



INNOVATION
FUTURE
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MADE IN CAMEROON
QUALITY
DEVELOPMENT
MANUFACTURE



Investor's Guide



Contents

FOREWORD.....	4
GENERAL PRESENTATION.....	5
1. SUPPORT STRUCTURES TO INVESTORS.....	6
2. BUSINESS CLIMATE.....	13
3. INCENTIVE SCHEMES.....	15
4. OTHER INCENTIVE.....	16
CAMEROON ASSETS.....	19



H.E. Paul Biya

President of the Republic of Cameroon

“For a country like Cameroon, [...] Indeed, it will be necessary to carry out initial processing of its products, develop the industrial sector to reduce imports, stimulate trade which is still clearly insufficient within regional groupings and explore new markets in the rest of the world. “

Excerpts from the speech by the President of the Republic of Cameroon in response to the presentation of 2019 New Year wishes by the Diplomatic Corps, Yaounde, 9 January 2019



This brochure meant for investors has as purpose to present Cameroon's assets in terms of stability, improvement of the business climate and fiscal incentives backed by a better adapted legal framework. It presents the practical conditions for obtaining the facilities provided for under investors' windows.

Indeed, with a growth rate that is peaking again (estimated at 2.8 per cent in 2018), Cameroon's economy can reach the rate of 6 per cent in 2023. According to recent statistics by the IMF, economic revival is materialized by major infrastructure policies (ports, bridges, highways, hydroelectric dams...).

At the economic level, the gradual recovery in oil prices stands to reinforce the resilience of Cameroon's economy that has resisted the multiple economic and political and security shocks.

In the same vein, the Government of Cameroon under the impetus of the President of the Republic Paul Biya, is pursuing its

efforts in the area of development planning, regional development (notably development of economic zones), negotiation of conventions on the financing of major projects and coordination of the reforms aimed at improving the business climate.

As concerns debt management, records show that it is still at a controllable level (36 per cent of the GDP) that is within the limits of the ceiling of 70 per cent of the GDP according to the multilateral convergence criteria of CEMAC. Moreover, the budget deficit is contained below 3 per cent thanks to the ongoing economic programme with the IMF. Besides, inflation is controlled (below 3 per cent) and the growth rate remains the highest of the CEMAC zone.

In addition, Cameroon remains the best ranked country as concerns the business environment in the CEMAC zone according to the recent Doing Business report 2019. Similarly, the rating agency Moody's has recently improved Cameroon's ranking. As testified by the IMF, the leading role played by Cameroon in the sub-region has helped to negotiate an economic programme aimed at reviving the CEMAC zone thanks to the spill over effect of Cameroon's economy through sub-regional institutions. In perspective, we are heading towards a stronger growth projected around the threshold of 7 per cent.

In addition, Cameroon remains the best ranked country as concerns the business environment in the CEMAC zone according to the recent Doing Business report 2019.



Surface area: 475,442 sq km.

Estimated population in 2017: 24,053,727 inhabitants (World Bank, 2019).

Ethnic groups: 240 .

Annual average population growth: 2.2% (BUCREP, 2005).

Population Density: 45.4 inhabitant per square kilometre.

Political capital: Yaoundé.

Economic capital: Douala.

Other major cities: Bafoussam, Bamenda, Buea, Bertoua, Ebolowa, Edéa, Garoua, Kribi, Limbe, Maroua, Ngaoundéré.

Official languages: English and French

Currency: CFA franc; 1 USD = CFA 573.62 (variable parity); 1 € = CFA 655.95 (fixed parity).

Geographic location: Cameroon has a strategic position at the heart of the Gulf of Guinea, with an opening on ECCAS and ECOWAS. Sharing boundaries with Nigeria, Equatorial Guinea, Gabon, Congo, CAR and Chad, Cameroon provides access to a potential market of 200 million consumers.

Independence: 1st January 1960.

National day: 20 May.

Time zone: Universal time (UT) +1

Telephone code: +237.

Vegetation: very diversified (the country is a summary of all the vegetations of Africa).

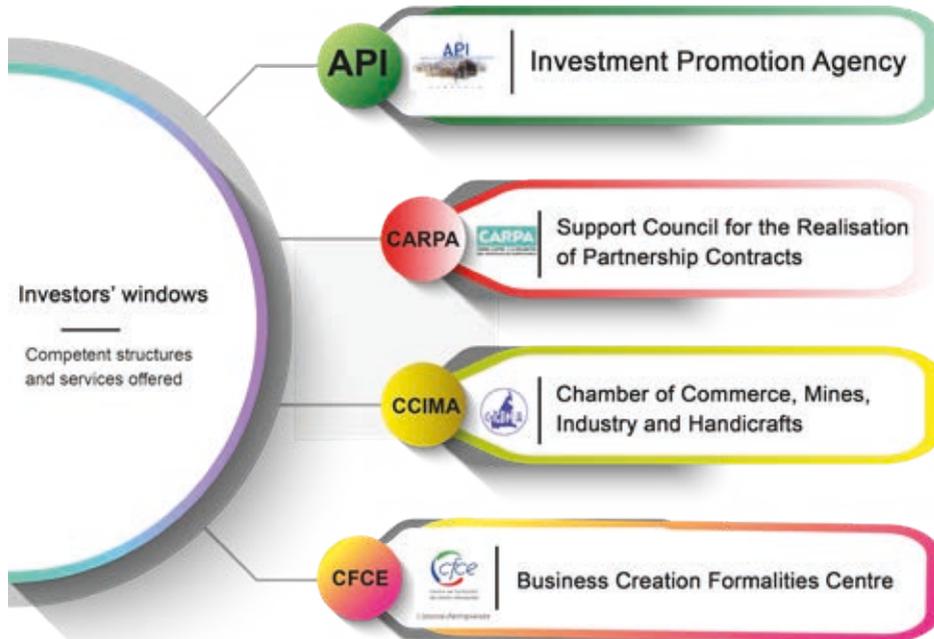
Climates: summary of the varieties of inter-tropical climates.

Religion: Christianity, Islam and ancestral religions.



An investor arriving in Cameroon can refer to specific counters made available by public authorities in order to provide them with sound assistance, notably the Investment Promotion Agency (IPA) and Business Creation Formalities Centre (BCFC) under the coordination of the Small and Medium-sized Promotion Agency (A.P.P.M.E). The IPA is dedicated to local enterprises (investment amount superior to CFA F 1 billion) and foreign investors (whatever the investment amount) willing to increase

their investments. As concerns the BCFC, they provide a one-stop-shop for business creation, with a series of facilities that guarantee SMEs' access to the formal sector of the economy. The investor's reception structures include the Support Council for the Realisation of Partnership Contracts (CARPA) and the Chamber of Commerce, Industries, Mines and Handicrafts (CCIMA).



Investment Promotion Agency (IPA)

IPA's missions

- Promoting the brand image of Cameroon at national and international levels;
- Attracting national and foreign investors;
- Offering a package of incentives to investors;
- Developing a project data bank for investors.

Les facilités offertes

- Reception, assistance, guidance of investors in the realisation of their investment projects;
- Signing of conventions between the IPA and investors to facilitate their assistance;
- Issuance of approvals enabling investors to benefit from the incentives granted under Law No.2103/004 of 18 April 2013 to lay down private investment incentives in the Republic of Cameroon;
- Total exemptions (new enterprises) or partial exemptions (existing enterprises) for licensed enterprises;

180 approvals were issued between 2014 and 2019.

Documents required for the issuance of a license

- Financing letter
- Status of the enterprise
- Tax file of the enterprise
- Business plan of the enterprise
- Feasibility studies of the investment project

Address and Contact

Nouvelle Route Bastos
B.P 20771 Yaoundé
Tel : (+237) 222 21 87 12
(+237) 699 99 45 85
(+237) 673 78 42 78

Email : info@investingcameroon.net



Business Creation Formalities Centre (BCFC)

BCFC missions

- Supporting and assisting economic operators in the business creation process;
- Streamlining procedures by grouping all the government services involved in the business creation process in a one-stop-shop;
- Directing the newly created enterprises to the competent government services to assist them in their activities.

Facilities available under the BCFC

- Creation of an enterprise within 3 days;
- Validation of the status of the enterprise;
- Registration in the trade and personal property credit register;
- Issuance of the tax payer card;
- Models of the statutes of the Organisation for the Harmonization of Business Law in Africa (OHADA) adapted to the specific situation of economic operators (minimum capital of CFA F 100,000).

Documents to be submitted to the BCFC/BCFC for the issuance of official business documents

- For national citizens, a photocopy of their National Identity Card or Birth Certificate;
- For foreigners, a photocopy of their passport or residence permit;
- A photocopy of their Marriage Certificate where applicable;
- A Certificate of non-conviction or otherwise an affidavit to be filled in at the reception service

- (this provisional affidavit is valid for 2 months);
- A passport-size photograph (black and white, or coloured);
 - Location plan of the enterprise;
 - Two flat files;
 - Fees: CFA F 41.500;
 - Fiscal stamps: a CFA F 1,000 stamp for each page of the status.

List of BCFC in the 10 regions of Cameroon

- CFCE Yaoundé
Tel : 674 38 58 36 / 695 54 27 37
- CFCE Douala
Tel : 670 60 75 13 / 696 16 12 80
- CFCE Garoua
Tel : 678 04 71 65 / 697 38 15 31
- CFCE Bamenda
Tel : 675 10 80 62
- CFCE Ebolowa
Tel : +237 242 60 39 71
- CFCE Limbé
Tel : +237 233 33 26 36
- CFCE Bafoussam
Tel : +237 233 44 60 09
- CFCE Maroua
Tel : +237 222 29 18 33
- CFCE Ngaoundéré
Tel : +237 698 01 44 04 / 696 36 07 43
- CFCE Bertoua
Tel : +237 696 21 37 62



Support Council for the Realisation of Partnership Contracts (CARPA)

CARPA's missions

The Support Council for the Realisation of Partnership Contracts is responsible for assessing public utility projects to be executed in public-private partnership (PPP) mode. It has as main mandate to provide its expertise to the construction and renewal of public utility facilities and equipment.

CARPA's role in the realisation of Public-Private Partnerships

- Preliminary appraisal of the project (feasibility study, technical Complexity, financial complexity, risk Analysis, etc.);
- Notice of Timeliness issued by CARPA (determination of the appropriate management method: public contract or Public Private Partnership);
- Validation of specifications to tenders prepared by public entities (draft tender documents in PPP mode proposed by public entities);
- Participation in the proceedings of the Boards charged with analysing the files submitted by bidders;
- Participation in the conclusion of a Partnership Contract;

- Support provided to public entities in the negotiations;
- Assessment of the minutes of

negotiations and the draft contract;

- Notice of no-objection on the draft contract before signature.

The seven steps towards the selection of projects under PPP

- Public Call for Expressions of Interest;
- Restricted Invitation to Tender;
- Presentation;
- Pre-qualification dialogue;
- Award of contract;
- Notification of results;
- Signing of the contract.

Address and Contact

Support Council for the Realisation of Partnership Contracts (CARPA)

Yaoundé, Quartier Bastos BP, 33745
Tel : (+237) 222 21 81 07
Fax : (+237) 222 21 79 85
Email : info@carpa-cm.com



Chamber of Commerce, Mines, Industry and Handicrafts (CCIMA)

CCIMA's missions

- Economic missions:

- Economic and statistical studies;
- Vocational training;
- Economic information;
- Support to enterprises;
- Economic promotion and market conquest;
- Organisation of trade events;

- Public service missions:

- Advisory opinions on bills and draft regulations relating to economic and trade activities;
- Creation, regulation, operation or cancellation of stock and commodity exchanges;
- Auction of throw out goods;
- Strengthening dialogue and Public-Private Partnership (DPPP);

- Facilities available under the CCIMA

- Registration of enterprises in the consular card-index;
- Issuance of various letters of accreditation;
- Supervision and promotion of industrial and trade enterprises;
- Focal point between private business circles and public authorities.

Address and Contact

Chamber of Commerce, Mines, Industry and Handicrafts (CCIMA)

Quartier Bonanjo, Douala, BP 4011

Tel : 233 42 68 55

Site web : www.ccima.cm

Email : siege@ccima.cm



Investors interested in the Cameroon destination can find useful information with the Cameroonian embassies located in their countries.

Other support structures to investors

Several other structures are ready to grant specific support to the investors who are settling in Cameroon. The following can be mentioned:

a. Ministry of Mines, Industry and Technological Development (MINMIDT)

This ministry is charged with developing industrial zones, promoting private investments and promoting investments in the sector of mine, industry and technological development, in conjunction with the Ministry of the Economy, Planning and Regional Development and the government services concerned.

b. SME Promotion Agency

It is charged with facilitating the creation of new SMEs, developing a network of partners around SMEs in order to create a conducive and efficient environment for their performance and ensure the eligibility of SMEs to investment incentive schemes.

c. The Cameroonian SMEs Bank

The Cameroonian SMEs Bank has as objectives to develop and optimize the support mechanisms to SMEs and participate in the establishment of a solid and integrated industrial fabric, the guarantee of the emergence of Cameroon by 2035.

d. The National Institute of Statistics (NIS)

The National Institute of Statistics has as main missions to ensure the coordination of activities of the statistical information system; make available statistical data and indicators necessary to economic and social management; ensure the conservation of data files; foster the development of statistical sciences and economic research; and promote training. Publications and data bases are available on-line at the NIS web site: www.nis.cm



Les étapes-clés de l'itinéraire
d'un investisseur au Cameroun



statistics-cameroon.org/ where the National Data Recap Page (PNRD) displaying recent economic, financial and monetary data can be consulted at the following link: cameroon.opendataforafrica.org

e. Employers' Organisations

The missions of these organisations include: service to members; representation of the private sector, defence of the interests of enterprises and promotion of free enterprise and the Cameroon economic space.

Among the employers' associations, we can mention: Cameroon Employers' Association (GICAM), Cameroon's Industrials Union (SYNDUSTRICAM), Cameroon Professional Farmers Union (USPAC), Cameroon Employers' Organisation of Transporters and Transports Auxiliary Union (OPSTAC), the Union of Cameroon's Enterprises (ECAM), Cameroon National Union of Road Transporters (SNTRC), the Cameroon Entrepreneurs Movement (MECAM), and the Cameroon Business Women Group (GFAC).

f. Chamber of Agriculture, Fisheries, Livestocks and Forests (CAPEF)

The Chamber of Agriculture, Fisheries, Livestocks and Forests is an advisory body that was set up in 1955 in Yaounde to represent the interest of professionals in the sector with public authorities. It supports operators in the sector through specific interventions in the areas of training, economic promotion, research and development.



Business climate

Incentive arrangements are available to foster economic activities in the creation and close of business, in business litigation, dispute settlement, taxation and support infrastructure.

Starting and closing a business

To facilitate the creation of enterprises, public authorities have set up 10 Business Creation Formalities Centres (BCFC) in the 10 regions. The BCFC is a one-stop-shop which provides for a streamlined procedure to obtain the documents required to create a business notably:

- Validation of the status of the enterprise;
- Registration in the Trade and Personal Property Credit Register;
- Free tax payer card.

Additional measures taken by Cameroonian authorities to entice investors to create enterprises include:

- Production of a users' guide and a manual of BCFC procedures;
- Deadline of 3 days set for the processing of files at the BCFC;
- Reduction of deadlines and costs of publication of legal advertisements;

- Institution of a deadline of three months for the registration of leasing;
- Institution of the affidavit (in lieu of the non-conviction certificate);
- Suppression of the certificate of non-married status, certificate of residence and a certified copy of the National Identity Card or Birth Certificate.

2.2 Business litigation, border trade, unfair competition and fight against smuggling

- Actions carried out in these areas include:
- Creation of special commercial benches in courts of instance;
 - Adoption of the law on mediation and sensitization of economic operators on the revised OHADA texts;
 - Enactment of some laws including Law No.2010/021 of 21 December 2010 regulating e-commerce in Cameroon, Law No.2010/013 of 21 December 2010 regulating e-communication in Cameroon, Law No.2010/012 of 21 December 2010 relating to cybersecurity and cyber criminality in Cameroon;
 - Fixing of security tags on some manufactured products such as alcohol, pharmaceuticals and tobacco.



2.3 Support infrastructure and procedure for the clearance of goods at the Port Authorities of Douala and Kribi

As part of the major accomplishments programme hinged on the Growth and Employment Strategy Paper (GESP), the following achievements were made:

- Commissioning of the Port Authority of Kribi now operational with the docking of 239 vessels between January and November 2018;
- Validation of the Railways Master Plan;
- Extension of the optic fibre in large cities;
- Construction of four thermal plants for 100 MW;
- Reduction of time spent for good clearance at the Port Authority of Douala from 20 to 13 days for goods;
- Setting up of a one-stop-shop for foreign trade operations ;
- Establishment of the system dubbed “Nexus Cameroon Customs” based on the Global Positioning System (GPS) and the Port Information System (SYDONIA) to facilitate the movement of import goods in transit operations nationwide;
- Installation of modern scanners at the Port Authority of Douala and the Port Authority of Kribi (PAK);
- Automation of procedures of registration into the importers and exporters card index;
- Mainstreaming of the payment of customs duties via bank transfer;
- Streamlining of operations on cargoes in transit;
- One-stop-shop for to facilitate land and property transactions for enterprises;
- Operationalization of one stop-shops for the processing of land files in the 10 regions.

2.4 Corporate taxation

Several innovations can be mentioned in this area:

- The corporate tax rate has moved from 35% to 30%;
- A users' guide to tax services is available



A conducive economic framework that fosters economic growth

- on-line at the website of the Directorate General of Taxation;
- Tax declaration is instituted on the basis of a single bulletin;
- E-payment of taxes and customs duties is instituted;
- Tax declaration of charges and social contributions with the National Social Insurance Fund was instituted;
- The Single Identifier Number is instituted;
- Acts of incorporation, extension and increase of capital are registered freely;
- Creation of Approved Management Centres (CGA) in charge of accounting and fiscal support to SMEs.

2.4 Legal and financial supervision of enterprises

- Establishment of a special regime for overarching projects and reinvestment;
- Institution of leasing in Cameroon;

- Revision of the text on security rights adopted by OHADA;
- Creation of the Cameroon Rural Financial Corporation (CARFIC);
- Creation of the Cameroonian SMEs Bank (BC PME S.A.);
- Institution of an SMEs Guarantee Fund.

For more information, kindly visit the web site of the Directorate General of Taxation at <https://www.impots.cm>



Les chantiers de la croissance sont adossés à un cadre juridique incitatif



3. Incentive schemes

Cameroon has adopted several tax incentives likely to serve as the tax bedrock for the realisation of major projects. These measures are laid down in the General Taxation Code and in specific laws. Law No. 2013/004 of 18 April 2013 to Lay down Private Investment Incentives in the Republic of Cameroon and the law regulating economic zones in Cameroon. The purpose of these measures is to guarantee the protection of the investor's fortune and assets.

3.1 Tax investment incentives scheme laid down in the General Taxation Code

Among these incentives scheme, we have:

- The economically distressed zones scheme;
- The agricultural sector promotion scheme;
- The stock exchange sector scheme;
- The scientific research and innovation promotion scheme.

3.2 Tax incentives scheme laid down in special laws

Law No.2013/004 of 18 April 2013 to lay down private investment incentives in the Republic of Cameroon facilitates:

- The installation phase of enterprises (not exceeding 5 years) through exemptions on the purchase of equipment and installation works;
- The operational phase (not exceeding 10 years) through the exemption of corporate and investment income taxes, as well as banking facilities for the repatriation of dividends.

3.3 Exceptional Schemes for Partnership

contract

This scheme is regulated by the provisions of Law No.2008/009 of 16 July 2008 to lay down the tax, financial and accounting system applicable to partnership contracts. It grants many incentives based on the level of progress of the project:

In the design - execution phase:

- VAT is taken care of by the public entity; registration is free of charge for all contracts and deeds concluded;
- Taxes and customs duties are taken care of by the public entity;
- Special Temporary Admission granted for equipment imported for provisional use of the project (the public entity covers taxes and customs duties corresponding to the stay);
- Exemption from pre-shipment inspection on demand.

- In phase of operation:

- a 5% discount is applied on the corporate tax in relation to the nominal rate for the first 5 years of operation;
- Accelerated depreciation scheme during the first 5 years;
- Registration of all deeds is free of charge for the first 5 years and;
- Successive carried forward of the tax deficit until the 5th year of the financial year.

4. Other incentives

The adoption of several sector codes enshrines the option taken by the Government to make the private sector a growth engine. Some of these codes include, the mining code, the oil code, the gas code and the law regulating the electricity sector.

4.1 General incentive frameworks

Among the general incentive frameworks, we can mention many incentives provided for under the General Taxation Code and which are updated each year within the framework of the Finance Law, notably incentives granted to the enterprises located in economically distressed zones. Moreover, Cameroon has aligned to the harmonized legislation of the Central African Economic and Monetary Community (CEMAC) in the area of customs.

4.2 Specific incentive frameworks

4.2.1 Mining code

Any holder of an exploration permit is granted:

- The benefit from the temporary admission scheme for equipment used for exploration, as well as for the professional equipment required for production (machines, appliances, construction vehicles, spare parts);
- Exemption from registration duties on mining operations;
- Exemption from taxes on various

profits and capital.

4.2.2 Oil code

As concerns procedures and incentives in the oil sector, the code in force provides for five types of authorizations:

- Prospecting permit;
- Exploring permit ;
- Temporary operation permit;
- Operation permit;
- Internal transport permit.

The holder of an oil contract (or permit) is exempted from:

- All taxes or charges after tax on profits and dividends paid to shareholders;
- All taxes and customs duties on exports on the basis of the activities carried out;
- All direct taxes on the proceeds of oil operations for the profit of the State, Local and Regional Authorities, and any public entity based on its activities.

Subcontractors of oil companies are exempted from the payment of the special income tax.

Products and equipment directly associated with oil operations apart from equipment, materials, machines and equipment necessary for the conduct of oil operations benefit from a preferential access rate of 5% to taxes and duties during the first five years following the grant or renewal of a permit.

4.2.3 Gas code

The Gas Code Downstream includes the following activities: transmission, distribution, processing, storage, import, export and sale of natural gas in the Cameroonian territory. Any national or foreign natural



The electricity code is henceforth regulated by law



person residing in the Republic of Cameroon or any private or public legal entity without discrimination can carry out an activity in the gas sector downstream in the Cameroonian territory, in accordance with the laws and regulations in force.

There are two systems in the gas sector downstream: the license and authorization systems.

Processing, storage, import and export fall under the license system. The license is issued for a renewable period of fifteen years for processing and storage, and five years for import and export. Applications for the issuance of licences are addressed to the ministry in charge of hydrocarbons or any other public entity mandated for this purpose. The licensing procedure is set by regulations.

The authorization system relates to the sale of gas, import and installation of equipment and materials dedicated to the commissioning of gas transmission and distribution systems. The installation of gas storage plants and measurement and safety devices to be used by operators and clients constitute the activities which fall under the authorization system. The authorization procedure is laid down by

regulation and authorization is granted for a period of three years renewable.

4.2.4 Law regulating the electricity sector

The law regulating the electricity sector in Cameroon is grounded on the need to back up the development of a real heavy industry in the sector through the introduction of a better legal security together with an appropriate regulatory system. This text also confirms the desire of the Cameroon government to introduce different types of energy including renewable energies which are alternatives to meet the energy needs of consumers, but also to guarantee the preservation of the environment.

This law also grants incentives to private operators who invest in the sector to compensate the financial risk incurred.

Cameroon's assets

- An enticing private investment legal framework;
- Diversification of the electricity and gas energy provision;
- Improvement of the legal and judiciary security for private investment;
- Price and market supply policy compatible with the households' purchasing power;
- Opening to a market of about 300 million consumers from CEMAC and Nigeria;
- Labour market characterised by quality human resources and an attractive Labour Code;
- Diversification of instruments for the funding of the economy (SMEs banks, leasing, etc.);
- Soil and sub-soil richly endowed with raw materials (iron ore, bauxite, oil, gas, etc.);
- Promotion of a strong and resilient economy that makes the private sector the engine of growth;
- Strengthening of the security mechanism for the establishment of a joint multinational force of the Lake Chad Commission and the Standby Forces of the African Union;
- Improvement of economic governance with the creation of the Special Criminal Court, the National Financial Investigation Agency, the Audit Bench of the Supreme Court and the National Anti-Corruption Commission, as well as the enhancement of the role of the Supreme State Audit;
- Establishment of the Constitutional Council.

CAMEROON

Investor's Guide



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