



## Doing Business in Cameroon:

### 2013 Country Commercial Guide for U.S. Companies

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## Chapter 1: Doing Business In Cameroon

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### Market Overview

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- Cameroon is the largest economy in the six-nation Central African Economic and Monetary Community (CEMAC). With a population of over 20 million people, the IMF estimated Cameroon's GDP (at purchasing power parity) for 2012 to be over \$50 billion. The IMF projects 5% growth in 2013 and notes that Cameroon boasts one of the highest per capita GDPs (by purchasing power parity) in sub-Saharan Africa, at \$2,366.
- Cameroon has a wealth of natural resources, including rich potential in the agricultural, forestry, and mining sectors, an ample labor force, and an enviable location between markets in Nigeria to the west and Central Africa, Chad, Republic of Congo, Gabon, and Equatorial Guinea to the south and east. Cameroon is often described as "Africa in Miniature" because of its ethnic, linguistic, and geographic diversity.
- The Bank of Central African States (BEAC) sets some aspects of monetary policy for Cameroon and other CEMAC members. CEMAC's currency, the Central African CFA Franc (CFA), is managed by BEAC and guaranteed at a rate of 655.957 CFA to the euro by the French Treasury. Cameroon is also a member of a much larger economic zone called Economic Community of Central African States (ECCAS or CEEAC), which includes the Democratic Republic of Congo and Angola, and which represents a market of 120 million people.
- Cameroon's major exports are oil, timber, and cash crops such as cocoa, coffee, rubber, cotton, and bananas. Cameroon imports mainly semi-processed products, industrial inputs, machinery, food products, pharmaceuticals, automobile, machinery, and light crude oil from neighboring countries. The European Union is Cameroon's main trading partner. Nigeria and France are Cameroon's major suppliers of imported goods and services.
- A committee commissioned by the Government of the Republic of Cameroon (GRC) in May 2007 found the United States to be the largest single foreign investor in Cameroon, in large part due to the substantial American equity in the Chad-Cameroon pipeline and the power sector. Trade between the two countries has been on a steady increase since 2009, almost doubling by 2012, as Cameroonians continue to discover and appreciate the high standards and quality of U.S. goods.
- Yaounde is the nation's political capital, but Douala, the largest city, serves as the country's commercial center. Almost all transport in and out of Cameroon, Chad, and

the Central African Republic transits through Douala's port, located slightly inland from the Gulf of Guinea, on the banks of the Wouri River. If Cameroon improves its road infrastructure (including access routes to Nigeria, the most populous country in Africa) and its customs management, the country could become a more attractive trade hub for exporting to the entire region.

- Until December 2012, Cameroon was served by three competing mobile telephone service providers and access to the Internet, including broadband, is available in the major cities, although problems with capacity often hamper services. The government recently granted a fourth operating license (and first 3G license) to Viettel, a Vietnamese mobile operator.

- Cameroon is a republic, with a strong central government headed by President Paul Biya, who has been in office since 1982. Presidentially appointed Governors oversee the ten Regions (formerly "Provinces"), and presidentially appointed Government Delegates manage larger cities. Although the Constitution provides for a National Assembly (Parliament), a Senate, and an independent judiciary, there is little separation of power between government branches and power is concentrated within the Presidency.

## Market Challenges

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- Despite its potential, Cameroon continues to be a challenging business environment, ranking among the lower quarter of the countries surveyed in the World Bank's annual "[Doing Business](#)" survey. Difficulty in resolving commercial disputes, particularly the enforcement of contractual rights, remains one of the serious obstacles to promoting investment in Cameroon. Additionally, transactions that involve the government often face significant delays and may be subject to a "sole source" tender process that is difficult to navigate and lacks transparency. Corruption is rampant.

- The private sector continues to cite a predatory business tax administration, obstructive administrative bottlenecks and red tape, insufficient and unreliable electricity, and inadequate infrastructure as impediments to greater economic growth.

- Although Cameroon is officially a bilingual (French and English) country, French is the predominant language. In the informal economic sector, Cameroonians often communicate in "Pidgin," a Creole English, which is in effect the lingua franca.

## Market Opportunities

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Cameroon's transportation, energy, water, agriculture, oil and gas, mining, and industrial sectors offer considerable investment opportunities.

- Transportation, energy, & water: Fueled by the successful sovereign bond issue of over \$400 million in 2010, and subsequent successful short-term bond issues in 2011 and 2012, the government has pledged to expand and improve Cameroon's infrastructure in a host of areas.

• Agriculture: Cameroon's agricultural sector is the mainstay of the national economy and the largest source of employment, but there is considerable room for growth and modernization, especially in agro-industrial food processing. Much arable land is under-utilized. Productivity is relatively poor because of limited availability of fertilizers and mechanization.

• Oil and Gas: Cameroon's oil production prospects improved in 2012 thanks to confirmation of reserves in new fields and improved technology that has increased the viability of old fields. Analysts concur that that Cameroon may have more reserves in the South, the North near the Chad oil basin, and offshore in the Bakassi area. The National Hydrocarbons Company (French acronym SNH) projects an increase of 15% in production in 2013.

• Mining: Cameroon is richly endowed with mining assets including bauxite, cobalt, uranium, iron ore, diamonds, rutile, and gold, but only diamond mining operations have begun. Several large companies have exploration permits that are many years old.

• Manufacturing and diversified industries: Cameroon assembles imported components for local consumption and regional export, including motorbikes, simple construction equipment like wheel barrows and carts, tractors, computers, and other electronics. This sector represents more than 30% of GDP and employs 15% of the active population. Planned investment in transportation, communications, and power infrastructure should encourage this sector in the medium-term by facilitating trade links with neighboring countries.

## Market Entry Strategy

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Entrants to the Cameroonian market might consider engaging locally hired representatives to provide guidance on the business environment, identify customers, and obtain market information. For products requiring after-sales service and spare parts, the Embassy recommends that exporters consider operating through a distributor or dealership. Agents and distributors must register with the government and their contracts must be notarized and published in the local press.

The GRC has taken steps to attract new foreign investment. A new investment law passed in April 2013 applies to all business sectors except mining and exploration and extraction of oil and gas. The law provides financial incentives to firms that promote development such as by hiring at least five Cameroonians a year; investing in rural areas; reducing pollution; or developing social or cultural activities. The [Cameroonian Investment Promotion Agency](#) seeks to assist foreign companies investing in Cameroon.

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## COUNTRY FACT SHEET: CAMEROON

### PROFILE

Population in 2011 (Millions): 21  
 Capital: Yaoundé  
 Government: Republic

### ECONOMY

	2009	2010	2011
Nominal GDP (Current Billions \$U.S.)	22.2	22.5	25.6
Nominal GDP Per Capita (Current \$US)	1,114	1,100	1,225
Real GDP Growth Rate (% change)	2.0	2.9	4.2
Real GDP Growth Rate Per Capita (% change)	-0.80	0.42	1.7
Consumer Prices (% change)	3.0	1.3	2.9
Unemployment (% of labor force)			
Economic Mix in 2007: 30.6% All Industries; 16.5% Manufactures; 49.9% Services; 19.5% Agriculture			

### FOREIGN MERCHANDISE TRADE (\$US Millions)

	2009	2010	2011
Cameroon Exports to World	1,732	3,878	2,147
Cameroon Imports from World	3,789	5,133	5,074
U.S. Exports to Cameroon	154	132	221
U.S. Imports from Cameroon	250	297	330
U.S. Trade Balance with Cameroon	-96.2	-165	-110
<b>Position in U.S. Trade:</b>			
Rank of Cameroon in U.S. Exports	132	134	129
Rank of Cameroon in U.S. Imports	101	99	107
Cameroon Share (%) of U.S. Exports	0.01	0.01	0.01
Cameroon Share (%) of U.S. Imports	0.02	0.02	0.01

#### Principal U.S. Exports to Cameroon in 2011:

1. Machinery, Except Electrical (35.1%)
2. Transportation Equipment (15.3%)
3. Chemicals (12.8%)
4. Special Classification Provisions, Nesoi (8.3%)
5. Food & Kindred Products (6%)

#### Principal U.S. Imports from Cameroon in 2011:

1. Petroleum & Coal Products (64.1%)
2. Food & Kindred Products (12.5%)
3. Forestry Products, Nesoi (10.5%)
4. Wood Products (8.5%)
5. Agricultural Products (2.2%)

### FOREIGN DIRECT INVESTMENT

	2009	2010	2011
U.S. FDI in Cameroon (US \$Millions)	50	19	18
FDI in U.S. by Cameroon (US \$Millions)	-2.0		

### DOING BUSINESS/ECONOMIC FREEDOM RANKINGS

World Bank Doing Business in 2012 Rank: 161 of 185  
 Heritage/WSJ 2012 Index of Freedom Rank: 135 of 179

Source: Created by USDOC/ITA/OTII-TPIS from many sources: FDI from USDOC, Bureau of Economic Analysis. US Trade from USDOC, Census Bureau, Foreign Trade Division. Cameroon Trade with World from United Nations where available. National Macroeconomic data from IMF/World Bank databases including World Economic Outlook and World Development Indicators. .WORLD and other country aggregates are summaries of available UN COMTRADE, IMF and other data, and coverage varies over time and by source, but typically represents greater than 85 percent of world trade and production. Note: Principal U.S. Exports and Imports Are 3-digit NAICS Categories

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## **Chapter 2: Political and Economic Environment**

For background information on the political and economic environment of Cameroon, please click on the link below to the [U.S. Department of State Background Notes](#).

<http://www.state.gov/r/pa/ei/bgn/26431.htm>

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## Chapter 3: Selling U.S. Products and Services

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### Using an Agent or Distributor

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Several dozen American companies operate in Cameroon, either directly or through agents or distributors.

The [U.S. Embassy](#) offers the full range of U.S. Department of Commerce (DOC) branded services to assist American businesses planning to enter the Cameroonian market. The Gold Key Service, International Partner Search, and International Company Profile Report are fee-based services that provide American companies with introductions to business and political leaders, vetting of local agents and partners, and market research. Domestic U.S. [Export Assistance Centers](#) will provide useful insight on how to leverage these services.

### Establishing an Office

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Cameroon's Ministry of Small and Medium-Size Enterprises has established a "one stop shop" intended to facilitate opening a business in a matter of days. The World Bank's annual Doing Business survey provides a good guide to the challenges to establishing an office in Cameroon:

<http://www.doingbusiness.org/ExploreTopics/StartingBusiness/Details.aspx?economyid=34>.

## Franchising

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Although there are some successful franchises of American companies in Cameroon, the potential for franchising remains largely unexplored and untapped. The strength and popularity of the “Made in the USA” brand in Cameroon suggests that American-origin franchises could be successful. Franchising statutes are determined by the [African Intellectual Property Organization](#) (OAPI), which is based on the Bangui Convention. The Cameroon Franchise Association (CFA) is a member of the Washington, D.C.-based International Franchise Association.

## Direct Marketing

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For the most part, direct marketing does not exist in Cameroon. However, some non-traditional formal channels of marketing include SMS messaging.

## Joint Ventures/Licensing

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Cameroonian law requires registration by branches of foreign entities that intend to have a permanent establishment in Cameroon. Seeking professional assistance in negotiating agreements, selecting partners, and carefully controlling resources are vital when establishing a presence in the Cameroonian market. Joint ventures and licensing arrangements require caution, as widespread corruption and business scams present risks for investors.

## Selling to the Government

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Government procurement sometimes follows a public call for tenders and a competitive selection process. Government project “owners” (responsible line ministries) are effectively in charge of the tender process, from the publication of tender notices to the award of the contracts. In principle, all procurement contracts equal to or above \$10,000 must pass through a tender process supervised by a special committee put in place by the Public Procurement Regulatory Agency. Cameroon has established a general legal framework for public-private partnership (PPP) contracts. Under the PPP arrangement, government project owners can grant contracts to private entrepreneurs on Over-The-Counter (mutual agreement) basis. This framework proves helpful, as contracts of this type are more complex than traditional concession contracts. The key legal framework is defined by Law 2006/012 of December 29, 2006, establishing the general partnership contract system and Decree 2008/0115/PM of January 24, 2008, specifying the procedures for the implementation of Law 2006/012. Contracts in certain sectors (roads, buildings, general supplies over a certain amount, and services) are subject to the control and monitoring of special committees at the Prime Minister’s office or the Ministry of Public Contracts.

Some invitations to tender are published on the Internet and local newspapers, and the U.S. Embassy in Yaounde generally receives copies of invitations to tender for Government Procurements from the Regulation Board, especially when international financial institutions such as the World Bank, IMF, African Development Bank or the

European Development Bank provide the financing. The Embassy then transmits them to the U.S. Department of Commerce as trade leads for dissemination to the American business community.

## **Distribution and Sales Channels**

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Distribution: Almost all goods entering Cameroon (and land-locked neighbors Chad and the Central African Republic) transit through the Port of Douala and are distributed by trucks on the road network. There is a functioning rail infrastructure from Douala through Yaounde to Ngaoundere and from Douala to Kumba. The Government is building a deep water port in Kribi with financing from the Chinese government. Although goods destined for neighboring countries may pass through Cameroon duty-free, shippers must pay high fees for GPS tracking. The U.S. Embassy has received numerous reports about undue delays for goods entering Cameroon, as well as reports of corrupt customs officials.

Sales: Cameroon boasts a large network of small retail shops that distribute a variety of merchandise in all parts of the country. Supermarket outlets and wholesalers exist in larger cities. Retail trade is dominated by European, Lebanese, Pakistani, Indian, Chinese, and a sizeable number of Cameroonians who have developed efficient distribution systems. Cameroonian buyers are price-sensitive. In spite of this, Cameroonian consumers generally value the U.S.A. brand and consider U.S. products to be price competitive.

## **Selling Factors/Techniques**

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All imported goods sold in Cameroon should bear the label "Vente en CEMAC," which means sold in CEMAC. Cameroonians speak French and English. Products labeled in both languages will have competitive edge. Cameroon's personal credit markets are not developed, but several Cameroonian banks now offer credit cards and a consumer debit card system. The economy is still heavily cash-based.

## **Electronic Commerce**

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Electronic commerce faces serious challenges in Cameroon due to the lack of internet penetration. The high prevalence of fraud originating from Cameroon also hinders growth. Despite these serious challenges, Cameroon's IT sector is growing, providing more opportunities for electronic commerce. The following are some examples of business-to-business websites:

<http://www.buycameroon.com/>  
<http://camerounauto.com/>  
<http://www.creashopping.com/en/>  
<https://www.virtualpaycash.net/>  
<http://www.kerawa.com/>  
<http://www.codecis.net/>

Advertising is available in Cameroon through a wide variety of media, including mobile telephony, newspapers, magazines, billboards, radio, television, and the Internet.

Newspaper and magazine advertising may be placed at reasonable rates with the government-owned daily Cameroon Tribune or with more than 20 private print media publications. Major newspapers include:

- Cameroon Tribune (government-owned, bilingual daily): B.P. 1218, Yaounde, Cameroon; Tel.: (237) 2230 4147 or 2230 -3689; Fax: (237) 22 30 - 4362. <http://www.cameroon-tribune.cm>
- Mutations (privately-owned, French-language daily): B.P. 12348, Yaounde, Cameroon; Tel.: (237) 2230 6680; Fax (237) 2230 6675. <http://www.quotidienmutations.info>
- Le Messenger (privately owned, French-language daily): B.P. 5925, Douala, Cameroon; Tel.: (237) 33 42 0439; Fax: (237) 3342 5374. <http://www.lemessenger.net>
- La Nouvelle Expression (privately-owned, French-language daily): B.P. 15333, Douala, Cameroon; Tel.: (237) 3432 2227; Fax: (237) 3343 2669. <http://www.lanouvelleexpression.infonet>
- Le Jour (privately-owned, French-language daily): B.P. 15333, Douala, Cameroon; Tel.: (237) 2204 0185 <http://www.quotidienlejour.com>

Private advertising firms may be contacted for publicity assistance.

**PROMOTE**, Cameroon's most prestigious international trade show and the largest such event in the region, staged its fourth edition at the Yaounde Conference Center in December 2011. Over 30 U.S. companies, including 11 U.S.-based firms, showcased products and services at this trade show as part of an Embassy sponsored "American Pavilion." PROMOTE is scheduled to take place again in December 2014. For more information, please contact the Embassy Commercial Section and check the website: [www.salonpromote.org](http://www.salonpromote.org).

Although Cameroonian businesses and consumers are price-sensitive, the relative lack of competition in Cameroon translates to highly priced goods. Many Cameroonians perceive American-made goods to be of superior quality and thus may be prepared to pay a premium over lesser-quality goods.

The Cameroonian government interferes with the pricing on some goods. The Ministry of Commerce periodically attempts to enforce price controls by shutting down violators or investigating retailers who refuse to sell at the homologated prices. In January 2011, the government also set up a commodity purchasing board in a further attempt to regulate the supply and price of basic goods. Price controls apply to products (electricity, water, cooking fuel, pharmaceuticals, beer, rice, sugar, salt, fish, and poultry products) as well as services (public transportation, telecommunications, and portside activities, such as stevedoring).

U.S. exporters can price their product in euros, especially for deliveries over a 6-12 month period, as the currency (CFA) is pegged at a fixed exchange rate to the euro. Costs should be computed on a cost, insurance, and freight (CIF) basis.

## **Sales Service/Customer Support**

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Potential customers of American-made products may be deterred by the difficulty of finding qualified after-sales service or reasonably priced spare parts in Cameroon. The Embassy recommends using a local distributor for products requiring after-sales services or customer support. The availability of French-language user manuals, training courses, and spare parts are crucial components of after-sales services in Cameroon.

## **Protecting Your Intellectual Property**

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### **Protecting Your Intellectual Property in Cameroon:**

Several general principles are important for effective management of intellectual property (“IP”) rights in Cameroon. First, it is important to have an overall strategy to protect your IP. Second, IP is protected differently in Cameroon than in the United States. Third, rights must be registered and enforced in Cameroon, under local laws. Your U.S. trademark and patent registrations will not protect you in Cameroon. There is no such thing as an “international copyright” that will automatically protect an author’s writings throughout the entire world. Protection against unauthorized use in a particular country depends, basically, on the national laws of that country. However, most countries do offer copyright protection to foreign works under certain conditions, and these conditions have been greatly simplified by international copyright treaties and conventions.

Registration of patents and trademarks is on a first-in-time, first-in-right basis, so you should consider applying for trademark and patent protection even before selling your products or services in the Cameroon market. It is vital that companies understand that intellectual property is primarily a private right and that the U.S. Government generally cannot enforce rights for private individuals in Cameroon. It is the responsibility of the rights’ holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. Companies may wish to seek advice from local attorneys or IP consultants who are experts in Cameroonian law. The U.S. Embassy can provide a list of local lawyers upon request.

While the U.S. Government stands ready to assist, there is little we can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IP in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the USG can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to legal doctrines such as statutes of limitations, laches, estoppel, or unreasonable delay in prosecuting a law suit. In no instance should U.S. Government advice be seen as a substitute for the obligation of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on potential partners. Negotiate from the position of your partner and give your partner clear incentives to honor the contract. A good partner is an important ally in protecting IP rights. Consider carefully, however, whether to permit your partner to register your IP rights on your behalf. Doing so may create a risk that your partner will list itself as the IP owner and fail to transfer the rights should the partnership end. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in Cameroon require constant attention. Work with legal counsel familiar with Cameroonian laws to create a solid contract that includes non-compete clauses, and confidentiality/non-disclosure provisions.

It is also recommended that small and medium-size companies understand the importance of working together with trade associations and organizations to support efforts to protect IP and stop counterfeiting. There are a number of these organizations, both Cameroon or U.S.-based. These include:

- The U.S. Chamber and local American Chambers of Commerce
- National Association of Manufacturers (NAM)
- International Intellectual Property Alliance (IIPA)
- International Trademark Association (INTA)
- The Coalition Against Counterfeiting and Piracy
- International Anti-Counterfeiting Coalition (IACC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Biotechnology Industry Organization (BIO)
- Inter-professional Business Council (GICAM)
- African Intellectual Property Organization (OAPI)
- African Regional Intellectual Property Organization (ARIPO)
- The Cameroon Bar Association
- Cameroon Music Corporation (CMC)
- Civil Society for the Protection of Rights of Musical Art
- Société Camerounaise de l'Art Musical (SOCAM)
- Collective Management Organizations of Copyright (SOCADAP)
- Civil Society for Audiovisual and Photographic Art (SCAAP) and
- Civil Society for Literary and Dramatic Art (SOCILADRA)

## **IP Resources**

A wealth of information on protecting IP is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the U.S. and other countries -- call the STOP! Hotline: **1-866-999-HALT** or register at [www.StopFakes.gov](http://www.StopFakes.gov).

- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the U.S. Patent and Trademark Office (USPTO) at: **1-800-786-9199**.
- For more information about registering for copyright protection in the U.S., contact the U.S. Copyright Office at: **1-202-707-5959**.
- For more information about how to evaluate, protect, and enforce intellectual property rights and how these rights may be important for businesses, a free online training program is available at [www.stopfakes.gov](http://www.stopfakes.gov).
- For U.S. small and medium-size companies, the Department of Commerce offers a "SME IP Advisory Program" available through the American Bar Association that provides one hour of free IP legal advice for companies with concerns in Brazil, China, Egypt, India, and Russia. For details and to register, visit: [http://www.abanet.org/intlaw/intlproj/ipprogram\\_consultation.html](http://www.abanet.org/intlaw/intlproj/ipprogram_consultation.html).
- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: [www.StopFakes.gov](http://www.StopFakes.gov). This site is linked to the USPTO website for registering trademarks and patents (both in the U.S. as well as in foreign countries), the U.S. Customs & Border Protection website to record registered trademarks and copyrighted works (to assist customs in blocking imports of IP-infringing products) and allows you to register for Webinars on protecting IP.
- The U.S. Commerce Department has positioned IP attachés in key markets around the world. You can obtain contact information for the IP attaché who covers Cameroon at the Regional U.S. Commercial Service [office](#) at the U.S. Consulate General in Johannesburg, South Africa.

## Due Diligence

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Due to the rise in internet scams, American companies wishing to do business in Cameroon should consider seeking professional assistance in negotiating agreements, selecting partners, and controlling resources. U.S. investors and companies seeking to sell goods and services to this market may also consult with the [U.S. Embassy](#), in order to verify the bona fides of unsolicited Internet deals or potential partners.

## Local Professional Services

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American investors should consider using the services of a local, market research firm, and other available professional service providers to deal with Cameroon's slow moving, complex, and oftentimes-corrupt business environment. The U.S. Embassy cannot recommend attorneys, but can provide a list of local attorneys.

- <http://www.doingbusiness.org/ExploreTopics/StartingBusiness/Details.aspx?economyid=34>
- <http://www.oapi.int/>
- <http://www.aripo.org/>
- [www.StopFakes.gov](http://www.StopFakes.gov).
- [http://www.abanet.org/intlaw/intlproj/ipprogram\\_consultation.html](http://www.abanet.org/intlaw/intlproj/ipprogram_consultation.html)
- <http://www.amchamcam.org/>
- <http://yaounde.usembassy.gov/commercial-services.html>

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## Chapter 4: Leading Sectors for U.S. Export and Investment

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- [Construction and Civil Engineering](#)

### **Agricultural Sectors**

- [Cereals](#)

## Oil and Gas Sector

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Unit: US\$thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Market Size	n/a	n/a		
Total Local Production	n/a	n/a		
Total Exports	n/a	n/a		
Total Imports	450,000	n/a		
Imports from the U.S.	64,271	187,369		
Exchange Rate: 1 USD	1US\$= 500 CFAF BEAC			

Data source: U.S. Department of Commerce Bureau of Census and Cameroon National Institute of Statistics.

Cameroon's declining oil production was projected to rise from 63,000 barrels per day in 2011 to over 75,000 in 2012 due to the reopening and optimizing of the production of mature wells which Perenco acquired from Total E&P in 2011, in addition to new wells from ADDAX Petroleum. Cameroon has embarked on a reinvestment program in the sector to increase production. Cameroon has over 135.1 billion cubic meters of proven reserves of natural gas, most of which is untapped. There are three significant hydrocarbon basins: the northwest offshore Rio del Rey Basin on the Niger Delta; the southwest offshore Douala / Kribi-Campo Basin; and the northern Logone Birni Basin.

### Sub-Sector Best Prospects

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- Drilling and oilfield equipment
- Casing, tubing, and drilling pipes.
- Parts for boring or sinking machinery of onshore oil and natural gas drilling and production platforms.
- Downstream oil and gas operations

### Opportunities

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The Government of the Republic of Cameroon, through the national hydrocarbons company (SNH), plans to develop Cameroon's natural gas resources. Opportunities exist in the setting up of a processing facility for the export market (specifically Europe, which has growing demand for LNG) and to meet local demand.

The Ministry of Energy and Water Resources is planning to construct a refined petroleum pipeline infrastructure linking the major cities to the lone refinery in Limbe.

There is a burgeoning class of local entrepreneurs in the downstream oil and gas sector. Over the last two years more than 50 fuel stations have been constructed by local entrepreneurs. TRADEX, the state-owned corporation in the downstream subsector,

projects to open 100 stations within the next five years. This will create sales opportunities for pumps, fuel dispensers and accessories.

## **Web Resources**

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Cameroon Ministry of Energy and Water Resources: <http://www.minee.cm/>

Cameroon Ministry of Finance: <http://www.finances.cm/>

Cameroon Ministry Economy, Planning and Regional Development: <http://www.minepat.cm/>

Public Contract Regulatory Board: <http://www.armp.cm/>

National Hydrocarbons Company (Societe Nationale des Hydrocarbures): <http://www.snh.cm/>

## Pharmaceuticals

### Overview

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Unit: US\$thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Market Size	n/a	n/a		
Total Local Production	n/a	n/a		
Total Exports	n/a	n/a		
Total Imports	140,000	n/a		
Imports from the U.S.	25,530	16,890		
Exchange Rate: 1 USD	1US\$= 500 CFAF BEAC			

Data source: U.S. Department of Commerce Bureau of Census and Cameroon National Institute of Statistics.

There is a growing demand for U.S. food supplements. A number of companies have secured contracts from U.S. manufacturers to represent their lines of natural products in Cameroon. In addition, chains of supermarket outlets have created spaces to import and distribute these products. Cameroonian pharmacists do not manufacture their own products.

### Sub-Sector Best Prospects

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- Natural products/food supplements
- Branded pharmaceutical products for private pharmacies
- Generic drugs for public hospitals
- Small medical equipment and materials

### Opportunities

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The Government of the Republic of Cameroon procures essential medical drugs for public hospitals through its national procurement center, CENAME. Every year, CENAME qualifies new suppliers through a shortlist process. Companies wishing to qualify as suppliers must submit a complete application file with the Department of Pharmacy and Pharmaceutical Drugs at the Ministry of Public Health.

### Web Resources

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Cameroon Ministry of Health: <http://www.minsante.cm/>

## Telecommunication

### Overview

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Unit: US\$thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Market Size	n/a	n/a		
Total Local Production	n/a	n/a		
Total Exports	n/a	n/a		
Total Imports	260,000	n/a		
Imports from the U.S.	2,073	3,631		
Exchange Rate: 1 USD	1US\$= 500 CFAF BEAC			

Data source: U.S. Department of Commerce Bureau of Census and Cameroon National Institute of Statistics.

Private wireless network providers, including South African MTN and French Orange, reportedly spend as much as \$200 million annually on telecom switching and infrastructure equipment. The state-owned CAMTEL has the monopoly on land line communications and the fiber optic backbone, which was until recently saturated and outdated. It also operates a mobile network with Chinese partners (Huawei) using Code Division Multiple Access technology. Viettel, a Vietnamese operator, recently won a license to develop the country's first 3G network.

### Sub-Sector Best Prospects

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- Telecommunication equipment for the transmission of voice, data, text, and full motion picture video between network termination points and telecommunication reselling.
- Switching equipment and transmission antennae to provide direct communication via airwaves.

### Opportunities

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CAMTEL and private companies (Orange and MTN) are expected to continue to upgrade their infrastructure in the coming years, including building a GSM network for CAMTEL. In December 2012, the GRC announced the award of a third wireless network license to Viettel, which plans to erect over 1,800 base transmission stations within the next two years.

### Web Resources

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<http://www.armp.cm/>

## Railway Transportation Equipment

### Overview

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Unit: US\$thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Market Size	n/a	n/a		
Total Local Production	n/a	n/a		
Total Exports	n/a	n/a		
Total Imports	15,000	n/a		
Imports from the U.S.	195	11,274		
Exchange Rate: 1 USD	1US\$= 500 CFAF BEAC			

Data source: U.S. Department of Commerce Bureau of Census and Cameroon National Institute of Statistics.

Cameroon Railway Transportation Company (CAMRAIL) has plans to source additional railroad equipment. The company has a 20-year concession to operate 1,100 kilometers of railroad track between Douala and Ngaoundéré. The concession agreement granted to CAMRAIL includes: technical and commercial management of the railway system, maintenance, renewal, development and exploitation of railway infrastructure, and management of the railway estate. With new shareholders and equity, the company plans to invest \$84 million in the next five years, according to media sources.

### Sub-Sector Best Prospects

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- Heavy-duty locomotives and parts
- Railway tracks and accessories, including control systems
- Railway passenger coaches both luxury and ordinary
- Rolling stock cars

### Opportunities

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CAMRAIL intends to acquire locomotives, passenger coaches, and track expansion accessories. In 2012, South Korea prepared a general railroad master plan for the Cameroonian government, which should be implemented within the next 25 years, given rail's critical role in the development of the Cameroonian mining sector.

### Web Resources

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The Public Contracts Regulatory Board: <http://www.armp.cm/>  
Cameroon Railways Transportation Company: <http://www.camrail.net/>

## Passenger Cars, Trucks and Buses

### Overview

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Unit: US\$thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Market Size	n/a	n/a		
Total Local Production	n/a	n/a		
Total Exports	n/a	n/a		
Total Imports	130,000	n/a		
Imports from the U.S.	10,500	13,106		
Exchange Rate: 1 USD	1US\$= 500 CFAF BEAC			

Data source: U.S. Department of Commerce Bureau of Census and Cameroon National Institute of Statistics.

The U.S. market share for new and used personal vehicles continues to rise. Local car dealers, which traditionally import mainly from Europe, have started sourcing from the U.S. auto market. The luxury vehicle market in Cameroon is traditionally dominated by European lines, but American models like Jeep Cherokee, Chrysler 300, Chevrolet Tahoe, (U.S.-made) Toyota Sequoia, and Ford Explorer are increasingly popular. In 2011, the government reduced customs duties by 30%. In March 2013, TRACTAFRIC Motors Cameroon announced that it has signed a representation contract to represent Ford brands in Cameroon.

### Sub-Sector Best Prospects

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- Four-wheel drive and other utility vehicles are in strong demand because of the poor state of Cameroonian roads.
- Specialized armored vehicles are in demand.
- Buses are in demand to service the urban and inter-urban transportation sub-sector.
- Trucks are in high demand for the construction and mineral exploitation sub-sectors.

### Opportunities

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- The military
- Petroleum companies
- Forest exploitation companies
- Mining companies
- Small traders and dealers

### Web Resources

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[www.tractafrictmc.com](http://www.tractafrictmc.com)

## Media - Newsprint

### Overview

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Unit: US\$thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Market Size	n/a	n/a		
Total Local Production	n/a	n/a		
Total Exports	n/a	n/a		
Total Imports	98,000	n/a		
Imports from the U.S.	5,485	5,145		
Exchange Rate: 1 USD	1US\$= 500 CFAF BEAC			

Data source: U.S. Department of Commerce Bureau of Census and Cameroon National Institute of Statistics.

Cameroon has no pulpwood manufacturing industry. Its market for paper products has been on the rise for the past seven years with new peaks in 2010 and 2011.

### Sub-Sector Best Prospects

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Newsprint  
Raw materials for recycled paper products

### Opportunities

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Private newspaper companies  
Newly created sanitary paper manufacturing facilities

### Web Resources

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- Cameroon Tribune: <http://www.cameroon-tribune.cm>
- Mutations: <http://www.quotidienmutations.info>
- Le Messenger: <http://www.lemessenger.net>
- La Nouvelle Expression: <http://www.lanouvelleexpression.infonet>
- Le Jour: <http://www.quotidienlejour.com>

## Mining

### Overview

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Unit: US\$thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Market Size	n/a	n/a		
Total Local Production	n/a	n/a		
Total Exports	n/a	n/a		
Total Imports	n/a	n/a		
Imports from the U.S.	6,126	8,566		
Exchange Rate: 1 USD	1US\$= 500 CFAF BEAC			

Data source: U.S. Department of Commerce Bureau of Census and Cameroon National Institute of Statistics.

According to the U.S. Geological Survey (USGS), Cameroon has significant resources in the three main subsectors of mining, which include construction, industrial, and metallic minerals. Cameroon has proven reserves of bauxite, cobalt, diamonds, iron ore, nickel, and uranium. The current exploitation of these resources, however, is limited. Other mineral deposits include cassiterite, marble, mica, lignite, rutile, and tantalite. All mineral resources belong to the State. The Cameroon Mining Code provides specific incentives to promote foreign investment such as tax breaks and free transfer of capital out of the country. Cameroon Alumina Limited (CAL) has an exploration license for bauxite. GEOVIC Cameroon PLC, a subsidiary of Denver-based GEOVIC Mining Corporation, has the rights to develop Cameroon cobalt and nickel resources, while C&K Mining of South Korea exploits diamonds. Finally, Australian-led Sundance Resources Ltd. has the rights for the exploitation of large iron ore deposits in southern Cameroon.

### Sub-Sector Best Prospects

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Mining project equipment, including but not limited to aluminum, nickel and cobalt, diamonds, gold, and iron ore.

### Opportunities

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Nickel, Cobalt Diamond and Gold in the East Region  
Aluminum in the Adamawa region  
Oil and gas in the Littoral region

### Web Resources

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GEOVIC Cameroon PLC: <http://www.GEOVIC.net>  
Cameroon Alumina Limited: <http://www.Cameroonalumina.com>  
Ministry of Mines and Industry: <http://www.minee.cm/>

## Construction and civil engineering

### Overview

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Unit: US\$thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Market Size	n/a	n/a		
Total Local Production	n/a	n/a		
Total Exports	n/a	n/a		
Total Imports	n/a	n/a		
Imports from the U.S.	3,570	n/a	n/a	
Exchange Rate: 1 USD	1US\$= 500 CFAF (BEAC)			

Data source: U.S. Department of Commerce Bureau of Census and Cameroon National Institute of Statistics.

Construction accounts for 3.5% of Cameroon's GDP (2008). Several subsidiaries of foreign groups are active in Cameroon: Asquini-Encorad, KOOP Cameroun (KOOP Holding Group), Razel SA (Bilfinger Berger Group), and Sogea Satom Cameroun (VINCI Group). Local companies also contribute to the development of this sector, such as Bati Service, Buns, Cacoco BTP, Fokou-Foberd Group and Scemar (Groupe Ketch), as well as consultancy firms, especially: B.E.C La Routière Sarl, BETA Consult, ECTA BTP, SADEG and SCET Cameroun. U.S. imports in this sector generally concentrate on process metal, steel, alumina, and associated products.

### Sub-Sector Best Prospects

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Housing  
Pipeline construction  
Real estate  
Cement

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**Agricultural Sector**[Return to top](#)**Overview**[Return to top](#)

Unit: US\$thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Market Size	n/a	n/a		
Total Local Production	n/a	n/a		
Total Exports	n/a	n/a		
Total Imports	n/a	n/a		
Imports from the U.S.	18,765	3,237 (YTD)		
Exchange Rate: 1 USD	1US\$= 500 CFAF BEAC			

Data source: U.S. Department of Commerce Bureau of Census and Cameroon National Institute of Statistics.

According to the OECD, agriculture is the main pillar of Cameroon's economy. It accounts for over 23.4% of GDP (2011), employs 70% of the working population, and generates more than one third of total export earnings. Main agricultural products include plantains, beef, cocoa beans, taro, bananas, maize, fresh vegetables and groundnuts. Cameroon's primary export crops are cocoa, cotton, coffee, bananas, rubber, and palm oil. The country's main export partner is the European Union. Much potential for growth exists, as farming in Cameroon is still confined largely to subsistence farming.

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Wheat  
Rice  
Corn for the animal feed industry  
Sorghum, barley and oats  
Sugar

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## Chapter 5: Trade Regulations, Customs and Standards

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- [Trade Barriers](#)
- [Import Requirements and Documentation](#)
- [U.S. Export Controls](#)
- [Temporary Entry](#)
- [Labeling and Marking Requirements](#)
- [Prohibited and Restricted Imports](#)
- [Customs Regulations and Contact Information](#)
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### Import Tariffs

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The 1994 Regional Fiscal Reform Program outlines six different tariffs and taxes for imported goods: the Common External Tariff, the Generalized Preferential Tariff, the Temporary Surcharge, the Excise Tax, the Value Added Tax, the Regional Integration Tax, and other Service Taxes.

The Common External Tariff (CET) groups merchandise into four categories, with rates ranging from 5 to 30 percent:

Category	Description	CET Rate
I	First necessity goods (defined by ministerial decree, these are goods such as essential foodstuffs and medicines)	5
II	Raw materials and equipment	10
III	Intermediary (semi-processed) goods	20
IV	Final products (consumption goods)	30

The Value Added Tax (VAT or TVA in French) is a consumer tax. VAT is assessed on merchandise entering the country on the CIF value and levied on most products at a flat rate of 19.25 percent (some Category I goods are VAT free). Additionally, the Excise Tax, an indirect a 25% tax, covers specific categories of some luxury goods listed on a ministerial decree. The General Preferential Tariff provides preferential treatment to goods originating from developing countries, and the Temporary Surcharge authorizes temporary duty-free entry of goods. Finally, there is a 1.0% Regional Integration Tax (TCI in French). These last two tax items are assessed on the CIF value of imports.

The tax and duty schedules can prove very cumbersome for first-time importers. Potential exporters to Cameroon may wish to contact the Customs Administration or [Société Générale de Surveillance \(SGS\)](#), which handles pre-loading cargo inspections for the Government of Cameroon and issues an import declaration upon receipt of the pro forma invoice.

## **Trade Barriers**

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Cameroon does not have quantitative restrictions on imports, tariff protections, or import licensing requirements. Cameroonian customs employs a simplified customs assessments system. In theory, there should be no tariffs within Central African Economic and Monetary Community (CEMAC) countries, and only a value-added tax on goods traded among CEMAC member countries, based on the CEMAC treaty. In an effort to protect its nascent poultry sector, the government controls the importation of frozen chicken to Cameroon. During peak periods, the government may issue broader import authorizations on an ad hoc basis to meet domestic demand.

## **Import Requirements and Documentation**

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Cameroon's simplified import-licensing procedures require that importers obtain an importation license from the Ministry of Trade. However, SGS must be notified of import transactions above two million CFA francs (approximately \$4,000). Import duties exemptions apply for heavy-duty equipment used to execute public contracts.

### **Documentation Requirements**

Imported goods require a commercial invoice and a bill of lading. Shipping marks and numbers must match exactly those on the invoices and on the goods. Shipments on land and water require three copies of the bill of lading and invoices, while air shipment requires four. Certain imports such as second-hand clothing require a certificate of no infestation issued by the U.S. Customs Service.

Certain categories of exports require special documentation. Coffee and cocoa exports must obtain a quality grade certification from one of two government-approved quality-testing companies. Export licenses are also required for "strategic" products, such as gold and diamonds, and for ecologically sensitive items, i.e., items governed by the CITES convention, including live animals and medicinal plants. The Government of Cameroon bans exports of some types of forest products as a conservation measure.

A one-stop-shop exists for all customs procedures. All documents must be submitted within 48 hours of a shipment's arrival. Initially, this innovation reduced the time needed for processing paperwork. However, delays attributed to corruption continue to hamper the process. In 2009, the Customs Department instituted a new online clearing system, called SYDONIA, to expedite the clearing process and tracking of containers.

## **U.S. Export Controls**

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The United States Government has export controls on some defense articles and dual-use items. For additional information on export controls and export licenses, check with the U.S. Department of State Directorate of Defense Trade Controls, the U.S. Department of State Bureau of International Security and Non-proliferation, or the U.S.

Department of Commerce Bureau of Industry and Security  
(<http://www.bis.doc.gov/licensing/exportingbasics.htm>).

### **Temporary Entry**

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Temporary admission is permitted only to a few large importers wishing to sell on the Cameroonian market. A maximum of one year is allowed for storage, and a security bond is usually required. Storage fees are assessed from the date of landing. The importer pays customs duties on each batch of goods removed from storage until the entire stock is cleared. The government provides warehouses for temporary admission. Some large importers and freight forwarding companies also operate government-supervised warehouses for temporary admission.

Goods in transit to the Republic of Congo and the landlocked countries of Chad and the Central African Republic are stored in freight forwarders' bonded warehouses with an amount equal to the value of assessed import tax held by Cameroonian Customs as a guarantee of re-export. The guarantee is released when the goods exit Cameroon. With the introduction of the GPS tracking system, Cameroonian Customs and SGS track goods destined to neighboring countries.

### **Labeling and Marking Requirements**

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Labeling and packaging requirements for canned products destined for Cameroon should have the manufacturing and expiration dates engraved or stamped on top of the container or packaging in clearly legible indelible ink. Dates should be preceded by short comments in French and/or English: "made in" and "to be consumed before." It is recommended that the label, written in both French and English, carry the following inscriptions: country of origin, name and address of the manufacturer, product name, weight (metric system), and all ingredients, including salt.

It is compulsory to pre-label cigarettes that are to be sold in Cameroon. This label, in the form of a fiscal stamp, must be prepaid by an importer of cigarettes well in advance of the shipment. It is also mandatory that cigarette packets bear the label "cigarette smoking can severely damage your health."

Products containing genetically modified organisms (GMOs) must be labeled accordingly. All products sold in Cameroon must bear the following label: "Sold in CEMAC."

### **Prohibited and Restricted Imports**

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Prohibited imports include specific sanitary products, certain chemicals, pharmaceutical drugs, toxic waste, some cosmetics, and some food items. The list of prohibited imports is subject to change. A complete list of prohibited imports is included in the publicly distributed General Trade Schedule (GTS) obtainable at the Cameroonian Embassy in Washington, D.C.

For a comprehensive list of restricted products, please click links in the [Web resources](#) section below.

## Customs Regulations and Contact Information

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Customs duties in Cameroon are levied on the CIF value of the imported goods. Customs fraud is prevalent in Cameroon, and protracted negotiations with customs officers are common over the value of imported goods that have not been subject to SGS valuation. Cameroon applies the WTO Agreement on Customs Valuation. American exporters may contact the Director of Customs or, alternatively, the [SGS Control Services](#) for more information. It is recommended that all imports above \$4,000 be inspected and pre-valued by SGS prior to shipment.

## Standards

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- [Standards Organizations](#)
- [Conformity Assessment](#)
- [Product Certification](#)
- [Accreditation](#)
- [Publication of Technical Regulations](#)
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## Overview

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Standardization is at an early stage in Cameroon and is only partially regulated. The Department of Price Controls, Weights, and Measures is officially responsible for standards administration. Labels should be written in both French and English, and must include the country of origin as well as the name and address of the manufacturer. SGS may inspect the quality of any goods shipped into the country. In the absence of any specified domestic norm or standard, international norms and standards apply. In practice, imports are admitted into the country with little reference to standards or norms.

## Standards Organizations

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In 2009, the Government of Cameroon created the Standards and Quality Agency (ANOR) responsible for setting quality standards in Cameroon. It has working groups that meet regularly to set standards and make conformity assessments.

### **NIST Notify U.S. Service**

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries. **Notify U.S.** is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical

regulations that can affect your access to international markets. Register online at Internet URL: <http://www.nist.gov/notifyus/>.

## Conformity Assessment

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[Standards and Quality Agency \(ANOR\)](#)

## Product Certification

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Cameroon does not have a long track record with product certification. There is growing momentum towards certification of forestry products to strengthen sustainable exploitation of forest resources. Quality certification of cocoa and coffee is mandatory prior to export. In 2009, Cameroon issued its first textile visa for shipment of textile products to the United States.

## Accreditation

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Standards and Quality Agency (ANOR)  
P.O. Box 14996, Yaounde  
Telephone: (237) 2222 6496  
Email: [contact@anorcameroon.org](mailto:contact@anorcameroon.org)  
<http://www.anorcameroon.org>

SGS Cameroon  
1084, Bd du General Leclerc  
P.O. Box 12140, Douala  
Telephone: +237 3342 1028  
Fax: +237 3343 0944  
Website: <http://www.sgs.com>

CENTRE PASTEUR DU CAMEROUN  
P.O. Box 1274 Yaounde  
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Mobile: +237 9950 0699  
Email: [contact-cpc@pasteur-yaounde.org](mailto:contact-cpc@pasteur-yaounde.org)  
<http://www.pasteur-yaounde.org/>

## Publication of Technical Regulations

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Official Gazette of the Republic of Cameroon

## Labeling and Marking

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All goods sold in Cameroon are required to be labeled "Vente en CEMAC" meaning "Sold in CEMAC." Food products must bear the manufacturing and the expiration dates. For more details on this subject please visit the [ANOR website](#).

## Contacts

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Cameroon Standards and Quality Agency (ANOR)

P.O. Box 14996, Yaounde

Telephone: (237) 2222 6496

Email: [contact@anorcameroon.org](mailto:contact@anorcameroon.org)

<http://www.anorcameroun.com/en/>

Director General

Mr. Boto'o à Ngon Boniface Charles Guy René

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1084, Bd du General Leclerc

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Website: <http://www.sgs.com>

Centre Pasteur du Cameroun

P.O. Box 1274, Yaounde

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Email: [contact-cpc@pasteur-yaounde.org](mailto:contact-cpc@pasteur-yaounde.org)

<http://www.pasteur-yaounde.org/>

Ministry of Public Health - Yaounde

Department of Pharmacy and Pharmaceutical Products

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Dr. Massing Bias Louis Raoul, Director General

## Trade Agreements

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Cameroon has investment and/or commercial agreements with the European Union, Canada, China, Japan, Russia, South Korea, Turkey, and the United States, as well as other countries in Africa, Asia, and Latin America. A Bilateral Investment Treaty (BIT) between Cameroon and the United States entered into force in 1989. The BIT renews automatically under the terms of the treaty every 10 years. The Overseas Private Investment Corporation (OPIC) Bilateral Investment Guarantee Agreement of 1967 between OPIC and the Government of Cameroon, provides guarantees for OPIC-financed American investments in Cameroon. Companies must obtain a Foreign Government Approval (FGA) letter from the Cameroonian government. In 2009 the government signed an interim Economic Partnership Agreement (EPA) with the EU in order to secure duty-free, quota-free access to the European market in exchange for the gradual removal of duties and quotas for European goods entering Cameroon.

## Web Resources

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For more information on tariffs and taxes, visit:  
[http://www.export.gov/logistics/exp\\_001015.asp](http://www.export.gov/logistics/exp_001015.asp)

For the official website (in French) of the Department of Taxation in the Ministry of Finance, visit: <http://www.impots.cm>

For a comprehensive list of restricted products and further information on Cameroon imports, visit: <http://www.otal.com/cameroon/cameroonimports.htm>

To register to review and comment on proposed foreign technical regulations that affect your businesses and access to international markets, please click the link below.  
<http://www.nist.gov/notifyus/>

Societe Camerounaise de Surveillance: <http://www.sgs.com/>

For information (in French) on investing in the Communauté Financière Africaine Central African CFA Franc zone, visit: <http://www.izf.net/izf/guide/Cameroun/Default.htm>

For U.S.-Cameroon Trade Statistics from the U.S. Census Bureau, visit:  
<http://www.census.gov/foreign-trade/balance/c7420.html#2005>

For information on U.S. trade preferences for Africa, visit the USTR website: [http://www.ustr.gov/Trade\\_Development/Preference\\_Programs/AGOA/Section\\_Index.html](http://www.ustr.gov/Trade_Development/Preference_Programs/AGOA/Section_Index.html)

For a complete reading of the text of the U.S.-Cameroon Bilateral Investment Treaty, visit:

- <http://www.state.gov/documents/organization/43543.pdf>
- [http://bilaterals.org/IMG/html/US-CM\\_BIT.html](http://bilaterals.org/IMG/html/US-CM_BIT.html)
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## Chapter 6: Investment Climate

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- [Expropriation and Compensation](#)
- [Dispute Settlement](#)
- [Performance Requirements and Incentives](#)
- [Right to Private Ownership and Establishment](#)
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### Openness to Foreign Investment

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The Government of the Republic of Cameroon (GRC) actively seeks to attract foreign investment in order to create much-needed economic growth and employment. It is less effective, however, at following through with interested investors in order to ensure that investments move forward in a timely manner.

Since 2012, numerous trade delegations have visited Cameroon exploring investment opportunities, including delegations from China, Germany, Singapore, India, Thailand, Brazil, and Turkey. China is emerging as an important foreign investor, with significant activities in infrastructure, extractive industries, and energy. According to the Ministry of Economy, the BRICS (Brazil, Russia, India, China, and South Africa) invested US\$1.42 billion in Cameroon in 2012.

Amongst African investors, Nigeria and Morocco are present in a variety of sectors, including manufacturing, oil and gas distribution, utilities (water) and financial services. Nonetheless, prospective U.S. investors should be aware that Cameroon is still beleaguered by endemic corruption that makes it a challenging business environment.

The GRC has taken recent steps to attract new foreign investment. A new investment law passed in April 2013 applies to all business sectors except mining and exploration and extraction of oil and gas. The law provides financial incentives to firms that promote development such as by hiring at least five Cameroonians a year; investing in rural

areas; reducing pollution; or developing social or cultural activities. Possible incentives include suspension of taxes during a period of business expansion and the ability to transfer currency and assets abroad. The law also promises to create specific visas and expedite travel for businesspeople and to issue residence and work permits to expatriates involved in business, to provide environmental permits, and finally to issue long-term leases and land titles. For more information, refer to the website of the [Cameroonian Investment Promotion Agency](#).

### *Investment Charter*

Cameroon's legislative body, the National Assembly, adopted an Investment Charter in 2002 to attract international investors and replace the existing Investment Code of 1990. However, the GRC has not fully implemented the 2002 Investment Charter. In May 2009, President Paul Biya signed a decree postponing to 2014 the deadline for implementation of some provisions of the investment charter.

When the 2002 Investment Charter becomes operational, some foreign and domestic investments will become subject to GRC approval, depending on which "regime" the investment falls under. The "automatic regime" permits investment without prior government approval. The "returns regime" permits investment after an application and the passage of two days without government objection, while the "approval regime" permits investment after an application and the expiry of fifteen days without government objection. The Charter is unclear, however, on how to classify investments (i.e. which regime to use).

In an attempt to render the Investment Charter operational, the GRC put in place 23 committees to draft separate sector codes. The GRC has already adopted some of the codes, such as the Forestry Sector Code (1994), the Petroleum Sector Code (1999), and the Mining Sector Code (2001). In late 2011, the GRC adopted an Electricity Sector Code. The other remaining sector codes, including the Telecommunications Sector Code, are yet to be presented to the National Assembly. The Natural Gas Code was adopted in April 2012.

Although the 1990 Investment Code places some restrictions on foreign ownership, the 2002 Investment Charter permits 100 percent foreign equity ownership. In practice, substantial local equity ownership may help facilitate the investment approval process. Investors who intend to make direct investments of greater than 100 million CFA francs (approximately US\$200,000) or more must declare their intent to do so to the Ministry of Finance (MINFI) 30 days in advance.

### *One-Stop Shop*

In 2010, Cameroon piloted its "One-Stop-Shop" in Yaounde, which aims to simplify the process for registering a business. In 2011, Cameroon added "One-Stop-Shops" in the cities of Bafoussam, Douala, Garoua, and Bamenda. Theoretically, registration time should have decreased from 30 days to 72 hours, although in practice the process takes one to two weeks.

### *Business Forum*

Cameroon is working to improve the business climate through the Cameroon Business Forum. The Forum meets twice a year and is chaired by the Prime Minister. The participants include key ministers, representatives of business associations, and NGOs.

### *Privatization*

Cameroon is still in the process of privatizing its state-owned companies. Institutions such as the World Bank and the IMF have long called for the privatization of the national telephone company, CAMTEL, which holds a monopoly on the international gateway as well as the landline network infrastructure.

In October 2012, the Vice President of the Cameroon Chamber of Commerce announced that CAMTEL, cotton producer SODECOTON, gas storage and distribution company Société Camerounaise des Depots Petroliers (SCDP), and the agricultural firm Cameroon Development Corporation CDC may be privatized in 2013.

Pending confirmation from the Cameroonian government, U.S. bidders are eligible to compete for tenders related to the privatization process, regardless of whether the financing originates from the public budget or from multilateral banks. The privatization process may include calls for tenders from consulting firms to help the government build terms of reference for the privatization.

Full privatizations are rare, as the GRC generally continues to hold shares of “privatized” companies. In strategic sectors, such as the railway, air transportation, or electricity, foreign buyers retained market privileges provided for in previous lease contracts.

The privatization in 2001 of Cameroon’s electricity distribution company, SONEL, resulted in a major U.S. direct investment. U.S.-based AES Corporation acquired 56% of SONEL to create AES Sonel which received an operating license to generate up to 1,000 MW of installed capacity.

### *Kribi Deep Sea Port*

The beach and tourist resort of Kribi is emerging as an industrial hub, making it a more attractive investment destination. Kribi is the terminus of the Chad-Cameroon oil pipeline. In 2011, President Biya inaugurated a project to build a deep sea port near Kribi. Cameroon’s first natural gas-fired power plant will go online in the first half of 2013. A new road under construction from Yaounde to Kribi will reduce congestion on the principal Yaounde to Douala route and reduce travel time. Finally, several iron mining projects in southeastern Cameroon envision a new railroad with its terminus at the deep sea port at Kribi.

### *Incentives*

The 2012 budget and finance law introduced new stamp duties on advertising and a new basis for the equalization of council stamp duties. The same law reduced the tax burden on certain sectors, such as pharmaceuticals and renewable energy, by eliminating the Value Added Tax for products in those sectors. Provisions of the 2010 budget and finance law, which eliminated the tax on registering for incorporation and the tax on corporate equity offerings remains.

Cameroonian legislation also provides incentives to infrastructural projects worth more than US\$200 million, including exemption on the Value Added Tax (VAT). The relevant portions of the 1990 Investment Code -- notably the provisions regarding the free-trade zone -- remain in effect until the full implementation of the 2002 Investment Charter.

### *Ranking*

Cameroon's rankings in selected surveys are as follows:

<b>Measure</b>	<b>Year</b>	<b>Index/Ranking</b>
TI Perceptions of Corruption Index	2012	144
Heritage Economic Freedom	2012	135 (World), 29 (Regional)
World Bank Doing Business	2012	161
MCC Government Effectiveness	2013	49%
MCC Rule of Law	2013	38%
MCC Control of Corruption	2013	45%
MCC Fiscal Policy	2013	77%
MCC Trade Policy	2013	54.9%
MCC Regulatory Quality	2013	45%
MCC Business Start Up	2013	61%
MCC Land Rights Access	2013	34%
MCC Natural Resource Mgmt	2013	61%

## **Conversion and Transfer Policies**

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The unit of currency used in Cameroon is the Communauté Financière Africaine or Central African CFA franc. It is issued by the regional central bank, the Bank of Central African States (BEAC in French), and is shared with the other members of the Central African Economic and Monetary Community (CEMAC), the regional grouping of Cameroon, Chad, Central African Republic, Gabon, Equatorial Guinea, and the Republic of Congo. Although it is at par with the West African CFA franc, the two currencies are not usually accepted for payment in each other's zones. France's treasury guarantees full convertibility of both currencies to the euro. Since 1999, the CFA franc has been pegged to the euro at a fixed exchange rate of 1 euro to 655.957 francs.

Dividends, capital returns, interest and principal payments on foreign debt, lease payments, royalties and management fees, and returns on liquidation can be freely remitted abroad. Liquidation of a foreign direct investment, however, must be declared to the Minister of Finance (MINFI) and the BEAC 30 days in advance. Commercial foreign exchange transfers also must be cleared by MINFI for business deals amounting to more than 100 million francs (about US\$200,000). The BEAC has a centralized computer system for electronic transactions within the banking network.

## **Expropriation and Compensation**

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The 1989 Bilateral Investment Treaty (BIT) offers some protection to U.S. investments in Cameroon. Foreign and domestic investors receive legal guarantees that substantially comply with international norms, including full and prior compensation in the event of expropriation on the basis of public interest. Undeveloped land is more at risk for local expropriation than developed property. There are no confiscatory tax regimes or laws that could be considered detrimental to American or other foreign investments. The 2002 Investment Charter recognizes property rights and facilitates land acquisition. Cameroonian law does not prohibit foreign ownership of land.

## **Dispute Settlement**

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Prospective foreign investors who wish to avoid entanglement in the court system should consider arbitration as a form of dispute settlement. The 1990 Investment Code states that, at the time of incorporation or application for Investment Code benefits, a firm may choose one of several options in the eventual need for dispute resolution: adjudication by local courts, arbitration by the international courts of justice, or resolution at an international arbitration center, according to Cameroonian law and the arbitration regimes of which Cameroon is a member (described below).

Under the 2002 Charter, claimants should forward petitions for redress or non-compliance with the provisions of the Charter to the Regulation and Competition Board. Cameroon accepts binding international arbitration on investment disputes between foreign investors and the government. In tax-related disputes, the new 2012 finance law stipulates that decisions rendered by the Ministry of Finance can be challenged before the Administrative Court within 60 days.

Difficulty in resolving commercial disputes, particularly the enforcement of contractual rights, remains one of the serious obstacles to promoting investment in Cameroon. Foreign corporate plaintiffs are often frustrated with the slow pace of the Cameroon legal system. Local businesses routinely exert pressure on the courts, which may be swayed by bribes or by the clout of a political heavyweight. Some foreign companies have alleged that judgments against them were obtained fraudulently or as the result of frivolous lawsuits. The enforcement of judicial decisions is also slow and fraught with administrative and legal bottlenecks.

Cameroon's bankruptcy law is an integral part of its commercial law. In case of bankruptcy, negotiable and enforceable guarantee instruments cover creditors.

Cameroon is a member of the International Center for the Settlement of Investment Disputes (ICSID, also known as the Washington Convention), and is a signatory to the 1958 Convention on the Recognition and Enforcement of Foreign Arbitral Awards (also known as the New York Convention). In May 1997, Cameroon's Council of Business Managers and Professional Associations (GICAM), an association of 207 companies and 15 professional associations representing 70 percent of all formal sector business activity in the country, created its own arbitration center to handle business disputes. In 2011, however, approximately half of GICAM's members separated to form a competing business association called "eCAM."

In early 2001, CEMAC also established a court in N'djamena, Chad to adjudicate regional commercial disputes.

Cameroon is a signatory to the Organization for the Harmonization of Corporate Law in Africa Treaty (OHADA in French). Among other things, OHADA provides for common corporate law and arbitration procedures in the 16-member signatory states: Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Comoros, Congo, Côte d'Ivoire, Equatorial Guinea, Gabon, Guinea, Guinea-Bissau, Mali, Niger, Senegal and Togo.

Cameroon is a signatory to the 1985 Seoul Convention that established the Multilateral Investment Guarantee Agency (MIGA), aimed at safeguarding non-commercial risks. Cameroon is also a signatory to the Lome Convention (as revised in Mauritius in 1995), which created an arbitration mechanism to settle disputes between African, Caribbean, and Pacific states (ACP) and contractors, suppliers, and service providers financed by the European Development Fund (EDF).

In July 2008, Cameroon adopted a law on public-private partnership (PPP) agreements, providing more clarity for the administrative, financial, and judicial framework for such arrangements.

## **Performance Requirements and Incentives**

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Investment incentives will change when the 2002 Investment Charter is fully implemented, until which time the relevant incentives from the 1990 Investment Code remain in effect. Depending on the size and nature of the investment, investments fall under one of the following regimes of the 1990 Code, each of which has specific eligibility and performance requirements:

-- Under the "basic" regime, firms must export at least 25 percent of their annual production, use Cameroonian natural resources for at least 25 percent of the value of their inputs, and create at least one local job for every 10 million CFA francs invested (approximately US\$20,000). Benefits from the regime include an initial three-year tax exemption; customs fees as well as an exemption on purchase taxes relating to production and operational equipment are also exempted. Eligible companies are entitled to a number of exonerations and other exemptions for the first five years of the operational phase.

-- Under the small and medium-scale enterprise (SME) regime, which applies to firms having total assets of less than 1.5 million CFA francs (US\$3,000), there is no requirement for job creation. SME enterprises will receive the same benefits as listed above if they fulfill the SME regime.

-- Under the "strategic" regime, firms must export at least 50 percent of their annual production, use natural resources of at least 50 percent of the value of their inputs, and create at least one local job for every 20 million CFA francs invested (approximately US\$40,000). Strategic companies will enjoy the same benefits as above for the first five years. Strategic companies must be operating in sectors that have been earmarked as strategic in the National Industrialization Road Map such as energy and mining.

Additionally, the Industrial Free Zone regime, which applies to any location in Cameroon, grants broad exemptions from taxation and regulation, so long as 80 percent of

production is exported. This provision of the 1990 Code is still in force, though it is unclear how the awaited implementation of the 2002 Investment Charter will affect it.

No requirements for technology transfer or restrictions on geographic location exist. Where domestic Cameroonian firms lack technical knowhow in research and development, foreign firms can bid for projects that benefit from GRC subsidies. Quantitative restrictions on imports, non-tariff protection, and many import licensing requirements were lifted by the 1994 Tariff Code to conform to CEMAC regional customs regulations. In addition, the GRC abolished many other price controls in 1998, leaving only controls on “strategic” goods and services such as electricity, water, public transportation (roads), telecommunications, cooking gas, palm oil, imported fresh fish, pharmaceuticals, school books, and port-side activities (such as stevedoring).

### **Right to Private Ownership and Establishment**

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The government recognizes the right of private ownership. The Ministry for State Property and Land Tenure governs property issues. Although the procedures for obtaining land titles have been simplified, the process is still lengthy and cumbersome. The transfer of land in the public domain above a certain size requires presidential authorization. Foreign and domestic individuals and firms may legally establish and own firms, engage in remunerative activities, and establish, acquire, and dispose of interests in business enterprises. Investors may dispose of their property via sale, transfer, or physical repatriation of moveable property.

Mergers and acquisitions are undertaken through discreet negotiations. Private firms are free to associate with any partner they choose and are free to organize industry associations. Cameroon’s six privatization laws are complete, but have onerous bureaucratic requirements.

### **Protection of Property Rights**

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Secured interests in property are recognized although adjudication of property disputes can be lengthy and subject to criticism. The concept of mortgages exists in Cameroonian law, and the title is the legal instrument for registering such security interests, but in practice some lenders report extensive delays in obtaining court rulings to enforce their claims on assets given as collateral. Cameroonian law provides foreign and domestic investors with property rights protections that substantially comply with international norms and do not discriminate between foreign and domestic firms. In practice, however, Cameroonian courts and administrative agencies often issue rulings favorable to domestic firms and have been suspected of corrupt practices.

Cameroon is a member of the 16-nation African Intellectual Property Organization (OAPI in French), which is a member of the World Intellectual Property Organization and offers patent and trademark registration in cooperation with member states. Patents in Cameroon have an initial validity of ten years. They can be renewed every five years upon submission of proof that the patent was used in at least one of the OAPI member countries. Without continued use, compulsory licensing is possible after three years.

Trademark protection is initially valid for 20 years with renewal possibilities every ten years.

Cameroon is also a party to the Paris Convention on Industrial Property and the Universal Copyright Convention.

In 2008, Cameroon's copyright registration system changed from a single body accepting registrations to multiple bodies divided according to field. One such organization, the Cameroon Music Corporation (CMC), charged with registering musical works, was closed by the Minister of Culture and a new structure, SOCAM (Société Civile Camerounaise de l'Art Musicale), replaced it. However, in December 2012, the Cameroonian judiciary ruled against the Ministry of Arts and Culture decision, in favor of keeping CMC.

Other registration bodies include the Copyright Corporation for Literature and Dramatic Arts (in French, SOCILADRA), which covers literature and software production; the Copyright Corporation for Visual Arts (in French, SOCADAP) for paintings; and the Copyright Corporation for Audio-Visual and Photographic Arts (in French, SCAAP) for audiovisual and photographic production. The Internet and the availability of satellite television have created new challenges for Cameroon copyrights institutions. Despite the existence of a regulator, which supervises the internet and telecoms sectors, the country lacks expertise in oversight and policing of internet downloading and the illegal copying and distribution of foreign television programs.

IPR is constrained by poor enforcement of existing laws, the cost of enforcement, the pervasiveness of infringement, rudimentary understanding of IPR among government officials, and a lack of public respect for copyright laws. Software piracy is widespread; pirated DVDs are common. Cheap pirated materials are believed to originate from Asia and Nigeria. Cameroon is taking steps to implement the World Trade Organization's TRIPs agreement and the United States Patent and Trade Office (USPTO) provided training on intellectual property rights protection to Cameroonian officials, including customs officers, magistrates, and civil servants, in 2011.

## **Transparency of Regulatory System**

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Although Cameroonian business laws exist, implementation of these laws can be challenging. Under the current judicial system, local and foreign investors (including some U.S. firms) have found it complicated, time-consuming, and costly to enforce contractual rights, protect property rights, obtain a fair and expeditious hearing before the courts, or defend themselves against frivolous lawsuits. Implementation of the OHADA law - in force since 2000 - in French-speaking Cameroon has been satisfactory for some investors. The Anglophone regions of Cameroon, with business law inspired from common law, have sometimes shown resistance to implementing OHADA.

## **Efficient Capital Markets and Portfolio Investment**

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The cost of capital in Cameroon is high and repayment terms are short. Some large lenders to major companies have been able to extend the term beyond five years.

Microfinance institutions can charge even higher rates on lending, ranging between 8% and 35%.

Cameroon's sovereign rating stayed around B and B- over the last several years, according to Standard and Poor's and Fitch. Foreign investors are able to obtain loans on the local market, but usually prefer to borrow offshore due to high domestic interest rates and the unavailability of long-term capital in the domestic market.

The Douala Stock Exchange (DSX) opened in April 2003 but few companies are listed on it. According to the Organization for Economic Co-operation and Development (OECD), the financial market has become more attractive. Cameroon has over 400 microfinance institutions and 25 insurance companies.

The French Treasury closely monitors the regional central bank, BEAC. Cameroon has 13 fully operational commercial banks, a state-owned mortgage company.

Cameroon's financial, legal and regulatory systems are solid but enforcement is inconsistent and often arbitrary. Cameroonian minority partners of foreign firms have occasionally attempted – in most cases unsuccessfully - to take over the operations of joint companies via court action or through harassment and intimidation by government officials.

## **Competition from State Owned Enterprises**

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Private enterprises may compete with public enterprises when marketing products and services in Cameroon. Public companies are not eligible to participate in the bidding process when it comes to public tenders. However, if the government is certain that one of its companies can provide the service, it will typically not call for a tender.

Numerous State-owned companies continue to operate in a variety of economic sectors: telecommunications (CAMTEL), social security (CNPS), oil refining (SONARA), oil and gas exploration (SNH), both upstream and downstream petroleum product distribution (TRADEX), mail delivery (CAMPOST), mortgage finance (Credit Foncier), real estate (SIC), land development and management (MAETURE), cotton production and exports (SODECOTON), textile manufacturing (CICAM), cocoa production (SODECAO), and tea and vegetable oil production (CDC). Cameroon also operates a national airline, Camair-Co.

Each state-owned company has an appointed board of directors and a parent ministry. The most prestigious state-owned company, the National Hydrocarbons Corporation (SNH, using its French acronym), operates in the field of oil and gas exploration, mainly by taking production-sharing agreements with private companies. The President of Cameroon appoints the managing director, and the chairman of the board of directors remains the Secretary General of the Presidency of the Republic.

Cameroon does not have a sovereign wealth fund.

## **Corporate Social Responsibility**

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There is a general awareness of corporate social responsibility (CSR) among both producers and consumers. On a case-by-case basis, the GRC requires elements of corporate responsibility as part of the permit and project development process. For example, some mining companies invest in social infrastructure, such as health centers or schools, to benefit the local populations in the areas of their mining operations. Although not always mandatory, the GRC increasingly requires investors to take environmental and social impacts into consideration. A common practice for many companies is to build bridges, health centers, and classrooms in villages near the work site.

The U.S. Embassy is not aware whether the GRC embraces the OECD's CSR principles but the population views CSR favorably and many corporations engage in socially responsible projects. A number of initiatives have been put in place by private companies to promote CSR. The Business Council for Africa for example is a coalition of 60 heads of businesses, which has as one of its aims to clamp down on corruption.

## **Political Violence**

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In February 2008, Cameroon experienced its worst unrest in 15 years, as a transportation strike expanded into a more general protest against rising food and fuel prices. President Biya's plan to amend the Constitution to eliminate presidential term limits also contributed to the social unrest in 2008. The current political climate is fairly calm and peaceful. Parliamentary and local elections are anticipated in late 2013.

As a result of UN mediation and the June 2006 Green Tree Agreement, Cameroon and Nigeria implemented the International Court of Justice (ICJ) ruling on the Bakassi Peninsula territorial dispute; Cameroon resumed full control of the region on August 14, 2008. Relations with Nigeria are increasingly friendly. In 2009, delegations from both countries travelled to the Far North Region to lay the first boundary pillar to demarcate the Cameroon-Nigeria land border, and the parties have continued to meet and survey the border without major disputes.

## **Corruption**

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Corruption, including bribery, raises the costs and risks of doing business. Corruption has a corrosive impact on both market opportunities overseas for U.S. companies and the broader business climate. It also deters international investment, stifles economic growth and development, distorts prices, and undermines the rule of law.

It is important for U.S. companies, irrespective of their size, to assess the business climate in the relevant market in which they will be operating or investing, and to have an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. individuals and firms operating or investing in foreign markets should take the time to become familiar with the relevant anticorruption laws of both the foreign country and the United States in order to properly comply with them, and where appropriate, they should seek the advice of legal counsel.

The U.S. Government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies' acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. A U.S. firm that believes a competitor is seeking to use bribery of a foreign public official to secure a contract should bring this to the attention of appropriate U.S. agencies, as noted below.

**U.S. Foreign Corrupt Practices Act:** In 1977, the United States enacted the Foreign Corrupt Practices Act (FCPA), which makes it unlawful for a U.S. person, and certain foreign issuers of securities, to make a corrupt payment to foreign public officials for the purpose of obtaining or retaining business for or with, or directing business to, any person. The FCPA also applies to foreign firms and persons who take any act in furtherance of such a corrupt payment while in the United States. For more detailed information on the FCPA, see the FCPA Lay-Person's Guide at: <http://www.justice.gov/criminal/fraud/>

**Other Instruments:** It is U.S. Government policy to promote good governance, including host country implementation and enforcement of anti-corruption laws and policies, pursuant to their obligations under international agreements. Since enactment of the FCPA, the United States has been instrumental to the expansion of the international framework to fight corruption. Several significant components of this framework are the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Antibribery Convention), the United Nations Convention against Corruption (UN Convention), the Inter-American Convention against Corruption (OAS Convention), the Council of Europe Criminal and Civil Law Conventions, and a growing list of U.S. free trade agreements. This country is party to [add instrument to which this country is party], but generally all countries prohibit the bribery and solicitation of their public officials.

**OECD Antibribery Convention:** The OECD Antibribery Convention entered into force in February 1999. As of March 2009, there are 38 parties to the Convention including the United States (see <http://www.oecd.org/daf/anti-bribery/anti-briberyconvention/38028044.pdf>). Major exporters China, India, and Russia are not parties, although the U.S. Government strongly endorses their eventual accession to the Convention. The Convention obligates the Parties to criminalize bribery of foreign public officials in the conduct of international business. The United States meets its international obligations under the OECD Antibribery Convention through the U.S. FCPA. Cameroon is not a party to the OECD Convention.

**UN Convention:** The UN Anticorruption Convention entered into force on December 14, 2005, and there are 158 parties to it as of November 2011 (see <http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>). The UN Convention is the first global comprehensive international anticorruption agreement. The UN Convention requires countries to establish criminal and other offences to cover a wide range of acts of corruption. The UN Convention goes beyond previous anticorruption instruments, covering a broad range of issues ranging from basic forms of corruption such as bribery and solicitation, embezzlement, trading in influence to the concealment and laundering of the proceeds of corruption. The Convention contains transnational business bribery provisions that are functionally similar to those in the OECD Antibribery Convention and contains provisions on private sector auditing and books and records requirements. Other provisions address matters such as prevention, international

cooperation, and asset recovery. Cameroon is a party to the UN Anticorruption Convention.

**OAS Convention:** In 1996, the Member States of the Organization of American States (OAS) adopted the first international anticorruption legal instrument, the Inter-American Convention against Corruption (OAS Convention), which entered into force in March 1997. The OAS Convention, among other things, establishes a set of preventive measures against corruption, provides for the criminalization of certain acts of corruption, including transnational bribery and illicit enrichment, and contains a series of provisions to strengthen the cooperation between its States Parties in areas such as mutual legal assistance and technical cooperation. As of December 2009, the OAS Convention has 34 parties (see <http://www.oas.org/juridico/english/Sigs/b-58.html>) Cameroon is not a party to the OAS Convention.

**Council of Europe Criminal Law and Civil Law Conventions:** Many European countries are parties to either the Council of Europe (CoE) Criminal Law Convention on Corruption, the Civil Law Convention, or both. The Criminal Law Convention requires criminalization of a wide range of national and transnational conduct, including bribery, money-laundering, and account offenses. It also incorporates provisions on liability of legal persons and witness protection. The Civil Law Convention includes provisions on compensation for damage relating to corrupt acts, whistleblower protection, and validity of contracts, inter alia. The Group of States against Corruption (GRECO) was established in 1999 by the CoE to monitor compliance with these and related anti-corruption standards. Currently, GRECO comprises 49 member States (48 European countries and the United States). As of December 2011, the Criminal Law Convention has 43 parties and the Civil Law Convention has 34 (see <http://conventions.coe.int/Treaty/en/Treaties/Html/173.htm>). Cameroon is not a party to these Conventions.

**Free Trade Agreements:** While it is U.S. Government policy to include anticorruption provisions in free trade agreements (FTAs) that it negotiates with its trading partners, the anticorruption provisions have evolved over time. The most recent FTAs negotiated now require trading partners to criminalize “active bribery” of public officials (offering bribes to any public official must be made a criminal offense, both domestically and trans-nationally) as well as domestic “passive bribery” (solicitation of a bribe by a domestic official). All U.S. FTAs may be found at the U.S. Trade Representative Website: <http://www.ustr.gov/trade-agreements/free-trade-agreements>. Cameroon currently does not have a free trade agreement in place with the United States.

**Local Laws:** U.S. firms should familiarize themselves with local anticorruption laws, and, where appropriate, seek legal counsel. While the U.S. Department of Commerce cannot provide legal advice on local laws, the Department’s U.S. and Foreign Commercial Service can provide assistance with navigating the host country’s legal system and obtaining a list of local legal counsel.

**Assistance for U.S. Businesses:** The U.S. Department of Commerce offers several services to aid U.S. businesses seeking to address business-related corruption issues. For example, the U.S. and Foreign Commercial Service can provide services that may assist U.S. companies in conducting their due diligence as part of the company’s overarching compliance program when choosing business partners or agents overseas.

The U.S. Foreign and Commercial Service can be reached directly through its offices in every major U.S. and foreign city, or through its Website at [www.trade.gov/cs](http://www.trade.gov/cs).

The Departments of Commerce and State provide worldwide support for qualified U.S. companies bidding on foreign government contracts through the Commerce Department's Advocacy Center and State's Office of Commercial and Business Affairs. Problems, including alleged corruption by foreign governments or competitors, encountered by U.S. companies in seeking such foreign business opportunities can be brought to the attention of appropriate U.S. government officials, including local embassy personnel and through the Department of Commerce Trade Compliance Center "Report A Trade Barrier" Website at [tcc.export.gov/Report\\_a\\_Barrier/index.asp](http://tcc.export.gov/Report_a_Barrier/index.asp).

**Guidance on the U.S. FCPA:** The Department of Justice's (DOJ) FCPA Opinion Procedure enables U.S. firms and individuals to request a statement of the Justice Department's present enforcement intentions under the anti-bribery provisions of the FCPA regarding any proposed business conduct. The details of the opinion procedure are available on DOJ's Fraud Section Website at [www.justice.gov/criminal/fraud/fcpa](http://www.justice.gov/criminal/fraud/fcpa). Although the Department of Commerce has no enforcement role with respect to the FCPA, it supplies general guidance to U.S. exporters who have questions about the FCPA and about international developments concerning the FCPA. For further information, see the Office of the Chief Counsel for International Counsel, U.S. Department of Commerce, Website, at <http://www.commerce.gov/os/ogc/international-commerce>. More general information on the FCPA is available at the Websites listed below.

Exporters and investors should be aware that generally all countries prohibit the bribery of their public officials, and prohibit their officials from soliciting bribes under domestic laws. Most countries are required to criminalize such bribery and other acts of corruption by virtue of being parties to various international conventions discussed above.

Corruption is a criminal offense in Cameroon, and carries jail time (five years to life) and a fine (US\$400 to 4,000). Corruption is endemic in Cameroon, which consistently ranks as one of the most corrupt countries according to Transparency International's Corruption Perceptions Index (see above). Transparency International has an active presence in Cameroon. The government signed the U.N. Convention Against Corruption (UNCAC) in April 2004 and ratified it in 2006. Cameroon has witnessed many high-profile corruption trials and convictions, and President Biya continues an aggressive campaign of corruption arrests dubbed "Operation Sparrow hawk." In 2012 Cameroon's Anti-Corruption Commission published its second report and Cameroon created a special tribunal to prosecute corruption cases. However, the GRC has still not implemented a constitutional provision voted in 1996 requiring government officials to declare their assets.

Government reforms in the public procurement process began in 2002 when observers were installed to perform systematic ex-post-facto audits on valuable procurements. Nonetheless, governance of the public procurement process remains problematic. In November 2004, the GRC published new anti-corruption measures for public contracts. In December 2011, the GRC created a special ministry dedicated to government procurement.

## Anti-Corruption Resources

Some useful resources for individuals and companies regarding combating corruption in global markets include the following:

- Information about the U.S. Foreign Corrupt Practices Act (FCPA), including a “Lay-Person’s Guide to the FCPA” is available at the U.S. Department of Justice’s Website at: <http://www.justice.gov/criminal/fraud/fcpa>.
- Information about the OECD Antibribery Convention including links to national implementing legislation and country monitoring reports is available at: [http://www.oecd.org/department/0,3355,en\\_2649\\_34859\\_1\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/department/0,3355,en_2649_34859_1_1_1_1_1,00.html). See also new Antibribery Recommendation and Good Practice Guidance Annex for companies: <http://www.oecd.org/dataoecd/11/40/44176910.pdf>.
- General information about anticorruption initiatives, such as the OECD Convention and the FCPA, including translations of the statute into several languages, is available at the Department of Commerce Office of the Chief Counsel for International Commerce Website: <http://www.commerce.gov/os/ogc/international-commerce>.
- Transparency International (TI) publishes an annual Corruption Perceptions Index (CPI). The CPI measures the perceived level of public-sector corruption in 180 countries and territories around the world. The CPI is available at: [http://www.transparency.org/policy\\_research/surveys\\_indices/cpi/2009](http://www.transparency.org/policy_research/surveys_indices/cpi/2009). TI also publishes an annual *Global Corruption Report* which provides a systematic evaluation of the state of corruption around the world. It includes an in-depth analysis of a focal theme, a series of country reports that document major corruption related events and developments from all continents and an overview of the latest research findings on anti-corruption diagnostics and tools. See <http://www.transparency.org/publications/gcr>.
- The World Bank Institute publishes Worldwide Governance Indicators (WGI). These indicators assess six dimensions of governance in 213 countries, including Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law and Control of Corruption. See <http://info.worldbank.org/governance/wgi/index.asp>. The World Bank Business Environment and Enterprise Performance Surveys may also be of interest and are available at: <http://data.worldbank.org/data-catalog/BEEPS>.
- The World Economic Forum publishes the *Global Enabling Trade Report*, which presents the rankings of the Enabling Trade Index, and includes an assessment of the transparency of border administration (focused on bribe payments and corruption) and a separate segment on corruption and the regulatory environment. See <http://www.weforum.org/s?s=global+enabling+trade+report>.
- Additional country information related to corruption can be found in the U.S. State Department’s annual *Human Rights Report* available at <http://www.state.gov/g/drl/rls/hrrpt/>.

- Global Integrity, a nonprofit organization, publishes its annual *Global Integrity Report*, which provides indicators for 106 countries with respect to governance and anti-corruption. The report highlights the strengths and weaknesses of national level anti-corruption systems. The report is available at: <http://report.globalintegrity.org/>.

## **Bilateral Investment Agreements**

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Cameroon has investment and/or commercial agreements with the European Union, Canada, China, Japan, Russia, South Korea, Turkey, and the United States. Similar agreements also exist with other countries in Africa, Asia, Latin America, and Eastern Europe. The U.S. Senate ratified a Bilateral Investment Treaty (BIT) between Cameroon and the United States in 1986, and it entered into force in 1989. While the original time frame for the agreement was ten years, it renews automatically under the terms of the treaty.

## **OPIC and Other Investment Insurance Programs**

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The U.S. Government signed an Investment Guarantee Agreement with Cameroon in 1967. OPIC has been receptive to American firms seeking war, expropriation, and inconvertibility insurance, and has guaranteed several ventures in Cameroon. The 1990 Investment Code guarantees protection from non-commercial risk, and Cameroon is a signatory of the Multilateral Investment Guarantee Agreement (MIGA).

## **Labor**

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Cameroon's 1992 Labor Code governs labor-management relations, providing for collective bargaining in wage negotiations, eliminating fixed wage scales, abolishing employment-based requirements on education levels, eliminating government control over layoffs and firings, and reducing the government's role in the management of labor unions. The Labor Code does not apply to civil servants, employees of the judiciary, and workers responsible for national security. In theory, the Labor Code provides a legal framework for the emergence of a flexible and efficient labor market, but such a market has not fully emerged. Cameroon is a party to the ILO Conventions 87 and 98 permitting the freedom to form unions and the right to collective bargaining.

After a long period of dissension between the government and labor unions, a new tripartite approach, including worker and employer unions as well as government representatives, addresses labor issues. This method has substantially improved relations between the parties for the benefit of both the workers and the employers, and the government intends to improve further workers' rights and establish a new concept of internal discussions within companies before workers resort to strikes. The Minister of Labor and Social Security refers to this policy as "Social Dialogue." The Ministry has taken an increasingly broad view of certain aspects of the Labor Code, especially regarding payment of "legal rights" to employees in the event of a restructuring or sale.

Cameroon has a high literacy rate relative to Sub-Saharan Africa and offers a relatively well-educated labor force alongside a surplus of unskilled and non-technical labor.

According to a 2005 survey conducted by the National Institute of Statistics in the two major cities, Yaounde and Douala, the unemployment rates (ILO criteria) in these cities are 14.7 percent and 12.5 percent, respectively. (The ILO defines an unemployed person as one who fulfills three conditions: a) without work, i.e. not having worked a single hour in a referenced week; b) available for work in the coming 15 days; c) actively seeking employment or having found one that will start later). In 2010, the Ministry of Employment and Vocational Training estimated that 75% of the active workforce is underemployed, and less than one million people are employed in the formal sector. However, Cameroon's National Statistics Institute cites Cameroon's unemployment as 4.4 percent, according to 2005 data.

About 50 percent of adult Cameroonians speak both French and English. Due to inadequate vocational and technical training, some industries have difficulties recruiting skilled labor in the domestic market. Also, the ready availability of unskilled labor means that technology used in many sectors, especially construction, remains basic.

An individual raising a discrimination case against an employer may elect to bring the case where he resides or where he works. In practice complainants file most of these cases in their place of residence. This compels the company to dispatch officials to sometimes distant places where the individual might have better local contacts than the company.

In recent years, Section 42 of the Cameroon Labor Code has posed some challenges to foreign companies selling their assets in Cameroon. Section 42(2)(b) allows employees or their labor organizations to demand compensation from the selling entity in advance of the sale of the asset. They may ask for termination of their contract and severance pay prior to the transfer, knowing that the new acquirer would still hire them or would need their acquired experience and service. In sectors where human resources costs are high, the practice can make it difficult for foreign investors to divest.

## **Foreign-Trade Zones/Free Ports**

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Although Cameroon currently has no designated foreign trade zones or free ports, it has an Industrial Free Zone (IFZ) regime applicable at any location through "industrial parks" or "single-factory" zones. Created in 1990 to promote internationally competitive export industries, the IFZ regime creates certain broad regulatory and tax exemptions for investors. It is unclear how the 2002 Investment Charter will affect the IFZ regime privileges.

To qualify for IFZ status, the goods or services must not have detrimental effects on the environment, and enterprises must export 80 percent of production. IFZ firms receive a ten-year exemption from taxes and are subject only to a flat tax of 15 percent on corporate profits beginning in the eleventh year. They have a right to tax-free repatriation of all funds earned and invested in Cameroon and are exempt from foreign exchange regulations. They are also exempt from existing and future customs duties and taxes, including those on locally purchased production inputs. The National Agency for Industrial Free Zones is the regulatory body that oversees and administers Cameroon's IFZ program.

A number of Cameroonian companies, particularly in Douala-Bonaberi Industrial Zone, are currently benefitting from limited tax advantages linked to the IFZ regime.

## **Foreign Direct Investment Statistics**

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Although foreign direct investment (FDI) plays a key role in the Cameroonian economy, reliable FDI statistics are not available. Neither the government nor the Chamber of Commerce has compiled a comprehensive list of foreign investments in Cameroon or estimates of current values. The 2012 finance law requires foreign companies to seek the help of a tax advisor for mergers or acquisitions of a Cameroonian entity. Local affiliates of French transnational companies carry a large amount of capital formation, although domestic banks are fueling some investment.

The Chad-Cameroon pipeline, which runs over 1,000 kilometers from Chad's Doba oil fields to the sea at Kribi, is one of the largest U.S. investments in sub-Saharan Africa, estimated at US\$4.4 billion when it was constructed in 2000. Exxon/Mobil and Chevron/Texaco jointly hold a majority interest in the pipeline company; this single project accounts for the lion's share of American investment in Cameroon.

Outside the petroleum sector, U.S.-based AES Corporation owns a majority stake in SONEL, the privatized national power producer and distributor. In 2009, AES launched "African Power Development Corporation," headquartered in Douala, as a holding and investment vehicle for both its operations in Cameroon and planned activities elsewhere in Cameroon, Nigeria, and possibly the Democratic Republic of Congo.

Dole raises and exports bananas, and Del Monte, which has a U.S. equity stake, runs a banana production sharing contract with the country's leading agro-industrial corporation, CDC. Colgate-Palmolive manufactures oral care/hygiene products for the local and regional markets at its Douala plant. In April 2003, the government awarded a permit to Geovic, a U.S. mining firm, to extract rich deposits of cobalt and nickel in Cameroon's East Region.

Additionally, several dozen U.S. companies are currently represented in Cameroon either directly or through agents or distributors.

France is still a major economic partner in Cameroon. Three commercial banks are majority French-owned. French interests are present in sugar-production plants, cement production, food and drink, and in the French telecommunications firm Orange, which operates one of Cameroon's three GSM mobile telephone companies. French interests are also dominant in distribution (autos and machines), logistics, and transportation ventures, ranging from railway network operation to the port terminal operations. French exports of pharmaceuticals make up 70% of the Cameroonian market share. In all, there are more than 100 French branch companies in Cameroon employing some 30,000 people, and more than 200 enterprises owned by French nationals.

China, South Korea, South Africa, Morocco, Turkey, and India are increasing their involvement in Cameroon's economy. Royal Air Maroc has regular flights to Douala and Yaounde, a Moroccan investment bank has opened a regional office, and a Moroccan company manages the national water utility. Chinese and Korean companies are

exploring mining opportunities and projects to manufacture cement. South African firm MTN has one of Cameroon's four mobile telephone licenses. A South African group also acquired the Cameroon Development Corporation's tea sector and is now known as Cameroon Tea Estates (CTE). Indian nationals are involved in retail sales.

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- <http://go.worldbank.org/RQQXYJ6210>
- [http://info.worldbank.org/governance/wgi/sc\\_country.asp](http://info.worldbank.org/governance/wgi/sc_country.asp)
- <http://report.globalintegrity.org/>
- <http://www.justice.gov/criminal/fraud/>
- <http://www.justice.gov/criminal/fraud/fcpa>
- <http://www.oas.org/juridico/english/Sigs/b-58.html>
- <http://www.oecd.org/dataoecd/11/40/44176910.pdf>
- <http://www.state.gov/g/drl/rls/hrprt>
- [http://www.transparency.org/policy\\_research/surveys\\_indices/cpi/2009](http://www.transparency.org/policy_research/surveys_indices/cpi/2009)
- <http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>
- <http://www.ustr.gov/trade-agreements/free-trade-agreements>
- <http://www.weforum.org/en/initiatives/gcp/GlobalEnablingTradeReport/index.htm>
- National Agency for Financial Crimes Investigation (ANIF): <http://www.anif.cm/en/mot-du-directeur.html>
- National Anti-Corruption Committee (CONAC): [http://www.conac-cameroun.net/en/index\\_en.php](http://www.conac-cameroun.net/en/index_en.php)
- [tcc.export.gov/Report\\_a\\_Barrier/index.asp](http://tcc.export.gov/Report_a_Barrier/index.asp)
- [www.coe.int/greco](http://www.coe.int/greco)
- [www.trade.gov/cs](http://www.trade.gov/cs)
- <http://www1.investincameroon.net/fr/>

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## Chapter 7: Trade and Project Financing

- [How Do I Get Paid \(Methods of Payment\)](#)
- [How Does the Banking System Operate](#)
- [Foreign-Exchange Controls](#)
- [U.S. Banks and Local Correspondent Banks](#)
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### **How Do I Get Paid (Methods of Payment)**

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Importers and exporters use internationally accepted methods of settlement. Due to pervasive credit risks -- even in the banking and public sectors -- many U.S. firms exporting to Cameroon insist on irrevocable letters of credit drawn on banks with strong foreign partners.

Cameroon's payments system is part of the Central African Economic Community (CEMAC) system. The system consists of two parts: clearing centers at the level of the Bank of Central African States (BEAC) branches for high-volume, small-value payments and settlement through regional BEAC current accounts for large value payments. There are currently no sub-regional (for CEMAC countries) clearing organizations. The central bank executes transfer orders of account holders on its books within the CEMAC zone and abroad. In 2008, the central bank implemented a regional payments system that incorporates electronic bulk payment clearing. Although the BEAC uses the SWIFT network, there are administrative delays in the international transfers it processes, and some banks use alternative routes to transfer funds to and from their correspondent accounts; individuals often avail themselves of services provided by nonbanks, such as Western Union.

### **How Does the Banking System Operate**

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The Bank of Central African States, the central bank for the six member countries of the CEMAC zone, oversees Cameroon's banking system and is supervised by the French Treasury, which guarantees the convertibility of the local currency at a rate of 655.957 CFA to 1 euro. Cameroon must hold at least 60 percent of its foreign reserves in an account in Paris that is managed by the French Treasury. The Central African Banking Committee (COBAC), housed in BEAC's offices in Yaounde, regulates the banking sector within CEMAC.

Cameroon has 13 fully operational commercial banks, with aggregate assets of 1,700 billion CFA francs (about \$3.4 billion). There are also 25 domestic insurance companies. U.S. money transfer services such as Western Union, MoneyGram and CoinStar also operate in Cameroon. BEAC sets benchmark interest rates for the banking institutions and state treasuries. Throughout the recent financial crisis, Cameroon's banking system has remained fairly solid. The regulatory board has

restructured a few ailing banks. The corporate community still complains about stringent prudential regulations, low lending volume, lack of innovative banking products, and poor quality of service. The presence of an American bank -- Citibank -- has made financial transactions easier for U.S. companies.

## **Foreign-Exchange Controls**

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In Cameroon, foreign exchange controls primarily serve statistical purposes. This serves as a primary source of data for policy formulation. Controls also enable the Ministry of Finance to certify that remittances conform to established regulations. Administrative approvals for foreign transfers are not required for amounts below approximately \$200,000. Above that limit, banks would need to secure clearance after the transfer has been executed.

## **U.S. Banks and Local Correspondent Banks**

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The only American bank operating in Cameroon as of May 2013 is Citibank. A number of Cameroonian banks have correspondent status with other American financial institutions.

Citibank Cameroon, S.A. (Douala)  
96, Rue Flatters, B.P. 4571  
Douala, Cameroon  
Tel.: (237) 3342 4272  
Fax: (237) 3342 4074

Citibank Cameroon, S.A. (Yaounde)  
487, Avenue Charles de Gaulle, B.P. 7324  
Yaounde, Cameroon  
Tel.: (237) 2221 2777  
Fax: (237) 2221 2767

## **Project Financing**

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Foreign investors can obtain local financing for investment and trade purposes at non-discriminatory terms. However, most foreign investors prefer to borrow from foreign sources due to Cameroon's comparatively high interest rates. Because local sources of financing are limited and expensive, competitive credit terms may be more appealing to a potential buyer than other factors. Some exporters often grant up to 180-day terms for [COFACE](#) rated local buyers.

Project financing is sometimes available through multilateral financial institutions. The World Bank has a resident representative in Yaounde, and its affiliate, the International Finance Corporation (IFC), maintains a regional office in Douala for borrowers in Central Africa. The IFC has invested in several large projects in Cameroon over the years. In December 2011, it joined the European Investment Bank and other banking institutions to grant a US\$260 million syndicated loan for the development of a 216 MW gas - power

plant in the southern resort city of Kribi. The Kribi Power Development Company (KPDC), which owns and operates the project, is an AES SONEL and Government of Cameroon joint venture.

The [Export-Import Bank of the United States \(Ex-Im\)](#) has backed some projects in Cameroon. Also, the [Overseas Private Investment Corporation \(OPIC\)](#) can insure and finance investments in which the U.S. stake is 25 percent or above.

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Export-Import Bank of the United States: <http://www.exim.gov>

Country Limitation Schedule: <http://www.exim.gov/tools/countrylimitationschedule/>

OPIC: <http://www.opic.gov>

Trade and Development Agency: <http://www.ustda.gov/>

SBA's Office of International Trade: <http://www.sba.gov/oit/>

USDA Commodity Credit Corporation: <https://www.fsa.usda.gov/FSA/webapp?area=about&subject=landing&topic=sao-cc-ac>

U.S. Agency for International Development: <http://www.usaid.gov>

COFACE North America: <http://www.coface-usa.com/>

African Development Bank: <http://www.afdb.org/>

International Finance Corporation: <http://www.ifc.org/>

World Bank (IDA): <http://www.ciesin.org/IC/wbank/IDA.html>

Islamic Development Bank: <http://www.isdb.org/>

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## Chapter 8: Business Travel

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- [Travel Advisory](#)
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- [Local Time, Business Hours and Holidays](#)
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### **Business Customs**

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Cameroon has the largest economy in Central Africa, but its business culture does not always follow Western patterns. Cameroonians appreciate an opportunity to “get to know” potential partners before beginning concrete discussions. It is helpful in Cameroon to supplement written communication with as many face-to-face contacts as possible. Adherence to Western standards of punctuality is not the standard; patience and persistence are needed to do business in Cameroon. In professional settings, Cameroonians dress in business attire. The use of the Internet and email is still limited and few companies have websites or company email addresses for their employees.

### **Travel Advisory**

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Americans planning travel to Cameroon are urged to consult the Department of State’s latest Consular Information Sheet (CIS) for Cameroon. The CIS, which is updated periodically, may be accessed by calling the State Department’s American Citizen Services Center at (202) 647-5225 or (202) 647-0900 or by visiting the Department of State’s Web sites <http://travel.state.gov/>. American citizens residing in Cameroon are urged to register with the [Consular Section](#) at the American Embassy in Yaounde.

There are many restaurants in Douala and Yaounde that serve a variety of cuisines, including Cameroonian, French, Chinese, Italian, Vietnamese, Indian, Korean, etc. Some restaurants and hotels in Douala and Yaounde accept European and American credit cards, but credit card users should exercise caution. Cash (preferably euros or local currency) is required at most shops, hotels and restaurants. Visa card holders may obtain cash at ATM terminals operated by some local and international banks in Douala and Yaounde.

Most streets in Cameroon do not have names or numbered addresses. Consequently, businesses, hotels, restaurants, government offices, and individuals use a post office box (in French, “boite postale”). Despite high rates, international organizations and

private businesses often use express mail services (including Federal Express, UPS, EMS, TNT, and DHL) for international mail rather than yield to the lengthy delivery times endemic to regular mail service in Cameroon.

Villas and other residential houses are available for lease in most towns in Cameroon. Apartments are also available for lease in Douala and Yaounde. Rates are relatively high, particularly in the major cities. While a real estate broker (“agent immobilier” in French) may help secure housing for American visitors, a good local contact may be more helpful. Many American businesspeople find temporary housing as well as office space at the higher-end hotels.

## Visa Requirements

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Visas and return tickets are required for entry into Cameroon and the process to obtain a Cameroonian visa is inordinately time-consuming and inefficient. U.S. business travelers to Cameroon have complained repeatedly about the visa requirement. Visas may be obtained at the Consular Section of the Cameroonian Embassy in the United States at 3007 Tilden Ave., N.W., Suite 5M, Washington, D.C. 20008, tel.: (202) 286-0984, fax: (202) 387-3826. Visitors who arrive without a visa will not be allowed to enter the country, especially if they are arriving from a country with Cameroonian diplomatic representation. Information on visa and immigration procedures can be found at the following link: <http://www.cameroonembassyusa.org/>.

U.S. Companies that require travel of foreign businesspersons to the United States should be advised that not all Cameroonian nationals qualify to obtain visas to the United States for business travel. Security evaluations are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website: <http://travel.state.gov/visa/>

U.S. Embassy Consular Section, Yaounde,  
Cameroon: <http://yaounde.usembassy.gov/visas.html>

## Telecommunications

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Cameroon and the United States have a direct telephone link via satellite. Cameroon’s country code is 237. All telephone numbers have eight digits; there are no specific cities or area codes. Cameroon has facsimile and telex services. There are two private mobile telephone companies currently operating in Cameroon: the French-owned Orange and the South African MTN. The state telecommunication company, CAMTEL, and its Chinese partner, HUAWEI, operate a Code Division Multiple Access (CDMA) network covering virtually all the ten regions of the country. All the mobile phone companies currently operate on the GSM 900 and 1800 standards with mobile internet-access facilities. Camtel also provides internet access, as do several private companies, and there are internet cafes in cities and larger towns. There is increasing access to the Internet even in some rural areas. Several private companies provide

mobile internet access using wi-fi connectivity. The cost of internet connectivity is quite expensive and connection (kilobytes per second - kps) rates are frustratingly slow.

## **Transportation**

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The main business centers are easily accessible by paved roads. A paved 510-kilometer highway links the three major northern cities of Ngaoundere, Garoua, and Maroua. However, the stretch linking the northern and southern parts of Cameroon is punctuated by segments of unpaved roads. Regular bus service is available between Yaounde, Douala, Limbe, Bafoussam, and Bamenda. While this may be recommended during daytime, road travel should be avoided at night due to frequent road accidents. In addition, armed highway robbery is a problem in certain regions of the country, especially after dusk. It is strongly advisable to travel between towns during daylight hours. Rental cars are available in Douala and Yaounde and other smaller cities like Bamenda, Bafoussam, and Limbe. Visitors can hire taxicabs in most towns and cities. Due to rampant crimes in taxis, however, the Embassy does not recommend this mode of transportation.

Cameroon's railway connects the southern and northern zones at the northern railroad terminal of Ngaoundere. Domestic railway services suffer from frequent delays.

Flights between Douala, Yaounde, Garoua, and Maroua are scarce; the national air carrier Camair-Co launched its operations in March 2011, connecting these cities. International travelers should arrive at the airport early as luggage check-in may take several hours - at least three hours for international flights and two hours for domestic flights. Cameroon has a per head airport departure tax of 10,000 CFA (approximately \$20.00) for international flights and 1,000 CFA (approximately \$2.00) for domestic flights.

## **Language**

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Although both French and English are official languages in Cameroon, at least two-thirds of the population speaks French, which is the dominant business language. A majority of professional Cameroonians understand, even though they may not speak, both languages. Pidgin English is a local lingua franca in the two English-speaking regions (the Southwest and Northwest Regions) of Cameroon and is widely used in several parts of Cameroon. The staff at most hotels and restaurants are usually bilingual – English and French.

## **Health**

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All visitors entering Cameroon must present evidence of a yellow fever vaccination administered within the last ten years on a valid World Health Organization (WHO) International Health Immunization Certificate. The certificate must be presented upon arrival and departure from Cameroon. Medical evacuation insurance should be purchased by visitors to Cameroon. Vaccinations against tetanus, typhoid, polio, meningitis, and hepatitis A and B are recommended. Cameroon has chloroquine- and

fansidar-resistant malaria. Americans are urged to take appropriate malaria prophylactic medication and to use insect repellents. Travelers should explore health insurance options, including provisions for evacuation and emergency procedures.

### **Local Time, Business Hours, and Holidays**

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Cameroon local time reads Greenwich Mean Time (GMT) +1. The statutory Cameroonian workweek is Monday-Friday, 7:30 a.m. to 3:30 p.m., with a half-hour lunch break that usually falls between 12:00 p.m. and 1:00 p.m. White-collar workers usually do not work on Saturdays, although some businesses are open on that day. Government offices are officially open from 7:30 a.m. to 3:30 p.m. without interruption, but in reality shorter hours and longer lunch breaks are the norms. Businesses are usually open from 8:00 a.m. to 6:00 p.m. and close for lunch for 1-2 hours.

The following Cameroonian national holidays are scheduled on fixed calendar days: January 1 (New Year's Day), February 11 (Youth Day), May 1 (Labor Day), May 20 (National Day), August 15 (Assumption Day) and December 25 (Christmas Day). Cameroon's religious holidays fall on unspecified calendar dates and include Good Friday, Ascension Day, Feast of the Ram, and the end of Ramadan. Holidays that fall on a Sunday are observed on Monday. When a workday falls between a Sunday and a public holiday, it may be declared a bridge public holiday by presidential decree, sometimes on short notice. Sunday is the sole official week holiday.

### **Temporary Entry of Materials and Personal Belongings**

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The temporary entry of goods is allowed, provided the traveler can justify that the goods are personal effects and/or the goods are to serve only for the temporary period of residence or nature of its usage. It is not necessary to pay customs duties on these items (with the exception of automobiles, for which there is a special clearance procedure).

### **Web Resources**

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State Department Travel Website: <http://travel.state.gov/>

United States Embassy Cameroon: <http://yaounde.usembassy.gov/>

U.S. Embassy Consular Section, Yaounde,  
Cameroon: <http://yaounde.usembassy.gov/visas.html>

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## Chapter 9: Contacts, Market Research and Trade Events

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- [Market Research](#)
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### Contacts

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#### The U.S. Political/Economic Section at the U.S. Embassy in Yaounde:

Bianca Menendez  
**Political/Economic Section Chief**  
**U.S. Embassy Yaounde**  
Tel: +237 2220 1500  
Fax: +237 2220 1605  
[MenendezBE@state.gov](mailto:MenendezBE@state.gov)

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**U.S. Embassy Yaounde**  
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Fax: +237 2220 1503  
[YanaJP@state.gov](mailto:YanaJP@state.gov)

Christopher Ekom  
Commercial Specialist  
**Political/Economic Section**  
**U.S. Embassy Yaounde**  
Tel: +237 2220 1500 Ext: 4382  
Fax: +237 2220 1503  
[EkomCA@state.gov](mailto:EkomCA@state.gov)

#### The U.S. Embassy's Branch Office in Douala:

Edward Gallagher  
Embassy Branch Office Director  
+237 3342 5331

Olivier Dakayi Tchamake  
Commercial Specialist  
+237 3342 5331  
[TchamakeBO@state.gov](mailto:TchamakeBO@state.gov)

American Chamber of Commerce  
Ms. Charmian Penda  
Executive Director  
Tel.: +237 7711 5272  
[amchamcam@live.com](mailto:amchamcam@live.com)  
<http://www.amchamcam.org/>

**The Government of Cameroon official websites:**

Presidency of the Republic: <http://www.prc.cm/>

Prime Minister's Office: <http://www.spm.gov.cm/>

**Market Research**

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To view market research reports produced by the U.S. Commercial Service please go to the following website: <http://www.export.gov/mrktresearch/index.asp> and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, and is free.

**Trade Events**

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Please click on the link below for information on upcoming trade events.

<http://www.export.gov/tradeevents/index.asp>

International Trade Fair organized in Yaounde: <http://www.salonpromote.org/>

For information on trade missions organized by the U.S. Embassy Commercial Section, please click on link below:  
<http://yaounde.usembassy.gov/commercial-services.html>

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## Chapter 10: Guide to Our Services

The President's National Export Initiative aims to double exports over five years by marshaling Federal agencies to **prepare U.S. companies to export successfully, connect them with trade opportunities and support them once they do have exporting opportunities.**

The U.S. Commercial Service offers customized solutions to help U.S. exporters, particularly small and medium sized businesses, successfully expand exports to new markets. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers
- Gain access to the full range of U.S. government trade promotion agencies and their services, including export training and potential trade financing sources

To learn more about the Federal Government's trade promotion resources for new and experienced exporters, please click on the following link: [www.export.gov](http://www.export.gov)

For more information on the services the U.S. Commercial Service offers to U.S. exporters, please click on the following link: (Insert link to Products and Services section of local buyusa.gov website here.)

U.S. exporters seeking general export information/assistance or country-specific commercial information can also contact the **U.S. Department of Commerce's Trade Information Center** at **(800) USA-TRAD(E)**.

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, **The Department of Commerce** does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements. **The Department of Commerce** can assist companies in these endeavors.

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