



-Cameroon-
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GENERAL FEATURES OF TRADE POLICY

Since 1995, the Cameroonian economy has started to recover slowly but steadily from its earlier prolonged depression. Growth has averaged 4.7% a year over the last five fiscal years (1995/96-1999/00). Over the same period, inflation and the fiscal deficit have been low. The improved performance is due mainly to the implementation of structural reforms (economic liberalization and privatization) as well as favourable external events. Structural reforms have focused on the privatization of state monopolies and price liberalization to allow market forces to allocate resources. In this context, the Government sees trade liberalization as integral to its efforts in modernizing the economy. Trade policy objectives continue to be oriented towards a more open trade regime, and increasing market access for Cameroon's exports.

Agriculture and forestry are the main contributors to GDP, with the petroleum sector also of considerable importance to the economy. Cameroon's exports are dominated by petroleum and petroleum products. Other important export items include cocoa (notably beans), coffee, aluminium, and lumber. Manufactured products dominate imports. The geographic pattern of Cameroon's trade has remained more or less the same since 1995: the European Union (EU) continues to be the dominant market for exports (accounting for around 66% of merchandise exports in 1999/00) as well as the main source of imports (50%).

The following table is an overview of the tradeflow between the European Union and Cameroon

Section	Year	Import(Euro)	Export(Euro)
Animals & animal products	1996	3,720,400	11,797,880
	1997	5,300,240	16,042,930
	1998	9,384,000	17,262,720
	1999	7,488,990	21,788,540
	2000	7,132,360	27,811,930
	2001	5,169,130	29,042,120
	2002	2,340,070	29,065,380
	2003	2,178,750	33,499,830
Vegetable products	1996	217,929,210	44,832,930
	1997	234,545,910	35,500,460
	1998	171,125,030	43,351,520
	1999	188,930,490	34,053,540
	2000	224,339,370	41,690,720
	2001	210,684,290	55,230,640
	2002	180,958,540	60,699,770
	2003	229,162,740	62,915,820
	1996	5,664,150	1,644,650
	1997	3,510	1,728,350

Animal or vegetable fats	1998	3,335,430	1,609,920
	1999	155,430	4,933,300
	2000	2,987,860	6,040,350
	2001	2,235,910	4,688,030
	2002	79,870	8,316,380
	2003	25,530	10,935,120
Prepared foodstuffs	1996	154,827,290	30,524,320
	1997	125,610,740	41,477,450
	1998	180,834,940	58,444,400
	1999	149,994,250	54,261,630
	2000	98,087,430	59,241,120
	2001	166,055,050	68,481,360
	2002	161,032,080	70,144,980
2003	256,894,650	60,635,470	
Mineral products	1996	326,392,350	14,604,820
	1997	616,993,410	23,068,190
	1998	439,998,830	22,125,230
	1999	403,331,190	9,839,560
	2000	629,827,950	18,293,060
	2001	664,140,000	19,946,160
	2002	661,776,710	24,356,330
	2003	696,300,200	20,691,800
Chemical products	1996	299,410	87,216,940
	1997	438,460	106,452,150
	1998	167,690	125,675,440
	1999	75,910	106,599,200
	2000	494,940	120,164,310
	2001	125,040	133,141,980
	2002	6,198,460	146,786,560
	2003	1,023,430	143,761,350
Plastics & rubber	1996	50,684,700	27,540,050
	1997	41,708,550	34,056,270
	1998	32,723,300	33,752,530
	1999	32,758,480	32,154,650
	2000	42,073,940	36,651,590
	2001	36,775,850	44,112,950
	2002	34,218,010	45,448,300
	2003	44,376,070	38,257,250
Hides & skins	1996	2,537,950	671,610
	1997	2,756,440	843,800
	1998	1,882,910	1,288,130
	1999	1,290,780	1,102,040
	2000	1,520,890	1,555,770
	2001	652,740	1,581,860
	2002	1,115,710	2,373,700
	2003	637,360	1,523,050
Wood & wood products	1996	316,719,400	586,600
	1997	379,179,110	582,840
	1998	456,216,750	468,150
	1999	401,733,660	352,450
	2000	481,098,920	564,380
	2001	453,554,920	443,610
	2002	384,289,980	578,380
	2003	374,581,510	536,180
Wood pulp products	1996	7,500	32,377,690
	1997	28,520	36,822,420
	1998	179,480	35,997,680
	1999	101,320	33,991,490
	2000	142,420	42,182,600
	2001	142,210	54,617,400
	2002	1,144,770	57,330,340

	2003	837,210	54,879,970
Textiles & textile articles	1996	18,784,280	41,377,650
	1997	36,112,250	46,400,300
	1998	37,211,400	53,577,760
	1999	26,636,720	47,993,890
	2000	41,811,430	50,471,780
	2001	49,393,240	51,013,450
	2002	41,871,740	50,196,160
	2003	29,849,610	46,442,560
Footwear, headgear	1996	151,750	4,825,160
	1997	225,700	6,628,950
	1998	143,190	9,830,650
	1999	166,050	11,532,410
	2000	474,440	12,770,750
	2001	239,790	12,113,150
	2002	191,850	10,545,390
	2003	125,340	9,064,120
Articles of stone, plaster, cement, asbestos	1996	27,090	8,839,220
	1997	29,700	10,427,440
	1998	33,810	15,763,100
	1999	38,600	12,255,140
	2000	225,210	11,525,470
	2001	136,980	15,509,950
	2002	96,430	17,444,780
	2003	82,720	15,371,640
Pearls, (semi-)precious stones, metals	1996	147,790	1,767,160
	1997	2,259,570	2,351,450
	1998	4,822,540	2,426,570
	1999	5,800,760	3,861,880
	2000	1,091,160	2,674,490
	2001	360,070	1,877,840
	2002	1,279,640	1,998,030
	2003	4,101,010	3,503,520
Base metals & articles thereof	1996	83,178,500	41,778,160
	1997	85,233,310	49,974,950
	1998	75,302,290	61,297,690
	1999	94,631,830	47,087,150
	2000	129,815,740	77,012,670
	2001	113,270,960	159,721,250
	2002	59,415,710	100,771,790
	2003	69,302,150	71,217,050
Machinery & mechanical appliances	1996	765,470	121,656,890
	1997	1,099,790	130,934,060
	1998	1,816,570	176,575,830
	1999	1,479,320	180,395,370
	2000	3,033,390	196,791,810
	2001	1,849,570	250,700,760
	2002	4,798,760	257,845,560
	2003	5,252,170	248,299,700
Transportation equipment	1996	1,439,560	69,361,940
	1997	82,050	109,881,500
	1998	159,250	134,430,170
	1999	184,230	77,174,640
	2000	200,610	100,224,040
	2001	935,610	112,524,890
	2002	1,650,980	131,007,410
	2003	1,686,910	111,103,820
Instruments - measuring,	1996	440,010	9,685,940
	1997	811,700	11,690,880
	1998	901,100	14,231,530
	1999	1,044,370	11,645,880

musical	2000	780,320	14,397,970
	2001	461,110	19,790,270
	2002	2,123,660	18,609,090
	2003	2,684,980	18,246,380
Arms & ammunition	1996	0	264,700
	1997	0	392,580
	1998	0	709,820
	1999	2,180	1,129,410
	2000	150	498,210
	2001	0	1,638,410
	2002	0	843,850
	2003	0	1,250,920
Miscellaneous	1996	64,090	7,814,000
	1997	80,710	9,316,950
	1998	99,540	12,301,010
	1999	251,260	11,014,630
	2000	390,280	11,838,940
	2001	122,450	17,387,590
	2002	596,220	16,704,560
	2003	371,280	12,955,610
Works of art	1996	263,020	2,550
	1997	632,350	14,710
	1998	91,740	29,870
	1999	96,000	13,690
	2000	212,030	145,920
	2001	127,440	92,710
	2002	104,050	162,520
	2003	145,450	20,750
Other	1996	235,320	956,380
	1997	84,400	1,064,190
	1998	134,480	1,598,070
	1999	175,380	911,430
	2000	365,640	10,642,650
	2001	176,080	780,720
	2002	721,750	2,421,470
	2003	3,112,870	1,746,570

Agriculture and Fisheries
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The agriculture sector has undergone thorough reform since 1994: quantitative restrictions on imports and exports have been removed, and most parastatals have been privatized. Export taxes on other agricultural products, including cocoa, coffee, cotton, sugar, and palm oil, were removed recently.

The Government sees the development of the agriculture sector as the best means for reducing poverty in Cameroon and stimulating economic growth. It is determined to further liberalize the sector, including through privatization. Its strategy is to improve the sector's competitiveness and enhance factor productivity, with a view to strengthening growth and increasing farmers' income. The Government's efforts are also aimed at diversifying domestic production and promoting export diversification. The average MFN tariff levied on agriculture (WTO definition) is 22.5%.

Chemicals
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Oil-related activities account for around 5.5% of GDP and 45% of exports; other mineral deposits in Cameroon remain largely unexploited. The Government's policy objectives are to develop the oil and minerals sectors' potential through further liberalization and provision of incentives, as well as to increase efficiency and transparency in the management of the oil sector. The Government is to develop a legislative and regulatory framework for mining, natural gas, and petroleum activities that will allow for the development of offshore reserves, promote and develop hydroelectric potential, and

promote the distribution of petroleum products.

**Services -
Communications
& Audiovisual
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Important efforts have been made to reform Cameroon's telecommunications sector. The sector is now regulated by the 1998 Telecommunications Law, which calls for the privatization of the sector and established a regulatory body to ensure the proper functioning of the industry and competition among individual operators.

**Services -
Financial
last updated on
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Cameroon's banking sector has undergone a thorough reform. Since the late 1980s, the authorities have implemented a programme of privatization, liquidation, and recapitalization of banks, and have reinforced the regulatory and supervisory capacity. The Government sold its last state-owned bank in January 2000. The Central African States Bank (BEAC) regulates the sector through its regional banking commission (COBAC), which shares responsibility with the national ministries of finance for licensing new banks. Cameroon is one of the 14 African countries that ratified the Treaty of the Inter-African Conference on Insurance Markets (CIMA), and adopted a common code with respect to the insurance sector.

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TARIFFS AND DUTIES

Cameroon is a founding Member of the WTO and grants at least MFN treatment to all its trading partners. Its tariff binding commitments cover around 15% of its total tariff lines. As a developing country, Cameroon used transition periods to implement a number of commitments under various WTO Agreements. Most of Cameroon's annual notification requirements under the WTO Agreements are yet to be fulfilled.

Cameroon's trade policies and practices are, to a large extent, determined regionally under CEMAC (Communauté économique et monétaire de l'Afrique centrale). Certain areas, such as trade in services, are regulated by both supra national, and national regulation covering issues not subject to common regional rules.

The CEMAC is based on an economic and monetary union. One of the objectives of the Community is to establish a unified market allowing for open trade and capital flows between its Member States. A Common External Tariff (CET) is in place for trade with third countries, while trade inside the Community has been duty free since 1998. The CET has four rates: 5% (for essential goods); 10% (for raw materials and capital goods); 20% (for intermediate goods); and 30% (for consumer goods). A common regional central bank (BEAC) establishes and administers monetary policy for CEMAC members. Recent developments show that progress has been achieved in the Community towards economic union; efforts are also under way for the harmonization of internal taxation, facilitation of the movement of persons and capital (a regional Investment Charter was adopted in 1999), and the free circulation of services. However, trade between Cameroon and its CEMAC partners is low compared with the trade flows between Cameroon and its main trading partners in Europe.

Cameroon's main trade policy instrument is the tariff. All applied tariffs are ad valorem, and there are no seasonal or variable rates, adding to the transparency of the regime. The simple average applied MFN tariff was 18.3% in 2000.

As a result of the Uruguay Round negotiations, Cameroon bound all its agricultural (WTO definition) tariff lines at a ceiling rate of 80%, while only three tariff rates levied on non-agricultural products were bound. The bound tariff rates are substantially higher than the applied rates.

Imports, as well as domestically produced goods, are subject to a value-added tax (18.7%), and some products to a 25% excise tax (alcoholic beverages, cigarettes, cosmetics, and jewellery). The relatively few import restrictions currently in place are aimed at ensuring security, and protecting public health and the environment.

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NON TARIFF BARRIERS

Customs procedures have been streamlined through the opening of a single-window facility. For customs valuation, Cameroon continues to use the Brussels Definition of Value, but as of July 2001 it is expected to apply the WTO Customs Valuation Agreement. Cameroon has legislation regulating contingency trade measures (anti-dumping, countervailing and safeguards) but has not applied such measures to date. Standardization is at an early stage in Cameroon.

The Cameroon export regime has been further liberalized during the review period. At present, export licences apply only to "sensitive" goods (e.g. gold and diamonds) while coffee and cocoa require an export certificate to ensure quality. Remaining export prohibitions, such as on hazardous products, are in place for health and environmental reasons. All export taxes, except those levied on logs, have been removed. Exports of logs are also subject to quotas. Cameroon does not grant any specific assistance to exporters other than tax incentives. Tax incentives are also provided to promote industrial development, encourage exports, raise value added, and create employment. These incentives are contingent upon export performance and, in certain instances, on the use of domestic inputs.

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INVESTMENT RELATED BARRIERS

Foreign investment is considered by the Government as a key factor in Cameroon's economic development. Various initiatives have been undertaken to attract foreign investors, including the simplification of administrative procedures, the provision of specific incentives, implementation of competition legislation, judicial reform, privatization, and a National Governance Programme to fight corruption. Cameroon's investment legislation contains all the basic elements to provide an open liberal investment climate. However, it appears that the implementation of these initiatives has been slow.

government procurement:

Cameroon has introduced new legislation on government procurement, particularly to enhance the transparency of the regime. In principle, local companies receive a 20% price-preference margin on all government procurement. The Government has undertaken efforts to fight corruption and increase transparency; it has established requirements for wider tender announcements, independent monitors for large contract awards, and has instituted more regular audits of tender awards.

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IPR

Intellectual property legislation has been revised at the regional level (under the African Intellectual Property Organization, OAPI), to seek compliance with the TRIPS Agreement; implementation of the revised legislation still awaits ratification by five of OAPI's 15 members.

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OTHERS

The process of privatization in Cameroon, which started in 1990, has continued; however, state monopolies remain in some utilities (water and electricity). In 1997, a new law to regulate competition policy was adopted and applies both to private and public enterprises. Services provided by state monopolies, as well as some basic goods, are subject to price controls.

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