocally, most of the customs duties on products originating in the EU and going to Cameroon will have to be lowered or lifted in accordance with the tariff dismantling timetable in Annex III to the Interim EPA (Table 2.3). The tariff lines are grouped into four categories: the first three categories are subject to tariff reduction percentages specified for each year (for example, products from the EU belonging to category 1 should all have become duty free as of 1 January 2013, those in category 2 in 2017 and those in category 3 in 2023); and the tariffs on products in the fourth category (category "5"), which includes 1,409 headings (or 14.5% of tariff lines) will be neither lowered nor lifted.

Table 2.2 Timetable for reducing and lifting tariffs on products originating in the European Union from 2008 to 2023
(At 1 January)

Category	Number of lines	2008	2009	2010	2011	2012	2013	2014	2015
1	1,726	0%	0%	25%	50%	75%	100%	..	..
2	1,024	0%	0%	0%	15%	30%	45%	60%	75%
3	2,079	0%	0%	0%	0%	0%	0%	10%	20%
5	1,409	0%	0%	0%	0%	0%	0%	0%	0%
	..	..	..	..	..	..	..	..	..
Category		**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
1		..	..	..	..	..	..	..	..
2		90%	100%	..	..	..	..	..	..
3		30%	40%	50%	60%	70%	80%	90%	100%
5		0%	0%	0%	0%	0%	0%	0%	0%

... Not available.

Note: In the Table above, the tariff reduction percentages apply either to the custom duties listed in Annex III or to any new tariffs defined during the negotiations on extending the EPA to Central African countries

Source: Interim Agreement with a view to an Economic Partnership Agreement between the European Community and its Member States, of the one part, and the Central Africa party of the other part (EPA).

2.29. At the close of the transitional period, Cameroon will have liberalized 85.5% of its tariff lines (equivalent to 81.3% of its imports (2005-2007 basis) from the EU).

2.30. The products in category 5 will not be liberalized by Cameroon under the EPA in order to protect its sensitive sectors and conserve its fiscal revenue. This category includes cotton, pearls and precious stones, textile products, olive oil and table olives, meat, shellfish, milk and milk products, coffee, cocoa, tobacco, fruit, cement, beauty and cosmetic products, rubber and rubber articles and automobiles. The CET rates on these products range from 5 to 30% (common report, Chapter 3.1.4.1). The EPA also includes provisions on forestry governance (Chapter 4.1.4).

2.31. According to the Interim EPA, no new customs duties may be introduced in trade between the parties and those already applied may not be increased, either for imports or for exports. In the event of a serious public finance problem or the need for stronger environmental protection, however, the Central Africa party may, after consultation with the EC Party, introduce customs duties on exports for a limited number of additional goods (Article 15). According to Article 21.3, in the context of introducing a common external tariff in the Central Africa party, as of 1 January 2013 and insofar as the general incidence of these duties (within the meaning of Article XXIV:5(a) of the GATT) is no higher than that of the duties specified in Annex III to the EPA, Cameroon may revise its customs duties on imports from the EU.

2.32. Imported products originating in another Party may not be subject, either directly or indirectly, to internal taxes or other internal charges of any kind in excess of those applied, directly or indirectly, to like national products (national treatment). The Parties also prohibit the application of internal taxes or other charges in any other way so as to afford protection to national production. As well as taxes or charges, national treatment also applies to laws, regulations and requirements affecting the sale, offering for sale, purchase, transportation, distribution or use on the domestic market, and any internal regulation relating to the mixture, processing or use of products in specified amounts or proportions (Article 23). National treatment does not apply to laws, regulations, procedures or practices governing public procurement (Article 23.5). The Interim EPA also contains detailed regulatory provisions (on customs and administrative cooperation, technical regulations, including SPS measures, for example). As to safeguards, it excludes the Central African signatories from any measure taken in implementation of Article XIX of the GATT 1994, the Agreement on Safeguards and Article 5 of the WTO Agreement on Agriculture. Bilateral safeguard measures are, however, provided in Article 31.

2.33. Article 19 of the Interim EPA ("Most favourable treatment on the basis of economic integration agreements") provides that, as of its entry into force, the EU shall grant Cameroon any more favourable treatment which could result from the EU becoming party to "an economic integration agreement" with third parties.[27] The EU has notified to the WTO the negotiation of such agreements with three countries.[28]

2.34. Cameroon has the same obligation, but only if the third party is a "major trading partner".[29] If the Central Africa Party receives substantially more favourable treatment under an agreement with a major trading partner than that offered by the EU, the two Parties shall enter into consultations and decide together on the implementation of the said treatment ("MFN clause" for the EU).

2.35. Cameroon retains its preferential access to the EU market under the Generalized System of Preferences (GSP), access that is markedly less generous than that envisaged in the EPA (Table 2.2).

2.3.3 Relations with the United States of America

2.36. Cameroon enjoys preferential access to the United States market under the GSP and, since 2 October 2000, under the programme introduced by the United States pursuant to the African Growth and Opportunity Act (AGOA). Cameroon has also been eligible for the AGOA's special clause on textiles since 1 March 2002.

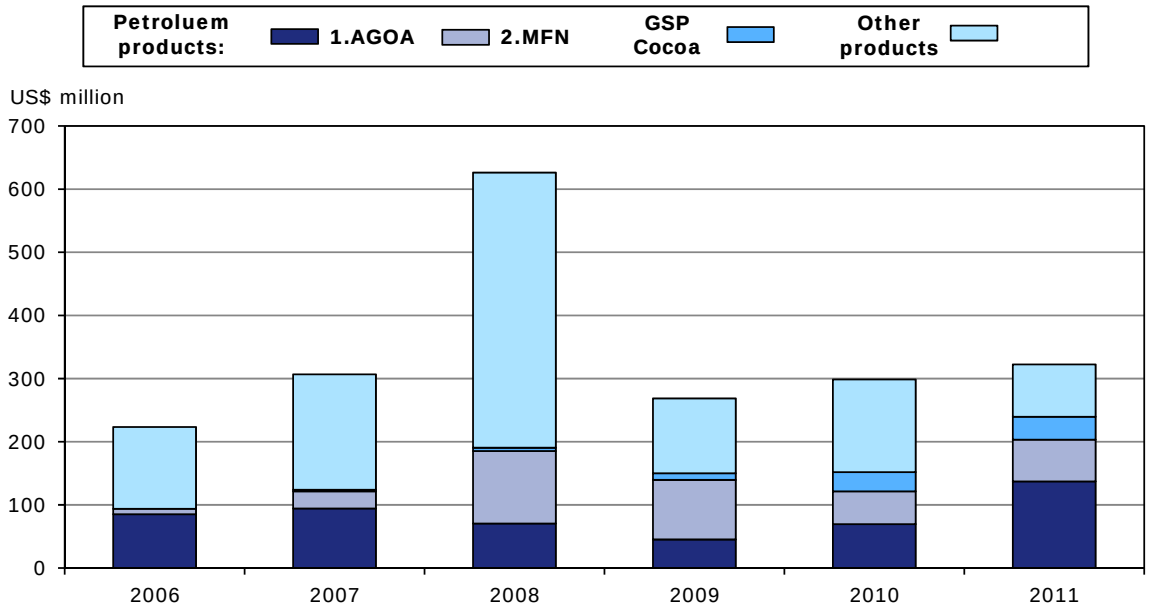
2.37. Cameroon's exports to the United States have not shown a particularly dynamic trend (Chart 2.2). Almost one third of imports are composed of petroleum products and, despite MFN customs duty (US 5.25 cts. per barrel), one third of these oil imports do not come under the AGOA but under the MFN regime. The second largest import is cocoa paste, which the United States imports from Cameroon duty free under the GSP regime; it is followed by rubber, timber and coffee, which all enter the United States under the MFN regime.

[27] An economic integration agreement means "an agreement which substantially liberalizes trade and abolishes or eliminates discrimination between the Parties by eliminating existing discriminatory measures and/or prohibiting new or more discriminatory measures, either upon entry into force of the Agreement or on the basis of a reasonable time-frame" (Article 19.4).

[28] WTO's RTA database. Online information. Viewed at: http://rtais.wto.org/UI/PublicSearchByMemberResult.aspx?MemberCode=918& lang=1&redirect=1.

[29] A major trading partner means any developed country or any country accounting for more than 1% of world trade or any group of countries acting individually, collectively or through an economic integration agreement accounting collectively for more than 1.5% of world trade in the year before the entry into force of the economic integration agreement (Article 19.5).

Chart 2.2 United States imports from Cameroon by product, 2006-2011



Note: Cocoa refers to heading HS 1803 2000; oil to heading HS 2710 1905.

Source: United States International Trade Commission (database accessed in October 2012).

2.3.4 Other agreements and arrangements

2.38. In addition to the EU and the United States, under the GSP other countries accord preferential (non-reciprocal) tariff treatment to goods originating in Cameroon. These are the following: Australia, Belarus, Canada, Japan, New Zealand, Norway, Russia, Switzerland and Turkey.

2.39. Since 1992, Cameroon has also been party to the Agreement on the Global System of Trade Preferences (GSTP) among developing countries. The tariff concessions cover three groups of product: chemical fertilizers, alumina and essential oils.[30] According to the Customs, these preferences are not used.

2.40. Cameroon has also signed trade agreements with various countries, such as Côte d'Ivoire (1962), Japan (1962), Senegal (1974), Morocco (1987), Nigeria (1963, revised in 1982), Tunisia (1999), Egypt (2000) and China (1972, updated in 2002).[31] According to the authorities, these agreements establish an overall framework for cooperation but do not grant tariff preferences. Only the agreement with Senegal provides for exemption from customs duties and taxes (for all products) but, according to the authorities, it is not implemented.

2.4 Investment regime

2.41. The Government is relying on private investment, particularly from abroad, to catalyze growth, aware that there is less foreign investment in Cameroon than in other countries with a comparable income level (Chapter 1). To do this, a draft law containing a code of incentives for private investment in Cameroon was put before the National Assembly on 23 March 2013. According to the Government, the text establishes a single approval system for all Cameroonian and foreign investors through which they receive common tax, customs, financial and administrative incentives during the start-up and operational phases, together with special incentives for investment deemed to be a priority. If this legislation is implemented rapidly, it would help to offset the lack of transparency and the complexity of the current system.

[30] UNCTAD (2004).
[31] MINCOMMERCE (undated).

2.42. To start a business, the following are in principle required: listing in the RCCM; registration of the taxpayer by the tax authorities; registration with the Cameroon National Social Security Fund; attestation of exemption from the business tax; and listing in the register of cooperative associations and joint initiative groups for all enterprises and organizations involved in social economy. The World Bank's *Doing Business* indicators highlight the administrative and legal obstacles which an entrepreneur has to overcome to comply with these formalities. The procedures required in order to start a business remain complex, slow and costly. In 2012, the World Bank ranked Cameroon 161st out of 183 countries (152nd out of 175 in 2006). The improvements include a decrease from eleven to six in the number of procedures required to start up a company in 2010 and in the number of days needed to complete these procedures from 45 to 15. The cost of the procedures has fallen from close to 160% of per capita GDP in 2006 to less than 50% in 2012, although the minimum capital to be paid up is still almost double the per capita GDP.[32] This should nevertheless help to increase investment in Cameroon, even if it is still not within the reach of the average citizen's purse.

2.43. There have been few changes since 2006 in the procedure for acquiring real estate (Box 2.1), which is lengthy and costly, even for Cameroonians.[33] For non-Cameroonians, the principal way of obtaining agricultural and/or industrial land is to lease it (Decree No. 76-166) as foreigners are not allowed to buy land (Decree No. 76-165). It did not prove possible to obtain the regulations in effect or to know the extent of national treatment as regards the leasing of agricultural or industrial land. A database does, however, enable the main texts to be obtained, against payment. The Ministry of State Land, the Land Register and Property Matters (MINCAF) is in charge of registering agricultural land and developing industrial zones. According to the World Bank's *Doing Business* reports, little progress has been made as regards building permits: it is still necessary to complete 11 procedures and wait 147 days to obtain a permit, whose cost is more than ten times the per capita GDP (double the cost in Ghana or Nigeria).

Box 2.1 Texts concerning the property regime in Cameroon

- Ordinance No. 74/1 of 6 July 1974 determining the property regime.
- Ordinance No. 74/2 of 6 July 1974 determining the regime for land in the domain of the State.
- Decree No. 76/165 of 27 April 1976 determining the criteria for obtaining land tenure.
- Decree No. 76/166 of 27 April 1976 determining the rules for managing land in the domain of the State.
- Decree No. 76/167 of 27 April 1976 determining the rules for managing land in the private domain of the State.
- Law No. 80/21 of 14 July 1980 amending and supplementing certain provisions of Ordinance No. 74/1 of 6 July 1974.
- Law No. 80/22 of 14 July 1980 on repression of offences against property and land in the domain of the State, amended by Law No.81-21 of 27 November 1981.
- Law No. 19 of 26 November 1983 amending the provisions of Article 5 of Ordinance No. 74/1 of 6 July 1974 determining the property regime.
- Decree No. 84/311 of 22 May 1984 containing the rules for implementing Law No. 80/22 of 14 July 1980.
- Law No. 85/005 of 4 July 1985 amending Article 1 of Law No. 80/22 of 14 July 1980 on repression of offences against property and land in the State domain.
- Decree No. 90/1480 of 9 November 1990 amending and supplementing certain provisions of Decree No. 76-167 of 27 April 1976 determining the rules for managing land in the private domain of the State.
- Decree No. 2005/1481 of 16 December 2005 amending and supplementing certain provisions of Decree No.76/165 of 27 April 1976 determining the criteria for obtaining land tenure.
- Decree No. 90/1482 of 9 November 1990 amending and supplementing certain provisions of Decree No.76/165 of 27 April 1976 determining the criteria for obtaining land tenure.
- Decree No. 2008/0738/PM of 23 April 2008 on organization of the procedures and rules for developing land.
- Criminal Code, provisions on repression of offences against property.

Source: Property regime database. Viewed at: http://www.camimo.com/BD_noitalsig/bdlegisl_cameroun.htm.

2.44. The Ministry of Industry, Mines and Technological Development (MINIMIDT) is responsible for Cameroon's investment policy (including foreign investment). The Ministry, which does

[32] World Bank (2012b).
[33] African Development Bank (2009).

not appear to have its own website, is in charge of promoting local industry and implementing the country's industrialization plan; developing industrial zones; promoting private investment in the mining sector, industry and technological development; and for drawing up, disseminating and monitoring implementation of the various investment-related legislative texts. Cameroon is one of the beneficiaries of UNCTAD's investment facilitation programme, intended to reinforce countries' institutional framework so as to attract and retain flows of foreign investment and develop a climate conducive to profitable investment.[34]

2.4.1 Regulatory framework

2.45. Cameroon's problem in attracting foreign investment could also be caused in part by the lack of clarity that characterizes the legal environment governing foreign investment. Eleven years after it was adopted, only the provisions in the 2002 Investment Charter[35] that are not contrary to the Ordinance on the Investment Code of 1990 had come into force and the Ordinance itself still remains in force.[36] In 2009, however, an ordinance was adopted explicitly providing for the repeal of the 1990 Ordinance (and that of 1990 on free zones), but extending it for five years.[37]

2.46. Moreover, at least three other fiscal investment regimes are in force in addition to the Ordinance, each one according different tax and customs benefits:

- Foreign companies incorporated in Cameroon may invest by means of a public-private partnership (*partenariat public-privé*) (PPP) contract pursuant to Law No. 2008/009 of 16 July 2008 determining the fiscal, financial and accounting regime applicable to PPP contracts.[38] In this case, all import duties and customs taxes, including VAT "are borne" by MINEPAT;

- Firms may also sign a framework agreement (*convention d'établissement)* (CE) with the Government, thereby benefiting from the advantageous fiscal regimes provided in the General Tax Code. Such conventions are frequently signed in the oil, gas and mining sectors;

- Companies under ordinary law may also sign agreements in the form of specifications, (*cahiers de charges*) depending on the scale of the project; and

- There are also tax reductions under the developmental projects (*projets structurants)* regime.[39]

2.47. To summarize, the country's largest companies are operating under one of these special regimes and not under the 1990 Code or the 2002 Charter. Table 2.3 is an attempt to summarize the various regimes proposed and the related benefits.

[34] UNCTAD (2012d).

[35] Law No. 2002/004 of 19 April 2002, amended by Law No. 2004/20 of 22 July 2004 and by Ordinance No. 2009/001 of 13 May 2009.

[36] Ordinances No. 90/007 of 8 November 1990 and No. 94/003 of 24 January 1994. Viewed at: http://www.prc.cm/index_fr.php?link=les_actes/lecture_act&id=149&lang=fr&quoi=Ordonnance.

[37] Ordinance No. 2009/001 of 13 May 2009 amending certain provisions of Law No. 2002/004 of 19 April 2002 on the Republic of Cameroon's Investment Charter. Viewed at: http://www.prc.cm/index_fr.php?link=les_actes/lecture_act&id=149&lang=fr&quoi=Ordonnance.

[38] Government of Cameroon (2013b).

[39] Articles 113 *et seq.* for the fiscal regime on developmental projects and 105 *et seq.* for the tax reduction regime as a result of reinvestment.

Table 2.3 Tax regime applicable to companies in relation to investment, 2013

Type of fee, duty or tax	General requirements - Ordinary law regime	Regime(s) providing for exemptions for investment
Personal income tax (IRPP)	Scale of 10% to 35% depending on the income bracket	
Company tax (IS)	35% (plus 10% for the CAC, i.e. 38.5%)	RPS[a]: accelerated reimbursement; and extension of the loss carry forward from four to five years. CE[d]: reductions specific to each agreement.
Customs duty	0-30%	CDC[b]: reduced rate of 5% depending on the case. PPP[c]: borne by the State, deferred payment of the special temporary admission duty, direct collection of the goods. CE[d]: tariff reductions specific to each agreement.
VAT	19.25%	RPS[a]/CDC[b]: exemption from VAT on local purchases of building materials and on imports to be used to develop the project. PPP[c]: borne by the State. CE[d]: different exemptions depending on the case.
Property transfer deeds	15%	RPS[a]: flat rate of CFAF 50,000 instead of a rate of 15%. CDC[b]/ CE[d]: different benefits depending on the CE. PPP[c]: registration free of charge
Fees for registering deeds and contracts	...	RPS[a]: registration free of charge + flat rate of CFAF 50,000 on property transfers. CDC[b]/PPP[c]/CE[d]: exemption depending on the case. PPP[c]: exemption during the building stage plus 5 years, then 30% instead of 35%.
Business tax	0.075%-0.4% of annual turnover, broken down into 7 categories depending on the amount of turnover. Since 2011, exemption during the first two years of operation for any new company.	CDC[b]: full exemption

.. Not available.

a Developmental projects regime (RPS).
b Specifications regime (CDC).
c Public-private partnership (PPP).
d Framework agreement (CE).

Source: WTO Secretariat.

2.48. As mentioned above, a new draft law determining the incentives for private investment in Cameroon was put before the National Assembly on 23 March 2013. Article 4 of this draft law makes the granting of incentives conditional upon the creation of permanent jobs for Cameroonians. Incentives during the start-up phase appear to be particularly generous: exemption from most registration and transfer fees, the business tax, a lower rate of customs duty at 5% instead of the CET, exemption from VAT, company tax, and direct collection of equipment and materials related to the investment programme during the customs clearance procedure. During the operational phase, depending on the amount of the investment and the expected economic impact, the draft law provides for a 50% reduction in company tax over 5-10 years, together with exemption from customs duties, taxes and fees on the import of capital goods.

2.49. The 2013 draft law does not mention the economic zones envisaged in the 2002 Investment Charter. A draft law governing economic zones has been under consideration since 2010; it is expected to determine the conditions and the terms for managing geographical zones that are equipped and developed and have the capacity to become industrial, commercial or scientific centres. The draft law envisages the creation of the Cameroon Economic Zone Authority (CEZA),

to be responsible for management and administration of these zones. In the meantime, free zones and free points remain governed by Law No. 90/023 of 10 August 1990 (see Chapter 3.2.5).[40]

2.50. According to UNCTAD[41], Cameroon has signed bilateral investment treaties with 15 countries. The treaty with the United States obliges both Parties to accord national and most-favoured-nation treatment reciprocally in all their investment relations, including the purchase of existing investments and the creation of new investments.[42]

2.4.2 Institutional framework for investment promotion

2.51. The API, which was created by decree[43] in 2005 to replace the former Investment Code Management Unit (CGCI), which had served as the "single window" for investors, was supposed to start operating in January 2010. Heads of enterprises, however, still had to go through several departments to obtain the authorizations and documents required. In April 2010, the Prime Minister took an "experimental and transitional" decision limiting the time required for enterprise creation formalities to 72 hours: 72 hours after submitting the application, economic operators should be in possession of their enterprise creation attestation, if not, the receipt for submission of the application is deemed equivalent to the authorization. In March 2013, according to the authorities, this system was operating at least in Cameroon's four largest cities, where it was reportedly possible to complete enterprise creation formalities within this time-frame. In March 2012, the headquarters of the API were transferred from Douala to Yaoundé in order to collaborate more closely with government authorities and organizations, diplomatic missions and development partners. The API is considering developing its own website.

2.52. Entrepreneurs are invited to go to the GUFCE, supervised by the Ministry responsible for SMEs, where all the competent services for enterprise creation (registry or judicial authority, taxes, National Social Security Fund (CNPS)) are grouped together.

2.53. The 2002 Charter also provides for the creation of a Regulation and Competition Council (CRC), whose task it is to ensure that the objectives set in the 2002 Investment Charter are achieved.[44] In 2010, the Council held its third session.

2.54. The existence of the "PPP" regime reflects the fact that many Cameroonian companies are in the form of a partnership between the public sector and a foreign company. The National Investment Corporation (SNI) of Cameroon, created in 1964, is a State-owned company with the task of managing the State's holdings in the capital of new or existing companies that have good commercial and financial prospects; it promotes projects deemed to be productive, finances projects, and gives investors support for carrying out their projects.[45] In 2010, its portfolio comprised 32 projects.

2.4.3 Settlement of foreign investment-related disputes

2.55. The World Bank describes the protection given to investors by the local courts as poor (*Doing Business* Indicator). The worst performance is in observance of contracts, which has not improved since 2006. In all, 800 days are needed to ensure compliance with a contract, 43 procedures are required and the cost amounts to around half of the debt to be recovered. Investors, however, have access to a number of investment-related dispute arbitration mechanisms. Cameroon is, for example, a member of the International Centre for the Settlement of Investment Disputes (ICSID), the Multilateral Investment Guarantee Agency (MIGA) and has signed the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the New York Convention).

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[40] Ordinance No. 90/001 of 29 January 1990, ratified by Law No. 90/023 of 10 August 1990.

[41] UNCTAD (2012a).

[42] UNCTAD (2012b).

[43] Decree No. 2005/310 of 1 September 2005. Viewed at: http://www.droit-afrique.com/images/textes/Cameroun/Cameroun%20-%20ANPI.pdf.

[44] The President has signed Decree No. 2004/266 of 22 September 2004 on the organization and operation of the CRC.

[45] Online information from the SNI. Viewed at: http://www.sni.cm/fr/presentation.php.

2.56. Through its membership of OHADA, Cameroon also has an arbitration mechanism, the Common Court of Justice and Arbitration. Operators complain nevertheless of the absence of specialized chambers in the courts to deal with commercial disputes and the slow pace of settlement of cases. In addition, GICAM, which has 207 members (including 15 professional associations and unions) has its own arbitration centre.[46] It did not prove possible to obtain information on this centre's activities during the period 2006-2012.

2.57. There is also provision for an arbitration mechanism in the Cotonou Agreement (see above) to settle disputes between the ACP countries and entrepreneurs, service suppliers or providers from the EU if they are linked to financing by the European Development Fund. Lastly, there are also provisions on disputes in the bilateral investment treaties signed by Cameroon.[47]

[46] The arbitration regulations of GICAM's arbitration centre were adopted on 20 November 1998 and revised on 1 July 2005.

[47] Online information on UNCTAD's 11th session (2004). Viewed at: http://unctadxi.org/templates/DocSearch.aspx?id=779.

3 TRADE POLICY BY MEASURE

3.1 Measures directly affecting imports

3.1.1 Procedures and documentation

3.1. In general, foreigners (whether CEMAC or other nationals) with a residence permit and valid employment may engage in foreign trade under the same conditions as Cameroonians. The exercise of any commercial activity requires registration in the "Importers and exporters register" kept by MINCOMMERCE. Separate registration is required for each branch of activity. The list of activities is available from MINCOMMERCE. In order to be listed in this register, importers have to pay an annual fee of CFAF 10,000 (€15) for each separate activity to the Cameroon National Shippers' Council (CNCC, see section 4.4.1.3 below) to finance its activities. An additional fee of CFAF 15,000 (€23) per activity is paid to the tax collector in the Directorate responsible for trade, on behalf of the Treasury. The registration shows the purpose of the business, the address, the number in the Register of Commerce, the taxpayers' card, the amount of registered capital, its distribution, the name and nationality of the Director, and the nature and origin of the goods imported.[48] According to MINCOMMERCE, the system is being revised in order to evaluate the need for it and its cost.

3.2. In general, there have been very few changes in procedures for importing goods into Cameroon since the previous TPR and they are still costly and burdensome. The main initiatives taken since 2006 concern the adoption of ASYCUDA++ in 2007; the introduction of a system of NEXUS[49] chips, with assistance from the World Bank as part of the Central African Transit Facilitation and Security Programme (FASTRAC, see common report, Chapter 3); the introduction of performance contracts and some pilot dematerialization initiatives within the Customs-Enterprises Forum launched in 2009[50] but restricted to certain "importers under performance contracts" in the port of Douala.

3.3. The Government's objective at present, originally formulated in the 1990s and updated in 2012 with assistance from the World Bank, is the "full and effective dematerialization of import-export transactions in Cameroon"; it is still far from being achieved.[51] It consists of interconnecting the computer systems of each participant through a common electronic platform for the purpose of exchanging data, notably MINCOMMERCE, the Customs (and its new ASYCUDA), customs brokers, forwarding agents and stevedores. By March 2013, none of these participants had been linked electronically.

3.4. At the Customs, in March 2013 six days were still needed on average (a minimum of three days) between the registration of an import declaration (DI) and release of the goods. This is an improvement in comparison with the average of 19 days required in May 2007, although considerable progress still has to be made in comparison with other countries at the same level of development.

3.5. Taking into account other formalities, notably those at the port, the total time taken for clearance is extremely long, particularly between registration of the manifest by the forwarding agent representing the shipper (for example, Maersk) and of the customs declaration by the customs broker. Demurrage charges, payable as of the eleventh day after registration of the manifest, are a recurring problem for companies in landlocked countries, which depend on the port of Douala and have little control over the length of procedures.

3.6. "Operators' performance contracts" were introduced in February 2010 in certain customs offices in the port of Douala. These contracts follow upon the "performance indicators" initiated in January 2008, which make the facilities granted conditional upon the performance of importers. The performance indicators, calculated monthly since January 2007 for these operators alone, include, *inter alia,* the number of disputes (adjustment of duties and taxes in comparison

[48] Online information from MINCOMMERCE. Viewed at: http://www.mincommerce.gov.cm/.

[49] Online information from the Cameroonian Customs. Viewed at: http://douanescustoms-cm.net/images/stories/document/instruction_minesterielle_170_gps.pdf.

[50] Online information from the Cameroonian Customs. Viewed at: http://www.douanescustoms-cm.net/forum/index.php?option=com_content&view=category&layout=blog&id =8&Itemid=39&lang=fr.

[51] World Bank (2011b).

with those paid); recurrence (percentage of declarations adjusted); rapid payment by importers (percentage of duty paid when the declaration is processed); percentage of customs declarations registered at the latest on the day of the ship's arrival; percentage not paid (within five days after the date on which the declaration is processed); and the amount of duty paid per declaration. The Customs undertakes to forward its performance indicator to the operator each month, together with the trend in performance for the preceding three months. According to the customs authorities, this system, in effect in the port of Douala, has helped, *inter alia,* to streamline customs controls, reduce the time taken for clearance and the cost of transit through the customs, and has made the nature and level of controls to which shipments are subject according to their risk level more predictable.

3.7. All commercial imports of goods must be domiciled with a customs broker approved at the Community level (common report, Chapter 4.8.4), whose role consists of physically grouping together the documents needed for import (Table 3.1). CEMAC has approved almost 200 customs brokers in Cameroon. Owners of second-hand vehicles, government authorities and diplomatic missions, however, may make their own customs declarations.

Table 3.1 List of principal documents required for international trade

Type of declaration	Documents required
Import	In general: commercial invoice showing the f.o.b. value of the goods, freight note, bill of lading, packing list, DI, import inspection declaration (AVI), insurance certificate, sanitary and veterinary certificate (food products), certificate of origin, fumigation certificate (used clothing), ionization certificate (salt), conformity certificate (products subject to standards), vehicle registration document (second-hand vehicles), specification certificate (heavy machinery), declaration of value (DSV), bank receipt showing payment of the port charges invoiced by the Autonomous Port of Douala (PAD).
Export	Manufactures subject to VAT: order form or sales contract, domiciled definitive invoice, receipt proving payment of the order (if paid in cash), export application (DE-SGS) or F1 with bank domiciliation, EUR 1 movement certificate for exports to the EU, movement certificate for exports to CEMAC, packing certificate for exports in containers, application for extra-legal work (TEL). Local goods: specification notice (forest species), packing certificate (for exports in containers) TEL request, tax receipt, authorization from MINCULT for exports of works of art, CITES certificate (protected species).
Transit	Bill of lading, transit documents, bank guarantee

Source: Cameroonian Customs.

3.8. New provisions are apparently about to come into force in order to improve Community transit (common report, Chapter 2.2). In the meantime, under the NEXUS+ system, since August 2009 Cameroon has placed GPS beacons (against payment of CFAF 50,000 (€76) per lorry) on carriers' vehicles so as to monitor goods loads until they leave Cameroonian territory. A bank guarantee equivalent to the total amount of the duties and taxes payable is required. The Customs needs 20 days to regularize the bond for a transit operation.[52] According to the Customs, this geopositioning system has led to a sizeable increase in tax revenue as a result of fewer false declarations of arrival in the country of destination. As an important transit country, Cameroon is greatly affected by the "false transit" phenomenon, i.e. the fraudulent putting up for consumption of goods originally declared to be in transit or for export. According to the customs authorities, this phenomenon causes the State to lose CFAF 100 billion in customs revenue each year. Operators in landlocked countries, however, complain of delays of up to one week before a lorry is equipped with a GPS beacon. A private company in the port of Douala has been given responsibility for managing these.

3.1.2 Pre- and post-shipment inspection

3.9. Imports of any origin (including those from CEMAC member States) with an f.o.b. value of CFAF 2 million (€3,050) or more are subject to the programme for guaranteeing

[52] Service Note No. 113/MINFI/DGD of 1 June 2009. Viewed at: http://www.douanescustoms-cm.net/forum/index.php?option=com_content&view=category&layout=blog&id=8&Itemid=39&lang=fr.

customs revenue (PSRD) and, consequently, to the mandatory pre- or post-shipment inspection provided under the programme.[53] The inspection programme, entrusted to the Société générale de surveillance (SGS) since 1988 and notified to the WTO in 2001, is still in place and has hardly changed since then. Imports of a value not exceeding CFAF 2 million and imports of a large number of products, including strategic goods such as crude oil and the equipment needed for petroleum exploration and exploitation, works of art, precious stones and metals, imports under the free zone regime (see section 3.2.4 below) are exempt in order to facilitate import procedures according to the authorities.

3.10. A DI has to be made to the SGS for the purposes of inspection. Goods whose f.o.b. value falls between CFAF 1 and 2 million are not inspected (as regards the invoice) prior to shipment, but must nevertheless be the subject of a prior declaration to the SGS, free of charge according to the authorities.

3.11. According to the terms of its contract with the Government, the SGS is responsible for checking the quality, quantity and value of imports, as well as their classification. An "inspection and control" tax is levied at a rate of 0.95% of the f.o.b. value of the imports, with a minimum of CFAF 110,000 per delivery or shipment, and this has not changed since 1995.[54] At a rate of 0.95%, the flat rate of CFAF 110,000 corresponds to imports of a value of CFAF 11.6 million (€17,700), a relatively high amount for individual imports into Cameroon. In other words, imports whose value is less than this amount are subject to inspection costs much higher than 0.95%; for imports valued at CFAF 2 million, the CFAF 110,000 flat rate is equivalent to 5.5%.

3.12. Goods that have not been inspected in the country of export may have to go through a scanner (see below) or undergo a joint SGS-Customs inspection, if authorized by the Director-General of Customs or the Minister responsible for finance, subject to payment of a penalty.[55] According to the authorities, this amounts in principle to 50% of the customs value, but in practice in such cases the Customs collects a flat rate of CFAF 1.5 million (€2,287) per 40-foot container and CFAF 1 million for a 20-foot container (TEU).

3.13. Since January 2003, under the Identification Control of Imported Second-Hand Vehicles (CIVIO) Programme, the SGS inspects them upon arrival. An inspection fee of CFAF 25,000 (€38) is levied for each vehicle. The SGS also undertakes the customs valuation of these vehicles. Since the 2011 Finance Law, there has been a 30% reduction on the taxable value of vehicles less than seven years old in order to encourage the rejuvenation of the vehicle fleet. Vehicles in transit do not have to go through the CIVIO procedure.

3.14. At a rate of 0.95%, the annual cost of the mandatory inspection programme to the Cameroonian economy can be estimated at CFAF 20 billion (€30 million). Despite its objectives, the mandatory nature of this inspection raises the cost of imported goods because of the charges importers have to pay (particularly the flat rate) and increases the Customs workload. At present, no reform is envisaged to make the inspection of goods imported into Cameroon non-mandatory. Moreover, the DI to be submitted to the SGS and the corresponding import inspection declaration (AVI) have not been dematerialized; the SGS is not linked electronically to the customs computer platform (ASYCUDA++), which slows down the import procedure and makes it more complicated.

3.1.3 Customs clearance

3.15. Any good imported or exported, irrespective of its value, must be the subject of a customs declaration made by a customs broker. In certain cases, the customs declaration can be made electronically, provided that the manifest has been validated in the ASYCUDA++ system. According to the authorities, in Cameroon almost 70% of customs declarations are made electronically. However, ASYCUDA++ has only been installed in 26% of customs offices. In the other offices, procedures are carried out manually. For goods of an urgent nature

[53] The inspection programme was notified to the WTO in 2001 (WTO document G/C/W/245/Add.2, 29 March 2001).

[54] Decree No. 94/505/PM of 5 October 1995.

[55] The conditions are determined in Note No. 002100/MINFI/DGD/CAB of 30 May 2008.

or for certain investment projects (see above), an authorization for direct collection may be obtained, usually subject to posting a bank guarantee.

3.16. In addition to the detailed customs declaration, which indicates the f.o.b. value of the goods, imports put up for consumption must be the subject of a "special declaration of elements of value" (DSV) so as to enable the inspection services "to assess the exactitude of the value declared". This brings to three the number of import-related declarations (DI, DSV and detailed declaration).

3.17. In a communication to the WTO, Cameroon announced the introduction in 2006 of a risk assessment scheme by the Customs under the general customs reform programme for trade facilitation. Studies of the time taken showed that customs procedures were "paralysed by long delays in clearance and arbitrary and excessive controls".[56] In 2013, goods arriving at the Customs in the port of Douala (but only there) were separated into three channels depending on the risk level[57]:

- the Blue Channel has existed since 2012 for some 20 companies with a performance contract. It provides, on an experimental basis, for automatic clearance without the checking of documents;

- the Yellow Channel provides for checking the documents for shipments presenting a medium level of risk (possibly using a scanner if there are doubts); and

- the Red Channel involves checking documents combined with inspection by scanner and, if there are any suspicions, a physical inspection for shipments presenting the highest risk levels.

3.18. An appointment has to be made for the scanning procedure and all documentation has to be submitted to the SGS, which carries out the scan in cooperation with the Customs Unit in charge of the scanner. The inspection is free of charge at the customs. If the image raises doubts, the goods undergo a physical inspection for the purposes of confirmation. The scan therefore involves additional costs for handling the goods.

3.19. In principle, the duties and taxes are calculated on the basis of the value determined in accordance with the CEMAC Customs Code, which incorporates the provisions in the WTO Customs Valuation Agreement (common report, Chapter 3.1). As specified in the 2004 Finance Law, however, "only importers that can provide the Customs Administration with proof of proper book-keeping in conformity with OHADA requirements and duly certified by an approved expert, may seek the benefit of application of the first method of customs valuation provided in Article 26 of the Customs Code". Other importers may not invoke the provisions of the WTO Customs Valuation Agreement. In practice, some goods are the subject of customs valuation determined at the administrative level for many products (Table 3.2), which raises a problem for implementation of the WTO provisions.

[56] Gasper Konneh Neba (2011).

[57] A fourth channel, the Green Channel, is planned but has not yet ever been put into practice. It provides for automatic clearance of shipments presenting the lowest levels of risk. Upon arrival in the port of Douala, within 12 hours, the Customs must inspect the documents, sign the clearance chit and, if there are any doubts, check whether the seal is in order.

Table 3.2 Administrative customs values for imports, 2012

Goods	Type of valuation	Amount
Used clothing	Minimum value	20-ft. container: CFAF 6,292,000 40-ft. container: CFAF 12,000,000
Used tyres	Minimum value	- CFAF 3,600/tyre for private vehicles; - CFAF 30,000/tyre for lorries; - CFAF 5,400,000 per 20-ft. container; - CFAF 10,800,000 per 40-ft. container (5% wastage rate)
New tyres	Minimum value	- CFAF 10,000,000 per 20-ft. container of tyres for lorries and buses; - CFAF 20,000,000 per 40-ft. container of tyres for lorries and buses; - CFAF 9,000,000 per 20-ft. container of tyres for private vehicles; - CFAF 18,000,000 per 40-ft. container of tyres for private vehicles and light goods vehicles.
Second-hand goods	Minimum value	- CFAF 4,800,000 per 20-ft. container; - CFAF 8,400,000 per 40-ft. container.
Tiles	Minimum value	- CFAF 3,200,000 per 20-ft. container; - CFAF 3,500,000 per 40-ft. container.
Footwear, clothing and accessories, handbags, socks	Minimum value	- CFAF 12,000,000 per 20-ft. container; - CFAF 23,400,000 per 40-ft. container.
Pasta	Reference value	CFAF 410/kg
Polypropylene and polyethylene bags	Market value	CFAF 1,996/kg
Kraft paper bags	Market value	CFAF 1,050/kg
Granulated white sugar	Reference price	CFAF 458,800/tonne
Sugar in lumps		CFAF 578,000/tonne
Unrefined granulated sugar		CFAF 422,000/tonne
Wheat flour	Reference price	CFAF 340,000/tonne
Reinforcing bars	Reference price	CFAF 230,000/tonne
Matches	Minimum values	CFAF 15,000/carton of 1,000 boxes
		CFAF 21,600/cartons of 1,440 boxes
Frozen fish	Reference value	CFAF 350/kg
Frozen poultry	Reference value	CFAF 1,000/kg
Meat and offal	Reference value	CFAF 1,000/kg
Beer	Minimum values	CFAF 6,400/carton de 24 units of 33 cl.
Vegetable oils	Reference price	CFAF 1,500/kg
Asian lubricants	Minimum values	CFAF 6,500,000 per 20-ft. container
Unrefined salt	Reference price	CFAF 38,000/tonne
Refined salt	Reference price	CFAF 125,000/tonne
Fabrics	Reference price	CFAF 2,933/kg, CFAF 4,217/kg, CFAF 2,567/kg, CFAF 3,000/kg and CFAF 4,400/kg for cotton fabrics
		CFAF 2,090/kg or CFAF 3,942/kg for fabrics of synthetic fibres
Biscuits	...	CFAF 700,000/tonne
Canned goods and sardines	Minimum value	CFAF 1,850/kg
Black tubes and flat sheets in steel	Minimum value	CFAF 14,000,000 per 20-ft. container
		CFAF 500,000/tonne for conventional loads

... Not available.

Source: Cameroonian Customs.

3.20. The 2011 Finance Law provides that the transaction value henceforward constitutes the basis for taxation of tobacco, subject to observance of the provisions on the official stamp (see 3.1.7.2 below; cigarettes therefore no longer appear on the list above.[58]

3.1.4 Duties and taxes

3.21. Duties and taxes on goods imported into Cameroon, many of which are applied at Community level, are described below. The Government recognizes that these taxes exert pressure on imports and raise costs for consumers (sometimes up to 80% of the c.i.f. customs value) and since 2007 has taken a number of measures to reduce customs duty, excise duty or VAT, particularly for essential goods.

3.1.4.1 Import duties and taxes applied at Community level

3.22. The import duties and taxes applied at Community level are described in the common report (Chapter 3.1), the main one being the CET. Depending on the year, they provide 20% to 25% of the State's total revenue (Table 1.2). As mentioned above, Cameroon has made several "readjustments" to the CET since the previous TPR in 2007 in order to limit the drop in the population's purchasing power following price rises. This was done by declassifying "essential goods" such as rice, wheat, fish, cement and clinker. Furthermore, customs duties and taxes were suspended for imports of medicines, medical articles and equipment, to combat HIV/AIDS, and materials imported for the disabled.

3.23. In addition, the Special Programme for imports of fast-moving consumer goods such as petroleum products or palm oil, sugar, biscuits, beverages or confectionery, allows MINCOMMERCE to authorize the industries concerned to import goods at a lower CET (0, 5 or 10%) instead of 30% if it determines that there is a "shortage".

3.24. Tariff "reductions" are sometimes available under framework agreements. The 2007 Finance Law sets a rate of 5% for imports of capital goods for investment purposes instead of the CET.

3.25. If such measures had been taken at Community level, they would have enabled CEMAC's trade policy to remain harmonized, especially the CET, which is currently applied in several different ways by member States.

3.1.4.2 Import duties and taxes applied at the national level

3.26. Although it belongs to a customs union, Cameroon continues to levy domestic taxes on imports, which may therefore result in differences among the import regimes of the union's member States. For example, since 1991, a computer fee has been charged only for declarations processed electronically, which is hardly likely to speed up the dematerialization of customs procedures. Since the 2004 Finance Law, this fee has been 0.45% of the f.o.b. value.

3.27. A law dating from 1975 makes it mandatory to take out "freight" insurance with a local insurance company for imported goods.[59] According to the authorities, the requirement to take out insurance locally has not been strictly applied by the customs services. The latter must, however, satisfy themselves that there is an insurance certificate (whether local or foreign) for the goods when they are imported to be able to calculate the duties and taxes applicable. If there is no certificate, the Customs "estimates" the necessary adjustment (usually 0.04% of the f.o.b. value) in order to obtain the c.i.f. value.

3.28. In 2006, Cameroon introduced the requirement that imports entering by sea should be accompanied by an electronic cargo tracking note (ECTN), to be made out by the CNCC (see 4.4.1.3 below).[60] The cost of issuing this document, which is not covered by Community regulations, is high and makes treatment discriminatory depending on the port at which

[58] Article 38(3) of the 2011 Finance Law. Viewed at: http://www.impots.cm/uploads/pdf/code/cgi2011/Annexes%20code%202011.pdf.

[59] Law No. 75/14 of 8 December 1975 establishing mandatory goods or cargo insurance at importation.

[60] Order No. 00557/MINT of 11 July 2006 of the Minister of Transport.

the imported goods are loaded. The usefulness of the ECTN appears to be fairly limited as most of the information it contains can already be found on the manifest. Furthermore, the ECTN has no longer been required by the Cameroonian Customs since 2009.[61]

3.29. The regulatory texts do not provide for any exemptions or waivers from the ECTN; the authorities have explained that these are granted on a case-by-case basis by the Director-General of the CNCC. For example, the ECTN is not required for imports of petroleum products. A foreign private firm, Phoenix, is responsible for collecting the proceeds of the ECTN. The rates in effect since February 2007 are shown in Table 3.3.

Table 3.3 Cost of the electronic cargo tracking note (ECTN)

Export	Africa	Europe	Rest of the world
Commodities	CFAF 5,000 per BL	CFAF 10,000 per BL	CFAF 10,000 per BL
Coffee/cocoa	CFAF 10,000 per BL	CFAF 15,000 per BL	CFAF 15,000 per BL
Bananas	CFAF 10,000 per BL	CFAF 15,000 per BL	CFAF 15,000 per BL
Cotton	CFAF 10,000 per BL	CFAF 15,000 per BL	CFAF 15,000 per BL
Other commodities	CFAF 5,000 per BL	CFAF 10,000 per BL	CFAF 10,000 per BL
Timber	CFAF 10,000 per BL	CFAF 15,000 per BL	CFAF 15,000 per BL
Containers per group of 10 TEU	CFAF 15,000 per BL	CFAF 20,000 per BL	CFAF 20,000 per BL
Other	CFAF 15,000 per BL	CFAF 20,000 per BL	CFAF 20,000 per BL
Bulk and conventional loads (solid or liquid) cement, alumina, sodium oxide, malt, clinker, gypsum salt, food products (rice, flour, wheat, fish, etc., except animal feed)	€100 per 300 tonnes €100 per 600 tonnes €100 per 700 tonnes €90 per BL		€100 per 300 tonnes €100 per 600 tonnes €100 per 700 tonnes €90 per BL
Other bulk and conventional loads (solid or liquid; animal feed)	€100 per 300 tonnes		€100 per 300 tonnes
Containers			
Without vehicles	€55 per 10 TEUs		€100 per 10 TEUs
With vehicles	Vehicle rate if number of vehicles > 2		Vehicle rate
Vehicles	€20 per chassis		€100 per chassis

Note: BL: Bill of Lading

Source: CNCC.

3.30. One of the new taxes applied at the national level and affecting trade is a new "fee on intellectual works", which has been imposed since 2011 on a number of electronic musical media such as computer hard disks, mobile telephones, printers, USB keys, etc. (section 3.3.2 below) at a rate of 5% of the f.o.b. import value.

3.1.4.3 Internal duties and taxes

3.1.4.3.1 Value added tax (VAT)

3.31. Cameroon's current VAT was introduced in the 1998-1999 Finance Law at the same time as the relevant Community provisions aimed at harmonizing the tax base and the rates among CEMAC member States (see common report, Chapter 3.1.5.1). The general VAT rate has been 17.5% since 2005, supplemented by an additional communal tax (*centime additionnel*) amounting to 10% of the VAT, bringing the total VAT rate together with the municipal tax up to 19.25%, above the range envisaged by CEMAC (15 to 19%).

[61] Service Note No. 079/MINFI/DGD of 22 April 2009.

3.32. In 2012, the State's total revenue earned from VAT accounted for 38% of its fiscal income, i.e. no notable change since 2006 (37.4%). The share of domestic VAT, on the other hand, fell from 23% to 20% of total fiscal income, whereas that of VAT paid on imports in 2006 rose from nearly 14.5% to 18% of the State's total fiscal income (Table 1.2). The ratio of total VAT on imports to the value of imports is only around 8.7%. This could be in part the result of the numerous exemptions, and the related cases of fraud.

3.33. Certain goods deemed to be essential or priority items are exempt from VAT (Table 3.5). With a few exceptions, this list corresponds to the Community provisions.

Table 3.4 Products exempt from VAT in Cameroon, March 2013

Tariff code	Description in the tariff	CEMAC exemption provided
0105 1100, 0105 9200, 0105 9300	Cocks and hens	Yes
0302 1100 to 0302 6990, 0303 1000 à 0303 7900	Fish	Yes, if sold directly by the fisherman
0401 3000	Milk, of a fat content by weight exceeding 6%	Reduced rate
0401 1000, 0401 2000, 0402 1000, 0402 2100, 0402 2900, 0402 9100, 0402 9900	Milk, in powder, concentrated, whether or not sweetened, etc.	Reduced rate
0407 0010, 0407 0090	Eggs for reproduction and others	Yes, if an agricultural input
1001 1000, 1001 9000	Wheat	Reduced rate
1005 9010	Other maize intended for the poultry breeding industry	Yes, if an agricultural input
1006 3090, 1006 3090	Rice	Yes
1101 0010, 1101 0020	Wheat flour, meslin	Yes
1901 1021	Preparations for infant feeding	Yes
1905 1000, 1905 9090	Bread	Yes
2301 2000	Flour, animal flour unfit for human consumption	Yes, if an agricultural input
2302 2000, 2302 3000, 2302 4000, 2302 5000, 2304 0000, 2306 2000, 2306 3000, 2306 4000, 2306 5000, 2306 9000	Bran, cake	Yes, if an agricultural input
2309 9000	Milled food preparations (maximum concentration of 2%)	Yes, if an agricultural input
2501 0019	Coarse salt, not refined or iodized	No
2710 0040	Kerosene	No
2711	Gas for household use	No
2930 2100	Quinine and its salts	Yes
2937 1200	Insulin and its salts	Yes
2941	Antibiotics	Yes
3001 to 3006	Pharmaceutical products	Yes
3101 to 3105	Fertilizer	Reduced rate applied to imported fertilizer
3701 1000, 3702 1000	Plates and films, for X-rays	Yes
3808 1090	Insecticides in other presentations	Yes
3808 2010, 3808 2090	Fungicides	Yes, if an agricultural input
3808 3010, 3808 3090	Herbicides	Yes, if an agricultural input
3808 4010, 3808 4090	Disinfectants	No

Tariff code	Description in the tariff	CEMAC exemption provided
4901 1000, 4901 9100, 4901 9990	Books and leaflets	Reduced rate
1108 1100 to 8541 2900, 3208 1000 to 8548 9000, 9610 0000 to 9612 2000,9018 2000 to 9033 0000, 7002 1000 to 7017 9000, 3814 0000 to 3820 0000 and 3821 0000 to 3823 7000	Inputs, equipment needed to manufacture pharmaceutical products, as well as electric power, water and gas inputs used in the production of medicines (without specifying tariff codes)	Yes, as inputs for the local industry
Tariff codes not available	Materials and equipment for utilizing solar power	No
Idem	Materials and equipment for utilizing wind power	No

Source: General Tax Code, Directive No. 07/11-UEAC-028-CM-22 and Cameroonian Customs.

3.34. Prior to the 2011 Finance Law, goods and services purchased by companies approved under the free points regime were taxed at the zero rate. As a number of companies sought approval under this regime before disappearing after having made large purchases of goods and services at a zero VAT rate, since the 2011 Finance Law, goods and services purchased by such companies are subject to VAT at 19.25%, but may receive a refund.

3.35. The new VAT exemptions allowed under the 2012 Finance Law include inputs and equipment for the pharmaceutical industry; leasing transactions undertaken with a view to buying agricultural, livestock breeding or fisheries equipment; and materials and equipment for utilizing solar or wind power. These provisions appear to be inconsistent with the CEMAC Directive, which not only fails to make provision for such products, but explicitly prohibits VAT exemptions or waivers as part of measures to encourage enterprise creation and investment.

3.36. In order to remedy the chronic problem of refund of VAT in practice, one new feature in the 2012 Finance Law is that VAT credit can now be used to pay VAT, excise duty and customs duty.

3.37. One sector in which application of VAT appears to differ considerably from the ordinary law regime is that of petroleum products.[62] Kerosene, in principle exempt from VAT as an essential good, is in fact taxed (see Table 3.4); gas for household use is exempt, contrary to the Community provisions, and premium petrol and diesel fuel are taxed, but not at the common rate. The lack of clarity in the definition of whether or not goods are subject to VAT is a major problem, and is the result of the numerous different regulatory texts. According to press reports, this lack of clarify incites unscrupulous operators to declare taxable products as exempt when they are imported.

3.38. Furthermore, the VAT regime for petroleum appears to be contrary to the principle of neutrality of VAT because it affects certain operations in the petroleum product distribution chain in different ways. When distributing petroleum products, for example, premium petrol and diesel fuel are subject to a specific VAT (per litre of product sold) and non-*ad valorem* rate (19.25%). VAT is in fact used by the authorities to absorb fluctuations in global prices and their effect on the price at the pump by modifying the amount. Trading companies also complain that they are unable to comply with the VAT on consumers (for example, distribution within the country, deliveries in towns, storage with the Cameroon Oil Storage Company (SCDP)), themselves being subject to the common rate. This problem is particularly serious because VAT on petroleum products accounts for a large proportion of the State's revenue, indicating the need for a comprehensive revision of the VAT on petroleum products.

3.39. The Finance Law for the 2012 financial year brought down the VAT threshold for taxable natural and legal persons according to the "real" tax regime, decreasing the annual turnover threshold excluding tax from CFAF 100 million to CFAF 50 million (€76,219).[63] Furthermore,

[62] The VAT regime for petroleum products is modelled on the "*usine exercée*" customs regime (industrial plant under permanent customs control).

[63] Article 132 of the 2012 Finance Law.

with the aim of streamlining administrative procedures and lowering their cost and in the interests of efficiency, the "basic" regime was abolished. It provided for the collection of VAT, but without any right to deduct it from invoices paid upstream.[64] The "streamlined" regime remains, but taxpayers liable for this regime are now outside the scope of VAT collection, in other words, they do not invoice VAT and are not therefore compelled to transfer it, but cannot deduct it either.

3.1.4.3.2 Excise duty

3.40. In 2011, excise duty was mostly imposed on domestic sales (CFAF 77 billion, Table 1.2); excise duty on imports was much less (CFAF 15 billion (€23 million or 0.2% of the value of imports)).

Table 3.5 Products subject to excise duty, 2013

Product	Rate
Fruit juices, aerated beverages, mineral waters, malt beers, vermouth and other wines made from fresh grapes, other fermented beverages (cider, perry, hydromel), eaux-de-vie, whisky, rum, gin and spirits (except for undenatured ethyl alcohol), cigars, cigarillos and cigarettes, chewing tobacco and snuff, other manufactured tobaccos, foie gras, caviar and its substitutes, salmon, precious stones and metals, and jewellery.	25%
Private vehicles with a cylinder capacity of 2,000 cc or more	12.5%
Locally produced mineral water	exempt

Source: Directorate-General of Taxes.

3.41. The excise duty regime harmonized at the Community level is described in the common report (Chapter 3). In Cameroon, excise duty usually applies at the maximum rate provided in the Community provisions, namely 25% (Table 3.5). A reduced rate of 12.5% was introduced in 2006 for private vehicles with a cylinder capacity of 2,000 cc or more and, more recently, an exemption for aerated waters provided that they are produced locally. In most other cases, excise duty seems to be applied at the same rate on imported and local products.

3.1.4.4 Prepayment (*précompte*) and advance payment (*acompte*) of company tax

3.42. Goods put up for consumption in Cameroon are subject to two additional levies at source in the form of "advance payment" and "prepayment", whose rates were raised as from 1 January 2012 pursuant to the 2012 Finance Law. The rates for these taxes differ for importers and non-importers, raising questions about the principle of national treatment for products.

Advance payment

3.43. Cameroonian companies have to pay monthly advances on company tax (IS) during the tax year. Payment of this advance is not linked to the import process, but for persons subject to the streamlined tax regime, the amount of the advance now varies according to whether the taxpayer is a "non-importer" or an "importer":

- For trading companies that are not importers, the rate is 3.3%, (including the additional communal tax (*centimes additionnels*)) of each month's turnover.

- For importers (including those from CEMAC) and for producers and service suppliers, it is now 5.5% of turnover. According to the authorities, this difference in rates can be explained by the estimated amount of the margins and profits of importing trading companies.

Prepayment

3.44. Goods put up for consumption in Cameroon are subject to tax at source in the form of "prepayment" of the IS definitively due. For persons subject to the real regime, the rate

[64] See in particular the circular: http://cameroun.eregulations.org/media/circulairelf2012d per centC3 per centA9 finitive.pdf.

of 1% remains in force. For taxpayers under the streamlined regime, the rates of prepayment have been raised as follows:

- From 1% to 5% of the c.i.f. value of imports, plus duties and taxes (including VAT); but
- From 1% to 3% for local purchases by trading companies from industries, farmers, importers, wholesalers, semi-wholesalers and forestry operators.

3.45. The increase in the prepayment rate, however, does not apply to service station operators and exporters of commodities, which are still subject to the specific 0.5% rate. On the other hand, the prepayment rate for operations with companies not in possession of a taxpayers' card has risen from 5% to 10% and now includes taxpayers subject to the withholding tax when they engage in import transactions.

3.46. Sums paid in excess are deducted from future advance payments. If the company ceases activities, they are in principle refunded.

3.1.5 Prohibitions, licensing and controls

3.1.5.1 Prohibitions

3.47. Cameroon has ratified several conventions allowing the control of imports or exports of certain products for environmental, health, moral, or security reasons. The products that may not be imported include genetically modified rice "LL 62"[65], bovine meat from Europe and poultry of any origin (SPS reasons, see below), non-iodized salt, some vegetable oils, certain alcohols and cosmetics, all for health or food security reasons. In 2012, analogue televisions were also banned.

3.1.5.2 Quantitative restrictions and controls

3.48. In 2004, Cameroon forwarded to the WTO the notification containing its replies to the questionnaire on import licensing procedures.[66] According to this notification, Cameroon has no import licensing regimes, but for reasons of health or security makes the import of a list of products subject to authorization or "technical endorsement" issued by the competent Ministries (Table 3.6). This list does not appear to be available on MINCOMMERCE's website.[67]

Table 3.6 Products subject to "technical endorsement" prior to import, March 2013

Tariff heading	Description	Competent administrative service
Ch. 02	Edible meat and offal	MINEPIA
Ch. 03	Fishery and livestock products	MINEPIA
2309 9000	Animal feed other than dog or cat food	MINEPIA
2501 0011	Cooking salt	MINSANTE
2710 0040	Kerosene	MINMEE
2710 0050	Fuel (petrol and gas)	MINMEE
2903 4100	Trichlorofluoromethane (CFC 11)	MINEF
2903 4200	Dichlorodifluoromrthane (CFC 12)	MINEF
2903 4300	Trichlorotrifluoroethane (CFC 113)	MINEF
2903 4400	Chloropentafluoroethane (CFC 115) and dichlorotetrafluoroethane	National Ozone Office
2903 4600	Halon 1211, Halon 1301, Halon 2402	National Ozone Office
2903 1400	Carbon tetrachloride	National Ozone Office
2903 1900	Trichloroethane (methyl, chloroform), chlorinated derivatives of saturated acrylic hydrocarbons	National Ozone Office

[65] Service Note No. 156/MINFI/DGD of 20 August 2009.
[66] WTO documents G/LIC/N/3/CMR/1-3.
[67] Online information from MINCOMMERCE. Viewed at: http://www.mincommerce.gv.cm.

Tariff heading	Description	Competent administrative service
2903 3000	Methyl bromide	National Ozone Office
3003 1000 - 3004 9000	Veterinary pharmaceutical products	MINEPIA
3003 1000 - 3004 1000	Pharmaceutical products	MINSANTE
3401 1100	Medicated soap	MINSANTE
3602 0000	Prepared explosives other than propellant powders	MINMEE
3604 1000	Articles for fireworks	MINMEE
3604 9000	Signalling flares and other pyrotechnical products	MINMEE
3808	Pesticides	MINAGRI
7108 1200	Gold in unwrought form, non-monetary	MINMEE
7323 9900	Bottled gas	MINMEE
8525	Transceivers	MINPT
8527 9000	Other receivers, radio receptors, apparatus n.e.s.	MINPT
9015 8000	Equipment with radio elements	MINMEE
9303 1000	Muzzle-loading firearms	MINAT
9303 1000	Other sporting, hunting or target shooting rifles and shotguns	MINAT
9303 3000	Other sporting, hunting or target shooting rifles and shotguns	MINAT
9303 2000	Other firearms	MINAT
9306 1000	Cartridges for pistols	MINAT
9306 2100	Cartridges for rifles and shotguns	MINAT
9306 3000	Other cartridges	MINAT
9306 9000	Other ammunition	MINAT

Source: Cameroonian authorities.

3.1.6 Contingency measures

3.49. By March 2013, Cameroon had still not sent any notification to the WTO concerning its legislation on contingency measures. According to the authorities, Cameroon has not applied any countervailing or anti-dumping duty since 2007, nor has any safeguard measure been applied.

3.50. The legislation on countervailing and anti-dumping duties and safeguard measures comprises Community regulations (common report, Chapter 3.1.12), which comes on top of the domestic legislation, Law No. 98/12 of 14 July 1998.[68] Neither one nor the other has been amended since the previous TPR in 2007. MINCOMMERCE has the authority to decide on whether or not to apply a contingency measure and MINFI is competent to determine the measure itself.

3.1.7 Standards and other technical regulations

3.1.7.1 Standardization

3.51. Cameroon has a new organization responsible for standardization, ANOR, in cooperation with the ministries and bodies concerned. A new standard may be proposed by ANOR, by a technical ministry, a domestic body belonging to the International Organization for Standardization (ISO), by ISO's Central Secretariat or by an organization linked to ISO, reflecting in most cases a need expressed by the industrial sector. According to the authorities, standards and regulations are in general based on international provisions, notably the ISO 9000 standards.

[68] Online information from the Government of Cameroon. Viewed at: http://www.spm.gov.cm/fr/documentation/textes-legislatifs-et-reglementaires/article/loi-n-98-12-du-14-juillet-1998-relative-au-dumping-et-a-lacommercialisation-des-produits-dimporta.html.

3.52. ANOR was set up in 2009 under the technical supervision of the Ministry of Industry, Mines and Technological Development (MINIMIDT).[69] Prior to its creation, standardization activities were dispersed among the various ministerial departments. ANOR now has the exclusive task of preparing standards for all sectors, with some rare exceptions. The standardization role of almost all the sectoral ministries is now limited to following up the preparation of the standards in their respective spheres and monitoring their application. ANOR has a website which it would be worth expanding and updating regularly.[70]

3.53. ANOR's goal is to mobilize stakeholders with regard to standards and a focus on quality as a prerequisite for securing Cameroon's place in the global economic system and the competitiveness of its services and products on the international market. ANOR has cooperated with UNIDO, which supported its establishment (PASAPE programme); it cooperates with a number of national (AFNOR in France, BQN in Canada, INNORPI in Tunisia, TSE in Turkey, ANTT in Gabon, SABS in South Africa) and international (ISO, Codex Alimentarius) standardization organizations.

3.54. The FAO is assisting Cameroon in the area of food, helping to lay down the necessary bases for establishing an effective system for sanitary safety of food, whether produced domestically or imported, and guaranteeing the quality of agricultural products for export (see SPS measures below). ANOR's Director-General, for example, is coordinator of the Codex Alimentarius Coordinating Committee for Africa (CCAFRICA).

3.55. National regulations on standards and technical regulations are obsolete and fragmented. In addition to the Decree creating ANOR, they continue to consist of Law No. 96-11 of 5 August 1996, still being revised. This Law governs the national standardization system and the national quality mark, certification of conformity; approval of testing laboratories, quality control bodies, and standardization organizations or offices; and quality control. In addition, the various implementing decrees intended to determine the list of products, goods and services subject to standards, the criteria for approving bodies in charge of conformity certification, the criteria for certifying conformity, and to coordinate standardization activities within government departments do not appear to have been published. The other texts (laws, decrees, orders) known to the Secretariat are listed in Table 3.7.

Table 3.7 Laws and regulations on technical regulations, labelling and certification

Year	Legal text (website)
1996	Law No. 96/11 of 5 August 1996 on standardization, viewed at: http://www.anorcameroun.com/fr/lois-et-decrets/11-loi-nd96-dy-05-aout-1996-relative-a-la-normalisation.html
1998	Decree No. 98/270 of 3 September 1998 on labelling of tobacco
1998	Decree No. 98/405/PM of 22 October 1998 determining the criteria for approval and sale of pharmaceutical products
2000	Decree No. 0018/MINDIC/DDI/CML of 21 November 2000 containing rules on mandatory labelling of imported or domestic food products
2000	Law No. 2000/017 of 19 December 2000 on veterinary or sanitary inspection
2004	Law No. 2004/002 of 21 April 2004 governing legal metrology in Cameroon
2005	Decree No. 2005/0769/PM of 6 April 2005 on organization of the National Phytosanitary Council
2005	Decree No. 2005/0770/PM of 6 April 2005 determining the rules for phytosanitary control
2005	Decree No. 2005/0771/PM of 6 April 2005 determining the rules for imposing plant quarantine
2005	Decree No. 2005/0772/PM of 6 April 2005 on requirements for approval and control of phytosanitary products

[69] Decree No. 2009/296 of 17 September 2009 on the creation, organization and operation of the Agency of Standards and Quality (ANOR).

[70] Online information from ANOR. Viewed at: http://www.anorcamerouon.com.

Year	Legal text (website)
2005	Decree No. 2005/1928/PM of 3 July 2005 determining the metrological characteristics for prepackaged or related products and rules for their control
2005	Order No. 00031/MINCOMMERCE/MINEFI of 28 September 2005 establishing the mandatory stamp and mark for certain imported products indicating "for sale in Cameroon"
2005	Decree No. 2005/5168/PM of 1 December 2005 regulating the marketing of breast milk substitutes
2006	Order No. 003/06/A/MINADER/SG/DRCQ/SDRSQV/SQV of 3 April 2006 determining the rules for treating and stamping packaging materials and crates of wood intended for international trade
2006	Order No. 042/06/MINADER/CAB of 10 May 2006 on approval of printed forms for phytosanitary certificates and determining the rules for their issue
2006	Order No. 0014/MINCOMMERCE of 13 June 2006 determining the rules for technical inspection of quality and conformity with standards for products for domestic consumption and export
2009	Decree No. 2009/296 of 17 September 2009 on the creation, organization and operation of the Agency of Standards and Quality (ANOR) http://www.anorcameroun.com/fr/lois-et-decrets/7-decret-nd2009-296-du-170909-portant-creation-de-lanor.html
2010	Order No. 082/MINFI/MINCOMMERCE of 19 May 2010 determining the list of manufactures subject to the sticker regime
2011	Resolutions of the 19th session of the Codex Alimentarius Coordinating Committee for Africa, Accra, 1-4 February 2011, designating Cameroon as the Coordinator of CCAFRICA. http://www.anorcameroun.com/fr/nos-communiques/71-decision-nd001355minimidtcab-du-17-mai-2011-portant-designation-des-responsables-charges-du-suivi-des-activites-du-comite-de-coordination-du-codex-alimentariusccafraca.html

Source: Cameroonian authorities.

3.56. As mentioned above, ANOR is now responsible for developing standards. This is done through technical committees representing stakeholders concerned by the topic. These committees are usually chaired by the private sector or the government authority directly concerned by the topic under consideration. ANOR only acts as the Secretariat.

3.57. At present, ANOR has around 400 approved standards, which mainly concern consumer protection and securitization of exports. They include 116 technical regulations (mandatory standards).[71] ANOR's website has a list, but the text of these regulations does not appear to be available. Technical regulations concern above all food products, waters and other beverages, as well as jute sacks, bottles of LPG, cement, sheets of aluminium alloy or coated steel, electrical installations, gas bottles, reinforcing rods, wire, and welded mesh.

3.58. Standards may become technical regulations by means of an order from the Minister responsible for standardization (i.e. MINIMIDT) or, where applicable, jointly with the Minister responsible for the area concerned by the standard.

3.59. ANOR replaced the former Standards and Quality Division, which took the place of the Committee for Standardization and Quality, notified to the WTO by Cameroon in 2006 as the national enquiry point for all matters relating to technical barriers to trade[72], and sanitary and phytosanitary measures, and also as the authority responsible for notification procedures.[73] ANOR's existence has not been notified to the WTO.

[71] Online information from ANOR. Viewed at: http://www.anorcameroun.com/fr/component/content/article/15.html.
[72] WTO document G/TBT/ENQ/28 of 27 October 2006.
[73] WTO documents G/SPS/ENQ/20 of 6 October 2006 and G/SPS/NNA/9 of 25 January 2006.

3.60. Cameroon has forwarded eight notifications to the WTO concerning standards and technical regulations, all since November 2007.[74] Numerous Cameroonian standards are not notified to the WTO, even when they become technical regulations.

3.61. This situation could be attributable in part to the unsatisfactory operation of the National Enquiry Point for TBT matters. It has no working computer and no Internet connection, and staff are not sufficient.

3.1.7.2 Labelling, marking and packaging

3.62. There are mandatory requirements on labelling of food products for consumption in Cameroon, whether domestically produced or imported. The packaging of these products must indicate in French or in English the date of expiry for perishable products, the name of the product, the name of the manufacturer, the date of manufacture and the NC national conformity mark. Foreign food products must bear the name of the country of origin and the visible indication "imported".

3.63. Labelling (in French and/or English) of pharmaceutical products, phytosanitary products, breast milk substitutes, alcoholic beverages, and tobacco is subject to certain specific requirements.

3.64. In order to combat fraud, smuggling and counterfeiting, since 2008 it has been obligatory to affix stickers on certain products for consumption. The indication "for sale in Cameroon" must appear, with a serial number enabling the product to be identified, its date of manufacture, origin and destination, and quantity (number or volume).

3.65. Wood packaging used for exports from and imports into Cameroon must be treated and stamped. The stamp must show the English abbreviation "IPPC" designating the International Plant Protection Convention, the indication "CM" designating the ISO Code for Cameroon, followed by a single identification number attributed by ANOR to the company manufacturing or producing the wooden materials, the ISO Code for the treatment applied, the date of the treatment, the code of the institution responsible for marking and the number of the batch treated.

3.1.7.3 Conformity certification and testing

3.66. Since 2009 ANOR has also been the main body responsible for quality control and for accrediting standardization offices and certification organizations. It carries out analyses and testing. It is also responsible for metrology, and for labelling of quantities and quality. So far there are no other bodies specifically approved to issue conformity certificates. In practice, such certificates issued by ANOR give the right to affix the national trademark.[75]

3.67. During the period 2004-2005, 22 companies were audited in connection with the control of technical regulations and 116 conformity certificates were issued (50 in 2005 and 66 in 2004). It did not prove possible to obtain statistics for the period 2006-2011.

3.68. Cameroon finds it difficult to exercise effective control over domestic markets because of lack of infrastructure and of human and financial resources. Tighter control would help to ensure that the technical requirements are better respected. Imports, on the other hand, have to undergo numerous controls. In order to reduce the number of actors and to clarify the amounts to be paid, a Circular of 24 May 2012 defines the mechanism for verifying quality and sampling of products for consumption subject to mandatory standards or deemed sensitive.[76] The Circular is provisional while awaiting the revision of the standardization law. According to this Circular, inspection, including that at the border, can only be conducted by ANOR. It costs CFAF 150,000 (€229), and testing costs CFAF 33,000 to 100,000.

[74] Online information from the TBT information management system. Viewed at: http://tbtims.wto.org/web/pages/search/notification/BasicSearch.aspx.
[75] Law No. 96/117 of 5 August 1996, Article 10.
[76] Circular on quality inspection and sampling of products. Viewed at: http://cameroun.eregulations.org.

3.69. At present, ANOR controls the quality of imports upon arrival by means of samples and tests. It is currently exploring the possibility of closer cooperation with bodies responsible for pre-shipment conformity assessment, for example, the SGS and INTERTEK[77] in order to develop effective control of conformity before goods are shipped from the country of origin.

3.70. A conformity certificate issued by ANOR, or its duly designated representative, is required prior to any customs clearance procedure for products subject to technical regulations (for example, sugar, flour, milk) and is also required throughout the release for consumption process. Samples are taken and analysed by a laboratory selected by ANOR, with the cost borne by the importer. Cameroon has around six laboratories for biological and medical analyses, the main one being the National Drug Quality Control and Expertise Laboratory (LANACOME).

3.71. Pursuant to this new Circular, a "documentary inspection certificate" is now issued with a view to abolishing the DI and the AVI and so facilitate procedures and shorten delays at the port, according to ANOR.

3.72. For medicines and pharmaceutical products, release for consumption is subject to approval, followed by an authorization issued by the Minister responsible for public health. Cameroon does not have any national technical regulations on pharmaceutical products. Import (as well as manufacture and marketing) of breast milk substitutes is, in principle, subject to quality control by the Ministry of Health.[78] The authorities have indicated, however, that this requirement has not yet been put into practice.

3.73. According to the authorities, up until now Cameroon has not signed any mutual recognition agreement and does not accept foreign tests and certification. It appears that an agreement is being negotiated between ANOR and Nigeria's NAFDAC.

3.1.7.4 Sanitary and phytosanitary measures

3.74. Cameroon acceded to the FAO's International Plant Protection Convention on 5 April 2006.[79] It is also a member of the FAO/WHO Codex Alimentarius Commission, and of the World Organisation for Animal Health (OIE).

3.75. Since 2011, the FAO has provided Cameroon with support for strengthening its system for controlling food safety.[80] The competent authority for sanitary protection is the Minister of Livestock, Fisheries and Animal Industries (MINEPIA), and for phytosanitary protection it is the Minister of Agricultural and Rural Development (MINADER). The Directorate for Studies of Programmes and Cooperation within MINADER, which Cameroon notified to the WTO in 2006, remains the national enquiry point for all matters relating to sanitary and phytosanitary measures.[81]

3.76. According to the WTO's SPS information management system, no notification of sanitary or phytosanitary measures has ever been made to the WTO, notwithstanding the adoption of several measures prohibiting imports for sanitary reasons, some of which have been in force since 2006 (see section 4.1.3.1 below for poultry). The national SPS system appears to be the subject of a comprehensive revision begun in 2011 with assistance from the FAO. According to the authorities, the SPS enquiry point is in dire need of capacity building, all its computers are faulty and not linked to the Internet.

3.77. In 2005, a National Phytosanitary Council was set up, *inter alia*, to advise the Government on phytosanitary matters, to give its opinion on draft legislative or regulatory texts (and on the general measures envisaged) and its views on the implementation of phytosanitary policy.

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[77] Online information from the agency for inspecting, testing and certification INTERTEK. Viewed at: http://www.intertek.com.

[78] Decree No. 2005/5168/PM of 1 December 2005 regulating the marketing of breast milk substitutes.

[79] Online information from the FAO. Viewed at: http://www.fao.org/legal/Treaties/004s-f.htm. [24 septembre 2006].

[80] FAO (2011).

[81] WTO SPS Information Management System: Viewed at: http://spsims.wto.org/.

3.78. At the national level, sanitary and phytosanitary legislation has not changed since 2006 (Table 3.8). According to an analysis published by the FAO in 2011, updating the relevant texts and bringing them into line with Codex Alimentarius standards should be a priority. Likewise, the texts on import and export procedures should be reviewed to bring them into line with WTO provisions.

3.79. The import of plants, plant products, soil or culture media requires a phytosanitary certificate issued by MINADER (for each shipment), and each year the latter draws up a list of regulated harmful organisms whose production, import and export are subject to phytosanitary inspection by MINADER officials at the port of Douala. It did not prove possible to obtain this list or to find out where it could be consulted. The phytosanitary tax is CFAF 50/tonne, with a maximum of CFAF 15,000.

3.80. A phytosanitary certificate is paid for by the applicant and is issued by the Ministries responsible for agriculture or health. Verification of phytosanitary conformity is the responsibility of the national laboratory for phytosanitary analysis or any other MINADER-approved laboratory.

3.81. Phytosanitary products must also be approved and their importers must have prior authorization.

3.82. The authorities have indicated that there is no national legal provision concerning genetically modified organisms (GMOs). Imports of "LL 62" rice are, however, banned.

3.83. Live animals must be accompanied by an international or national vaccination card. Prior to release for consumption, products of animal origin must undergo veterinary or sanitary inspection.[82] A sanitary and veterinary inspection certificate is issued by MINEPIA following the inspection.

3.84. The veterinary and sanitary inspection tax (ISV) is 3% (for fish, shellfish, leather and untanned hides and skins) or 2% (for tanned hides and skins and other products), or a specific rate per head. For imports, this ranges from CFAF 4 per head (for one-day-old chicks), CFAF 5 for eggs, CFAF 2,000 per head for cattle, and CFAF 6,000 per head for wild animals. The tax is lower for local trade and ranges from CFAF 0.5 for eggs, CFAF 1 per head for chicks, to CFAF 200 for cattle.[83]

3.2 Measures directly affecting exports

3.85. The Government's declared objective is to boost exports and increase their manufacturing value added content. Exports nevertheless remain confined to a small group of primary products, mainly petroleum, agricultural and forestry products. There has been little expansion in exports of processed products since Cameroon's previous TPR in 2007. This is to a large extent a reflection of the production constraints caused by the poor energy (see for example the case of aluminium below), communications, water and transport infrastructure, as well as the unfavourable business climate.

3.2.1 Inspection and other export procedures

3.86. In addition to the exporter himself, who must be approved through a complex procedure, exporting from Cameroon usually requires the intervention and approval of at least six entities: a forwarding agent, the Customs, the SGS, a customs broker, MINCOMMERCE, an approved bank, and the CNCC. Each of these levies fees for the export transaction, so decreasing the exporter's earnings accordingly. The aim of the GUCE is to streamline these operations by grouping them within the same entity, as far as possible, subject to an additional fee of CFAF 15,000 (€23).[84] In March 2013, it grouped the activities of customs brokers, the Customs and MINCOMMERCE, but not those of forwarding agents or those connected with the Port and obtaining the ECTN.

[82] Law No. 2000/017 of 19 December 2000.
[83] Annex 1 to the Finance Law No. 89/001 of 1 July 1989.
[84] Online information from the GIE (GUCE). Viewed at: http://www.guichetunique-cameroun.org/pro_intro.jsp.

3.87. As is the case for imports, exports are restricted to persons with exporter/importer status. Several steps are required to obtain this status: listing in the RCCM, which applies to all businesses, against payment of CFAF 41,500 to 49,000 (€63-75). The business also has to forward[85] a hand-written application to the chief clerk of the local court of first instance; two certified copies of the articles of incorporation; two copies of the "declaration of compliance and conformity", or the "notarized declaration of payment"; the certified list of directors, managers or partners permanently and personally liable or with the power to commit the company; two extracts of the criminal record of the aforementioned persons or, if this is not available, any other document replacing it. Non-Cameroonians must also provide an extract of the criminal record drawn up by their own competent authorities. Lastly, exporters also have to register in MINCOMMERCE's register of exporters and importers (see the section on imports above), against payment of CFAF 25,000 (€34), and this registration has to be renewed each year. It is hardly necessary to point out that these formalities are such as to discourage entrepreneurs, particularly smaller ones, from engaging in export.

3.88. All exported goods, irrespective of their value, must be the subject of a detailed declaration. Goods exported for commercial reasons may only be declared to the Customs by a customs broker. Some companies, however (oil companies in particular) are authorized to declare their exports to the Customs themselves.

3.89. The mandatory inspection of exports, which has been the responsibility of the SGS since 1998, applies to logs and sawn wood; the exporter's customs broker must make an export declaration domiciled with an approved bank to the SGS, pursuant to the CEMAC regulations (see common report). The export documents must be handed over to the SGS at least 72 hours prior to shipment and must also include a list of documents. The SGS is responsible for forwarding the copies of the export declaration to the exporter's bank and the authorities concerned (including the customs administration).[86] The SGS also charges 0.95% of the f.o.b. value of all shipments amounting to over CFAF 500,000 (€760) for its "inspection and control" services (see section 3.1.2 above).

3.90. The 11 documents to be provided listed in the *Doing Business* Indicator include: the order form or sales contract; the domiciled definitive invoice, the receipt proving payment of the order if it is paid in cash, the SGS export declaration domiciled with a bank, the €1 movement certificate for exports to the EU, signed by the Chamber of Commerce, or the movement certificate for exports to CEMAC, signed by the CCIMA, or the CAPEF depending on the product; the packing certificate for exports in containers; and the application for "extra-legal work" (TEL). The latter is for payment of customs officers outside their normal working hours, after 3.30 p.m., amounting to around CFAF 4,000/hour plus food and accommodation. Exporters also have to obtain the ECTN from the CNCC (see Table 3.3 above) and attach it to the export documents. If this is not done, the ECTN can still be obtained up to five days after the ship has left against payment of a penalty of 50% of the amount originally due.

3.2.2 Prohibitions and controls

3.91. For reasons of self-sufficiency, export of scrap metal and ferrous and non-ferrous metal waste[87] and raw cotton is prohibited. The Government has indicated that it has acceded to the Kimberley Process, but it did not prove possible to find out whether any legislation has been introduced to ban the export of rough diamonds to countries that do not participate in the certification system. The export of logs of certain forest species (for example, mahogany) is also banned. The same applies to goods classified as being part of the national cultural heritage. As indicated for imports, although it does not have any special procedures for this purpose, Cameroon is a member or signatory of the majority of treaties and conventions providing for the control of imports and exports for reasons of security or environmental protection.

[85] The website IZF contains an Exporter's Guide for Cameroon. Viewed at: http://www.izf.net/pages/cameroun/16458/.

[86] Ministerial Instruction No. 00268 MINEFI/CAB of 15 December 1995 on the introduction of the programme for guaranteeing customs revenue.

[87] Order No. 00237/MINIMIDT/CAB of 19 July 2008.

3.2.3 Export taxes

3.92. In addition to the SGS levy (0.95%, see above), a number of other taxes are imposed on exports. The effect of such export taxes is usually to lower prices for producers, below the levels they would have reached in the absence of these taxes, with a knock-on effect on rural incomes and poverty. Moreover, there appears to be a certain lack of clarity about the application (or non-application) of taxes, which change almost every year in line with the Finance Laws (see in particular the Finance Laws for 2000/2001, 2006, 2009 and 2013):

- logs (not processed) and sawn wood are subject to export taxes (see section 4.2.4 below);
- unprocessed products of animal, plant or mineral origin are subject to the export duty of 2% of the taxable value, except for the following cash crops: cocoa, coffee, cotton, rubber, medicinal plants, palm oil, bananas, pineapples and beans[88];
- processed products are in principle exempt from the 2% export duty, but cement is subject to the portion of customs duty (CET) suspended for clinker (incorporated) when it is imported, because it has been the subject of a tax reduction since 2008;
- fees are levied on exports of cocoa and coffee, with a ceiling of CFAF 25/kg, and transferred to their marketing organizations;
- the ISV on exports of certain animals, fish and byproducts at different rates, sometimes *ad valorem* and sometimes specific (by head);
- phytosanitary tax of CFAF 50/tonne.
- a computer fee (RI) is payable on all goods exported, but only applies to exports domiciled in a computerized customs office. Its rate is 0.45% with a ceiling of CFAF 15,000 (€23) for exports to neighbouring countries, or in connection with investment agreements;
- the GUCE fee (CFAF 15,000); and
- the ECTN fee (see Table 3.3 above).

3.93. In addition, export duty is also levied on products not originating in CEMAC, at a rate of 2% of their f.o.b. value, if they have not previously been the subject of a transit procedure. This tax also penalizes the exports of landlocked countries which depend on Cameroon's ports for their exports.

3.94. Exports are eligible for a zero VAT rate.[89]

3.2.4 Market values for exports

3.95. Cameroon has been using market values to calculate forestry taxes and export duty on logs (HS 44.03.49) since 1997. The f.o.b. value of logs for export is determined by an ad hoc commission set up for this purpose, chaired by the Director-General of Customs, and is published in an order from the Minister in charge of finance. The f.o.b. value of each species is usually that calculated on the basis of international market prices. According to the authorities, however, in the past some species have benefited from a discount in order to offset the shock of the international financial crisis. The values are revised every six months.[90]

3.2.5 Industrial free zones regime

3.96. Transactions by companies approved under the Industrial Free Zones Regime (ZFI) are exempt from all direct or indirect taxation under a legal regime that dates back to 1990 and has not changed since the previous TPR in 2007.[91] Companies under this regime must produce goods and services intended essentially for export. Nevertheless, a maximum of 20% of their production may be sold on the domestic market subject to authorization by the Minister responsible for industry. Goods exported from ZFIs are exempt from all the duties and taxes applicable; those sold on Cameroonian customs territory are considered to be imported

[88] Finance Law for 2013, Article 2. The HS codes for the products concerned are not specified.

[89] Online information from the Directorate-General of Taxes. Viewed at: http://www.impots.gov.cm/cadre_organisation.htm.

[90] Order No. 12/0000133/CF/A/MINFI of 23 August 2012 determining the f.o.b. value of logs for export.

[91] Ordinance No. 90/001 of 29 January 1990, WTO documents G/SCM/N/3/CMR and G/SCM/N/16/CMR of 29 November 1996.

and subject to the duties, taxes and procedures in force. Sale to other CEMAC countries is deemed to be export.

3.97. In practice, as the free zones have never become operational, the companies have been approved as free points. The main activities are timber processing, the agrifood industry, especially coffee and cocoa roasting. According to the 2008 by the National Industrial Free Zones Office (ONZFI), investors complain of the unstable legal environment in which the fiscal benefits are constantly called into question by the tax and customs authorities. Even though Article 15 of the free zone statutes provides for "*total exemption from direct or indirect taxes and charges, as well as from registration fees and stamp duty of any kind whatsoever*", it is not unknown to hear investors complain of the introduction of new taxes. According to the report, the customs environment is hardly favourable to investors. The time taken for customs clearance of various types of equipment and materials exceeds two weeks. Likewise, applications for approval are dealt with on the basis of the ordinary law regime and not on that in the texts on free zones in force.[92] In March 2013, 43 companies had been registered by ONZFI.[93]

3.98. According to the General Tax Code, there is full exemption from direct taxes and charges and from registration fees and any type of stamp duty for the first ten years of operation. As of the 11th year of operation, only profits tax applies at an overall rate of 15% instead of 38.5%. The taxable fiscal profit is calculated, however, after deducting 25% of the wage bill paid to Cameroonian employees and 25% of spending on investment during the financial year. Deficits posted during the exemption period are deemed to be charges carried forward to the subsequent financial years and can be deducted from the profits made during these years, without any time-limit for carrying them forward.

3.99. "Free point" status is preferentially given to companies which, among other criteria, use raw materials of Cameroonian origin, are established close to their supply source or, for companies already existing, guarantee to export all of their production at the latest one year after being granted this status.

3.100. It should be mentioned, however, that the ZFI regime has not served as a tool for development of Cameroon's exports and has not boosted foreign-market oriented productive investment, or created new companies and jobs. On the other hand, application of this regime has led to tax reductions for entire sectors of the economy. In the new draft law on economic zones, a project that has been under consideration since 2005, it is foreseen that companies previously approved under the ZFI regime and in possession of a conformity certificate that is still valid will, at their own request, either be absorbed into the future economic zones regime as soon as it is set up or return to the ordinary law regime and all the duties and taxes evaded over this period become payable.

3.101. In seeking to establish a new regime with the aim of boosting exports, it is necessary to avoid distortions among companies depending on whether or not they export, and instead focus on improving the production infrastructure - water, electricity, communications, transport - which is cruelly lacking for Cameroonian companies at present. This would help to promote the industrial processing of local raw materials and the dissemination of innovative technologies within the economy.

3.3 Measures affecting production and trade

3.3.1 State trading, public enterprises and privatization

3.102. By March 2013, Cameroon had still not submitted a notification to the WTO on its State-trading enterprises, namely, government-owned or non-government-owned companies, including marketing boards, to which exclusive or special rights or privileges have been granted, including legal or constitutional powers through whose exercise, by means of their acts or sales, they affect the level or trend in imports or exports of goods. Table 3.9 provides a list of companies with government holdings and active in the international sphere.

[92] Online information from the review *les Afriques*. Viewed at: http://www.lesafriques.com/gestion-publique/cameroun-la-zone-franche-industrielle-en-demi-teinte.html?Itemid=308.

[93] Online information from ONZFI. Viewed at: http://onzfi.org/ifzlist.pdf.

Table 3.8 Selection of public or semi-public companies active in international trade, March 2013

Company	Main sector of activity	% held by the PSPS[a]
Agriculture and agro-industry		
Société de développement du coton (SODECOTON)	Agro-industry (cotton and cotton oil)	59
Cameroon Development Corporation (CDC)	Agro-industry (bananas, rubber, palm oil)	100
Société camerounaise de palmeraies (SOCAPALM)	Production of palm oil	27
Société sucrière du Cameroun (SOSUCAM)	Production and marketing of sugar	15
Compagne industrielle d'exploitation des bois du Cameroun (ECAM)	Veneer sheets	35
Société de développement et d'exploitation des productions animales (SODEPA)	Livestock products	100
Plantations PAMOL	Production and export of palm oil	71
Société anonyme des brasseries du Cameroun (SABC)	Brewery	10
Société industrielle des cacaos (SIC-Cacaos)	Production of cocoa	0,1
Société forestière agricole du Cameroun (SAFACAM)	Production and export of edible oils	31.2
Cotonnière industrielle du Cameroun (CICAM)	Production of textiles	100
Sté de dvl de la cacaoculture (SODECAO)	Production of cocoa	100
Office national du cacao et du café (ONCC)	Marketing of coffee and cocoa	100
Hévéas du Cameroun (HEVECAM)	Production of rubber	10
Manufacturing and industrial sector		
Société camerounaise de transformation de l'aluminium (SOCATRAL)	Production de metal products	25
Société Aluminium de Bassa Alubassa	Aluminium joinery	..
Cimenteries du Cameroun (CIMENCAM)	Production and marketing of cement	
Cameroon Airlines (CAMAIR)	Air transport	96
Société camerounaise de verrerie (SOCAVER)	Manufacture and marketing of glass bottles	20
AES Société nationale d'électricité (SONEL)	Generation and distribution of electricity	44
Electricity Development Corporation (EDC)	Holdings in companies generating or exporting electricity	..
Kribi Power Development Company	Generation and transport of electricity	44
Mekin Hydroelectric Development Cameroun	Generation and marketing of electricity	10
Société camerounaise de dépôts pétroliers (SCDP)	Storage of hydrocarbons	51
Cie camerounaise d'aluminium (ALUCAM)	Production and export of aluminium	46
Total EP	Exploration and production of hydrocarbons	20
Société nationale de raffinage (SONARA)	Refining of petroleum products	80
Mobil Cameroun	Exploration and production of hydrocarbons	20
PECTEN Cameroon Company	Exploration and production of hydrocarbons	20
IBC	Production, import-export of steel and metals	51
Services		
Cameroon Telecommunication (CAMTEL)	Telecommunications	10
Aéroports du Cameroun	Airport services	63
Cameroon Radio and Television (CRTV)		10
Imprimerie nationale (IN)		10
Société de presse et d'édition (SOPECAM)		100
Cameroon Water Utilities Corporation	Production and distribution of water	100

Company	Main sector of activity	% held by the PSPS[a]
ıome de Douala (PAD)	Port services	100
Cameroon Airlines Corporation (CAMAIR)	Air transport	100
Cameroon postal services	Postal services	100
Cameroon shipping lines (CAMSHIP)		12.3
Cameroon Shipping Lines Investment Corporation (CIC)	Shipping	20.1
Cameroon Oil Transportation Company (COTCO)	Transport of hydrocarbons	5.2
Cameroon Railways Corporation (CAMRAIL)	Rail transport	13.5
Société nationale des eaux du Cameroun (SNEC)	Production and distribution of water	95
Cameroon Container Transportation (CAMTAINER)	Container transit and transport	52.8

.. Not available.

a Public or semi-public sector.

Source: MINEFI (2007), *Agenda 2007 de la Commission technique de privatisation et de liquidations*.

3.103. The State thus continues to play a key role in the domestic production of goods and services in Cameroon, as well as in companies active on the international scene. It has holdings in some 30 of the country's 50 leading companies in terms of turnover.[94] The State is therefore an actor not only in regulating the economy, but also in a large percentage of the domestic production which it regulates.

3.104. For example, the (semi-public) Société camerounaise des dépôts pétroliers (SCDP) still has a monopoly of storage of petroleum products, while SONARA has a monopoly of the supply of petroleum products. To import refined petroleum products a "shortage certificate" drawn up by the CSSPH (see below) has to be obtained.

3.105. In general, the situation of government-owned institutions, public and semi-public (PSP) companies has not changed since 1999.[95] Between 1986 and 1995, Cameroon adopted legislation to rationalize the management of the PSP sector through reforms involving their reorganization, liquidation or privatization.[96] Two committees set up in 1997 for this purpose, the Technical Commission on Privatization and Liquidation of PSP Sector Companies and the Technical Commission on Rehabilitation and Follow-up (CTR), are still operating.

3.106. According to the CTR, no PSP company has been privatized since 2007. None has been liquidated either. The State's holding in CAMTAINER apparently dropped from 70% to 52.8%. Several companies are managed by the private sector under a concession, including the SONEL electricity company, the container terminal at the Autonomous Port of Douala (PAD), and CAMTEL. In general, the privatization and reorganization process has not met with the expected success. The reasons may include the fact that the companies hold little attraction for potential buyers.

3.3.2 Competition policy and price controls

3.3.2.1 Competition policy

3.107. Law No. 98/01, enacted in 1998[97], remains the principal legislation on competition, in conjunction with the relevant Community legislation (common report, Chapter 3.3.2). The CNC, provided for in the Law, started to operate in 2007; its scope of competence encompasses

[94] Directory of Cameroonian Companies. Viewed at: http://www.statistics-cameroon.org/ downloads/RGE/repertoire_entreprises%20_100_CA.pdf.

[95] Law No. 99/016 of 22 December 1999. Online information from the Government of Cameroon. Viewed at: http://www.spm.gov.cm/fr/ documentation/textes-legislatifs-et-reglementaires/article/loi-n-99016-du-22-decembre-1999-portant-statut-general-des-etablissements-publics-et-des-entrepris.html.

[96] The list of legislative texts is available in the previous TPR. Viewed at: http://www.wto.org/english/tratop_e/tpr_e/tpr_e.htm.

[97] Law No. 98/013 of 14 July 1998 repealing and replacing Law No. 90/031 of 10 August 1990. Viewed at: http://www.droit-afrique.com/images/textes/Cameroun/Cameroun%20-%20Loi%20concurrence. pdf.

all branches of the economy with a mandate to seek out, control and, where appropriate, punish anti-competitive practices. It may on its own take up a matter it considers within its competence or rule on the matters brought before it. Its first decision condemning SOSUCAM (section 4.1.2.6 below) for anti-competitive practices was issued in October 2011, imposing a fine of CFAF 175 million (or €267,000).

3.108. There are also provisions on competition in the texts governing the various sectoral regulatory bodies (for example, the Electricity Regulatory Agency (ARSEL), the Rural Electrification Agency (AER), the Telecommunications Regulatory Agency (ART), the Government Procurement Regulatory Agency (ARMP) (see below), and the Civil Aviation Authority of Cameroon (AACC), and the Commission cooperates with these bodies. In its annual reports over the period 2007 to 2009, however, the CNC complained of the persistent mistrust shown by these agencies and their reluctance to collaborate, which strongly constrains the CNC's capacity to ensure respect for competition in Cameroon's economy. Moreover, the CNC's annual budget is around CFAF 1 million (less than €23,000) so its officials only work part time, and it does not have the resources to allow it to fulfil its responsibilities properly on its own. Just as an example, the CNC does not appear to have a website or Internet access.

3.109. In its 2011 annual report, the CNC also deplored the fact that it was not consulted by government authorities when draft legislation or regulations that might have an impact on competition on the domestic market were being prepared, as required by Article 22 of the Law. This explains in part its finding that "anti-competitive practices of all types are still the rule in all sectors of the national economy, including price fixing among competitors, abuse of a dominant position underpinned by the existence of numerous monopolies, and company mergers and buy-outs not declared to the CNC in advance.[98]

3.3.2.2 Price controls

3.110. Price controls apply to a large number of products and services, either because they are supplied by monopolies or subsidized by the State. Price control is the responsibility of MINCOMMERCE. The list of products subject to price control was expanded in 2008 (those added since 2008 are indicated)[99]:

- sugar, milk (2008), unrefined palm oil, frozen fish, wheat flour, maize flour (2008), imported rice (2008), cooking salt (2008), table oils (2008), frozen poultry;
- imported Portland cement (2008), reinforcing rods;
- medicines and hospital consumables; textbooks; social housing, and school and university accommodation;
- water, electricity (2008), household gas; services at Cameroon's autonomous ports and their ancillary services, public transport (road/rail); and services supplied by tourist hotels and establishments (Chapter 4).

3.111. Another agreement dating from 2007 and still in force obliges supermarket suppliers and distributors to forward their new price lists when there is any increase, 15 days before the sale of certain fast-moving consumer products, including: Portland cement; alcoholic beverages, coffee, tea, bread, margarine, pasta and roofing sheets.[100]

3.3.3 Government procurement

3.112. For each of the three years from 2010 to 2012, the total value of government procurement contracts was around CFAF 665-680 billion (over €1 billion), or between 5 and 6% of GDP and around one quarter of total government spending.

[98] CNC (undated).

[99] Order No. 00011/MINCOMMERCE/CAB of 5 May 2008 determining the list of products and services whose prices and rates are subject to the prior approval procedure.

[100] Order No. 2/MINCOMMERCE/CAB of 10 January 2012 making obligatory the prior submission of price lists for certain fast-moving consumer products.

3.113. Cameroon did not sign the WTO Agreement on Government Procurement (AGP) but has been an observer since 2001. The principal national legislation, the Government Procurement Code, dates from 2004.[101] The Government Procurement Regulatory Agency (ARMP) was established in 2001 and has a website showing the regulations applicable, together with procedural manuals that can be downloaded.[102] Its task is to ensure the correct functioning of Cameroon's government procurement system; it has organizational and functional independence and can give the authorities an independent opinion, but it is not financially independent. The authorities have indicated that a 2012 decree (see below) gives it competence for procedures (modifying or repeating procedures, cancelling awards).

3.114. The declared objective of the latest reform of government procurement, in 2012, was to streamline procedures, combat corruption, shorten the time taken to award contracts, and improve implementation of the budget. It has not changed the main methods for awarding contracts, but has transferred responsibility for awarding large contracts to a new Ministry, the Ministry of Government Procurement (MINMAP). Opinions are divided as to the effectiveness of creating a ministry in the light of the reform's declared objectives, particularly because of the considerable risk of overlapping with the ARMP and its cost. Whereas the ARMP budget for 2012 is CFAF 6 billion for its operations and investment, MINMAP's budget for 2013 is CFAF 21 billion.

3.115. Three new decrees were adopted in 2012[103]; the first amends and supplements certain provisions in the Decree on the creation, organization and operation of the ARMP; the second creates another Ministry, MINMAP, in addition to the ARMP and the Ministry of Public Works; and the third introduces committees on the award of government procurement contracts.

3.116. The 2004 Code remains valid insofar as its provisions are not contrary to subsequent legislation. It determines the rules applicable to awarding contracts, implementing and controlling procurement of works, supplies, services and intellectual contributions, and applies to all government orders amounting to CFAF 5 million or more (€7,600). The splitting of a contract is deemed to be a violation of the regulations.

3.117. The ARMP is under the supervision of the Office of the President and is responsible for ensuring the regulation and monitoring of the government procurement system. Its tasks include: the drafting of model documents and procedural manuals; the publication of the Government Procurement Journal; monitoring of implementation of the relevant regulations; and compiling statistics. One major innovation since 2012 has been that the ARMP has been given responsibility for following up concessions for public services, which must be the subject of competition, and are always preceded by a prequalification phase.

3.118. Prior to 2012, each contracting agency was wholly responsible for the contract process, subject to control committees at various stage of the procedure.[104] The ARMP was the facilitator and monitor of the system, providing support and training. After the reform, some of the contracting agency's powers were transferred to MINMAP. Contracting agencies still have responsibility for contracts of CFAF 5 to 50 million (€7,600 to €76,000). Above this amount, the contracting agency prepares the documentation and seeks financing, then forwards the documents to MINMAP, which awards the contract. Since March 2012, MINMAP has signed all contracts for over CFAF 50 million. It does not have a website.

3.119. Public companies (EP) and decentralized local authorities (CTD) remain the contracting agencies for contracts whose ceiling varies depending on the type of procurement. The creation of a procurement committee by MINMAP within an EP or CTD is no longer automatic; it depends on the amount of the portfolio for their projects When they are set up, these committees are composed of a chair appointed by MINMAP, three members representing the contracting agency, MINMAP and MINFI, respectively, and a secretary appointed by MINMAP. They do not

[101] Decree No. 2004/275 of 24 September 2004 on the Government Procurement Code; and Circular No. 004/CAB/PM of 30 December 2005 on the procedure for awarding government procurement contracts.

[102] Online information from the ARMP. Viewed at: http://www.armp.cm/textesmp.htm.

[103] *Idem.* Viewed at: http://www.armp.cm/decrets.htm.

[104] The 2012 reform eliminated the specialized procurement control committees in the Prime Minister's Office, for example, the specialized committees for control of highway procurement; construction and collective facilities procurement, etc.

include members of the ARMP. The Code makes provision for independent observers, who have participated in the work of the committees and subcommittees since 2003. They are required to notify any shortcomings to ARMP and MINMAP within 78 hours.

3.120. As regards the methods for awarding contracts, over the period 2010-2012, the percentage of contracts awarded directly increased substantially, amounting to 32% to 44% of all contracts, whereas in 2008 and 2009 this method was only followed for 17% and 10% of the contracts awarded, respectively. Before the reform, the direct procedure required a special authorization from the Prime Minister, but it is now authorized by MINMAP.

3.121. Open national invitations to bid are the other main method of awarding contracts (36% to 50% of the total value between 2010 and 2012); the three other methods, namely, restricted national or international invitations to bid, and open international invitations, have been little used and together accounted for 9% and 24% of the total. The authorities have explained that an invitation to bid is international if the donors so require or if the skills required are not available in Cameroon. An invitation to bid may be subject to a competition or pre-qualification phase. According to the authorities, a restricted invitation to bid is only used for intellectual services, subject to prequalification, after a notification to express an interest. Those qualified are asked to bid. For complex contracts, a national bidder must have a base in Cameroon, certified by means of a notarized deed and listing in the Register of Commerce. It must also be in possession of a tax certificate and statement that there are no outstanding charges, pay CNPS social security contributions, provide proof of bank domiciliation and a statement that it is not bankrupt.

3.122. For bids that are technically and financially equivalent, preference is given to a bid submitted by: a Cameroonian natural or legal person, or one proving an economic activity in Cameroon, or whose capital is entirely held by Cameroonians. These elements must appear on the bid documentation. When bids are equivalent technically and in cost terms, priority is given to the bidder offering the largest proportion of these elements in value terms. The national preference margin is 10% for contracts for works and 15% for supplies. No national preference is provided in relation to the cost of contracts for intellectual services.

3.123. The ARMP is responsible for publishing invitations to bid and the award of contracts in the Government Procurement Journal or in any other authorized publication appearing weekly. Other media such as the radio, the press, posters or electronic media may also be used. It is now a requirement to publish the award of contracts in the press.

3.124. Disputes during the implementation of a contract must first be the subject of an effort to reach an amicable settlement. During the award phase, a bidder which considers that it has suffered injury may lodge an appeal with MINMAP, with a copy to the ARMP. MINMAP has to take a decision within 30 days and may consult the ARMP.

3.3.4 Intellectual property rights (IPRs)

3.3.4.1 Overview

3.125. Cameroon did not make intensive use of its patent protection system between 2007 and 2010. The number of trademarks registered, however, rose in 2009 (Table 3.9).

Table 3.9 Applications for protection of IPRs in Cameroon, 2007-2010

	2007	2008	2009	2010
Patent applications	4	4	12	3
Applications to register trademarks (new marks)	27	0	139	3
Trademarks registered	3	28	28	86

Source: Data communicated by the Cameroonian authorities.

3.126. For persons domiciled in Cameroon, applications are filed with MINMIDT's Industrial Property Service, which is responsible for implementing the legislation, except that on copyright and related rights (see following section).

3.127. In principle, Cameroon has applied the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) since 1 January 2000. It is a member of the World Intellectual Property Organization (WIPO) and of the African Intellectual Property Organization (OAPI), set up by the Bangui Agreement, and in principle applies the legislation described in the common report (Chapter 3.3.4). In 2001, Cameroon notified its IPR legislation to the WTO TRIPS Council[105], which completed its examination in 2003. Since then, no notification on this subject has been received from Cameroon. In particular, Cameroon has not notified to the WTO its contact point pursuant to Article 69 of the TRIPS Agreement.

3.128. During Cameroon's previous TPR in 2007, some of its trading partners asked about the means used by the authorities to enforce IPRs. Cameroon was urged to step up its efforts to ensure their protection, *inter alia,* by placing more emphasis on effective criminal proceedings and customs controls. At present, both at the border and within the country, the major challenge faced by the authorities remains the implementation of a strong system to combat counterfeiting, particularly of medicines and veterinary and phytopharmaceutical products, because of the risk their import entails for public health.

3.129. Since 2005, within MINCOMMERCE there has been a committee to combat smuggling, fraud and counterfeiting. In April 2012, a campaign to combat counterfeiting ended with the seizure of 20 tonnes of imported counterfeit medicines for an amount estimated at CFAF 2.3 billion (€3.5 million). On 12 October 2012, on the occasion of the African Day against Counterfeit Medicines, Cameroon's National Association of Pharmacists estimated that 55% of the population used counterfeit medicines and that they accounted for one third of domestic sales. According to the 2011 Report on combating corruption, the sale of medicines and other consumables is undermined by the issue of false import authorizations; their sale on local markets; and the unlawful sale of out-of-date or unauthorized goods.[106]

3.130. In June 2012, a large percentage of the phytosanitary products sold on local markets was counterfeit. The problems in combating violations of the IPR legislation include the lack of financial resources to track down banned products and services and the traffickers. The Customs is responsible for enforcing IPRs but encounters numerous problems in carrying out its task and can only intervene at the request of the holder of the IPR. Furthermore, because of the few resources devoted to training and promoting awareness, many consumers opt for counterfeit goods because of their relatively low cost in comparison with that of goods protected by IPRs.

3.3.4.2 Copyright and related rights

3.131. In addition to the provisions in the Bangui Agreement, copyright and related rights are protected by Law No. 2000/011 of 19 December 2000 and its implementing regulations.[107] The current legislation applies to all Cameroonian literary or artistic works (including computer programs). In the case of works of joint authorship, in order to be protected by the law, one of the joint authors must be a Cameroonian. The protection given to foreigners is subject to reciprocity. In Cameroon, therefore, foreigners are protected by copyright or related rights which they own provided that the law in the State of which they are nationals or of the territory in which they reside, have their headquarters or an establishment, protect the rights of Cameroonians. The Law's provisions nevertheless apply to works which have the right to protection under an international treaty to which Cameroon is party.

3.132. The Law created four collective management societies for copyright and related rights, each belonging to a particular form of art: category A concerns literature, dramatic art,

[105] WTO document IP/N/1/CMR/1 of 17 May 2004.

[106] Online information from CONAC. Viewed at: http://www.conac-Cameroun.net/pdf/RAPPORT_2011_DE_LA_CONAC _EN_FRANCAIS.pdf.

[107] Online information from WIPO. Viewed at: http://www.wipo.int/wipolex/fr/details.jsp?id=836. See also Decree No. 2001/956/PM of 1 November 2001. Viewed at: http://www.wipo.int/wipolex/fr/text.jsp?file_id=198255.

choreography and other similar arts, as well as computer programs and the rights are managed by SOCILADRA (*Société civile des droits de la literature et des arts dramatiques*); SOCAM (*Société civile camerounaise de l'art musical*) manages rights relating to music (category B); category C concerns audiovisual and photographic arts whose rights are managed by SCAAP (*Société civile camerounaise de droits d'auteur, de l'audiovisuel et de la photographie*); lastly, category D includes graphic or three-dimensional arts grouped within SOCADAP (*Société civile de droit d'auteur et des droits voisins, des arts plastiques et graphiques*). The Ministry of Culture (MINCULT) is responsible for their protection.

3.133. In February 2008, SOCILADRA announced that it had signed an agreement with Microsoft Cameroun to try to eliminate software piracy, which affects 85% of the Microsoft software used in Cameroon. It was not possible to obtain a copy of this agreement. In 2011, a protocol of agreement was signed between the Customs, on the one hand, and three collective management societies for copyright and related rights (SOCILADRA, SCAAP and SOCAM), on the other, to organize the collection of royalties for private copies of audio and video works covered by the Law.[108] According to Decree No. 2001/956, the rate for "payment upon import of blank media and equipment allowing protected works to be copied" is 5% of the c.i.f. customs value.[109] Pursuant to the protocol, the Customs is in charge of collecting the levies on behalf of the copyright management societies. Article 5 of the protocol provides that 85% of the proceeds from these levies is to be paid into an "extra-budgetary" account to pay the royalties for copyright and related rights; 10% goes to the Customs for its operating costs; and 5% for Treasury services. In November 2012, disputes were still under way between SOCAM and the Cameroon Music Corporation (CMC), both of which claimed the right to receive and manage the copyright levies collected by the Customs.

3.134. In addition, in 2012, SOCILADRA also supported the claim by the Cameroonian Union of Artists and Producers for payment of royalties for the use of protected music repertoires by mobile telephone companies, which offer the music to be downloaded free of charge. The Union claimed almost CFAF 90 billion (€137 million) from mobile telephone companies, representing 70% of the 20 years of exploitation of these repertoires.[110]

[108] Online information from the *Coalition pour la diversité culturelle*. Viewed at: http://www.cdc-ccd.org/IMG/pdf/Lettre_N2_Sociladra_Cameroun.pdf.

[109] It concerns 12 products: sound recording media audio CD-R (TD: 8520 3200), MP3 players (TD: 8519 8100), USB keys (TD: 8471 6000), cameras (TD: 8525 4000), audiovisual recording media, magneto-optical disks, ZIP disks and hard disks (TD: 8471 7000), decoders (8528 1200), cassette recorders, televisions with integrated hard disks (TD: 8528 1200), mobile telephones (TD: 8517 1200), DVDs (TD: 8521 9000); reproduction/reprographic apparatus (printers) (TD: 8443 1100 to 8443 5900), photocopiers (TD: 9009 1100 to 9009 2200), scanners (8517 500), fax machines (TD: 8517 2100).

[110] Balancing Act, No. 175, 26 January 2012. Viewed at: http://www.balancingact-africa.com/news/fr/edition-fran-aise-26/175/actualit-s-t-l-com/piraterie-les-artist/fr.

4 TRADE POLICY BY SECTOR

4.1 Agriculture, livestock, fisheries and forestry

4.1.1 Overview

4.1. Cameroon's agriculture has immense potential, not only in traditional areas such as food or timber, but also in areas such as medicine or cosmetics. As the FAO has identified, Cameroon's forests harbour numerous nuts, edible mushrooms and fruit, as well as herbs, spices and condiments, aromatic plants, fibre used for building, furniture, clothing or utensils, resins, gums and other plant products. Iboga, for example, looks promising for combating drug abuse[111]; *prunus Africana* (also called Pygeum or Kirah), a wood exported for the equivalent of over €1 billion annually, has properties to combat prostate hyperplasia.[112] The unexploited potential is vast.

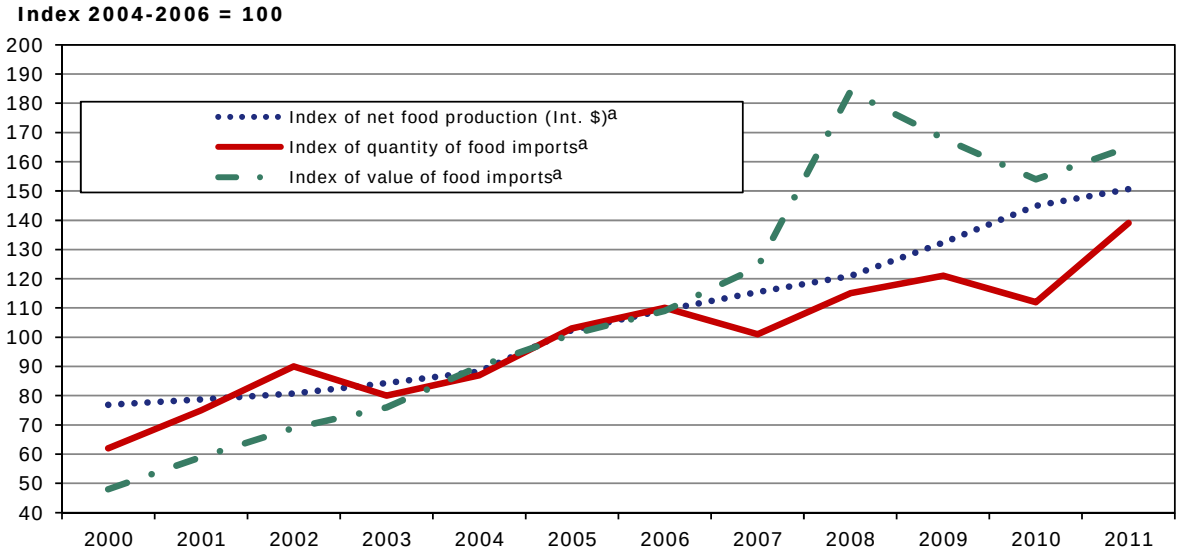
4.2. During the period 2007-2011, this key sector for Cameroon's economy contained to drive the rest of the economy, with average growth of over 4% (Table 1.1). The subsectors which are currently showing the strongest growth are food crops, especially cassava, maize and plantains, and cocoa. Because of its exceptional natural resources and a national programme that truly focuses on food security, especially special support for food crops, Cameroon is one of the few countries in Africa that is close to achieving food security. The volumes available for consumption (2,240 calories daily per inhabitant in 2006-2008 according to the FAO) are close to the recommended minimum (2,300 calories).[113] FAO collaborates in the national food security programmes.

4.3. Food production generally increased in volume at least as rapidly as imports between 2006 and 2011 (Chart 4.1). The crisis caused by higher global and local food prices in 2007-2008, however, made the authorities aware of the country's relatively high level of dependence on certain food imports, particularly rice and wheat, fish and oil, which together account for over 40% of the value of domestic food consumption. The authorities' objective is therefore to increase production of these foods and an agricultural bank is planned to assist this effort.

4.4. Because of the threat which higher prices posed to the population's food security and social harmony, as was seen during the disturbances in February 2008, the Government rapidly took measures to achieve a substantial and immediate increase in the supply of agricultural products. Accordingly, the Mission to regularize supplies of fast-moving consumer products (MIRAP) was established in 2011. It has built up stocks of products bought on rural markets and then sold on urban markets at low prices. According to the Citizens' Association for the Defence of Collective Interests (ACDIC), however, the sale of these "subsidized" products is prejudicial to Cameroon's agricultural system.

[111] *Le Monde*, Saturday, 1 December 2012.
[112] FAO (2005).
[113] FAO defines "food availability" as the sum of production, imports and variations in stock, less exports of food products.

Chart 4.1 Production and imports of food products, 2000-2011



Note: Estimated import data for 2011.

a Excluding fish.

Source: FAO statistical database (accessed January 2013) and Cameroun-Info.net for 2011, data on imports.

4.5. The main crops, and the main products traded, are set out in Table 4.1. Agricultural exports include timber, cocoa and coffee, bananas, natural rubber, palm oil, pineapples and cotton. Agricultural products are the leading export after petroleum (Chapter 1). Cameroon's agriculture is currently diversifying towards new activities such as cocoa tree nurseries, supplying seeds, and the production and export of cassava.

Table 4.1 Principal crops and animal products, 2000/2005 and 2010/2011

	Volume				Value	
	2000	2005	2010	2011	2010/2011	2010/2011a
	'000 tonnes				€ thousand	% of global value
Exports						
Cocoa beans	77.4	163.7	193.9	..	459,679.5	7.5
Bananas	238.2	265.5	237.9	..	61,796.0	1.0
Cotton fibre	73.1	116.4	53.6	..	61,182.9	0.6
Natural rubber	20.1	25.4	24.7	..	52,954.2	0.3
Green coffee	88.9	43.4	47.9	..	49,975.0	0.4
Cocoa butter	3.3	0.2	9.7	..	30,994.3	1.0
Cocoa powder and mass	3.2	0.1	6.8	..	21,708.5	0.9
Food preparations n.e.s.	3.4	3.3	11.2	..	19,707.8	0.1
Natural rubber	6.5	9.5	8.2	..	18,962.6	1.0
Cocoa pods/husks	0.1	0.0	3.6	..	11,273.7	6.6
Cocoa paste	17.2	17.1	2.9	..	8,548.9	0.5
Cocoa products n.e.s.	0.4	0.8	2.9	..	7,824.1	0.1
Refined sugar	0.0	0.2	9.5	..	6,043.8	0.1
Palm oil	11.5	32.9	4.1	..	5,546.2	0.0
Distilled alcoholic beverages	1.7	2.2	3.9	..	3,443.6	0.0
Beer of barley	1.6	3.4	4.8	..	2,431.1	0.0
Water, ice and snow	0.7	1.9	7.5	..	1,968.3	0.1
Pineapples	1.4	3.0	11.1	..	1,781.0	0.2

	Volume				Value	
Dried beans	0.9	2.7	4.5	..	1,266.9	0.1
Maize	0.0	0.0	2.6	..	644.0	0.0
Imports						
Rice	158.2	446.5	363.8	..	147,350.3	1.0
Wheat	223.0	300.1	377.5	..	93,122.5	0.3
Barley malt	51.0	55.6	77.1	..	44,116.2	1.7
Refined sugar	48.6	42.5	74.2	..	37,411.0	0.4
Food preparations n.e.s.	9.9	9.9	16.7	..	26,634.9	0.1
Dried whole milk	4.1	6.2	7.7	..	21,337.1	0.4
Palm oil	6.0	18.1	26.2	..	19,252.5	0.1
Soya-bean cake	7.8	11.8	28.5	..	11,481.3	0.1
Maize flour	7.6	10.5	19.8	..	9,691.9	1.7
Wine	5.8	6.3	9.7	..	7,145.3	0.0
Confectionery	1.1	3.2	7.2	..	5,217.1	0.1
Preparations for food n.e.s.	1.4	4.5	8.3	..	5,038.9	0.2
Wheat flour	0.0	11.9	11.3	..	4,171.4	0.1
Pasta	0.0	6.2	6.7	..	4,098.9	0.2
Maize	13.7	12.8	14.8	..	4,037.7	0.0
Barley	1.6	4.4	7.7	..	1,470.7	0.0
Production					**Thousands of Int. $ (1,000)[b]**	
Plantains	1,163.7	2,012.6	3,182.2	3,400.0	701,957.2	9.6
Bananas	626.3	930.0	1,333.9	1,376.0	387,524.3	1.3
Cassava	1,918.3	2,393.8	3,808.2	3,900.0	366,665.1	1.5
Tomatoes	371.1	488.8	795.3	880.0	325,216.3	0.6
Cocoa beans	122.6	140.0	264.1	272.0	282,468.7	6.2
Taro	1,033.6	1,352.7	1,470.0	1,490.0	252,807.7	13.3
Groundnuts in the shell	196.7	346.4	536.2	537.0	228,368.6	1.4
Maize	741.4	1,050.4	1,670.3	1,750.0	221,613.6	0.4
Dried beans	174.8	234.2	353.7	380.0	217,705.0	1.8
Sorghum	420.0	764.5	1,098.5	1,150.0	171,952.9	4.0
Fresh vegetables n.e.s.	450.0	495.0	675.0	697.5	131,437.6	0.3
Palm oil	136.3	198.3	250.0	254.0	110,504.5	0.5
Yams	262.6	343.3	499.6	510.0	104,058.0	0.9
Sugar cane	1,350.0	1,450.0	1,450.0	1,450.0	46,423.3	0.1
Cucumbers and gherkins	122.0	130.4	194.0	196.0	38,915.0	0.3
Potatoes	130.5	133.8	188.5	189.0	23,195.1	0.0
Sweet potatoes	174.2	206.4	289.0	290.0	21,465.1	0.5
Palm nuts	1,100.0	1,450.0	1,575.0	1,575.0	..	..
Beer of barley	190.0	265.0	370.0	380.0	..	..
Cottonseed	204.0	315.0	190.0	195.0	..	..
Memorandum						
Natural rubber	58.0	58.7	54.9	55.5	63,482.8	0.5

.. Not available.

a Trade data (exports and imports) are based on 2010 data whereas production data are based on 2011 data.

b Net value of production, constant international prices in US$ thousands, 2004-2006 (average).

Source: FAO statistical database (accessed January 2013). Viewed at: http://faostat3.fao.org/home/index.html?#HOME.

4.6. According to the only notification received from Cameroon by the WTO Committee on Agriculture, there were no subsidies or price support or production support measures over the period 2006-2010, either in the form of direct payments to producers, subsidies for inputs, insurance programmes, or in the form of domestic price support.[114] In practice, the rural population produces food crops without any support from the State, usually using very few inputs, and endeavouring to carry out the initial processing.

4.7. This notification also states that Cameroon did not grant any subsidies for agricultural products. For imports, customs duty and other border measures are the main tools of trade policy, thereby substantially raising the cost of imported agricultural products (common report, Chapter 3.2). Then come all the other duties and taxes applied at Community level, described in the common report. Overall, this high taxation increases food costs for households and the cost of inputs for agrifood production companies (see below, for example, the case of poultry). To offset the higher costs, the authorities have "declassified" rice, fish and flour to make them exempt from customs duty (see Chapter 3.2 above). To the same end, all inputs and equipment in the sector have been exempt from VAT since the 2006, 2008 and 2011 Finance Laws. In addition, essential goods, some of which are agricultural products (Table 3.4), are also exempt.

4.8. Many agricultural support organizations remain under the supervision of the public or semi-public sector (Table 4.2). Most of these organizations are awaiting reorganization, liquidation or privatization, even though these have not had the foreseen effect on boosting production.

Table 4.2 Public and semi-public institutions in the agricultural, forestry and fish farming sectors

Institution	Supervisory authority
Public administrative institutions / external partner	
Livestock development fund for the North (CDEN)	MINEPIA
Livestock development fund for the North-West (CDENO)	MINEPIA
Sea fishing development fund (CDPM)	MINEPIA
National centre for agricultural machinery studies and testing (CENEEMA)	MINADER
Agricultural research and development institute	MINRESI
Mission for the development of small-scale sea fishing	MINEPIA
Cereals board (OFFCEREAL)	MINADER
National cocoa and coffee board (ONCC)	MINCOMMERCE
National agency for forest development (ANAFOR)	MINADER
Unit for air spraying for agriculture	MINADER
Special public administrative institutions	
Cocoa and coffee subsectors development fund (FDCC)	MINADER
Seed fund	
Special forestry development fund	..
Companies with a government holding /SNI	
Cameroon sugar company (SOSUCAM)	MINADER
African forestry and agricultural company of Cameroon (SAFACAM)	..
Maize company of Cameroon	..
Industrial company for forestry exploitation of Cameroon	..
Industrial cocoa company	..
Milk products manufacturing company (MILKY WAY)	..
Other	
FAO/WFP assistance management committee (CG/FAO-WFP)	MINADER

[114] WTO document G/AG/N/CMR/1 of 28 October 2011.

Institution	Supervisory authority
Mbanga plantations company (SPM)	..
Semi-public companies	
PAMOL plantations	..
Cotton development company (SODECOTON)	
Palm groves company of Cameroon (SOCAPALM)	..
Companies with public capital	
Cameroon Development Company (CDC)	MINADER
Company for the expansion and modernization of rice-growing in Yagoua	MINADER
Company for the development of cocoa cultivation (SODECAO)	MINADER
Company for the development and exploitation of animal products (SODEPA)	MINEPIA

.. Not indicated.

Source: Information provided by the Cameroonian authorities.

4.9. Agricultural inputs such as fertilizer, pesticides and fungicides are usually imported. One company alone, ADER (Louis Dreyfus Group) dominates the import market, even though some agro-industries import their fertilizer themselves. The import, packaging, storage and distribution of fertilizer are regulated.[115] According to FAO, average consumption of fertilizer is 6.7 tonnes per 1,000 hectares of arable land, compared to 16 tonnes in Côte d'Ivoire, 35 tonnes in Australia, 148 tonnes in France and 109 tonnes in the United States (2011).

4.10. Seed is imported by private operators. The seed subsector is, however, regulated under the Convention on Biological Diversity, which Cameroon has signed. A prior declaration is required for any seed-related activity in order to ensure that the import, production and marketing of seeds comply with the criteria defined in specifications determined in a joint order by the Ministers responsible for agriculture and trade.[116] An advisory opinion from the National Council on Seeds and New Plant Varieties is required for matters relating to production, marketing, quality control and certification of seeds and new plant varieties.

4.11. Government strategy in the agricultural sphere is the responsibility of MINADER. The Government's current priority is to foster the development of agro-industry by providing support for young farmers embarking upon "second generation farming". Specifically, it involves increasing both yields and cultivated areas, developing subsectors with strong potential for productivity and competitiveness, improving agricultural outreach and counselling, and developing the supply of inputs (fertilizer, seeds, etc.). A number of programmes aim specially at increasing competitiveness. For example, an agricultural mechanization strategy in place since 2011, with support from FAO, provides for a tractor assembly plant in the south of Cameroon.

4.12. This new policy includes a component devoted to reform of the land tenure regime. According to the authorities, this will replace the system of State land concessions currently given to foreign investors for a specified period. These concession contracts are signed with MINDAF. At present, they provide for renting land under a lease (see Chapter 2.4 and below in relation to palm oil), which is the only way for foreigners to gain access to land for farming. The need for foreign investors to respect the environmental and social provisions in Cameroon's legislation has been emphasized.

4.1.2 Policy by subsector

4.1.2.1 Coffee and cocoa

4.13. There has been an impressive recovery in exports of cocoa beans since 2007, together with an increase in exports of cocoa butter and paste (Table 4.1). Cameroon thus strengthens its position as one of the world's ten leading producers of cocoa with over 7% of global production in 2010. This is partly the result of higher prices on international markets, which have given

[115] Law No. 2003/07 of 10 July 2003 governing the activities of the fertilizer subsector in Cameroon.
[116] Law No. 2001/014 of 23 July 2001 on the seed subsector.

producers higher incomes, and of SODECAO's (Table 4.2) launching of a programme in 2006 for the production and distribution to producers of new varieties of plants that allow the first harvest after three or five years. The Government's goal is to create 5,000 hectares of new modern plantations of cocoa trees each year. Moreover, better local support from MINADER for operators (national agricultural outreach programme) has also helped in increasing production. The legislation relating to this sector dates from 2004-2005.[117]

4.14. The Development Fund for the Cocoa and Coffee Subsectors (FODECC) was set up in March 2006 with the aim of ensuring the financing and payment of services to support and revive these subsectors, support applied research on these products, and promote local processing and consumption. The Fund's resources come partly from a levy on exports (see below) and partly from the State's budget. The Agricultural Research Institute for Development (IRAD) conducts research for the purpose of developing new varieties.

4.15. Terms of sale are determined by MINCOMMERCE in an order at the beginning of each season. The CICC, the producers' association, provides producers with support, and organizes production through cooperative associations and marketing for members.[118] It is not compulsory to be a member in order to produce, but it enables a producer to benefit from the support.

4.16. Cocoa exporters must be approved by the ONCC, and this involves having certain storage facilities. Approval has to be requested from MINCOMMERCE. Exporters may then buy cocoa from producers at a price negotiated and determined between the parties on the basis of the reference prices published by the subsector's "information system". Producer prices generally shadow global prices and taxation in the subsector appears relatively modest, which explains the receptivity shown by Cameroon's producers and the increase in production.

4.17. The ONCC (Table 4.2) monitors quality control and follows up exports. All cocoa bean exports must be declared to the ONCC and export prices are determined freely.

4.18. In all, some 90% of output is exported, mostly to the Netherlands, Belgium and France, and the remainder is processed locally, principally into paste and butter. Processed cocoa is exported by private companies and has grown strongly since 2011. This dynamic growth in exports of cocoa products to the EU has been the result of the trade preferences granted under Regulation No. 1528 (which provisionally replaces the EPA, see Chapter 2.4), which fully liberalized the EU market for cocoa-based products exported from Cameroon as of 2008.

4.19. Unlike cocoa, coffee exports have only shown a fairly modest increase. Coffee prices have not risen to the same extent, discouraging farmers from growing this crop and making them turn to food crops. Moreover, the cost of producing coffee has risen more than that of cocoa because growing coffee necessitates more fertilizer. Cooperative associations in coffee-growing areas have been dissolved, even though they played an important role in production. Cameroon only provides 1% of global coffee exports (Table 4.1), mainly Robusta.

4.20. The legislation on the coffee subsector also dates from 2005.[119] The Government's objective is to boost the volume and quality of production, through the FODECC in particular, and to promote cooperative action. Planters hull and dry the coffee beans and then sell their output either directly to exporters approved by the ONCC, to the Central Union of Agricultural Cooperative Associations of the West (UCCAO[120]) or for export or processing into ground coffee.

4.21. Coffee can only be marketed after being hulled. It has to be bought from the producer in homogenous batches at different prices according to quality and determined by agreement between the parties. The producer price is negotiated and set between the parties on the basis of the reference prices published by the subsector's "information system". Mixing different types

[117] Law No. 2004/025 of 30 December 2004 amending and supplementing Law No. 95/11 of 27 July 1995 on the organization of trade in cocoa and coffee; Decree No. 2005/1212/PM of 27 April 2005 regulating the packaging and marketing of cocoa beans.

[118] Online information from the CICC. Viewed at: http://www.cicc-cameroun.org/.

[119] Decree No. 2005/1213/PM of 27 April 2005 regulating the packaging and marketing of green coffee.

[120] Online information from UCCAO. Viewed at: http://www.uccao-cameroon.com/Nos%20activités.html.

of coffee or different harvests and understandings between processors and exporters in order to impose a fixed price on producers are prohibited.

4.22. A number of levies are imposed on exports of cocoa and coffee, for a total of CFAF 25/kg: CFAF 6.5/kg goes to the ONCC (including CFAF 1.5 for quality control); CFAF 1.5/kg for the CICC's charges; and CFAF 2/kg for the contribution to international organizations that monitor the international agreements on cocoa and coffee - the ICO and ICCO.[121] A fee of CFAF 15/kg exported is levied for the FDCC (Table 4.2). The principal local processing units have the status of free points and their sales are deemed to be exports. Consequently, they have to pay the aforementioned levies.

4.1.2.2 Cotton

4.23. Between 2005 and 2010, Cameroon's production of cotton fibre for export halved, one reason being that cotton is produced using only rainfall for irrigation even though the region's climate is variable. At the trade level, one notable feature of this production zone is the porosity of the borders, with frequent and sizeable informal exports of seed cotton. The production of seed cotton fluctuates from 100,000 to 300,000 tonnes (Table 4.1), while that of cotton fibre ranges from 50,000 to 120,000 tonnes. Seed cotton is almost exclusively produced by small farmers and 350,000 planters work in this subsector.

4.24. Seed, fertilizer and insecticide are supplied to producers on credit by SODECOTON, 59% owned by the State and 30% by a French company (Table 4.2); all of the seed cotton is then bought from farmers by SODECOTON, which gins and processes the seed into oil and cake. It is not necessary to belong to SODECOTON in order to produce, but it is the foremost formal buyer. Between 16,000 to 18,000 tonnes of edible oil and 50,000 to 60,000 tonnes of cattle feed are produced.

4.25. SODECOTON sets the purchase price at the beginning of the season and then adjusts it depending on performance; a final supplement may subsequently be paid by SODECOTON if actual world prices turn out to be higher. Almost 96% of cotton fibre is exported by SODECOTON, the remainder is sold to the Cottonière industrielle du Cameroun (CICAM, see below). It is estimated that a substantial proportion of production goes to Nigeria through informal trade; production costs are deducted from the producer purchase price offered by SODECOTON, making it lower than the price offered by buyers in Nigeria. Since 1997, the Government has continually mentioned the privatization of SODECOTON, which has *de facto* a quasi-monopoly of the production of cotton fibre in Cameroon.

4.1.2.3 Palm oil

4.26. The statistics available show a notable expansion in Cameroon's production of palm oil, from 200,000 tonnes in 2005 to over 250,000 tonnes in 2011 (Table 4.1), underpinned by rising global prices. With help from the World Bank, the Government has achieved its objective of creating 50,000 additional hectares of plantations by 2010 to produce 250,000 tonnes. Palm oil is mainly produced on large plantations, but also on small farms. As part of a programme to develop palm groves at the village level, MINADER has facilitated the supply of plants, support, and access to presses and other facilities.

4.27. Cameroon is currently still a net importer of palm oil. This could soon change: according to the NGO Oakland Institute, in 2009 the American firm Herakles signed a 99-year leasing agreement with the Cameroonian Government for 70,000 hectares of land in the South-West in order to grow palms and produce unrefined and refined palm oil.[122] Several environmental groups have protested about this project, considering that the Government is not respecting the social and environmental criteria provided by law in this project, in particular, consultation of the communities concerned and obtaining their agreement, protection of forested zones with high conservation value, integration of small planters and producers into these intensive farming projects or securitization of land tenure.

[121] Order No. 0015/MINCOMMERCE of 30 August 2006 determining the contributions to the ONCC, the CICC and to the international cocoa and coffee organizations.

[122] Online information. Viewed at: http://heraklesfarms.com and http://www.Oaklandinstitute.org/cameroon-palm-oil-plantation-deal-must-be-stopped-report.

4.28. Planters in village communities have the choice between small-scale processing of their output into unrefined oil or selling it to large companies. The leading agro-industrial firms in the subsector are (the State holding is indicated between brackets): SOCAPALM (27%), SAFACAM (private), Pamol (formerly Unilever) (100%), the Cameroon Development Corporation (CDC) (100%), UNEXPALM (private) and the Ferme Suisse (private). SOCAPALM was partly privatized in 2000, which led to an increase in the areas planted and in production. Unrefined palm oil is both exported and imported. When MINCOMMERCE decides that there is a shortage of refined palm oil, it authorizes industries in the subsector to import it at a CET rate of 10% instead of 30%. The State may also suspend exports of unrefined oil by decree.

4.29. The local industry also produces refined products, which are exported. Imports are subject to customs duty (CET) of 30% and to VAT. Refined palm oil is also subject to a reference value (Table 3.2), which in practice effectively blocks any imports. The institutions most involved in the subsector's organization include the Professional Association of Palm Oil Producers, the Association of Oilseed Refiners (ASROC), and the Committee for Regulating the Palm Oil Subsector.

4.1.2.4 Hevea and rubber

4.30. The production of natural rubber remains a priority for the Government and its export prospects have long been considered positive, with yields comparable to those of the major producers in Asia. Exports have stagnated, however (Table 4.1). The rubber subsector is organized around three companies: HEVECAM (10% of its shares belong to the State, the remainder to the private group GMG[123]), SAFACAM (owned by the State and the Bolloré Group, Table 4.2) and the State-owned company CDC.[124] These three entities are also responsible for marketing. HEVECAM alone accounts for 60% of Cameroon's rubber exports. The plantations mostly belong to these companies, even though there are independent planters. The majority of the harvest is exported in the form of crude latex. Exports of raw rubber amounted to the equivalent of €19 million in 2011. The producer price is freely determined. According to the authorities, rubber producers do not receive any government subsidies and are not subject to export taxes.

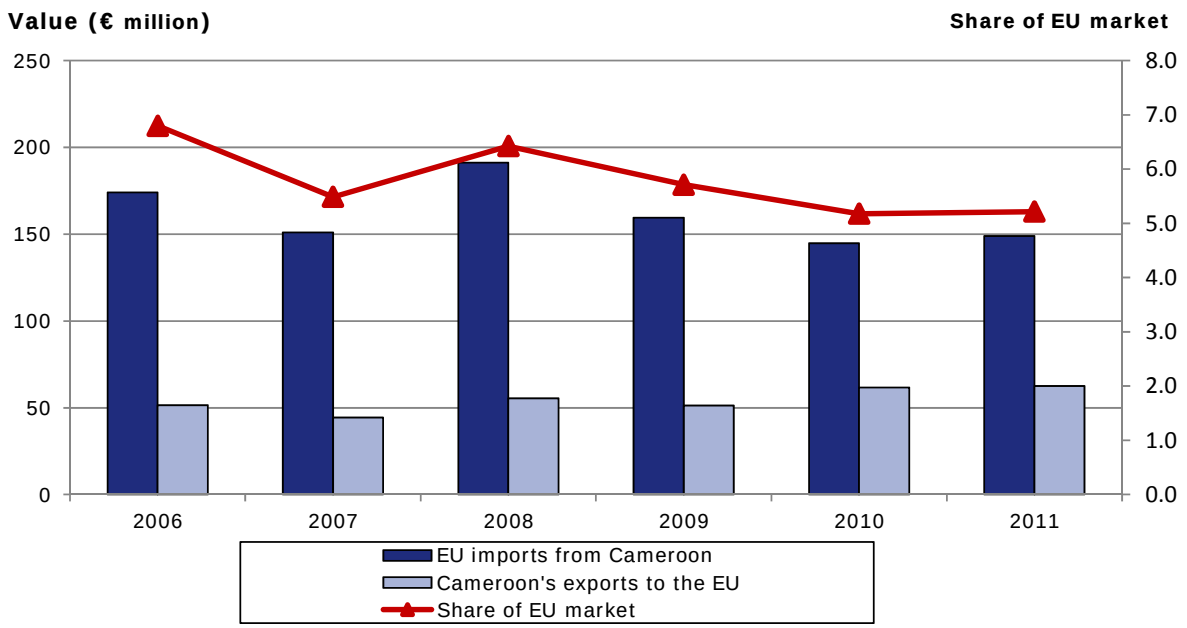
4.1.2.5 Bananas

4.31. Bananas are the second most important agrifood export after cocoa and are mostly exported to the EU. The Banana Association of Cameroon (SOBACAM) groups the four major producers-exporters: Plantations du Haut Penja (PHP, foreign capital), CDC (government-owned), SPM (private, foreign) and BOH Plantations (private, Cameroonian capital, established in 2010).

4.32. As Chart 4.2 shows, there is a wide difference between the value of imports from Cameroon estimated by the EU - €150 million in 2011 - and the exports to the EU declared by Cameroon, corresponding to €62 million in 2011.

[123] Online information. Viewed at: http://www.gmg.sg/.
[124] Online information. Viewed at: http://www.cdc-cameroon.com/.

Chart 4.2 Cameroon's trade in bananas with the European Union, 2006-2011



Source: WTO Secretariat calculations based on data taken from the UNSD Comtrade database and Eurostat.

4.33. After strong growth between 2000 and 2004, when Cameroon's share of exports rose from 4.5% to 5.7% of the EU's total supplies, it fell and Cameroonian bananas' share of the EU market dropped to 5% in 2011 (Chart 4.2). According to the authorities, this is largely attributable to the market lost following the EU's reduction of MFN duties after 2009, which lessened the preferential margin for Cameroonian bananas.[125] The signature of the Interim EPA with the EU (Chapter 2.3) stabilized the trade regime for Cameroonian bananas in the EU temporarily by maintaining their duty-free entry under Regulation No. 1528. Cameroonian bananas also enter the United States duty free.

4.1.2.6 Sugar

4.34. Cameroon's sugar production is estimated to be some 130,000 tonnes annually compared to demand of around 200,000 tonnes, so 50,000 to 75,000 tonnes have to be imported depending on the year. The sugar market is subject to numerous intervention measures under the CEMAC coordination policy (see common report, Chapter 4.1.2.2). Partly because of these measures, sugar is one of the products most affected by problems of fraud and smuggling.

4.35. In Cameroon, as in other CEMAC countries, production is the subject of exclusive agreements between the Government and a private company with foreign capital that is given sole import and export rights. According to the authorities, the production of sugar cane and sugar is free and there is no legal monopoly. SOSUCAM (SOMDIAA Group, Table 4.2), established in 1964, grows sugar cane on around 19,000 hectares; this area should increase following an investment project that includes plantations and a new plant. SOSUCAM is a subsidiary of SOMDIAA, an agrifood group which mainly produces and markets sugar and flour in five CEMAC countries and in Côte d'Ivoire. The Castel Group has had a majority holding in SOMDIAA since 2001.[126] NOSUCA (Table 4.2), which also has French capital, produces lump sugar either from imported granulated sugar or from granulated sugar supplied by SOSUCAM, of which it is a partner. A third operator, the Modern Sugar Company of Cameroon (SUMOCAM), established in 1986, apparently has a capacity of 6,000 tonnes of lump sugar.

[125] WTO document WT/L/784, 15 December 2009. According to this document, the MFN rate falls from €148/tonne in 2010 to €114/tonne as of 1 January 2017. Viewed at: https://docs.wto.org.

[126] Online information. Viewed at: http://www.somdiaa.com/groupe/filiales/sosucam/.

4.36. Sugar is subject to approval of consumer prices, at CFAF 650/kg (Table 3.2) in order to keep it at a level the population can afford. At the same time, sugar imports are subject to a market value (CFAF 458,000/tonne) which, added to customs duty of 30%, effectively discourages imports. If MINCOMMERCE determines that there is a "shortage" on the market, however, it may authorize SOSUCAM and other companies in the subsector to import sugar at the lower tariff of 10% instead of the 30% CET.

4.1.2.7 Cereals and other food crops

4.37. Cameroon is a large importer of rice and wheat, and imports of these cereals and their flour have continued to rise exponentially (Table 4.1). Almost 90% of the rice consumed locally is imported. Measures and programmes to encourage local production of rice, notably SEMRY and UNVP (Table 4.2), have not enabled production to increase to any great degree and SEMRY has high production costs. In 2009, the Government reportedly signed a 20-year financing agreement with Indian partners to create 5,000 hectares of rice paddies. The current policy is to make the production of rain-fed rice more popular among the rural population, in collaboration with the Japanese cooperation agency.

4.38. The other cereals whose production is fostered by the Government include maize (the Government has signed the same agreement for 5,000 hectares of maize), cassava (in order to support the development of livestock and poultry breeding) and plantains, whose production by small farmers has shown a sharp increase (Table 4.1), supported in part by the Programme for the economic conversion of the plantain subsector (PREBAP).

4.39. The Cereals Office is a State body responsible for the storage and distribution of cereal products.[127] It buys and sells cereals on local markets in such a way as to guarantee a buffer stock and offset any strong and sudden increases in cereal prices, particularly in the north of the country.

4.40. The Milling Company of Cameroon (SGMC) is a Cameroonian subsidiary of the private foreign group SOMDIAA. In 2012, it announced that it was to have a mill with a total capacity of 600 tonnes of wheat milled per day to produce up to 135,000 tonnes of flour each year by 2017.[128] A market value for imports is combined with the maximum CET rate (Chapter 3; and common report, Chapter 3). Imports are few and far between.

4.1.3 Livestock, fisheries and animal products

4.1.3.1 Livestock and animal products

4.41. Cameroon's climatic conditions and agro-ecological zones are conducive to animal health and suitable for raising livestock, especially cattle. Despite stringent import restrictions, however, the livestock subsector and its products declined during the period 2006-2011, with a fall in the number of head of cattle, goats, sheep and pigs. Consumption of animal protein is currently 11 kg/inh./year, far below FAO standards, which are 42 kg/inh./year. To raise this figure, the declared priority of the Ministry of Livestock, Fisheries and Animal Industries (MINEPIA) is to develop the breeding of short-lived animals (small ruminants, pigs, poultry, fish farming and fisheries). MINEPIA is responsible for developing, implementing and evaluating government policy on livestock breeding, fisheries and the development of animal industries. Among the government-owned companies active in this subsector, SODEPA (Table 4.2) is engaged in ranching. There are few imports other than milk, as well as the (often informal) import of live cattle from the Central African Republic and Chad.

4.42. In the early 2000s, Cameroon was faced with large imports of very cheap frozen poultry cuts. The sale of these products, at one quarter of the price for live poultry on local markets,

[127] Decree No. 98/164 of 26 August 1998 amending certain provisions of Decree No. 89/1806 of 12 December 1989 on the organization of the Cereals Office.

[128] Online information. Viewed at: http://www.somdiaa.com/groupe/filiales/sgmc/.

caused havoc. In 2006, MINEPIA decided to ban the import of frozen chicken.[129] Since then, only one-day old chicks may be imported.

4.43. In 2007, another problem arose with the general rise in the price of food products on global markets, which this time led to higher prices for poultry on local markets because the high cost of inputs had an impact on prices for chicken. Temporary price control measures were introduced in the poultry sector and remain in place so as to prevent import restrictions from leading to excessive price rises on local markets. For example, the maximum price for a 1.8 to 2 kg chicken was set at CFAF 1,800 to 2,500 depending on whether it was bought from a farm or on the retail market. In March 2013, prototype shops were applying these prices, thereby obliging other operators in the area to follow suit, according to the authorities. Moreover, the high cost of inputs, particularly feed, is still a serious problem for the poultry breeding subsector.[130]

4.44. A dozen Cameroonian and foreign companies, Nestlé Cameroun being the leader, import powdered milk. Industrial dairies use only imported milk powder as a raw material for making yoghurt, cheese, etc. Butter is nearly all imported. Milk is mostly imported from the EU and amounted to almost €36 million in 2011, over double its 2006 level. Milk is currently exempt from VAT as an essential good, but is still subject to the CET at 10%.

4.45. Few meat products are imported into Cameroon because of their high cost. The average customs duty on meat products is 20-30%, to which must be added other import duties and taxes, making them expensive.

4.46. Only one Cameroonian company producing honey (Guiding Hope) has been recognized as meeting the EU's sanitary standards for the import of animal products.[131] Oku white honey has a geographical indication registered with OAPI.

4.1.3.2 Fisheries

4.47. Cameroon's sea coast extends for almost 360 km The mouths of large rivers should constitute a privileged zone for fishing, particularly for shrimp, small coastal pelagic fish and demersal species (bass and pike, etc.). For several years, however, Cameroon's fisheries production has remained around 150,000 tonnes, of which 12,210 tonnes come from industrial fishing, 75,800 from small-scale sea fishing, 68,000 tonnes from inland fishing and 800 tonnes from fish farming inland. There is little in the way of exports, probably because of the scale of inland and small-scale fishing. It did not prove possible to find out the reasons for the poor performance of this sector.

4.48. MINEPIA defines and implements government policy on fishing and fish farming. The main law on fisheries has not changed (Forestry, Fauna and Fisheries Law of 1994).[132] Any (natural or legal) person wishing to exploit fisheries resources industrially must obtain a licence issued by MINEPIA. Foreign vessels may only obtain such a licence and engage in fishing if an agreement has been signed between their country and Cameroon. Cameroon has signed such an agreement with Senegal, but it is not implemented.

4.49. Cameroon imports large quantities of fish (for close to €230 million in 2011) and they are increasing (Chart 4.3). The fish is mostly imported frozen, mainly from Mauritania, and to a lesser extent Senegal. The CET rate applicable to imports of fisheries products ranges from 10 to 30%, not forgetting the other import duties and taxes, although since 2008 Cameroon has applied a zero rate as a result of the tax reduction measures.

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[129] MINEPIA Decision No. 0028 of 16 March 2006 suspending the import of certain animal species susceptible to highly pathogenic avian influenza (avian flu), in particular birds and pigs, their products and byproducts, and certain types of breeding material.

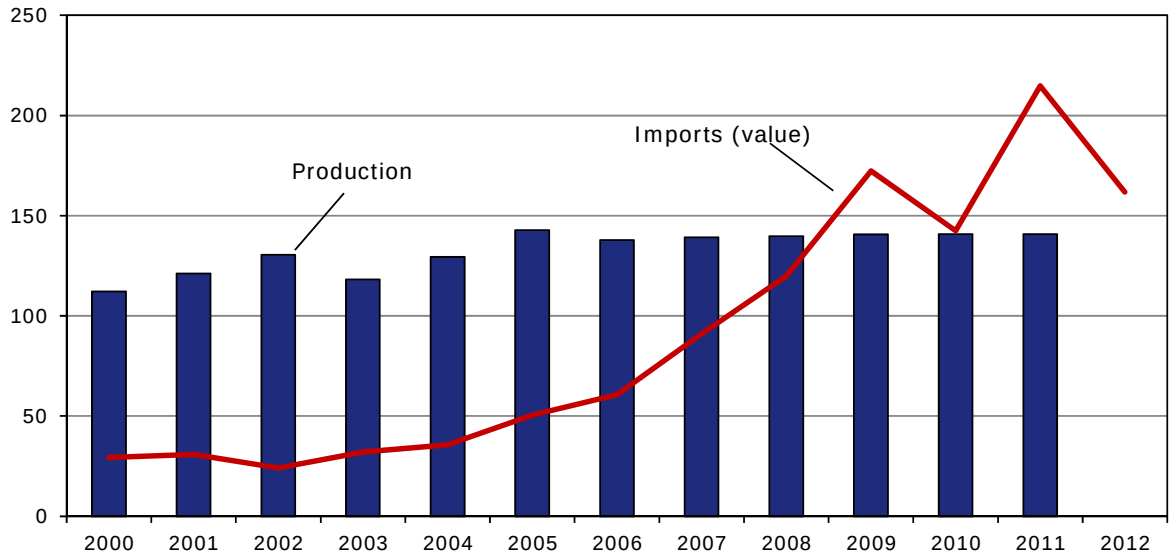
[130] Online information. Viewed at: http://eqda.ch/site/2011-05-18-12-55-08/en-quete-dailleurs-2011/cameroun/ gustavo-kuhn/item/les-familles-rurales-sont-les-premieres-victimes-copy.html.

[131] Third Country Establishments: "Country Selector". Viewed at: https://webgate.ec.Europa.eu/sanco/traces/output/CM/ABP-FSB_CM_en.pdf.

[132] Law No. 94/01 of 20 January 1994 on the forestry, fauna and fisheries regime, and Decree No. 95/413 of 20 June 1995 determining certain rules for implementing the fisheries regime.

4.50. Since 2003, Cameroon has no longer been on the list of countries deemed to satisfy the criteria for recognition of compliance with the EU's sanitary regulations for the import of fisheries products.[133] According to the authorities, efforts are being made to reverse this, notably by opening a national quality control laboratory.

Chart 4.3 Imports of fish into Cameroon, 2000-2012
(€ million and '000 tonnes)



Source: FAO statistics (accessed April 2013) and the Cameroonian authorities.

4.1.4 Forestry

4.51. Cameroon's forests cover around 20 million hectares, making them the second largest in Africa, with an identified potential of 300 marketable species, of which around 60 are currently exploited. The area exploited covers 200,000 to 300,000 hectares. The five most extensively marketed species are Ayou, Sapelli, Azobé, Fraké and Iroko.

4.52. Wood logs and articles account for around 10% of total exports of goods, for a value of around €300 million in 2010 (Chart 4.4). Tax revenue earned in this sector amounts to around CFAF 17 billion (€26 million). In 2009, production fell sharply as a result of the global crisis in the real estate sector. With the recovery in the global economy, it is expected that demand for wood will rise.

4.53. The Ministry of Forests and Fauna (MINFOF) is the government institution responsible for the forestry sector. The 1994 Forestry, Fauna and Fisheries Law still governs, *inter alia,* the granting of logging rights, royalties and taxes on forestry activities, and the regime for the export of forest products.[134] The other legal texts defining criteria for forestry sector activities concern, among other things, environmental protection and sustainable forest management.[135] The former National Forestry Development Office (ONADEF) was reorganized

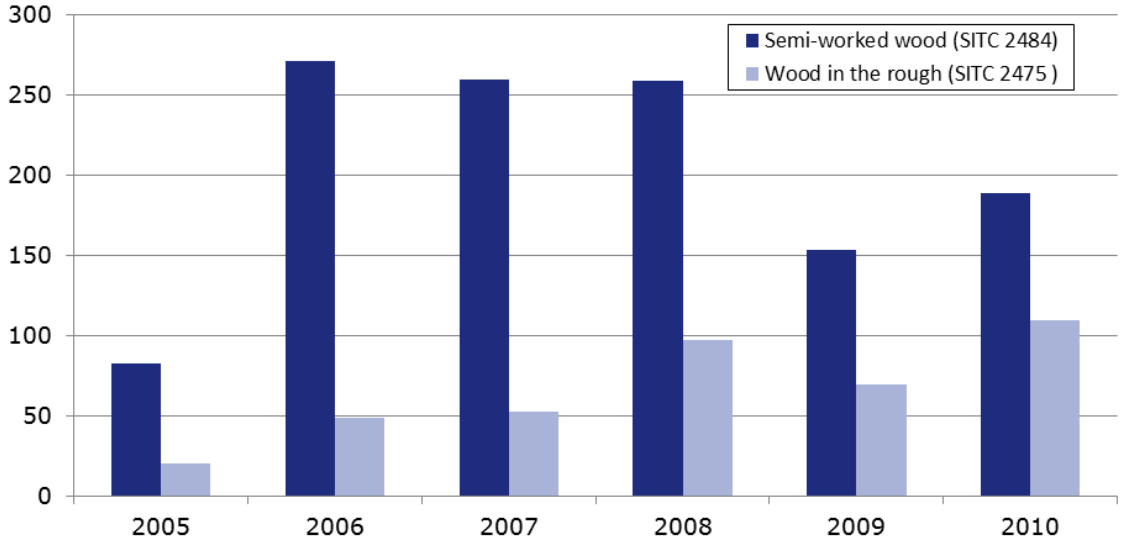
[133] Third Country Establishments: "Country Selector". Viewed at: https://webgate.ec.Europa.eu/sanco/traces/output/CM/ABP-FSB_CM_en.pdf.

[134] Law No. 94/01 of 20 January 1994 on the forestry, fauna and fisheries regime. Viewed at: http://data.cameroun-foret.com/fr/system/files/18_99_06.pdf; and Implementing Decree No. 95/531 of 23 August 1995. Viewed at: http://www.minfof-psfe.com/ressources/doc9_doc473.pdf. It was not possible to find the law on MINFOF's website.

[135] The other principal legislative texts are: Law No. 96/12 of 5 August 1996 containing the framework law on environmental management; Decree No. 98/009/PM of 23 January 1998 determining the basis and the criteria for payment of duties, royalties and taxes in respect of forestry activities: Decree No. 99/370/PM of 19 March 1999 on the programme for guaranteeing forestry revenue; Order No. 029/CAB/PM of 9 June 1999 creating a standing committee to monitor implementation of the Yaoundé declaration's resolutions on

and became the National Forest Development Agency (ANAFOR), which is responsible for providing support to individuals and communities for creating forest plantations.

Chart 4.4 Exports of wood in the rough and semi-worked wood, 2005-2010
(€ million)



Source: WTO Secretariat calculations, based on data obtained from the UNSD Comtrade database (SITC, Rev.3). IMF rate of exchange.

4.54. Aware of the serious degradation of its forest assets, as well as the fauna living there, through its Ministry of the Environment, Nature Protection and Sustainable Development, since January 2011 Cameroon has been participating in the project Reducing Emissions from Deforestation and Forest Degradation (REDD+)[136], whose implementation is planned for the period January 2013-December 2015. This project comprises a regional dimension involving the Central African Forest Commission (COMIFAC), which is the umbrella institution for the Congo Basin forests. The objective of the Organization for the Conservation of Wild Fauna in Africa (OCFSA) is to protect fauna and combat poaching. Both are based in Yaoundé and suffer from the lack of regular contributions by their members.

4.55. According to the Independent Evaluation Group (IEG), which brings together World Bank officials and outside consultants, the multilateral assistance given to the forestry sector in various countries in the region since 2002 has enabled millions of hectares of threatened forest to be classified as protected areas.[137] In Cameroon, however, external assistance has mainly focused on the management of large export-oriented concessions, while the volume of wood produced by the informal sector has multiplied tenfold and is today equivalent to that of the large concessions, thereby contributing to deforestation and concealed financial chains.

4.56. The EPA project also includes provisions on forest governance and trade in forest products from Central Africa, particularly the possibility of improving openings for trade on the EU market for wood and forest products from sustainable exploitations and legally originating in Central Africa. Cameroon takes part in the "Forest Law Enforcement, Governance and Trade (FLEGT)" action plan, but by March 2013 it had not yet started to issue such authorizations.[138] MINFOF hopes that the first FLEGT authorizations can be issued in 2014, which would facilitate exports of forest products to the EU.

sustainable management of tropical forests; and Order No. 02936/MINEFI (date not available) determining selection criteria and procedures for choosing bidders for forestry rights.

[136] Online information. Viewed at: http://www.forestcarbonpartnership.org/fcp/sites/forestcarbon.partnership.org/files/Documents/PDF/Aug2012/Cameroon%20draft%20R-PP%20-%20August%206%202012.pdf

[137] Online information. Viewed at: http://www.redd-monitor.org/.

[138] Online information from FLEGT Voluntary Partnership Agreements. Viewed at: http://www.euflegt.efi.int.

4.1.4.1 Granting of forestry licences

4.57. In 1994-1995, Cameroon was one of the first countries in Africa to introduce an auction open to all for granting forestry licences. To ensure transparency, an external institution was selected to observe the auction procedure.[139] This reduced illegal felling, corruption and over-exploitation of resources. At present, a forestry licence has to be obtained for felling and exploitation of forests, and can only be granted to natural or legal persons resident in Cameroon, authorized by MINFOF to exercise the profession of forestry operator. There are four different types of licence in Cameroon, the last two concern international operators more specifically:

- a personal felling authorization given to Cameroonian nationals to fell a limited number of trees whose volume does not exceed 30m^3 in State-owned forests in order to meet their own household needs. It lasts for three months and cannot be renewed;

- a sale of standing volume permit, which is an authorization to exploit a specified volume of standing timber over a maximum of 2,500 hectares. Its maximum duration is one non-renewable year in State-owned forests (restricted to nationals authorized to exercise the profession) and three non-renewable years in the national domain;

- an exploitation permit to exploit or harvest defined volumes of forest products within a given zone. Its maximum duration is one year and it cannot be renewed;

- the forestry concession defines a territory covered by a forest exploitation agreement valid for 15 years and renewable. It consists of one or more forest development units (UFAs), which are long-term licences covering large areas.

4.58. With the exception of personal felling authorizations and some exploitation permits, forestry licences are granted following an invitation to bid issued by the interministerial commission granting forestry licences. The commission considers licences to exploit lumber. The authorities have indicated that notice of invitations to bid are widely publicized.[140] At the latest auctions held in 2010-2011, a total of 72 sale of standing volume permits were granted to forestry operators covering 166,000 hectares, representing 0.73% of the total area of 20 million hectares; 70% of these went to Cameroonian companies.

4.59. In principle, companies exploiting forests pay the following:

- an annual forest royalty (RFA) for sale of standing volume permits (with a floor rate of CFAF 2,500/ha);

- a guarantee corresponding to the amount of the RFA for sale of standing volume permits and forestry concessions (CFAF 40/ha/5 years);

- a concessions fee (with a floor rate of CFAF 1,000/ha)[141];

- a felling tax (2.5% of the f.o.b. value of the felled timber[142]); and

- an export tax on products intended for export (see below).

4.1.4.2 Exports

4.60. Some 100 companies are registered as exporters of forest products from the port of Douala, a large number of which are foreign companies. The principal exports are sawn timber, followed by veneer sheets (12%) and unprocessed wood in the form of logs (6%). The Law's goal

[139] Online information. Viewed at: http://www.globalforestwatch.org/common/cameroon/french/allocation.pdf.
[140] Online information. Viewed at: http://www.minfof.cm/index.php?option=com_content&view=article&id=22&Itemid=23.
[141] Law No. 2000/08 of 30 June 2000, Article 11.
[142] Article No. 242 of CGI 2012.

was a gradual ban on exporting logs of traditional species from June 1999 onwards.[143] As shown in Chart 4.4, however, the measure only had a limited impact. The following taxes are currently payable on exports:

- logs (not processed) are subject to customs export duty of 17.5% of the f.o.b. value fixed every six months by MINFI based on market values, which are themselves determined on the basis of global prices; an export surtax at a rate varying from CFAF500 to 4,000 per m^3 applied to three groups of species in March 2013;

- in 2013, customs duty on exports of sawn wood and other wood that has undergone the first stage of processing was "only" 5.65% of the value of the corresponding species in order "to encourage operators in the sector to add value through local processing".

4.61. In addition, Central African exporters complain of heavy taxation of their exports when they go through Cameroonian ports.

4.2 Mining and energy

4.62. The development of energy production has become a priority for the Government. The country has vast hydroelectric and mining potential that has not yet been developed. The Government is relying on private investment to remedy the current severe problems in supplying energy to the population. To achieve this, in June 2012, for example, the Government concluded a mining sector capacity-building project (PRECASEM) with the World Bank in order to "improve the efficiency and transparency of mining sector management and the frameworks for sustainable mining development".[144] Activities upstream of the energy sector are the responsibility of MINIMIDT, which is in charge of regulating research, prospection, exploration and exploitation. The Ministry responsible for water and energy (MINEE[145]) regulates refining, distribution and storage of petroleum, distribution of electricity and gas, and distribution and quality control of water. The National Oil Company (SNH), a government-owned company, manages the State's holdings in various oil and gas projects (production-sharing contracts) and grants exploitation authorizations. It is not involved in exploitation. The SNH has a dual role, both as representative of the companies in which it has holdings and as the government body responsible for regulation, which is a potential source of conflict of interest in the management of public affairs.

4.63. Cameroon is currently both an importer and an exporter of crude oil and petroleum and gaseous products. In March 2005, it acceded to the Extractive Industries Transparency Initiative (EITI)[146], but in 2012, after three appearances before the EITI Board, Cameroon, had still not been recognized as EITI compliant and its candidate status was renewed until 13 August 2013. Of the 18 criteria required for compliance, Cameroon has not satisfied the requirement that information cover all major payments and revenues of State-owned companies and entities. The presence of systemic weaknesses in the declaration of the Government's earnings when the EITI report for 2006-2008 was prepared was also highlighted.

4.2.1 Petroleum and gaseous products

4.64. Over the past 30 years, petroleum products have been an essential component of Cameroon's economy and of the State's revenue. In 2011, oil accounted for some 30% of the State's revenue excluding grants and 50% of export earnings and amounted to CFAF 1,100 billion (€1.7 billion). These export earnings have not changed since 2007, the apparent stability masking a drop in the volume of production that was offset by higher oil prices. Since 1973, Cameroon has had a refinery (see section 4.2.1.2 below), but so far it has only operated with imported crude oil and cannot refine Cameroonian crude. Investment is being made to remedy this problem.

[143] Ordinance No. 99/001 of 31 August 1999, supplementing certain provisions of Law No. 94/01 of 20 January 1994 on the forestry, fauna and fisheries regime.
[144] World Bank (2011a).
[145] Online information. Viewed at: http://www.minee.cm/.
[146] Online information from EITI. Viewed at: http://www.eitransparency.org.

4.2.1.1 Crude oil

4.65. Cameroon has proven reserves of hydrocarbons estimated at 1,270 million barrels. Production commenced in 1977 and reached its maximum level in 1986 (186,000 barrels/day). In 2005, production was 85,000 barrels/day and 80,000 barrels in 2012. It should rise once again after PERENCO and ADDAX have brought on line existing sites bought from Total in 2011.

4.66. Among recent developments, in November 2012, Glencore (Switzerland), which has had exclusive exploration authorizations since 2008 combined with production-sharing contracts (see below), announced the discovery of hydrocarbons in offshore wells in the Rio del Rey basin. If the discoveries can be exploited, Glencore has an exclusivity contract to extract the oil for 25 years, and 35 years for the gas.[147]

4.67. The Petroleum Code dates from 1999; the regulations have not changed since the previous TPR.[148] The Code does not differentiate among companies according to the origin of their capital. It provides for concession contracts (linked to research permits and, where applicable, to operating concessions); and production-sharing contracts replacing exploration authorizations, renewable every three years. The Petroleum Code authorizes companies to choose either a production-sharing or a concession contract. A concession contract gives the right to utilize the hydrocarbons extracted within a specified perimeter and determines the legal, financial, fiscal and social criteria for the exploitation authorization to be valid, including payment of a royalty (either financial or in kind) in proportion to production. In March 2013, five concession contracts were in effect. A production-sharing contract gives the holder an exclusive right of exploitation within a specific area; output is shared between the holder and the State in accordance with the clauses of the contract (usually 50% for the SNH). The authorization is valid for 25 years for hydrocarbons and 35 years for gaseous hydrocarbons, renewable once for ten years. In March 2013, 11 production-sharing contracts were in effect.

4.68. Since October 2003, the Chad-Cameroon oil pipeline of 1,070 km has linked the oilfields at Doba and Cameroon's Atlantic Coast at Kribi. It includes three interconnected pumping stations, an optic fibre cable, and facilities for transferring offshore oil. The fiscal terms for its functioning are set out in the hydrocarbons research, exploitation and transport agreement.[149]

4.69. Under the Petroleum Code, import of consumable goods and services (for example, lubricants) during the research phase are exempt from all duties and taxes, including VAT. During the production phase, an overall reduced rate of 5% is imposed on all imports during the first five years of operation. Likewise, companies holding petroleum rights are usually subject to company tax at a rate negotiated as part of their investment agreements with the State; they are exempt during the exploration phase.

4.70. In 2012, Cameroon unilaterally lowered the customs tariff (CET) from 10% to 5% for imports of crude oil from outside CEMAC (Chapter 3.2) in order to reduce refinery costs and offset the rise in prices at the pump.

4.2.1.2 Refined products

4.71. Cameroon has had a refinery, the SONARA, since 1981, with a capacity of 2.1 million tonnes of crude oil per year, to produce 1.8 to 1.9 million tonnes of finished products (diesel fuel, premium petrol, kerosene, butane and jet fuel). Local crude oil is too heavy for its equipment so SONARA imports most of its crude oil, mainly from Nigeria and Equatorial Guinea

[147] Online information. Viewed at: http://www.agenceecofin.com/hydrocarbures/1211-7533-cameroun-glencore-decouvre-un-nouveau-puits-de-petrole.

[148] Decree No. 2000/465 of 30 June 2000 determining the rules for implementing the law on the Petroleum Code. Online information. Viewed at: http://www.spm.gov.cm/fr/documentation/textes-legislatifs-et-reglementaires/article/decret-n-2000465-du-30-juin-2000-fixant-les-modalites-dapplication-de-la-loi-n-99013-du-22-dece.html). Decree No. 2002/032/PM of 3 January 2002 determines the basis and the methods for payment of duties and surface royalties applicable to hydrocarbons.

[149] International transport of petroleum products from third countries is governed by Law No. 96/14 of 5 August 1996. Viewed at: http://siteresources.worldbank.org/INTAFRCHAPIPINFRE/ Resources/Inland-Section_A.pdf.

(CFAF 640 billion, or around €1 billion imported in 2010), and from Chad since the pipeline came on line. Work is under way at SONARA to be able to use local crude oil.

4.72. In 2013, SONARA's recovery appeared to be continuing and its turnover rose from CFAF 205 billion in 2002 to CFAF 485 billion in 2005, then CFAF 890 billion at 31 December 2012 (€1.36 billion), with a net balance of CFAF 3.625 billion (€5.5 million).

4.73. It was not possible to obtain statistics on SONARA's sales or imports by country of destination for the period 2006-2012. Around 0.6-0.7 million tonnes appear to be exported each year, mainly to CEMAC countries and Nigeria.

4.74. The Petroleum Code does not cover refining and distribution, which are regulated by a decree dating from 2000.[150] In March 2011, MINEE ordered an audit of the downstream petroleum sector after "the first ten years of liberalization". A rapid overview of trade policy in this sector, however, indicates that in certain areas liberalization has perhaps not been accompanied by the regulations needed to guarantee competition and prevent abuse.

4.75. In fact, the domestic market is essentially supplied by SONARA and a prior "shortage certificate" issued by the Hydrocarbons Price Stabilization Fund (CSPPH) has to be obtained to import products that compete with those manufactured by SONARA. One result of this situation is that SONARA also has a quasi-monopoly, which is hardly conducive to creating an environment likely to improve product quality. When petroleum products are imported, it is on the basis of a bidding procedure by means of contracts signed between the CSPPH and international traders. The selling price is not determined by the market price but is set by CSPPH, with the approval of MINCOMMERCE, according to an equalization scheme. In the past, SONARA found itself almost bankrupt because of the low selling prices which did not allow it to cover its costs. At a price of CFAF 569/litre for premium petrol and CFAF 520/litre for diesel fuel, prices at the pump in January 2013 were around 20% lower than the import price excluding tax, according to the local press.

4.76. The SCDP, whose capital is 51% owned by the State, has a monopoly of storage of petroleum products. It supplies distributors and puts into place the infrastructure required to build up buffer stocks.

4.77. The import of refined petroleum products is subject to a whole series of duties and taxes which the Government modifies according to its pricing and consumer subsidies policy. Customs duty, which ranges from 10% to a maximum of 20%, is added to other import duties and taxes, together with VAT (which applies to petroleum products at specific rates other than the *ad valorem* rate of 19.25%, as indicated in Chapter 3.1.4), and the special tax on petroleum products (TSPP: premium petrol, CFAF 120/litre, and diesel fuel, CFAF 65/litre).

4.78. Together with the SNH[151], which is also involved in domestic distribution of petroleum products (through the company TRADEX), there are a dozen other operators on the distribution market, although it is dominated by subsidiaries of two large international groups. The latter belong to the Petroleum Professionals Grouping (GPP), which has close to 95% of a market estimated to amount to 140 million litres annually. The members of the GPP belong to the boards of directors of the SONARA refinery, the SCDP, the CSPPH (price setting) and CAMRAIL (see section 4.4.1.1 below).

4.79. Liquefied petroleum gas (LPG) is produced by SONARA from the refining of crude oil and meets 40% of domestic demand. The remainder of LPG consumption is also imported by the CSPPH according to the same system.

4.2.1.3 Natural gas

4.80. The authorities estimate Cameroon's natural gas reserves to be 231 billion m^3 situated in the Rio del Rey and Douala-Kribi-Campo basins, of which 110 billion m^3 is proven

[150] Decree No. 2000/935/PM of 13 November 2000 determining the criteria for engaging in activities in the downstream petroleum sector (MINEE's website does not appear to include this text).

[151] Online information from the SNH. Viewed at: http://www.snh.cm/.

non-associated natural gas. Until 2013, Cameroon's gas was little exploited for reasons of profitability and outlets.[152] Under a 25-year production-sharing contract signed between the State and the PERENCO[153] in March 2006, however, a new exploitation unit started up. The gas produced should be used to supply the Kribi thermal power station (see below).

4.81. While the upstream gas sector is still governed by the 1999 Petroleum Code (see above), since 2012 the downstream sector has been governed by a new legislative text, the new Law No. 2012/006 of 19 April on the Gas Code.[154] The former Gas Code of 2002 and its implementing texts have been repealed.[155] Moreover, a new law on the development of gas associated with oil production was adopted in December 2011.[156] Unfortunately, there does not appear to be any official website on which all this legislation can be viewed.

4.82. The new law governs transport, distribution, processing, storage, import, export and sale of natural gas and its products on Cameroonian territory. According to the information available, any natural or legal person residing in Cameroon, whether a Cameroonian or a foreigner, under Cameroonian private or public law, may apply to the Ministry responsible for energy for an authorization to engage in a gas sector activity. The concession contract between the State and the applicant covers, *inter alia,* the terms for revision or renewal of the contract, and the rights and obligations of the concessionaire if the exploitation or the transport or distribution network is stopped or abandoned.

4.83. Gas transport and distribution concessions are awarded through a bidding procedure. They may exceptionally be awarded as a result of a spontaneous offer. Concessions are granted by the Minister responsible for energy for a renewable period of 35 years.

4.84. The 2012 Gas Code also regulates the award of the licences required to engage in processing, storage, import or export of gas. During the first ten years of exploitation, persons engaged in the transport, distribution, storage or processing of gas are exempt from customs duties, taxes and levies on imports of capital goods intended and used for these activities. They also have the opportunity of accelerated amortization. The Minister responsible for energy approves contracts between transporters and distributors and "eligible clients" (see below in relation to electricity) on the same terms. The latter are defined by decree as persons whose annual consumption exceeds 3 million m^3 and consequently having the right to conclude contracts to buy gas with a producer, transporter or distributor (Article 31).

4.85. The MINEE is responsible for regulating the transport and distribution of gas, while awaiting the creation of a regulatory body for this sector. MINEE and MINCOMMERCE are jointly responsible for revising tariff rates. Licences are granted for a renewable period of 15 years for processing and storage, and five years for import or export. At present, no company has been given a licence for foreign trade in gas.

4.2.2 Electricity

4.86. Cameroon's hydroelectric capacity is still quite insufficient, despite enormous hydroelectric potential, estimated to be 20,000 megawatts (MW). Sudden power outages occur, thereby hindering companies' production capacity, with an obvious impact on economic growth. It did not prove possible to obtain statistics on capacity and production of the principal types of electric power or on imports and exports of electricity. The only interconnection in operation is with Chad.

4.87. The situation could improve in 2013 when the Kribi gas-fired power station of the Kribi Power Development Corporation (KPDC) comes on line and should inject over 200 MW into Cameroon's electricity grid. At the beginning of 2013, its start-up was delayed by problems of access to natural gas, the SNH not having yet been in a position to start delivering gas.

[152] Only the company RODEO Development apparently exploits gas condensates.

[153] Online information. Viewed at: http://www.perenco.com.

[154] Online information from *Droit-Afrique*. Viewed at: http://www.droit-afrique.com/images/textes/Cameroun/Cameroun%20-%20Code%20gazier%202012.pdf.

[155] Decree No. 2003/2034/PM of 4 September 2003 determining the rules for implementing Law No. 2002/013 of 30 December 2002 containing the Gas Code.

[156] Law No. 2011/025 of 14 December 2011 on the development of associated gas.

At the same time, four thermal power stations set up under the Government's thermal power emergency plan were at a standstill in January 2013 because fuel bills had not been paid.[157]

4.88. The electricity company AES-SONEL, partly foreign-owned and partly owned by the Government (which currently holds 44% of its capital) has had a monopoly of electricity supplies for over a decade. Since July 2001, it has been operating under a 20-year concession contract with the State, following privatization of the State-owned company SONEL. InJanuary2013, AES still had a de facto monopoly of the generation, transport and distribution of electricity. In addition, it owns the new company KPCD.

4.89. The other leading actors in Cameroon's electricity market include a company with public capital, the Electricity Development Corporation (EDC), established on 29 November 2006 with the task of building and managing all the infrastructure needed to develop the energy sector in Cameroon. It is responsible in particular for managing public assets and promoting investment in the sector.[158]

4.90. The Electricity Regulatory Agency (ARSEL) was set up in 2000-2001 with responsibility for ensuring the technical and economic regulation of the electricity sector; fostering competition; promoting investment; reviewing electricity infrastructure costs; and protecting consumers' rights.[159] The new law regulating the electricity sector (see below) does not seem to be on its website, which needs to be updated regularly.

4.91. The Rural Electrification Agency (AER) is responsible for promoting rural electrification throughout Cameroon.[160] It belongs to the Club of National Agencies and Structures in charge of Rural Electrification, which has a regularly updated website.[161]

4.92. Since the end of 2011, a new law has governed Cameroon's electricity sector. Its preamble fixes the objective of establishing "the bases for healthy competition in the electricity sector in order to increase its economic efficiency".[162] In addition to the exclusive concession through which an operator exploits the public domain in accordance with specifications, the Law provides for a new concession "allowing generation and transport of electricity by any company with an industrial production activity between the electricity generating sites and […] interconnection points with the grids". Under this new Law, the KPCD, as a producer-transporter, will be able to sell electricity to Cameroonian consumers. The price of the electricity thus made available to the concessionaire managing the grid is now determined by the latter and approved by ARSEL.

4.93. The new Law, like the old one, does not include any specific restrictions on market access or national treatment for foreign companies. Transport and distribution, however, are still a monopoly and the electricity grid is still managed by a company with public capital.

4.2.3 Other non-petroleum mineral products

4.94. Although mining is not yet very developed (with a marginal contribution to GDP), Cameroon has a wealth of minerals and large-scale projects are under way. In June 2012, only five mining permits and 167 research permits had been issued; two permits are for the mining of nickel-cobalt deposits and diamonds, and three for limestone and marble. Of the 22 mining companies declared, only around a dozen are actually operating and mine 12 to 13 tonnes of minerals each month.[163]

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[157] Online information. Viewed at: http://www.agenceecofin.com/electricite/2901-8651-en-attendant-la-centrale-de-kribi-les-coupures-d-electricite-s-intensifient-au-cameroun.

[158] Online information. Viewed at: http://edc-cameroon.org/.

[159] Online information. Viewed at: http://www.arsel.cm/. This website does not appear to contain the text of the new law, which was viewed on the website of the Cameroon Employers' Association. Viewed at: http://www.legicam.org/index.php?option=com_docman&task=doc_download&gid=471&Itemid=.

[160] This Agency was established by Law No. 98/022 of 24 December 1998 and is an administrative public institution with its own legal status and financial autonomy.

[161] Online information. Viewed at: http://www.club-er.org.

[162] Law No. 2011/022 of 14 December 2011 governing the electricity sector in Cameroon. Viewed at: http://www.legicam.org; and Decree No. 2012/806/PM of 24 September 2012 implementing certain provisions of Law No. 2011/022.

[163] Online information. Viewed at: http://www.africatime.com/cameroun/nouvelle.asp?no_nouvelle=673871&no_categorie=.

4.95. Cameroon's subsoil has abundant reserves (not yet exploited) of bauxite, with an alumina content ranging from 43 to 47%. According to figures from MINIMIDT, which is responsible for regulating the sector[164], the four bauxite mines identified in Cameroon make up the sixth largest reserve of this mineral-bearing rock in the world. Reserves are estimated to be 550 million tonnes. Negotiations between the State and a consortium of foreign companies have been under way since 2008 on a project to process bauxite from Ngaoundai and Mini Martap. Production could reach 4-9 million tonnes of bauxite a year to produce 1.5 million tonnes of aluminium annually. This would be the first project of this type in Central Africa.

4.96. According to the authorities, only one agreement (with Geovic Cameroun, signed on 31 July 2002) was in effect in January 2013. Cameroon's mining legislation mainly comprises the Mining Code of 2001 and its implementing decree, as amended in 2011. The Code covers all mineral substances present in Cameroon's subsoil, with the exception of liquid or gaseous hydrocarbons (section 4.2.1 above).[165] The amendment was intended to counteract the inefficiency or abandonment of mining projects because of lack of financing, and to prevent speculation in mining rights on the stock exchange in the absence of any operations in the field. The President's approval is now needed to obtain a research or prospection permit. The amendment also introduced the requirement to prove the recognized technical and financial capacity of any applicant for a mining right. The area covered by a permit has been lowered from 1,000 to 500 km^2. Market access and national treatment for foreign suppliers have not changed.

4.97. The Code covers research, prospection, mining, possession, movement and processing of mineral or fossil substances. It reserves small-scale mining for Cameroonians; this did not change with the adoption of the amendment. Industrial activities, including the exploitation of geothermal deposits and spring and mineral waters are open to any Cameroonian or foreign natural person, provided that they possess a mining right, and that they establish a company under Cameroonian law to carry on their activities. Priority for rights goes to applicants who undertake to employ and train Cameroonians.

4.98. The granting of a mining permit may imply transferring to the State 20% of the shares or contribution shares in the mining company (Article 11), the nature and the rules for this transfer being set out in the agreement. Prior to the amendment, the State could not receive more than 10% of the shares.

4.99. Holders of mining permits must pay the amounts set for royalties depending on the surface area to be mined; an extraction tax at a variable rate depending on the type of substance; and an *ad valorem* tax. The latter is levied on the basis of the taxable value of the product[166] and is set as follows: precious stones (diamonds, emeralds, rubies and sapphires), 8%; precious metals (gold, platinum, etc.), 3%; base metals and other mineral substances, 2.5%; and geothermal deposits, spring, mineral and thermal waters, 2%.

4.100. Under the Mining Code, any holder of a research permit is eligible for the temporary admission procedure in respect of the materials and equipment used for exploration, as is the case for petroleum products.

4.3 Manufacturing

4.101. Cameroon has a relatively large manufacturing sector in branches such as petroleum or agrifood products or wooden articles (already described above). It is also the world's 30th largest producer of aluminium. Other manufactures include cotton, paints and varnishes, perfumes, toilet waters and cosmetics, soaps and detergents, and cement. Exports

[164] The Ministry does not appear to have a website.

[165] Law No. 001/2001 of 16 April 2001 on the Mining Code, amended by Law No. 2010/011 of 29 July 2010. This amendment does not appear to be available on an official Government website. Decree No. 2002/648/PM of 26 March 2002 determining the rules for implementing Law No.001 of 16 April 2001 on the Mining Code is available on the website eRegulations. Viewed at: http://cameroun.eregulations.org/media/decret%20dapplication%20du%20code%20minier.pdf.

[166] Decree No. 2002 /648/PM of 26 March 2002 determining the rules for implementing Law No. 001 of 16 April 2001 on the Mining Code.

of manufactures account for around one third of all exports, a share that has not changed to any great extent since 2006.

4.102. Production in a subsector is generally in the hands of one (or maybe two) dominant company(ies), whose capital is divided in variable percentages between the State and a foreign shareholder. Substantial exemptions from all levies, duties and taxes, including import duty, are given. Production is protected by high customs duties (see Table 3.3).

4.103. Given the country's considerable dependence on imports of manufactures, these are not restricted, unless the competing goods are produced locally (for example, palm oil, sugar or flour, as explained above). In such cases, a series of measures (SPS or TBT, market values, etc.) is in place to restrict them.

4.104. Imports are in general heavily taxed, in order to replenish the Treasury, and some of the most common imports are subject to a 30% rate for the CEMAC CET, as well as other import duties and taxes (common report, Chapter 3.1.4.1). This taxation raises the cost of goods for consumers, by almost 60-80% in the case of vehicles (Table 3.5).

4.105. The tariff structure adopted within CEMAC is likely to discourage investment in manufacturing. Indeed, not only does it discourage the improvements in quality that stem from genuine competition, but it also often raises the cost of inputs more than proportionately to the protection given to manufactures. Cameroonian companies import almost half of the total value of their inputs, so these duties and taxes and other border measures have a marked impact on their performance. This is why most companies negotiate substantial exemptions from duties and taxes on their inputs and equipment under their framework agreements (see Chapter 2.4 above). Unfortunately, these exemptions are not generally available to SMEs or micro-enterprises.

4.106. Some measures have been taken specially to boost the production of manufactures; for example, an amount equivalent to 0.5% of the f.o.b. value of the products manufactured, whether or not exported, can be deducted from the taxable income of a company during the operational phase in the case of companies approved under one of the investment regimes.[167]

4.107. There appears to be a certain lack of clarity concerning application of the "single" export duty (DUS) on exports of manufactures: a provision exempts exports of manufactures from export taxes[168] provided that the company is established in the form of a free point (Chapter 3.4). According to the authorities, however, this exemption is in fact applied to all companies producing and exporting manufactures; the 2013 Finance Law codified this practice. The exemptions vary according to each Finance Law. The merits of maintaining export taxes of any nature need to be reviewed.

4.108. Support for upgrading has been available to the manufacturing sector since 2006 with a view to the possible dismantling of tariffs through the programme in support of the implementation of the Economic Partnership Agreements (PASAPE) between the Cameroonian Government and the EU.[169] Under this framework, the Pilot Upgrading Programme (PPMAN) was introduced and implemented by UNIDO and covers a selection of 15 companies in three priority sectors (agrifood, timber and textiles).

4.109. The informal sector still has a large share of some branches, particularly in the textile and clothing, basic agrifood products, and handicrafts industries. Although handicrafts are an important source of jobs and revenue, they do not appear to have been the focus of any real promotion policy.

4.3.1 Food industry

4.110. As indicated in the list of Cameroonian companies by branch of activity drawn up by the INS, the major agrifood companies produce dairy products, oilseeds, sugar, cocoa-based

[167] Article 262b of the GCI.
[168] General Tax Code, Article 263, paragraph 6.
[169] Programme in support of the implementation of the Economic Partnership Agreements (PASAPE), Contract No. 017/MINEPAT/PASAPE/DP3/2011, provisional report, April 2012. Viewed at: http://www.ppamnq.net.

preparations and soups and broths (described above in section 4.1.2).[170] Following the closing of Scan (canned goods) in 2004, most canned fish, fruit and vegetables appear to be imported.

4.111. The beverages subsector is also significant in terms of value added. The principal products, also exported or imported, are beer, aerated beverages and mineral waters. Unlike most of the other manufacturing subsectors, the beverages subsector managed to increase its output substantially between 2007 and 2012. Customs duties on imports of competing products are an average of 27%.

4.3.2 Other manufacturing industries

4.112. Cameroon has a large aluminium primary smelting company (ALUCAM). In 2011, aluminium exports amounted to €68 million, much lower than the €110 million recorded in 2007 and 2008, because of power shortages. The products are listed on the London Metal Exchange and comply with the ISO9001 standard; they are exported throughout the world from the port at Douala.

4.113. ALUCAM is partly owned by the international group Rio Tinto Alcan (RTA, 46.7% of the shares), the Cameroonian Government (46.7%), the AFD (5.6%) and its employees (1.1%). The electrolysis plant in the south of Cameroon has 1,000 employees and contributes 3% of GDP. At present, most of the bauxite used in the production process is imported from Guinea. There is, however, a major ongoing project to create an alumina refinery in Cameroon (section 4.2.3 above). According to the authorities, delays in mining the bauxite reserves are attributable above all to the geographical situation of the deposits (far from the coast) and the lack of interest shown by investors in this mineral rock up to 2010. Through its subsidiaries, ALUCAM also produces aluminium sheets (the company SOCATRAL) and tableware (the company Alubassa), protected by CET rates of 20-30%, plus other import duties and taxes.

4.114. In October 2005, ALUCAM reached an agreement on modernization with the Government in order to increase its annual production capacity of 95,000 tonnes of aluminium to 260,000 tonnes. In November 2007, a further increase in capacity was decided to bring it up to 400,000 tonnes annually.[171] The Government supports ALUCAM's extension programme through tax benefits specified in its agreement.[172]

4.115. The cement market is dominated by Cimenteries du Cameroun (CIMENCAM), a subsidiary of the Lafarge group (55%, Government 43% and employees 2%), which still has a de facto monopoly of domestic production of Portland cement, even though another cement works is being built and there are plans to build several others. In 2005, CIMENCAM produced 160,000 tonnes of cement, thus controlling 90% of the Cameroonian market, the remainder being imported.

4.116. The approved selling price of around CFAF 99,000/tonne appears to be roughly the same as that of imported cement. The raw materials used by CIMENCAM are pozzolan and clinker, the former extracted from Cameroon's subsoil. In 2012, the local population complained that the company was not complying with environmental criteria.[173]

4.117. Cement exports have stagnated since 2007 and do not exceed the equivalent of €10 million. Following a shortage in 2007, in 2008 the authorities unilaterally "declassified" cement from the 20% CET to 10%, and clinker from 10% to 5%. Imports of Portland cement rose from CFAF 19 billion in 2007 to CFAF 30 billion in 2011 (almost €46 million), underlining the need for a comprehensive revision of the relevant regulations.

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[170] List of Cameroonian companies by branch of activity. Viewed at: http://www.stat.cm/downloads/liste_entreprise_2012_fr.pdf.

[171] Online information. Viewed at: Rio Tinto Alcan - Media releases - Rio Tinto Alcan and Government of Cameroon sign agreement for potential hydropower project and greenfield smelter.

[172] Cameroon Info, "*Alucam - 500 milliards pour les investisseurs*", 1 October 2004. Viewed at: http://www.cameroon-info.net/cmi_show_news.php?id=15264&cid=1.

[173] See *Pollution à ciel ouvert à Figuil* (Cimencam/Lafarge - Rocaglia). Viewed at: http://www.youtube.com/watch?v=vV0NzEUxDI4.

4.118. In 2011, the textile industry exported the equivalent of almost 56,000 tonnes of cotton fibre (see section 4.1 above). Although there has been no notable increase in volumes exported, there are sharp fluctuations in the value of exports, from €78 million in 2007 to €42 million in 2008, then €82 million in 2011. Only 4% of the cotton fibre produced is processed locally, mostly into yarns and fabrics. The subsector is vertically integrated, grouping the production and ginning of cotton and the production of oil (by SODECOTON, see above), as well as spinning, weaving and finishing, mainly by CICAM (a company with an agreement with the Government that includes specifications). CICAM's exports of cotton fabrics fell from 878 tonnes in 2000 toonly 2 tonnes in 2005, and then rose to 374 tonnes in 2011. The inputs imported consist of chemicals and technical and packaging materials. The major problems facing CICAM are smuggling and counterfeiting of its designs on printed fabrics, which are then imported into Cameroon. Under the AGOA, some companies have set up as industrial free points. The Government is seeking to attract FDI to be able to increase the amount of processing and activities in this sector.

4.4 Services

4.4.1 Transport

4.119. In 2009, Cameroon announced a vast programme to rehabilitate and modernize communication networks as part of the GESP, making transport a priority sector. The Government's vision is multimodal transport and it is seeking to build an integrated transport network open to neighbouring countries at the least cost. The large-scale projects include the building of two deep-water ports, at Kribi (planned to be completed in 2016) and another at Limbé where a "petroleum" yard is planned, although financing was still being sought in January 2013. In addition, the Government wants to develop over 1,000 km of new rail lines to link the port at Kribi.

4.120. The new projects should help to facilitate the development of domestic and international trade, which is currently hampered by an extremely congested port; a road network in a poor state of repair; protectionist and obsolete regulations on road transport; and a complex and costly road and rail transit system that is subject to abuse (partly because of the absence of any single entry scheme in the CEMAC area to allow goods to be cleared at the customs only once when they first enter the Community so that they can then move freely). The numerous recent intergovernmental meetings highlight the urgent nature of the problems facing the organization and taxation of international goods transport between Cameroon and neighbouring landlocked countries:

- the tripartite Cameroon-CAR-Chad forum on the movement of goods to the port at Douala, from 27 to 29 June 2012 in Yaoundé;
- the week on transit facilitation in the CEMAC area, organized with support from the World Bank, from 24 to 26 September 2012 in Douala;
- the fourth session of the Standing Joint Commission on Cameroon/CAR transport in Douala on 27 September 2012; and
- that with Chad organized on 15 November 2012 in Yaoundé.

4.4.1.1 Land transport

4.121. Since it was established in 1993, the Land Freight Management Bureau (BGFT) has been one of the leading actors in the regulation of road transport, under the authority of the National Union of Road Transporters of Cameroon (SNTRC).[174] Road transport (of goods and passengers) is, in principle, reserved for companies set up under Cameroonian law; foreign carriers are not allowed to provide cabotage services. Urban and inter-urban transport prices for passengers and goods are negotiated between the Government and the SNTRC and then approved by MINCOMMERCE. According to the authorities, there are ceiling prices per kilometre for all routes, but operators may offer lower prices.

[174] Decision No. 001107/MINT/DT of 26 August 1993 on organization of the Land Freight Management Bureau (BGFT).

4.122. A convention between the Republic of Chad and the Republic of Cameroon continues to divide road transport of goods in transit between the two countries among companies registered in one or the other country, in a ratio of 65% to 35%, respectively, for Chadian and Cameroonian companies. The same applies to the convention between Cameroon and the Central African Republic. The company providing the transport may have foreign capital, but must be approved by CEMAC through the Ministry responsible for transport. The BGFT is in charge of managing such transit, in cooperation with the competent authorities in the CAR or Chad, as applicable.

4.123. The other (non-conventional) corridors are described as "open" because, according to the authorities, Cameroon has no commercial interest. The same fees as those on the conventional routes are, nevertheless, payable on these routes. The authorities have indicated that a joint committee is working on the conditions for road transport between Cameroon and the Congo in order to lessen the number of check points, organize the division of loads among carriers and avoid disputes.

4.124. It was not possible to obtain information on the role and utility of the BGFT.[175] Pursuant to the 1993 Decision, the BGFT is financed through a 3% commission on the value transported, plus a commission of CFAF 2,500 per trip, and a contribution of CFAF 500/tonne. In all, operators are supposed to pay the BGFT CFAF 34,500 (€52.6) per lorry for each load at the port of Douala, whether intended for Cameroon or another country. In April 2012, carriers in Douala went on strike because of this.

4.125. The rail network comprises one line (divided into two branches) covering 1,100 km, owned by the State. Railways play a major role in the transport of freight, particularly timber, petroleum, cotton and cattle. The national railways board of Cameroon was liquidated in March 1999 and the concession to operate the network was given to a private firm whose capital is majority foreign-owned, CAMRAIL (with a majority holding owned by the Bolloré-Comazar group, which is responsible for the operational management of the rolling stock), in which the Government has 13.5% of the capital.

4.4.1.2 Air transport

4.126. Cameroon has three international airports (Douala, Yaoundé and Garoua) able to receive wide-bodied jets, and 15 airfields. All Cameroon's commercial airports are owned by the State. The Agency for Air Navigation Safety in Africa and Madagascar (ASECNA) only manages navigation and air traffic services, as well as the technical facilities at airports.

4.127. The company Cameroon Airports (ADC), whose capital is 60% owned by the State, manages seven airports under a management, operation and development concession, including the three international airports. The other airports are managed by the Cameroon Civil Aviation Authority (CCAA).[176] The ADC is responsible for ground assistance, including handling, at all airports.

4.128. The law on the civil aviation regime dates from December 1998 and coexists alongside legislation from 1963. The CCAA is (also) responsible for overseeing safety, security and the regulation of air transport in general. Government financing is foreseen for the CCAA, but in March 2013 it was still being financed by aviation fees.

4.129. Foreign airlines have to apply to the CCAA for landing and take-off rights, which are based on the provisions in regional and international agreements (common report, Chapter 4.5.1); these take precedence over the bilateral aviation agreements signed and ratified by Cameroon with the following countries: Belgium; Burundi; Central African Republic; China; Democratic Republic of the Congo; East African Community (Kenya; Uganda; Tanzania); Egypt; Equatorial Guinea; Ethiopia; France; Germany; Ghana; Israel; Liberia; Mali; Netherlands; Nigeria; Republic of the Congo; Senegal; Spain; Switzerland and the United Kingdom.

[175] Online information from the Land Freight Management Bureau (BGFT). Viewed at: http://bgft-cameroon.org/.

[176] Online information from the Aviation Authority. Viewed at: http://www.ccaa.aero/. This website contains the legislation relating to this sector.

4.130. Cameroon has signed open skies agreements with the United States, Brazil and the United Arab Emirates. It is a member of the International Civil Aviation Organization (ICAO) and of the African Civil Aviation Commission (AFCAC). Cabotage is not allowed, unless it is authorized by the CCAA. The "double touchdown" requirement (in both Yaoundé and Douala during the same trip) is no longer applied by the authorities.

4.131. After the (ongoing) liquidation of the national carrier Cameroon Airlines (CAMAIR), a new structure, the Cameroon Airlines Corporation (CAMAIR Co.) was created by Presidential Decree of 11 September 2006 and actually began operating in March 2011.[177] It serves domestic routes and has a scheduled flight to Paris. In March 2013, the Cameroonian State, which is its sole shareholder, was seeking a strategic partner. Cameroon is also participating in the project to create a subregional airline with majority private capital, Air CEMAC (common report, Chapter 4).

4.132. Around 20 air transport companies were operating in Cameroon in March 2013, a marked increase in comparison with 2007, indicating that the supply of air transport is expanding and becoming more diversified, which could help to improve the quality of services and lower prices.

4.4.1.3 Maritime transport and port operations

4.133. The PAD handles most of the trade in goods for Cameroon and the subregion and plays a key role in regional trade.[178] Since 2005, Douala Inter Terminal (DIT), a consortium composed of two of the largest global groups - APM Terminals, a Maersk subsidiary, and Bolloré - has had a 15-year concession to manage the PAD's new container terminal, with a capacity of 5,000 TEU containers. The terminal covers an area of 25 hectares and has a warehouse covering 8,500 m^2. In addition to the container terminal, the PAD has several other terminals: for minerals, petroleum, timber, fruit, etc.[179] The Shipping Company of Cameroon (SOCOMAR, Bolloré group) manages the yard for imported second-hand vehicles.

4.134. There have been no major legislative changes to the commercial regulations on ports since 1998.[180] According to the authorities, Cameroon has introduced a legislative framework to implement the International Ship and Port Facility Security Code (ISPS Code), but according to the information available, this ISPS Code is not yet operational in the PAD. Likewise, it was not possible to know whether the International Safety Management Code (ISM Code) had in fact been introduced.

4.135. Maintenance and repair work has been ongoing since 2007, particularly in order to deepen the draught to -7.20 metres. The port is, however, not accessible to ships of over 25,000 tonnes, or even 14,000 tonnes depending on the season, because of insufficient draught. The cost of maintenance dredging is borne entirely by the PAD and represents 30% of its total costs.

4.136. Few changes have occurred with regard to other port services and, in March 2013, the port was described by the authorities as "totally congested". Even though most of the port services (other than dredging) and the related commercial and industrial activities are supplied by private operators, in general these markets are not competitive and there has been no marked improvement in efficiency or lowering of rates since 2006.

4.137. One foreign group (Boluda), in particular, is the sole provider of towing and berthing services in the PAD. In 2008, this foreign group took over the activities of Abeilles Cameroun, which already controlled most of the berthing and towing in the PAD. In addition to the container terminal, the vehicle yard, transit operations, handling and storage are all entirely managed or dominated by the Bolloré group. SOCOMAR, for example, unloads vehicles on to its own quay, under an in-bond storage authorization. The group has the concession for exclusive management

[177] Online information from CAMAIR Co. Viewed at: http://www.camair-co.cm/.

[178] Website of the Autonomous Port of Douala. Viewed at: http://www.portdedouala-cameroun.com/site/index.php?option=com_content&view=article&id=12&Itemid=80&lang=en.

[179] Online information. Viewed at: http://www.logistiqueconseil.org/Articles/Transport-maritime/Terminaux-portuaires.htm.

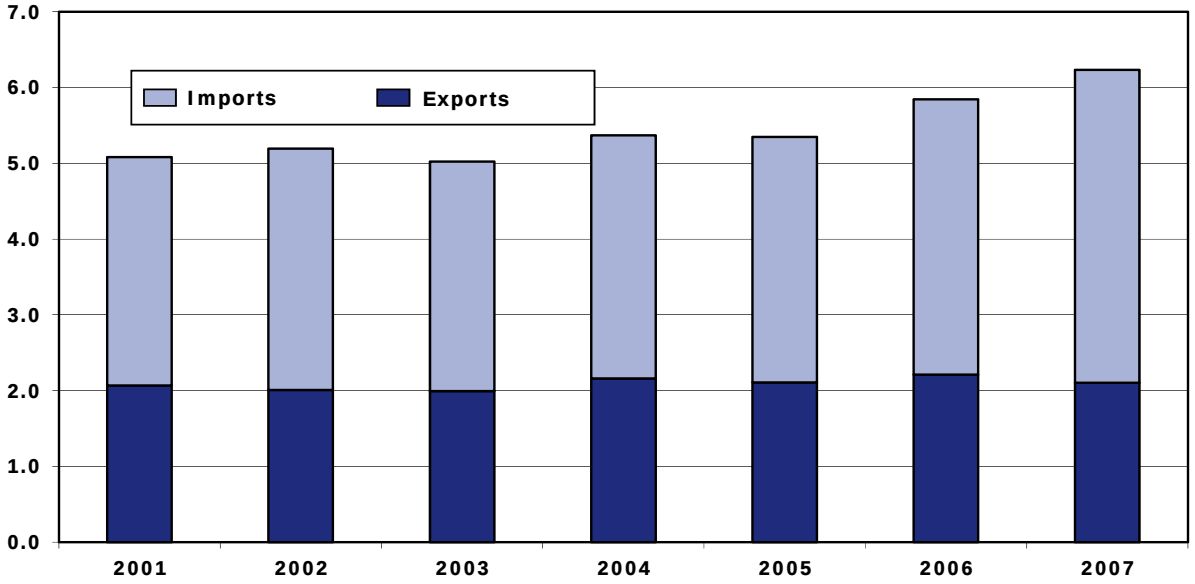
[180] Law No. 98/021 of 24 December 1998 and its implementing decrees.

of all the multipurpose storage warehouses in the DIT and the other terminals, exercising control over 1,000 hectares, with reception capacity of 7.5 million tonnes and storage capacity of 11 million tonnes, as well as specialized facilities.

4.138. It was not possible to obtain statistics from the PAD concerning the trend in the tonnage handled (Chart 4.5). In 2011, PAD's net profit after taxation was reportedly only CFAF 3 billion (under €4 million) and in November 2011 it was the subject of a high-level verification mission by the Government.

4.139. It appears especially urgent to improve efficiency in the PAD. According to observers, port charges are high in comparison with neighbouring ports.[181] The time needed between unloading of a container and its exit from the port is still 19 days, unchanged since the 1990s. Among the problems regularly mentioned are the absence of any central decision-making body (between the PAD and the DIT) and of any common electronic platform allowing information to be exchanged, particularly between the PAD, the DIT, the SGS, the GUCE, customs brokers, forwarding agents (representing shipowners), phytosanitary services, etc. In 2011, a World Bank study identified the reasons for the slow procedures in the PAD and made specific recommendations on the measures to be adopted.[182]

Chart 4.5 Traffic in the Autonomous Port of Douala, 2001-2007
(millions of tonnes)



Source: Online information from the Cameroon Employers' Association (GICAM). Viewed at: htppa://www.legicam.org.

4.140. According to UNCTAD statistics, in late 2011 there was no longer any merchant fleet registered in Cameroon.[183] In 1994, under the GATS, Cameroon had drawn up a list of exemptions from MFN treatment for maritime transport (cabotage, bulk, and special cargoes).[184] These provisions highlighted the existence of national preferences allowed by the United Nations Code of Conduct for Liner Conferences, and of the cargo sharing and setting of fees provided therein, which are no longer applicable because there are no Cameroonian ships.

4.141. Maritime transport to and from Cameroonian ports is now divided up among a handful of global shippers, the two largest being Maersk and CMA-CGM Group (Delmas). After the Europe

[181] World Bank (2012a)
[182] World Bank (2011c).
[183] UNCTAD (2012c).
[184] These exemptions correspond to the concessions granted under bilateral or regional agreements (WTO document GATS/EL/15 of 15 April 1994).

West Africa Trade Agreement (EWATA) cartel was denounced in 2008[185], the cost and volume of conventional and container traffic for Cameroon have been freely set by shippers. Three shipping lines have 70% of container traffic.

4.142. The CNCC was set up in the 1970s to protect the interests of Cameroonian exporters against shippers' cartels, especially with a view to obtaining the best possible rates for freight and to organize loading on to Cameroonian ships (which no longer exist). Its current legal status dates from 1998.[186] The CNCC was suspended in 2000 and then reactivated in 2006, with the task of training, informing and advising shippers with a view to facilitating trade.[187] Its activities were reorganized in 2009 in order to facilitate trade and transport in Cameroon, and the CNCC is now the technical secretariat for the National Facilitation Committee for International Maritime Traffic (FAL Committee).[188]

4.143. To finance its activities, the CNCC levies fees on both importers and exporters (see Chapter 3.1.1 above) and commissions for drawing up the ECTN (see Table 3.3), which amounts to taxing trade rather than facilitating it. A foreign firm, Phoenix, is responsible for collecting the fees for the ECTN, a document which duplicates the information already existing in other customs documents.

4.4.2 Telecommunications services

4.4.2.1 Overview

4.144. Cameroon's telecommunications sector is currently growing strongly and yielding large profits, stimulated by competition and technological innovation, in particular, the development of optical fibre and related services, and the entry of a third mobile telephone operator at the end of 2012. A new law on electronic communications[189] is intended to encourage operators to invest more in the quality of networks; this Law confirmed the opening up of the mobile communications subsector to competition, but did not impose competition for international communications or "voice carrier" networks. Another new law on electronic transactions is intended to give users confidence that they will have greater legal protection against the possible interception of data.

4.145. In general, recent progress has greatly improved access to mobile communications, reaching a figure of around 42 mobiles per 100 inhabitants in 2010, and Cameroon's performance is gradually catching up with the sub-Saharan average. Until 2013, Cameroon's mobile telephony subsector was divided between Orange and MTN, with the obvious risk of anti-competitive arrangements in this market. Interconnection rates within the country were often described by the press as being excessively high. In January 2013, a new operator - Viettel Cameroon - signed a concession agreement with the Government for a third mobile telephony licence, combined with 3G resources.

4.146. Access to Internet services also remains in line with the sub-Saharan average, with the effects in terms of access to information, knowledge and education for the population.[190] In 2012, the number of Internet users was estimated to be no more than 400,000 and the number of subscribers 25,000, most of them in Douala or Yaoundé. Cameroon does not yet have an Internet exchange point (IXP).[191] In its absence, local Internet traffic goes exclusively through CAMTEL, which is the traditional operator. A number of legislative and institutional reforms are under way to improve access, including the creation of rural community centres for telecommunications and access to information.

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[185] Online information from EWATA. Viewed at: http://www.ewata.org/index.php?page=Home.

[186] Decree No. 98/311 of 9 December 1998 on reorganization of the CNCC.

[187] For example, the CNCC prepared an audit of procedures for transit of goods for import in the Port of Douala, a study that is unfortunately not available on its website (https://www.cncc.cm/).

[188] Decree No. 2009/1719/PM of 1 September 2009 on reorganization of the National Facilitation Committee for International Maritime Traffic (FAL Committee).

[189] Law No. 2010/021 of 21 December 2010 governing electronic communications in Cameroon and the related implementing texts. Viewed at: http://www.antic.cm.

[190] See in particular Association for Progressive Communications, "*Réforme des télécommunications: cas du Cameroun*". Viewed at: http://www.apc.org.

[191] Jensen, M., (undated).

4.147. Since 2002, Cameroon has been linked to the SAT3/WASC/SAFE fibre-optic submarine cable.[192] CAMTEL has exclusive rights to connection to this cable and for its management. In 2013, CAMTEL was operating an optical fibre network of over 5,000 km, of which over 3,000 km had been installed since the previous TPR in 2007. In addition, the company AES-SONEL has built a 750 km optical fibre backbone operating on its high-voltage network, which covers the southern half of the country. Cameroon is also linked to the WACS cable[193] and, since December 2012, to the ACE cable installed by the Orange group. This should help to diversify connections to submarine cables and, if there is competition among them, to lower costs.

4.148. After three fruitless attempts to privatize it since 1999, CAMTEL still has the monopoly of fixed telecommunications.[194] Less than 3% of Cameroonians have a fixed telephone line, partly because there are not enough lines available (175,000), the infrastructure has deteriorated, the prevalence of administrative red tape and the high cost of installing a line (CFAF 100,000 for businesses and CFAF 40,000 for private lines).

4.149. In addition to fixed telephony, CAMEL offers (in competition) "fixed telephony with local mobility", data transfer, transmission, wired access and high-speed access using ADSL, radio and optical fibre technology. CAMTEL is also responsible (exclusively) for the installation and management of the fixed telephony infrastructure; the management of all the satellite systems transmitting in Cameroon; and broadband access through SAT-3.

4.150. International services are provided partly by fixed telephony, which CAMTEL controls through its monopoly of access to the international gateway. Other operators, however, have satellite gateways. When the new cables come on line, this could help to increase competition in international communications.

4.4.2.2 Institutional and regulatory framework

4.151. Cameroon did not make any specific commitments on telecommunications under the GATS and did not take part in the WTO negotiations in 1997 which led to the Annex on Telecommunications. According to the authorities, the CEMAC common regulations in this sphere (see common report, Chapter 4.4) have been fully transposed at the national level.

4.152. The framework law is henceforward Law No. 2010/021 of 21 December 2010 governing electronic communications in Cameroon, which repeals all the contrary provisions in Law No. 98/014 of 14 July 1998 governing telecommunications in Cameroon and the amendment thereto of 2005. In 2012, the Government also published several decrees in order to improve management of the sector.[195]

4.153. The Ministry in charge of telecommunications (MINPOSTEL) is responsible for sectoral policy on telecommunications. It approves and authorizes the establishment and/or operation of networks and the supply of electronic communications services, which are subject either to the permit regime (concession, licence, approval) or to the declaration regime (mainly private networks). MINPOSTEL is responsible for developing infrastructure, with the traditional operator CAMTEL and the National Information and Communications Technology Agency (ANTIC) working under it.

4.154. The Telecommunications Regulatory Agency (ART), on behalf of the State, regulates, controls and monitors the activities of operators in the telecommunications, information and communications technology (ICT) sector. It also ensures observance of the principle of equal treatment of users by all electronic communications companies. It allocates and controls the radio frequency spectrum and cooperates with neighbouring States in managing the use of frequencies in border areas. Management of the radio spectrum could be better organized at the regional level in order to facilitate access to services, especially in border areas, and in rural

[192] South Africa Transit 3/West Africa Submarine Cable.

[193] Online information from the West Africa Cable System. Viewed at: http://wacscable.com.

[194] Decree No. 98/198 of 8 September 1998. Viewed at: http://www.minpostel.gov.cm/images/stories/documents/decret-creation-camtel.pdf.

[195] These texts are available on MINPOSTEL's website: http://www.minpostel.gov.cm/index. php/fr/les-textes. The legislation is also available on the ART and ANTIC websites.

areas where investment in new optical fibre infrastructure is not considered economically viable (see universal service below).

4.155. Following the advice of the ART, MINPOSTEL awards concessions or authorizations for one or more of the following services: fixed telephony; mobile telephony; international or Internet services. The declared policy on access is to open up all market segments to competition. The new Law, however, allows a concession to be awarded by distinguishing communications networks on the one hand from electronic communications carrier networks on the other, including operation of landing stations for submarine cables and teleports to one or more satellite networks.

4.156. The ART levies a fee and other charges for various telecommunications services, and acts as arbitrator if there is a dispute between operators. It plays a key role in managing competition, monitoring the production and supply of high-quality services, and protecting consumers; in 2012, for example, it penalized the operators of the MTN and Orange networks for their poor quality of service.

4.157. The ART approves equipment and installers. In 2012, around 150 approvals were given for terminal equipment for connection to a public telecommunications network, and 150 installers were approved. Telecommunications equipment and computers are currently subject to CET of 10%, as well as other import duties and taxes.

4.158. The ART allows operators to set their rates within a range comprising a floor and a ceiling rate. Holders of concessions must comply with requests for interconnection and access by any other holder of a concession, licence, or declaration receipt. The interconnection and access catalogue must be published. Although competition in telephony has clearly increased and consumers have the benefit of lower rates and better quality services, interconnection charges between national networks and for the Internet are still very high, indicating that the ART finds it difficult to impose its authority on dominant operators. The major problems of excessive pricing currently appear to affect mainly the offer of Internet services and national interconnection rates.[196]

4.159. For matters relating to the promotion of ICT, the regulation, control and monitoring of information systems and electronic communications networks, as well as electronic certification, MINPOSTEL turns to ANTIC, set up in 2002 in order to promote and disseminate ICT.[197] ANTIC draws up and monitors implementation of the national ICT development strategy and assists in the technical training of trainers in universities, high schools, secondary and primary schools. Following the entry into force of Decree No. 2012/180 of 10 April 2012, this structure was placed under the supervision of MINPOSTEL.

4.160. Law No. 2010/012 of 21 December 2010 concerns cyber-security and cyber-criminality in Cameroon.[198] In order to be able to provide their services, Internet service providers (ISP) must obtain a licence issued by MINPOSTEL after the application has been examined by the ART, which defines the conditions and rules for their activities. There is no restriction on foreign presence. Some 50 IPS are apparently operating, including CAMTEL, Orange Multimedia Services, and MTN Network Solutions.

4.161. Around 100 licences to provide Internet telecommunications services have also been issued, including the resale and termination of traffic. CAMTEL also appears to offer this service.

4.162. Internet rates have fallen dramatically as a result of competition, but are still high and are way beyond the average monthly wage; according to some estimates, a megabyte costs

[196] In 2012, for example, the ART rejected the interconnection offer of one operator which did not take into account the ART's aim of lowering interconnection costs. See ART, explanation of reasons, Association for Progressive Communications, "*Réforme des télécommunications, Cas du Cameroun*". Viewed at: http://www.art.cm:81/images/doc/expos%2B per centAE%20des_motifs_ per cent28rejet_catalogue _mtn_20121.pdf.

[197] Decree No. 2002/092 of 8 April 2002.

[198] Online information from MINPOSTEL. Viewed at: http://www.minpostel.gov.cm/images/stories/documents/Loi_2010-012 _cybersecurite_cybercriminalite.pdf.

CFAF 200,000 a month in Gabon, CFAF 150,000 in Senegal and CFAF 1 million in Cameroon.[199] In Internet cafes, which remain the most affordable solution for the majority of the population, the cost of a one-hour Internet connection has fallen according to the authorities. From CFAF 300 to CFAF 2,000 (in rural areas) in 2006, it now ranges from CFAF 200 to CFAF 500 for slow connections.

4.163. In Cameroon, in principle anyone has the right to receive electronic communications services, irrespective of where he is in Cameroon. Through the Special Telecommunications Fund (see below), the Government gives operators support to achieve the objective of universal service in unprofitable rural areas. In 2007, MINPOSTEL launched a programme to create 300 multi-purpose community telecentres (TCPs) and digital access points, firstly in local capitals, border regions and/or isolated zones, in order to improve access to telecommunications services by disadvantaged sectors of the population. In January 2013, 117 TCPs were operating. CAMTEL provides access to the network free of charge, through VSAT. The cost of the services is determined by each TCP's management committee.

4.164. Law No. 98/014 continues to govern the universal service, particularly the Special Telecommunications Fund (FST, at present in the form of a trust fund) intended to finance the universal telecommunications service and contribute towards its development throughout Cameroon. It is financed by a 3% levy on the annual turnover excluding tax of the operators MTN and Orange (2% prior to 2010), yielding around CFAF 5 billion (€7.6 million) annually.[200] Little information is available regarding how the FST funds are used; it would appear that a percentage is earmarked to finance the TCPs, expand the infrastructure, and introduce optical fibre. In 2012, a new decree was published determining the rules for managing the FST.[201]

4.4.3 Postal services

4.165. Although it is included in the legislation, the concept of a traditional postal service is difficult to implement in a country where the mail is not distributed or collected regularly, and where most of the inhabitants do not have a mailing address. The key elements of Cameroon's postal services market are its strong driving force and a chaotic supply of services, numerous private structures having emerged following the failures of the official operators in the 1980s and 1990s. Before the Government launched its study of the postal market in 2011, the postal sector had 116 operators, both in the funds transfer branch and in postal and logistics services. These included many public and private foreign operators (principally DHL, Bolloré. Chronopost and UPS), as well as the traditional operator Cameroon Postal Services (CAMPOST), a company with public capital created in 2004 and with the Government as the sole shareholder.[202] In 2007, CAMPOST in principle had exclusivity for the domestic regular postal service (less than 20 g) and for local and domestic express courier services.

4.166. MINPOSTEL is in principle responsible for regulating postal services. Law No. 2006/019 is the principal legislative text concerning postal services.[203] The Law provides for a concession regime, under which only CAMPOST operates, and an authorization regime that applies to all private operators of postal networks and services other than the concessionaire, with the exception of some services that are simply subject to a declaration regime. According to the authorities, no private operator currently holds an authorization. A postal fee is in principle payable by operators other than the concessionaire in order *inter alia* to finance the development of postal services.[204]

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[199] Online information. Viewed at: http://www.apc.org/en/system/files/CICEWACameroon_20090911.pdf.

[200] Decree No. 2006/268 of 4 September 2006 determining the rules for managing the FST.

[201] Decree No. 2012/308 of 26 June 2012 determining the rules for managing the Special Telecommunications Fund. Viewed at: http://www.antic.cm/images/stories/data/IMG/pdf/decrets/Modalites_de%20gestion_FST-26-06-2012.pdf.

[202] Decree No. 2004/095 of 23 April 2004. See also: http://campostonline.com/.

[203] Law No. 2006/019 of 29 December 2006 governing postal activities; Decree No. 2005/124 of 15 April 2005 on the organization of MINPOSTEL; Law No. 2003/001 of 21 April 2003 establishing a minimum service in the postal sector; and Decree No. 2002/2171/PM of 19 December 2002 determining the rules for regulation and control of postal networks and services.

[204] Decree No. 2004/110 of 10 May 2004 on the creation and operation of the Treasury trust fund for development of postal activities.

4.4.4 Tourism services

4.167. In preparing this report, little information was furnished concerning Cameroon's trade policy in this sector. Cameroon has considerable tourism potential because of its natural and cultural assets, but these are largely unexploited, even though the GESP highlights tourism as a factor for growth. Despite this potential, tourism's contribution to the country's development and, as a knock-on effect, on combating poverty, remains marginal. The constraints which explain the performance of Cameroon's tourism have barely changed over the past seven years, and include the lack of promotional and information efforts, little investment in the sector, and insufficient expertise in the realm of tourism.

4.168. The latest estimates of the Ministry of Tourism for 2010 indicated 573,000 arrivals, an increase in comparison with the 477,000 in 2007. The Government's objective in this subsector is to "develop integrated tourism products in order to be able to receive at least two million international tourists per year and six million domestic tourists by 2020. To be able to achieve this, special focus is laid, in particular, on improving the business climate through the Investment Code currently being adopted, making the API operational, etc.".

4.169. In 2003, the State earned around CFAF 45 billion (€68.6 million) from accommodation and tourism's contribution to the State's budget through tourism-related taxes was estimated to be CFAF 55 billion (around €83.6 million, Table 4.3).

Table 4.3 Tourism-related taxes. 2003 and 2011
(CFAF million)

Source of revenue	Amount 2003	Amount 2011 (2010)
Visa fees	8,450	..
Airport stamps	2, 834	..
Park entrance fees	30	..
Hunting permits and rights	157	..
VAT on hotel earnings	11,718	..
VAT on earnings of independent restaurants	9,935	..
Aviation fees	14,880	..
Licences to operate tourist establishments	16	..
VAT on travel agency earnings	6,854	..
Total	54, 923	..

.. Not available.

Source: Ministry of Tourism (MINTOUR).

4.170. In 2006, Cameroon had 272 hotels, 83% of which were not classified (no stars), and a capacity of 10,344 beds. In all, Cameroon has 1,591 tourist establishments (all categories together)[205], giving 22,112 rooms and 24,598 beds. A total of 223 potential tourism sites have been listed, 60 of which started to be developed between 1998 and 2005. No update of these statistics was provided. Several hotels are still owned by the National Investment Corporation (SNI). It was not possible to know what Government policy is in this respect.

4.171. The Ministry of Tourism (MINTOUR) is responsible for regulating and developing tourism, mainly governed by Law No. 98/006 of 14 April 1998 and its implementing decree.[206] The National Tourism Council was set up in April 1998 to advise the Government on the measures to be taken to boost the growth of tourism in Cameroon.[207] A national office was also being planned.

[205] There are 2 five-star hotels, 5 four-stars, 47 three-stars, 85 two-stars, 133 one-star and 1,319 unclassified hotels.

[206] Decree No. 99/443 of 25 March 1999.

[207] The Council was established by Law No. 98/006 of 14 April 1998, and Decree No. 99/112 of 27 May 1999 determined the rules for its organization and functioning. It comprises representatives of all the authorities concerned and of the private sector.

4.172. According to the 2013 Finance Law, the operational budget for the Ministry of Tourism was earmarked at around CFAF 10.5 billion (€17.5 million), which is extremely low, particularly in light of the taxes levied in the sector (see Table 4.3). The Government does not thus appear to be giving itself the means to implement its declared strategy of developing the subsector, as set out in the sectoral strategy for tourism, whose main axes were also included in the GESP.

4.173. The total estimated cost for implementing this tourism strategy was CFAF 164 billion for 2007-2009. Bearing in mind the scarcity of resources, the action to be taken in order to achieve the strategic objectives has been prioritized, taking into account land planning principles; priority spending has been estimated at CFAF 50 billion, or the equivalent of one year of taxes on tourism, mainly to finance ecotourism (CFAF 18.57 billion), cultural tourism (CFAF 9.93 billion) and business tourism (CFAF 8.25 billion).

4.174. Access to the tourism services market is, on the whole, open to foreigners. Serving as a tourist guide is, however, an activity reserved for Cameroonians.[208] Foreign investors must reside in Cameroon. Cameroonian or foreign companies wishing to engage in tourism-related activities must obtain an authorization from MINTOUR or an operating licence, which is non-transferable; in addition, they have to pay a tax determined according to their category and geographical location. In the hotel trade, foreign investors must make a certain amount of investment. The recruitment of foreign salaried staff is subject to the general approval procedure of the Ministry responsible for labour legislation.

4.175. Prices for tourism services are set freely by promoters. Hotels are classified by the Ministry responsible for tourism, in principle every two years, but in 2005, 82.9% of hotels, accounting for 60.5% of accommodation capacity, had not been classified.

4.176. Tourism- and travel-related services are the only ones on which Cameroon made specific commitments under the GATS.[209] Its commitments are limited and do not reflect the effective opening up of its tourism market. They mainly concern commercial presence, restricted by specific criteria in the approval agreement, for example, the use of inputs produced in Cameroon for at least 25% of the total value and a minimum of 35% of the registered capital of the company concerned must be held by Cameroonians or a legal person under Cameroonian law. The commitments also include requirements to create jobs for Cameroonians. As regards market access, the measures concerning the presence of natural persons have not been bound, with the exception of those concerning the entry and temporary residence of certain categories of employee identified in the horizontal commitments.

4.5 Professional and business services

4.177. The category "other tradeable services" in Cameroon's national accounts showed a very high rate of growth in 2009 and 2010 (7.4% and 7.5%, respectively), then grew by 4.8% in 2011, indicating that the share of tradeable services in national value added has continued to rise steadily since 2006, to reach almost 10% in 2011, according to the INS. The category covers professional services, including a wide range of activities but with little national value added; and business services, which group all advisory, assistance, research and development activities, as well as numerous operational services.

4.178. The 2012 General Tax Code introduced a tax on imports of certain services (Box 4.1). This tax applies only to non-residents in respect of their income of Cameroonian origin, and therefore essentially foreign natural and legal persons providing services in Cameroon. According to the 2013 Finance Law, the tax on income received by persons domiciled outside Cameroon amounted to CFAF 48.5 billion (€74 million) in 2012.

[208] Decree No. 99/443 of 25 March 1999 on implementation of the tourism law.
[209] WTO document GATS/SC/15 of 15 April 1994.

Box 4.1 Special income tax

Article 225: subject to international conventions on taxation, a special tax at a global rate of 15% is hereby introduced on the income paid to legal or natural persons domiciled outside Cameroon by companies or establishments situated in Cameroon, the State or decentralized local authorities in the form of:

- copyright, irrespective of the medium, value, type or destination of the work;
- payment for the use of or a concession for the use of software, informatics by a business;
- sale or lease of a licence to work a patent, trademark, secret process or formulae;
- lease or right of use of cinematographic films, broadcasts or television films;
- payment for furnishing information concerning industrial, commercial or scientific experiments and for the rental of industrial, commercial or scientific equipment;
- payment for studies, advice, technical, financial or accounting assistance;
- payment to companies engaged in drilling, research or assistance for oil companies and in general special services of any nature if the companies renounce taxation based on a declaration, pursuant to the provisions of Article 18 of this Code;
- audiovisual presentations with digital content;
- in general, payment made abroad to pay for services of any nature furnished or utilized in Cameroon.

4.179. The professions regulated in Cameroon are listed in Table 4.4. With relatively low salaries and a bilingual population, Cameroon has comparative advantages for providing certain services to businesses, including professional services, which it could consider exporting. In 2009, an agreement signed between France and Cameroon opened up 66 professions in France to Cameroonian citizens, defining the criteria for identifying nationals and issuing consular permits.[210] Without prejudice to the provisions in French legislation on the exercise of regulated professions, a residence permit authorizing the exercise of paid work can be issued, without taking into account the employment situation in France, to Cameroonian nationals with a view to taking a paid job for a period of 12 months or more, in one of the professions indicated in the list in Annex II to the agreement.

4.180. At the regional and international levels, Cameroon has signed commitments on professional services within the CEMAC framework (Table 4.4 and common report, Chapter 4), but not within the WTO. As trade in professional and business services is largely based on the movement of natural persons, suppliers of professional services are particularly affected by regulations which limit movement in the countries where they are seeking to provide their services (mode 4 according to the GATS terminology).

4.181. In Cameroon, professions are generally highly protected against foreign competition; those wishing to engage in a profession must obtain an authorization or accreditation issued by the professional associations. Each professional association has its own rules, regulations and standards for exercising the profession. Although it is not always necessary to be a Cameroonian national in order to join a professional association, most of the texts include requirements on nationality or reciprocity. In January 2013, Cameroon had signed one reciprocity agreement with France (1994[211]).

[210] France-Cameroon Agreement on the joint management of migration flows and inclusive development (together with six annexes), signed in Yaoundé on 21 May 2009. Viewed at: http://www.gisti.org/IMG/pdf/Accord_France-Cameroun.pdf.

[211] Online information. Viewed at: http://www.adate.org/ide/menu-cote1/textes-lois/textes-statuts-particuliers/ convention-france-cameroun.pdf.

Table 4.4 Professions regulated in Cameroon

Profession (national association)	Law	Market access
Tax adviser	Law No. 2011/010 of 6 May 2011 determining the arrangements and rules for exercising the profession of tax adviser in Cameroon	Be a national of a CEMAC member State
Certified public accountant	Law No. 2011/009 of 6 May 2011 on exercising the profession of accountant and the functioning of the National Association of Certified Public Accountants and Auditors (ONECCA)	Unless there is a reciprocity agreement, nationals of non-CEMAC States may not act as certified public accountants in Cameroon or establish a certified public accountancy firm amongst themselves. Nevertheless, if they are Cameroonian residents, they may become wage-earners in a certified public accountancy firm and set up a company with Cameroonian partners, provided that the latter constitute two thirds of the partners and hold two thirds of the capital
Chemical engineer	Law No. 2001/009 of 23 July 2001 determining the arrangements and rules for exercising the profession of chemical engineer	Be registered with the National Association of Chemical/Mechanical/Electrical Engineers, or (1) be a national of a country that has signed a reciprocity agreement with Cameroon; (2) be recruited under a contract or pursuant to a cooperation agreement exclusively on behalf of the Cameroonian Government; or (3) work for an approved engineering firm
Mechanical engineer	Law No. 2000/013 of 19 December 2000 determining the arrangements and rules for exercising the profession of mechanical engineer	
Electrical engineer	Law No. 2000/014 of 19 December 2000 determining the arrangements and rules for exercising the profession of electrical engineer	
Notary	Decree No. 95/034 of 24 February 1995 on the statutes and organization of the profession of notary	Be a Cameroonian national
Lawyer	Law No. 90/059 of 19 December 1990 organizing the profession of lawyer	Be a Cameroonian national or a national of a country that has signed a reciprocity agreement
Bailiff	Decree No. 79/448 of 5 November 1979 regulating the functions and determining the status of bailiffs and judicial officers, amended and supplemented by Decree No. 85/238 of 22 February 1985	Be a Cameroonian national
Physician	Law No. 90/038 of 10 August 1990 regulating the exercise of the profession of physician	Be registered with the National Association of Physicians, or (1) be a national of a country that has signed a reciprocity agreement with Cameroon; (2) be recruited under a contract or pursuant to a cooperation agreement exclusively on behalf of the Cameroonian Government, a religious order or an NGO; or (3) work for an approved private company
Pharmacist	Law No. 90/035 of 10 August 1990 on exercise of the profession of pharmacist	Unless there is a reciprocity agreement, a foreign pharmacist may not exercise the profession privately in Cameroon
Dental surgeon	Decree No. 92-243-PM of 26 June determining the rules for implementing Law No. 90/034 of 10 August 1990 on the exercise and organization of the profession of dental surgeon	Recruitment on behalf of a government department or a non-governmental organization, or under a contract subject to Cameroonian law in the case of an approved private company or a religious medical body
Architect	Law No. 90/041 of 10 August 1990 regulating the profession of architect	Unless there is a reciprocity agreement, foreign architects may only work for private clients in association with a partner of Cameroonian nationality
Real estate agents	Law No. 2001/020 of 18 December 2001 on organization of the profession of real estate agent	
Town planner	Law No. 90/040 of 10 August 1990 regulating exercise of the profession of town planner	

Source: Cameroonian legislation.

4.6 Financial services

4.182. Banking and financial activities are subject to the Community regulations under the overall authority of the Bank of Central African States (BEAC) and the Central African Banking Commission (COBAC) (common report, Chapter 4.7), which participate in formulating monetary and financial policy. In January 2013, the main feature of the banking and insurance sectors was still the dominance of a small number of usually private and (for the most part foreign) firms in national partnerships. In this sector, there are no restrictions on foreign presence, which is large (Table 4.5). Cameroon did not take part in the WTO negotiations on financial services that concluded in 1998.

4.183. Since 2008, the proportional tax on movable capital earnings (TPRCM), which had been applied at a rate of 25% for shareholders domiciled abroad and 16.5% for those domiciled in Cameroon, was abolished.

4.6.1 Banking services

4.184. The 2012 report by the International Monetary Fund (IMF) indicated that, according to Article IV of its Articles of Agreement[212], four (or even five) of Cameroon's 13 banks were in financial difficulty, with negative own funds. These five banks account for 26% of all Cameroon's banking assets, 29% of deposits and 28% of total bank loans. The IMF regularly calls for rapid reorganization of the banking sector, including the closure of banks that have collapsed, better coordination between national and regional bodies, and measures to develop financial intermediation.

4.185. According to the IMF, little progress has been made in resolving the issue of banks in difficulty, which is partly a reflection of a lack of cooperation between national and regional authorities. Regular analyses of the soundness of the banking sector are conducted, but banking supervision continues to be hampered by lack of resources at the regional level; a new framework for resolving crises has not yet been introduced. In 2011, the indicators of the soundness of the financial sector deteriorated and non-performing loans increased, as did the number of banks which did not respect the principal prudential ratios. The authorities did not agree that the weaknesses in the banking sector are likely to jeopardize the stability of the financial sector.

Table 4.5 Structure of the banking system

Name	Headquarters country 2013	Bank in difficulty 2013 (risk of negative own funds)	State holding 2013	Share of the Cameroonian market 2011 (%)	
Banks under Cameroonian control				Loans	Deposits
Afriland First Bank	Cameroon			14.5	17.7
CBC				6.6	4.7
NFC				2.9	2.4
Total				**24.1**	**24.8**
Banks under regional foreign control					
Ecobank	Togo			10.2	9.5
UBC	Togo			2.1	2.3
BAC	Togo			1.6	2.1
UBA	Nigeria			2.2	2.7
BGFI	Gabon			2.5	0.8
Total				**18.6**	**17.3**
Banks under foreign control - other					
BICEC	France		17.5	19.9	18.1
SGBC	France		25.6	20.6	17.8
SCB	Morocco		49.0	11.0	12.5
SCBC	United Kingdom			3.2	6.8
Citibank	United States			2.6	2.7
Total				**57.3**	**57.9**
Overall total					**100%**

Source: International Monetary Fund. Viewed at: http://www.imf.org/external/french/pubs/ft/scr/2012/cr12237f.pdf.

[212] IMF (2012).

4.6.2 Insurance services

4.186. The improvement in Cameroon's economy over the period 2007-2012 (with the exception of 2009) has led to strong growth in the insurance market and an increase in the number of insurance companies. In a sector in which 27 companies divide up the market, turnover in 2009 was CFAF 118 billion (€180 million). The major insurance companies are foreign: Allianz, Chanas, AXA, SAR and Activa.[213] There is a high level of concentration in this sector. The market's global turnover is modest, largely because of the population's low purchasing power (common report, Table 4.7). The CIMA treaty regulates the market (common report, Chapter 4.7). All the insurance companies belong to the Cameroonian Association of Insurance Companies (ASAC), established in 1973 and recognized under the CIMA Code; its head office is in Douala.[214] ASAC belongs to the Federation of African National Insurance Companies (FANAF) based in Dakar. At the African level, the African Insurance Organisation (AIO), whose offices are in Douala, oversees all the African organizations.

[213] Government of Cameroon (2010).
[214] Online information from ASAC. Viewed at: http://asac-cameroon.com.

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5 APPENDIX TABLES

Table A1.1 Structure of exports, 2005-2011

(US$ million and %)

	2005	2006	2007	2008[a]	2009[a]	2010	2011[a]
World (US$ million)	2,440.6	3,576.4	4,230.1	5,267.0	3,530.6	3,878.4	4,521.6
				(%)			
Total primary products	85.3	94.8	90.7	..	..	92.4	..
Agriculture	30.1	28.3	25.8	..	..	39.2	..
Food products	17.1	12.0	11.5	..	..	24.4	..
0721 Cocoa beans, whole or broken, raw or roasted	8.6	6.2	5.1	..	..	15.8	..
0573 Bananas (including plantains), fresh or dried	2.8	1.8	1.5	..	..	2.1	..
0711 Coffee, not roasted, whether or not decaffeinated, coffee husks and skins	2.6	1.8	2.0	..	..	1.7	..
0724 Cocoa butter, fat and oil	0.0	0.0	0.1	..	..	1.1	..
0723 Cocoa paste, whether or not defatted	1.4	1.0	0.8	..	..	1.0	..
0984 Sauces; mixed condiments and mixed seasonings; mustard; vinegar	0.0	0.0	0.0	..	..	0.6	..
Agricultural raw materials	13.0	16.3	14.3	..	..	14.8	..
2484 Wood of non-coniferous species, sawn or chipped lengthwise, etc., of a thickness exceeding 6 mm	4.2	9.5	8.4	..		6.4	..
2475 Wood of non-coniferous species, in the rough or roughly squared, but not treated	1.0	1.7	1.7	..	..	3.7	..
2631 Cotton (other than linters), not carded or combed	5.4	2.9	2.5	..	..	2.1	..
2312 Natural rubber (other than latex)	1.3	1.3	1.0	..	..	1.8	..
2311 Natural rubber latex, whether or not vulcanized	0.5	0.5	0.4	..	..	0.6	..
Mining	55.2	66.5	64.8	..	..	53.2	..
Ores and other minerals	0.5	0.4	1.8	..	..	0.7	..
2852 Alumina (aluminium oxide)	0.0	0.0	1.2	..	..	0.6	..
Non-ferrous metals	5.1	4.6	4.3	..	..	2.9	..
6841 Aluminium and aluminium alloys, unwrought	4.5	4.2	3.9	..	..	2.5	..
Fuels	49.6	61.6	58.7	..	..	49.5	..
3330 Petroleum oils and oils obtained from bituminous minerals, crude	34.4	49.8	43.5	..	..	36.5	..
Manufactures	3.1	3.0	7.9	..	..	6.9	..
Iron and steel	0.1	0.0	0.2	..	..	0.4	..
Chemicals	0.6	0.3	1.0	..	..	1.4	..
5541 Soap, paper, wadding, etc., impregnated with soap or detergent	0.3	0.2	0.4	..	..	0.8	..
Other semi-manufactures	1.4	2.1	2.2	..	..	2.2	..
6341 Veneer sheets and sheets for plywood and other wood sawn lengthwise, of a thickness not exceeding 6 mm	0.3	1.3	0.2	..	..	0.5	..
6421 Boxes, bags, tablecloths and similar articles of paper	0.0	0.0	0.4	..	..	0.4	..
6651 Containers for conveyance/packaging, stoppers, closures, etc., of glass	0.0	0.0	0.4	..	..	0.4	..

	2005	2006	2007	2008[a]	2009[a]	2010	2011[a]
Machinery and transport equipment	0.7	0.4	4.0	..	..	2.0	..
Power-generating machinery	0.1	0.0	0.1	..	..	0.1	..
Other non-electrical machinery	0.3	0.2	2.1	..	..	1.5	..
7239 Parts, n.e.s., of the machinery of group 723 and of subgroup 744.3	0.1	0.1	0.3	..	..	0.8	..
Tractors and agricultural machinery	0.0	0.0	0.0	..	..	0.0	..
Office machines and telecommunications equipment	0.0	0.0	0.0	..	..	0.0	..
Other electrical machinery	0.1	0.1	0.2	..	..	0.1	..
Automotive products	0.1	0.0	0.1	..	..	0.2	..
Other transport equipment	0.1	0.1	1.5	..	..	0.2	..
Textiles	0.0	0.0	0.0	..	..	0.1	..
Clothing	0.0	0.0	0.0	..	..	0.0	..
Other consumer goods	0.2	0.1	0.5	..	..	0.7	..
Other	11.6	2.2	1.5	..	..	0.7	..

.. Not available.

a According to government figures in the publication.

Source: WTO Secretariat calculations, based on data in the UNSD Comtrade database (SITC, Rev.3) and information provided by the authorities.

Table A1.2 Structure of imports, 2005-2011
(US$ million and %)

	2005	2006	2007	2008[a]	2009[a]	2010	2011[a]
Total imports (US$ million)	2,735.2	3,150.5	4,656.5	5,725.1	4,419.3	5,133.3	6,802.3
				(%)			
Total primary products	49.6	54.4	52.6	..	..	48.9	..
Agriculture	19.8	19.3	16.3	..	..	19.2	..
Food products	18.0	17.6	14.9	..	..	17.6	..
0423 Rice, semi-milled or wholly milled	5.0	4.4	4.0	..	..	3.8	..
0342 Fish, frozen (excluding fillets and minced fish)	2.3	2.4	2.7	..	..	3.7	..
0412 Other wheat (including spelt) and meslin, not milled	2.6	2.9	1.6	..	..	2.4	..
0482 Malt, whether or not roasted (including malt flour)	1.2	1.1	1.1	..	..	1.1	..
0612 Other beet or cane sugar and chemically pure sucrose, in solid form	1.2	1.1	0.8	..	..	1.0	..
0989 Food preparations n.e.s.	0.7	0.8	0.7	..	..	0.9	..
0222 Milk and cream, concentrated or sweetened	0.8	0.8	0.6	..	..	0.7	..
Agricultural raw materials	1.8	1.6	1.4	..	..	1.6	..
2690 Worn clothing and other worn textile articles, rags	1.5	1.4	1.2	..	..	1.3	..
Mining	29.8	35.2	36.3	..	..	29.7	..
Ores and other minerals	2.9	2.7	2.5	..	..	1.7	..
2852 Alumina (aluminium oxide)	2.4	2.1	2.1	..	..	1.1	..
Non-ferrous metals	0.6	0.4	0.4	..	..	0.3	..
Fuels	26.3	32.1	33.4	..	..	27.7	..
3330 Petroleum oils and oils obtained from bituminous minerals, crude	24.1	29.4	30.9	..	..	24.0	..
3354 Petroleum bitumen, petroleum coke and bituminous mixtures	0.7	0.4	0.6	..	..	0.7	..
Manufactures	49.9	45.4	47.4	..	..	51.1	..
Iron and steel	3.3	3.0	3.5	..	..	3.0	..
Chemicals	11.0	11.1	9.7	..	..	10.5	..
5429 Medicaments for human or veterinary use n.e.s.	1.9	1.9	1.6	..	..	1.9	..
5514 Mixtures of odoriferous substances, of a kind used in industry	1.3	1.2	1.1	..	..	1.1	..
Other semi-manufactures	9.2	8.6	7.9	..	..	9.0	..
6612 Hydraulic cements, whether or not coloured or in the form of clinkers	2.2	2.1	1.7	..	..	2.4	..
6252 Tyres, pneumatic, new, of a kind used on buses or lorries	0.8	0.7	0.6	..	..	0.7	..
Machinery and transport equipment	20.1	17.1	21.1	..	..	22.6	..
Power-generating machinery Machines	0.6	0.6	0.8	..	..	0.8	..
Other non-electrical machinery	5.9	4.8	6.7	..	..	7.5	..
7239 Parts, n.e.s., of the machinery of group 723 and of subgroup 744.3	0.7	0.6	1.1	..	..	1.0	..
Tractors and agricultural machinery	0.1	0.1	0.1	..	..	0.3	..

	2005	2006	2007	2008[a]	2009[a]	2010	2011[a]
Office machines and telecommunications equipment	3.1	2.6	2.4	..	..	2.5	..
Other electrical machinery	1.9	2.5	1.9	..	..	2.6	..
Automotive products	6.5	5.4	5.8	..	..	6.7	..
7812 Motor vehicles for the transport of persons, n.e.s.	2.8	2.3	1.8	..	..	2.5	..
7821 Motor vehicles for the transport of goods	1.6	1.4	2.0	..	..	2.3	..
Other transport equipment	2.2	1.1	3.6	..	..	2.4	..
7935 Special boats, floating docks, platforms, etc.		0.0	0.8	..	..	0.8	..
Textiles	0.9	0.7	0.8	..	..	0.8	..
Clothing	0.6	0.4	0.4	..	..	0.5	..
Other consumer goods	4.9	4.5	3.9	..	..	4.6	..
Other	0.5	0.2	0.0	..	..	0.1	..

.. Not available.

a According to government figures in the publication.

Source: WTO Secretariat calculations, based on data in the UNSD Comtrade database (SITC, Rev.3) and information provided by the authorities.

Table A1.3 Destination of exports, 2005-2011
(US$ million and %)

	2005	2006	2007	2008[a]	2009[a]	2010	2011[a]
World (US$ million)	2,440.6	3,576.4	4,230.1	5,267.0	3,530.6	3,878.4	4,521.6
America	6.3	6.5	5.7	..	..	7.9	..
United States	4.6	6.4	5.3	..	..	5.7	..
Other America	1.7	0.1	0.4	..	..	2.2	..
Uruguay	1.5	0.0	0.0	..	..	2.0	..
Europe	66.9	75.3	65.2	..	..	55.8	..
EU (27)	66.1	74.5	63.5	..	..	55.2	..
Spain	18.6	25.9	18.0	..	..	18.5	..
Netherlands	8.7	6.3	4.9	..	..	13.1	..
Italy	13.4	23.1	18.5	..	..	9.7	..
France	12.3	10.6	17.5	..	..	6.3	..
Belgium	4.7	3.4	1.6	..	..	1.9	..
Portugal	0.7	1.6	0.4	..	..	1.9	..
Germany	1.1	0.8	0.7	..	..	1.6	..
United Kingdom	5.4	2.0	1.3	..	..	1.3	..
EFTA	0.0	0.2	0.9	..	..	0.0	..
Other Europe	0.8	0.7	0.8	..	..	0.6	..
Turkey	0.6	0.5	0.8	..	..	0.6	..
Commonwealth of Independent States (CIS)	0.1	0.1	0.1	..	..	0.1	..
Africa	16.8	9.4	18.1	..	..	20.5	..
Chad	1.1	0.8	2.3	..	..	8.7	..
Congo, Democratic Republic of the	1.1	2.8	2.4	..	..	4.5	..
Gabon	1.2	0.5	2.1	..	..	1.5	..
Central African Republic	0.5	0.4	0.6	..	..	1.4	..
Equatorial Guinea	0.7	0.2	3.0	..	..	0.9	..
Nigeria	0.6	0.6	2.3	..	..	0.7	..
Togo	2.5	0.7	0.4	..	..	0.6	..
Middle East	0.3	0.5	1.5	..	..	0.2	..
Asia	7.2	5.4	6.7	..	..	15.5	..
China	2.8	3.4	2.3	..	..	8.5	..
Japan	0.1	0.0	0.0	..	..	0.0	..
Six East Asian trading countries	2.5	1.0	0.7	..	..	1.8	..
Malaysia	0.7	0.5	0.4	..	..	1.6	..
Other Asia	1.9	1.0	3.7	..	..	5.1	..
India	0.4	0.2	2.9	..	..	3.6	..
Viet Nam	0.1	0.2	0.4	..	..	0.9	..
Other	2.4	2.8	2.6	..	..	0.0	..

.. Not available.

a According to government figures in the publication.

Source: WTO Secretariat calculations, based on data in the UNSD Comtrade database (SITC, Rev.3) and information provided by the authorities.

Table A1.4 Origin of imports, 2005-2011
(US$ million and %)

	2005	2006	2007	2008 [a]	2009 [a]	2010	2011 [a]
World (US$ million)	2,735.2	3,150.5	4,656.5	5,725.1	4,419.3	5,133.3	6,802.3
				(%)			
America	9.8	7.5	11.3	..	..	7.8	..
United States	4.9	2.9	5.5	..	..	3.3	..
Other America	4.9	4.7	5.9	..	..	4.5	..
Brazil	2.6	2.7	3.4	..	..	1.7	..
Europe	39.4	36.1	33.8	..	..	34.0	..
EU (27)	37.7	35.0	32.7	..	..	31.5	..
France	18.6	17.2	15.4	..	..	14.6	..
Germany	3.8	3.4	3.0	..	..	3.7	..
Belgium	3.9	4.1	3.4	..	..	3.0	..
Italy	2.8	2.7	2.9	..	..	2.4	..
Netherlands	1.7	1.3	2.4	..	..	1.6	..
Spain	1.3	1.1	1.1	..	..	1.5	..
United Kingdom	1.6	1.3	1.5	..	..	1.4	..
EFTA	0.5	0.5	0.6	..	..	1.4	..
Other Europe	1.2	0.6	0.5	..	..	1.1	..
Turkey	0.7	0.6	0.5	..	..	1.1	..
Commonwealth of Independent States (CIS)	1.5	1.6	0.5	..	..	0.5	..
Africa	30.8	36.9	36.6	..	..	29.5	..
Nigeria	22.1	23.3	26.6	..	..	18.2	..
Equatorial Guinea	2.0	3.5	4.8	..	..	2.4	..
South Africa	1.5	1.4	1.2	..	..	2.1	..
Mauritania	1.5	1.4	1.0	..	..	1.6	..
Côte d´Ivoire	0.9	2.1	0.7	..	..	0.9	..
Congo, Democratic Republic of the	0.0	0.0	0.0	..	..	0.7	..
Middle East	1.1	0.8	0.9	..	..	1.4	..
Asia	17.1	16.9	16.8	..	..	23.2	..
China	5.2	6.3	6.6	..	..	10.6	..
Japan	3.3	2.7	2.4	..	..	3.0	..
Six East Asian trading countries	4.1	3.2	3.8	..	..	5.1	..
Thailand	2.5	1.3	1.9	..	..	3.0	..
Korea, Republic of	0.6	0.4	0.5	..	..	1.1	..
Other Asia	4.5	4.6	3.9	..	..	4.5	..
India	1.3	1.9	2.4	..	..	2.4	..
Viet Nam	1.6	0.8	0.5	..	..	0.9	..
Other	0.4	0.1	0.1	..	..	3.7	..

.. Not available.

a According to government figures in the publication.

Source: WTO Secretariat calculations, based on data in the UNSD Comtrade database (SITC, Rev.3) and information provided by the authorities.