

COMMISSION OF THE EUROPEAN COMMUNITIES

**CONDITIONS FOR THE SETTING UP OF
INDUSTRIAL UNDERTAKINGS**

Cameroon

JULY 1974

COMMISSION OF THE EUROPEAN COMMUNITIES
DIRECTORATE-GENERAL OF DEVELOPMENT AND COOPERATION
Trade and Development Division

**CONDITIONS FOR THE SETTING UP OF
INDUSTRIAL UNDERTAKINGS**

**in the
Associated African States and Madagascar**

General information for E.D.F. invitations to tender

VOLUME 14

UNITED REPUBLIC OF CAMEROON

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For the United Republic of Cameroon, the study has been prepared by Mr Claude RAYMOND (SEDES, PARIS) with the assistance of Mr PAQUIER (SEDES), who is responsible for coordinating the work for the AASM.

FOREWORD

In 1972 the Commission of the European Communities, working in close cooperation with the Governments of the States associated with the European Economic Community¹, brought out for the first time a series of booklets on the conditions for setting up and running industrial firms in these States.

As these booklets were very favourably received, it was decided that they could be used as a means of providing regular information on industrial topics.

The information has been compiled for all those interested - for whatever reason - in the industrialization of the Associated States in general or of one of those States in particular. They will be useful for those in industry, finance and commerce who contemplate helping set up enterprises or hope to make contact with the States in question and establish trade relations with them.

The information in the second edition dates from mid-1974 and reflects the situation at that time. It is inevitably of a general nature, and there are some gaps. A study on a specific project would of course involve going into certain points in greater depth or carrying out additional research.

The information was compiled by, and on the responsibility of, experts working for SEDES (Paris).

¹ Burundi, Cameroon, Central African Republic, Chad, Congo, Dahomey, Gabon, Ivory Coast, Madagascar, Mali, Mauritania, Mauritius, Niger, Rwanda, Senegal, Somalia, Togo, Upper Volta and Zaïre.

The booklets - which are published only in the official language of the country with which they deal - may be obtained free of charge from:

The Commission of the European Communities, Directorate-General for Development and Cooperation (VIII/B/1),
rue de la Loi 200, 1040 Brussels.

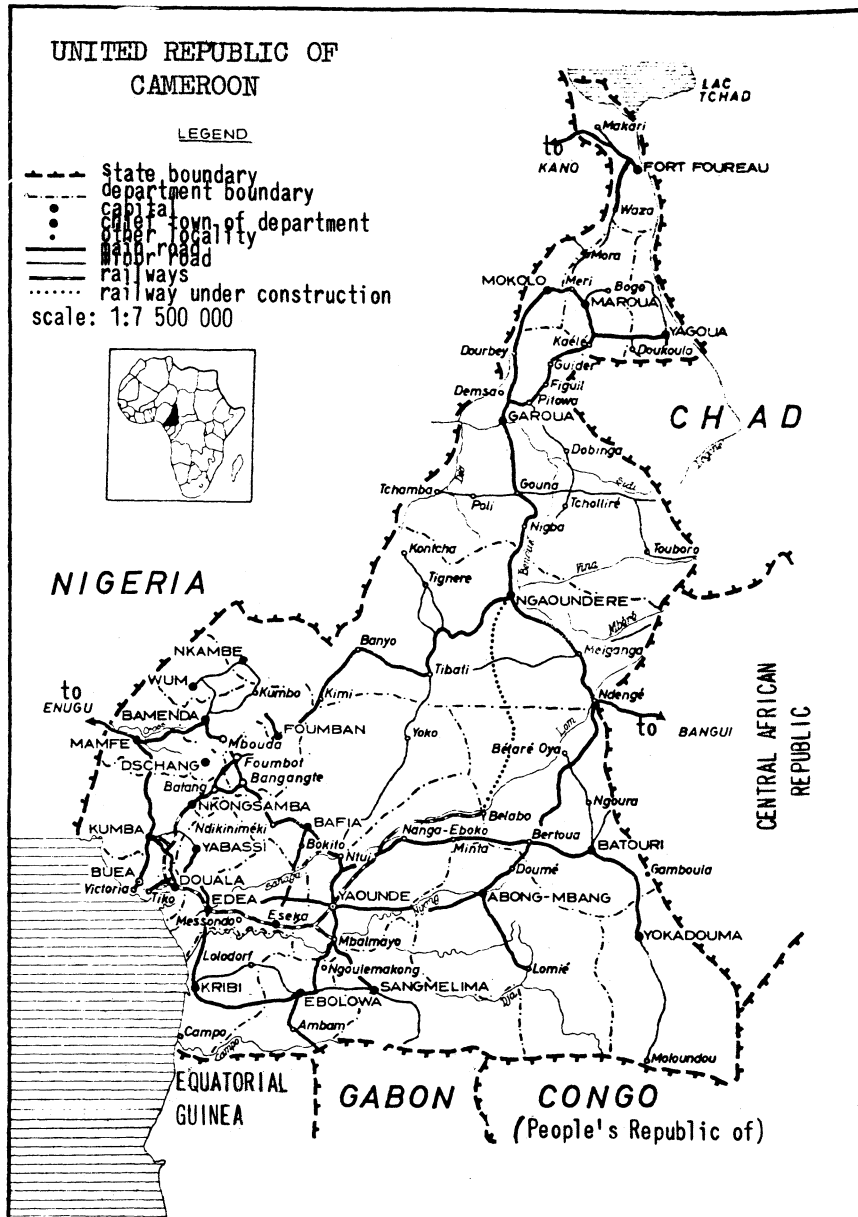
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UNITED REPUBLIC OF CAMEROON

LEGEND

- state boundary
 - - - department boundary
 - capital
 - chief town of department
 - other locality
 - == major road
 - railway
 - railway under construction
- scale: 1:7 500 000



CHAPTER I

GENERAL INFORMATION AND INDUSTRIAL POLICY

The purpose of this chapter is to provide some general information about the country in the briefest possible form. Within the context of the present study this information has been selected as typifying an "environment" for industry and as being of relevance to the setting up of new industrial enterprises. It covers:

1. geography, political and administrative structures, population and agro-climatic zones;
2. the economy: currency, gross domestic products, foreign trade and production, trading structures, budgets, education, health;
3. the features regarded as characteristic of the country in regard to its potentialities for industrialization;
4. the industrial sector: description, policy trends;
5. addresses useful to anyone interested in the problems concerning industry in the country.

1. GEOGRAPHY AND STRUCTURES

1.1 Geographical situation

Latitude: from the 2nd to the 13th degree North
 Longitude: from the 8th to the 16th degree East
 Area: 475 000 square kilometres, equivalent to 40.8%
 of the area of the 6 founder countries of the
 Common Market

Maximum distances: North-South 1 200 km
 East-West 700 km

Frontiers:
 to the West Nigeria
 to the East Chad, Central African Republic
 to the South People's Republic of the Congo, Gabon,
 Equatorial Guinea

Access to the sea: 250 km of coastline on the Atlantic Ocean
 Chief port: Douala-Bonabéri
 Other ports: Kribi, Victoria, Tiko, Campo on
 the Atlantic coast
 Garoua on the Bénoué river, a tributary of the
 Niger.

1.2 Political structures

The United Republic of Cameroon emerged from the Federal Republic of Cameroon, following a referendum on 12 May 1972. The latter Republic had been founded on 1 October 1961 through the reunification of the Republic of Cameroun (formerly under French trusteeship) and the territory of the Southern Cameroons (formerly under British trusteeship).

The United Republic of Cameroon is a democratic, laic and social Republic where the authority of the State is exercised by:

the President of the Republic

the National Assembly

The political system is of the presidential type.

Two official languages: French and English.

Cameroon is a member of the Central African Customs and Economic Union (UDEAC), the United Nations, the Organization of African Unity, the African Development Bank (ADB) and is associated with the EEC.

1.3 Administrative structures

The administrative capital is Yaoundé.

The United Republic of Cameroon is divided into provinces, departments, arrondissements and districts.

Table No 1

ADMINISTRATIVE DIVISIONS AND POPULATION

Regions	Departments	Total population (1970)	Chief town and number of inhabitants
North West	Bui, Donga, and Mantung Momo, Mezam, Metchoum	891 000	Bamenda 24 000
South West	Fako, Manyu, Mémé, Ndian	309 000	Buëa 13 000
Littoral	Mungo, Nkam, Sanaga-Maritime, Wouri	650 000	Douala 300 000
North	Adamaoua, Bénoué, Diamaré, Kousséri, Mangui-Wandala Hayo-Danai	1 580 000	Garoua 50 000
South Central	Dja and Lobo, Haute-Sanaga Lekié, Nbam, Mefou, Mfundi Ntem, Nyong and Kélé Nyong and Mfoumou, Nyong and Soo, Océan	1 130 000	Yaoundé 170 000
West	Bamboutos, Bamoun, Haut-Nkam, Ménoua, Mifi, Ndé	1 000 000	Bafoussam 55 000
East	Boumba and Ngoko, Haut-Nyong Kadéi, Lom and Djérem	280 000	Bertoua 10 000
Total population		5 840 000	

1.4 Population

Total: 6 500 000 in 1974 Source: Directorate of Statistics and National Accounts

Estimation with a rate of increase of 2.1% per year.

Urban population: 1 600 000

Economically active population: 16 to 64 years = 3 500 000
(rate of increase 1.7% per year)

20 to 55 years = 2 500 000
(rate of increase 0.7% per year)

There are 4 towns with over 50 000 inhabitants, namely:

Yaoundé, the capital: 170 000; Douala: 300 000; N'kongsamba: 70 000; Bafoussam: 55 000.

1.5 Agro-climatic zones

Climate varying from North to South from the Sahelian zone (dry season lasting 7 to 8 months) to the equatorial zone (rainy season lasting 7 to 8 months). Rainfall ranges from 4 000 mm in the Douala-Buëa area to under 600 mm in the Lake Chad area.

Relief: a vast central plateau 600 to 700 metres high, in the North West the Manengouba Bambutos volcanic massifs and in the North the plains, separated from the central plateau by the high tablelands of the Adamaoua.

The relief gives rise to two drainage systems: the southern system with the basin of the Sanaga river; the northern system with the Bénoué river and the Chad basin.

This diversity of climates and relief is matched by a variety of agricultural aptitudes:

forest, cocoa, coffee, oil-palm, bananas, rubber in the equatorial zone (southern part of West Cameroon, Littoral, South Central, East);

stock-farming, coffee, tea in the high-lying zones of the plateaux (Adamaoua, West, northern part of West Cameroon);

stock-farming, cotton, rice in North.

2. ECONOMY

2.1 Currency

Parity: 1 CFAF = 0.0036 u.a.
= 0.02 FF

1 u.a. = 277.7 CFAF

Cameroon belongs to the franc area.

The currency is issued by the Banque des Etats de l'Afrique Centrale (BEAC).*

Exchange control does not apply to financial relations with the countries of the franc area; for other countries control by the Ministry of Finance, all transactions to be conducted through approved banking establishments.

2.2 Gross domestic product

Gross domestic product rose from 247.3 thousand million CFAF in 1968/69 to 356.8 thousand million in 1972/73 (estimate).

Growth rate in current prices:

from 1963/64 to 1969/70: 9.6% per year

from 1969/70 to 1972/73: 9.1% per year

Per capita GDP: 56,000 CFAF in 1972/73.

Gross domestic production: 218.9 thousand million CFAF in 1968/69, 268.5 thousand millions in 1970/71; for 1972/73 it is estimated at 314.8 thousand million, made up as follows:

primary sector 116.6 thousand million CFAF or 37%

secondary sector 69.6 thousand million CFAF or 22%

tertiary sector 128.6 thousand million CFAF or 41%

*Bank of the Central African States.

2.3 Foreign trade and productionTable No 2

CONTROLLED EXPORTS

Units: Quantity in tonnes
Value in millions of CFAF

Products	1970/71		1971/72		1972/73		Corresponding production figures ¹
	Q	V	Q	V	Q	V	
Coffee (arabica and robusta)		14 800	55 858	13 368	80 782	19 509	80 315
Cocoa and by- products		18 305	105 751	15 851	87 888	15 963	107 000 (cocoa)
Wood in the rough		4 148	413 856	4 296	472 487	6 400	
Unwrought aluminium		5 172	27 629	3 945	28 220	3 948	
Ginned cotton		4 217	14 665	2 315	13 813	2 117	45 300 (raw cotton)
Fresh bananas		1 522	58 450	2 101	55 916	1 973	95 800
Natural rubber		1 463	12 696	1 205	15 577	1 365	
Miscellaneous		12 112	173 241	14 053	188 394	15 196	
Total exports	877 755	61 739	862 146	57 134	943 077	66 471	

Source: Ministry of the Plan - Directorate of Statistics.

¹ Provisional data.

In 1973 the three principal importing countries were, in order of magnitude:

France: 30%
Netherlands: 24%
Federal Republic
of Germany: 10%

Table No 3

CONTROLLED IMPORTS, IN VALUE

Unit: in millions of CFAF

Use groups	1970/71	1971/72	1972/73
Food - beverages - tobacco	6 852.7	7 341.5	6 414.9
Energy and lubricants	3 283.9	3 753.1	3 838.7
Raw products of vegetable and animal origin	1 412.9	1 768.6	1 873.3
Raw products of mineral origin	1 925.9	1 230.8	1 794.6
Semi-products	8 564.7	9 733.8	9 535.9
Transport and traction equipment	6 986.0	7 145.2	13 959.4
Agricultural equipment	318.9	291.3	304.2
Industrial equipment	12 029.4	11 008.9	10 298.6
Consumption by households	10 094.4	9 897.9	10 347.3
Consumption by enterprises	18 411.4	19 637.5	18 965.6
Total	69 880.6	71 808.6	77 332.5

Table No 4

TRADE BALANCE

Unit: in millions of CFAF

	1970/71	1971/72	1972/73
Exports	61 739	57 134	66 471
Imports	69 881	71 807	77 333
Balance	- 8 142	- 14 673	- 10 862
Rate of cover	88.75%	79.57%	85.95%

2.4 Trading structures

In Cameroon all trading activities are in the hands of the private sector.

The State guides and controls both the import and the export trade in products in order to encourage local industry.

2.5 1973/74 Budget

The budget year runs from 1 July of each year to 30 June of the following year.

Amount 74 500 million.

Customs revenue 65% of total revenue.

Investment budget 22% of total expenditure.

Trend: Advance of 7 647 million as compared with 1972/73.

National debt: Expenditure on servicing of the national debt assigned to investment operations amounts to 2 300 million francs.

2.6 Education

Official languages: French and English.

Percentage of 1973/74 Budget: 14.51% of expenditure.

Total numbers:

Level of education	School population		Increase in %
	1971/72	1972/73	
Primary education	930 131	967 561	4%
General secondary education	65 360	72 540	11%
Technical secondary education	19 244	22 571	17%
Teacher-training	-	2 021	-
Higher education	3 281	4 484	37%

Source: Statistical Yearbook 1972/73, Ministry of National Education.

Cameroon possesses a fairly dense school infrastructure with a lycée (grammar school) in each large town: Yaoundé, Douala, Bamenda, Buéa, Garoua, Maroua, Bafoussam, Bertoua.

There are also a number of technical establishments training skilled technicians (mechanical engineering, electricity, electronics, draughtsmanship, etc...) at Douala, Bafoussam, Ebloua, Edéa, Garoua, N'kangamba, Ombé and Yaoundé.

Higher education is provided at Yaoundé, where there are several faculties (literature, languages, law, economic sciences, medicine) and a polytechnic school training high-level technicians.

2.7 Health

The country's medico-social infrastructure in 1974:

(Source: Ministry of Health and Social Affairs)

Hospitals

Public sector:	Number of establishments	61
	Number of beds	8 894
Private sector:	Number of establishments	45
	Number of beds	7 390
Total:	Number of establishments	106
	Number of beds	16 284
	+ 162 military	16 446

The biggest hospitals are at Yaoundé and Douala but there are a number of others, including those at Bertoua, Bafoussam, Garoua, Maroua, Bamenda and Buéa.

Health centres - dispensaries 905 (including military services)

Personnel:	Doctors	290
	Pharmacists	77
	Dentists	18
	Health engineer	1

Para-medical and social personnel:

Nurses with State diploma	780
Midwives	124
Certified nurses	973
Social workers	122
Nursing orderlies	624

2.8 Development Plan

The Third Economic and Social Development Plan covers the period from 1 July 1971 to 30 June 1976.

The quantitative global objective is the doubling of per capita income in twenty years, which implies an increase in gross domestic product of 3.5% per year in constant francs.

The investment rate of the financial sector (21% of the gross domestic product) will be maintained.

The greater part of investment is devoted to the infrastructure and the equipment of the territory, which condition not only the productivity, but also the equilibrium and the integration, of the Cameroonian economy.

The procedures for drawing up the Third Plan involved a preparatory phase and two phases of drafting proper, which were conducted simultaneously at the regional level and at the national level.

Preparatory phase: Taking stock of the country's economic situation and bringing out the medium and long-term prospects.

General directives and objectives for the government departments and regional authorities.

First drafting phase:

The regional commissions laid down the conditions under which the operations should be put in hand in order to be effective and well-coordinated, and to have the maximum induced effect upon the development of the region. They defined the regional objectives and the means to be applied.

The national commissions:
singled out the objectives sector by sector,
evaluated the means required for achieving them,
defined the sectoral programmes.

Second drafting phase:

In this phase the programmes were put into final form.

3. CHARACTERISTICS OF THE COUNTRY

By reason of its area, its differences in altitude and its shape (a triangle highly elongated from South to North), Cameroon possesses agro-climatic zones of great diversity, ranging from the equatorial climate (South and Littoral) to the long-dry-season savanna in the North.

This diversity has a beneficial influence on the range and potentialities of agricultural crops and animal species. Exploitable forest is estimated to form one third of the country's area.

The country as a whole is relatively densely populated, especially in comparison with its neighbours.

The training of skilled labour is satisfactory and represents a positive factor for industrialization. However, training is still inadequate for senior managerial staff.

The principal means of transport, for the long distances within the country, are railways and aircraft; the road network is inadequate except for traffic between the chief towns, and the development of secondary population centres is still hampered by unreliable communications.

There is an abundance of agricultural resources, whereas the identified mining resources are still small, apart from bauxite.

4. INDUSTRIAL POLICY

4.1 Industrial sector

Last industrial census carried out in 1967/68 by the Directorate of Statistics and National Accounts.

Partial censuses were carried out at the provincial level for the financial year 1972/73 in the Littoral and South Central provinces, which account for 90% of Cameroon's potential.

	Littoral	South Central	Total
Investments during the financial year	6.6	10.0	16.6
Turnover	65.2	7.8	73.0
Wages paid	8.7	8.0	16.7
Total number of employed persons	20 739	21 000	41 739

Investments, turnovers and wages are given in thousand million current 1972/73 CFAF. Turnovers are given inclusive of all taxes.

Table No 5

OUTPUT OF PRINCIPAL INDUSTRIAL PRODUCTS, IN QUANTITIES

	Unit	1971/72	1972/73
LITTORAL REGION			
<u>I. Food-Beverages</u>			
1. Wheat flour	t	30 241	34 494
2. Cocoa butter - cattle cakes	t	22 920	34 300
3. Beers	hl	...	1 200 000
4. Aerated drinks (including outputs of other regions)	hl	498 766	461 172
5. Syrups	hl	1 970	...
6. Ice	t	37 502	44 649
7. Finoline oil	hl	12 042	9 840
8. Pasta products	t	4 766	4 786
<u>II. Textiles-Footwear-Ready-made clothing</u>			
9. Shoes (plastics, rubber, leather)	thousand pairs	4 819	5 433
10. Cotton fabric	hm	201 712	211 289
11. Synthetic fabric	hm	4 636	8 837
12. Sack cloth for flour bags	hm	8 244	...
<u>III. Industry-Chemical-Cement-Glass</u>			
13. Plastics	t	551	732
14. Lubricating oils	t	3 185	5 918
15. Matches	t	1 726	1 570
16. Soaps	t	12 027	13 848
17. Paints	t	2 488	2 634
18. Cements	t	140 160	177 423
19. Bottles	thousands	17 429	13 107
<u>IV. Paper industries</u>			
20. Packagings cement	thousands	...	1 476
21. Packagings paperboard	t	8 788	8 575

Table No 5 (contd)

OUTPUT OF PRINCIPAL INDUSTRIAL PRODUCTS, IN QUANTITIES

	Unit	1971/72	1972/73
<u>LITTORAL REGION</u>			
<u>IV. Metal and metal products - Engineering</u>			
22. Aluminium	t	46 300	44 856
23. Aluminium sheets	t	9 460	8 994
24. Aluminium products, discs, strips	t	6 183	5 294
25. Assembly of land rovers	number	413	301
26. Motor-assisted bicycles	number	7 010	5 248
27. Special machines	number	4 099	6 317
28. Cycles, bicycles, etc.	number	10 000	14 200
29. Metal drums (220 l)	number	...	32 600
" " (25 and 20 l)	number	...	29 900
<u>V. Energy - Electronics</u>			
30. Hydro-electric power	thousand kWh	1 068 230	1 062 264
31. Electric power transformed and distributed	kWh	165 891	172 595
32. Water	thousand m ³	10 905	11 549
33. Radio receivers	number	...	77 703
<u>SOUTH CENTRAL REGION</u>			
<u>I. Food-Beverages-Tobacco</u>			
41. Refined sugar	t	...	15 248
42. Tobacco and cigarettes	t	...	1 538
<u>VII. Wood and wood conversion, bricks</u>			
43. Plywood	m ²	...	20 215
44. Sawn wood	t	...	...
45. Baked-clay bricks	t	...	...
<u>NORTH REGION</u>			
Cements	t	14 535	22 000
Cotton fabric	hm		forecast

Source: Ministry of Industrial and Trade Development.

4.2 Industrial content of the Plan

The industrialization policy pursued during the Third Plan is as follows:

- to diversify production,
- to generate a process of dynamic expansion,
- to contribute to the balancing of foreign trade.

Efforts are directed towards:

- the industrial conversion of raw materials,
- the surveying and development of mining resources,
- the promotion of a heavy industry through conversion of the mineral resources worked,
- the encouragement by credit and technical support of small and medium-sized enterprises,
- the training of skilled labour.

In 1975/76 secondary activities will account for 27.1% of production (primary activities - 31.6%). The proportion of gross domestic production derived from secondary activities will have increased by a little over 4%. A substantial part of the production will be intended for export. Exports by the secondary sector will amount to 39.7 thousand million CFAF in 1975/76 as against 17.9 in 1967/68, representing an average growth rate of 10.5% per year. In 1975/76 exports by the secondary sector will account for 45% of total exports (37.5% in 1967/68).

Investments are scheduled to reach 70.3 thousand million CFAF, of which 14.0 will be from public sources. Investments in the secondary sector will account for 25% of the investments to be made under the Third Plan.

Table No 6

PRINCIPAL INDUSTRIAL PROJECTS

Projects	Location	Production capacities	Investments	Jobs	Intended market	State of progress	Date of going into production	Remarks
Fertilizers: Société Camerounaise des Engrais (SOCAME)	Douala	60 000 t/year sulphuric acid, 50 000 t/year ammonium sulphate, 27 000 t/year ternary fertilizers, 20 000 t/year single superphosphate	4 822 million CFAF	...	Local + UDEAC	Establishment agreement - Under construction, work at advanced stage	...	...
Agricultural industry: Palmeraies du Cameroun (SOCAPAIM)		48 485 t/year crude palm-oil, 11 000 t/year palm kernels	7 400 million CFAF	...	Export	Establishment agreement - Work started	...	Area to be cultivated 1 500 ha
Pharmaceutical industry: (SOFFIN group)		...	400 million CFAF	...	Local	Protocol of agreement	...	...

Table No 6 (contd)

PRINCIPAL INDUSTRIAL PROJECTS

Projects	Location	Production capacities	Investments	Jobs	Intended market	State of progress	Date of going into production	Remarks
Paper pulp (VOST-ALPINE group)	Edéa (Littoral)	87 500 t/year	32 000 million CFAF	...	Export	Protocol of agreement Financing contract 11 May 1974	...	...
Tyres (GENERAL-TYRE group)	...	180 000 tyre cases/year, 180 000 inner tubes/year	7 000 million CFAF	...	Local	Protocol of agreement 31 May 1974	...	...
Electric power cables	Douala	1 000 t/year of cables in initial stage, 3 000 t/year later on	1 200 million CFAF	...	Local + UDEAC	Protocol of agreement 1974	...	...

Other projects are under negotiation:

construction of a soluble-coffee plant at N'Kongsamba or in West province;
formation of an agricultural-industry complex for pineapples;
project for a second sugar-refinery.

4.3. Administrative structures of interest to industrialists

The Ministry of Industrial and Trade Development has published an investor's guide which provides a large amount of information.

To simplify the formalities of entry to Cameroon, investors are urged to apply to the embassies of the United Republic of Cameroon abroad, where they can obtain special forms to notify the Ministry of their arrival.

The commercial counsellors and attachés are also in a position to supply interested persons with useful material on industrialization possibilities in Cameroon.

The Ministry of Industrial and Trade Development is responsible for welcoming promoters and investors to Cameroon and organizing their stay in the country.

A reception and information bureau has been set up at Douala with instructions to receive all investors visiting Cameroon and welcome them at the Airport.

The Ministry of Industrial and Trade Development comprises a central administration and external services.

The central administration is composed of a Secretary-General's office and the following four directorates:

- Directorate of industry
- Directorate of commodities
- Directorate of trade
- Directorate of prices

The Directorate of Industry is more particularly responsible for investment prospecting and promotion, private enterprises, the administration's contacts with industrial enterprises, the economic and technical examination of applications for approval under the Investment Code, and standardization.

It comprises four services:

- Studies service
- Promotion service
- Standardization service
- Approvals service.

5. USEFUL ADDRESSES AT YAOUNDE (unless otherwise stated)

Government departments

Ministry of Industrial and Trade Development	P.O. Box 1004 Tel 22 42 52
Directorate of Statistics and National Accounts	P.O. Box 660 Tel 22 07 88
Ministry of Finance	
Directorate of Customs	P.O. Box 1070 P.O. Box 4049 Douala
Direct Taxation	P.O. Box 1070
Ministry of the Plan and Physical Development	P.O. Box 259
Ministry of Labour and Social Welfare	P.O. Box 1081

Diplomatic missions and international bodies

Embassy of the Federal Republic of Germany	P.O. Box 1160 Tel 22 00 56
Embassy of Belgium (representing Luxembourg)	P.O. Box 816
Embassy of France	P.O. Box 1071
Embassy of Italy	P.O. Box 827
Embassy of the Netherlands	P.O. Box 310
Delegate of the Commission of the European Communities	P.O. Box 847 Tel 22 13 87
United Nations UNIDO - UNDP	P.O. Box 836 Tel 22 41 99
UNESCO	P.O. Box 1168 Tel 22 49 54
WHO	P.O. Box 155 Tel 22 12 24
US-AID Regional Office for Central Africa	P.O. Box 817 Tel 22 16 33
Italian Institute for Foreign Trade	P.O. Box 827 Tel 21 36 89

Electricité du Cameroun (Cameroon Electricity) (EDC) Registered Office Operations branch	P.O. Box 4007 Douala P.O. Box 151
Société Nationale des Eaux du Cameroun (Cameroonian National Water Company) (SNEC)	P.O. Box 314
Electricity Corporation	P.O. Box 28 Victoria
Société Nationale d'Investissements (National Investment Corporation) (SNI)	P.O. Box 423 Telex 8205 Tel 22 44 22
Banque Camerounaise de Développement (Cameroonian Development Bank) (BCD)	P.O. Box 55 Telex No 425 Tel 22 09 11
Société Camerounaise de banque (Cameroonian Bank Corporation) (SCB)	P.O. Box 145 Telex CAM.BANK 8213 Tel 22 21 00
Banque Internationale pour l'Afrique Occidentale (International Bank for West Africa)	P.O. Box 182 Telex BANCAFRIC 8220 Tel 22 24 22 P.O. Box 4001 Douala Telex BANCAFRIC DOUALA 5218
Banque Internationale pour le Commerce et l'Industrie du Cameroun (International Bank for Cameroonian Trade and Industry)	P.O. Box 5 Telex BIGICOMI 8202 Tel 22 20 11 P.O. Box 4070 Douala Telex BICICOMI 5225
Société Générale de Banque au Cameroun (General Bank Corporation in Cameroon)	P.O. Box 244 Tel 22 21 22 P.O. Box 4042 Douala Telex 5212
Standard Bank of West Africa	P.O. Box 5348 Douala
Mutuelle agricole du Cameroun (Cameroonian Agricultural Friendly Society)	P.O. Box 959 Douala Tel 42 27 06 P.O. Box 962 Tel 22 49 66
SOGERCO	P.O. Box 4066 Douala Tel 42 59 82
Union des Assurances de Paris (Paris Insurance Union)	P.O. Box 4068 Douala Tel 42 67 72
Caisse Nationale de Réassurance (National Reinsurance Institution)	P.O. Box 4180 Yaoundé Telex NAREAS 8262 Tel 22 37 99

Principal inland waterway and ocean transport undertakings and forwarding agents

Chargeurs réunis	P.O. Box 136 Douala
Mory et Cie	P.O. Box 280 Douala
SOCOPA0	P.O. Box 21 Douala
SATA	Bd. Leclerc, Douala
Société Navale Delmas-Vieljeux	P.O. Box 263 Douala

Principal road hauliers

CHANAS et PRIVAT	P.O. Box 50 Douala
H.S.A. Transit	P.O. Box 64 Douala
Mory et Cie	P.O. Box 572 Douala
Rouger	P.O. Box 363 Douala
SCTA	P.O. Box 694 Douala
SOAEM	P.O. Box 320 P.O. Box 4057 Douala

Suppliers of building materials

CIMA - Cameroon	P.O. Box 673 Tel 22 24 76
R.A. Chidiac	P.O. Box 221 Tel 22 23 12
MATCO	P.O. Box 170 Tel 22 25 22

Organizations in the industrial sector

SYNDUSTRICAM (Industrialists' Association)	P.O. Box 1134 P.O. Box 673 Douala Tel 42 30 58 Telex 5342
GICAM (Interprofessional Group for the Study and Co-ordination of Cameroon's Economic Interests)	P.O. Box 1134 Tel 22 27 22 Telex 8280 P.O. Box 829 Douala Tel 43 31 41
SCIEC (Associations of Import-Export Traders)	P.O. Box 562 Douala Tel 42 60 04

GHAC (Cameroonian Businessmen's Society)

P.O. Box 5375 Douala
Tel 42 14 89

Cameroonian Chamber of Agriculture,
Stockfarming and Forestry

P.O. Box 287
Tel 22 28 44

P.O. Box 400 Douala
Tel 42 52 80

Chamber of Commerce, Industry and Mining

P.O. Box 4011 Douala
Tel 42 25 88

CHAPTER II

REGULATIONS

This chapter outlines the substance of the regulations affecting industrial activities in the matter of:

Customs tariffs,
taxation,
investment,
labour legislation.

References are given to the legislative texts in force. The texts themselves, however, are not reproduced in full, since they are generally extracted from voluminous documents that have undergone many changes, and could not be accommodated in this report. As regards the investment codes in particular, the texts in force at 1 March 1974 were assembled in a special volume published in 1974 by the Commission of the European Communities (document VIII/17/74-F).

1. CUSTOMS ARRANGEMENTS

1.1 General

Within the franc area the regime for foreign trade is that of free trade, for the majority of products.

The details of the Customs regulations and the rates applicable to the various products and articles are to be found in the "Customs Tariff and Code" of UDEAC.

The Central African Customs and Economic Union (UDEAC) comprises the People's Republic of the Congo, the Central African Republic, Gabon and Cameroon.

Certain protectionist provisions may be applicable in trade with other countries. In addition, in order to import goods which do not originate in the franc area, the importer must be deemed an "approved trader" after consideration of a file submitted to the Technical Committee for the Allocation of Foreign Exchange for Imports (CTRI).

The importing of certain products is subject to prior ministerial authorization, namely:

- cement,
- pharmaceutical products or products generally intended to protect health,
- certain agricultural products which are plentiful in Cameroon (pineapples, cocoa, etc.)
- any products likely to compete with local production.

The Union forms a single Customs territory within which the movement of persons, goods, property, services and capital is unrestricted.

The Customs Union formed among the four States extends to all trade in goods, subject to the reservations and conditions laid down. It provides for:

- the adoption of a common Customs and import tax tariff, in their relations with third countries,
- the prohibition, between the Member States, of any import and export duties and taxes.

The Member States adopt, apply and maintain common Customs laws and regulations in regard to import duties and taxes.

These common laws and regulations consist essentially of the Customs Code and the implementation provisions pursuant thereto, the tariff, the Customs and statistical nomenclature, the other Customs enactments and regulations required for a correct application of the import duties and taxes.

The common Customs and import tax tariff comprises:

- A. the Customs duty of the common external tariff,
the common import tax,
the common tax on import turnover,
- B. the complementary import tax the rate of which may vary from State to State.

Products and goods originating in the Member States which are transferred from one Member State to another Member State for consumption in that State are exempt from all import and export duties and taxes.

However, products and goods manufactured in the Member States and transferred from one Member State to another Member State for consumption in that State are subject to the single-tax regime.

Imported goods released for consumption in one Member State and transferred to another Member State are exempt from all export duties and taxes in the sending country and all import duties and taxes in the receiving country.

1.2 Imports

1.2.1 Customs duty (CD)

An economic duty which may be the subject of international negotiations

Basis = value cif

Rate varying from 0 to 20% (average: 10 to 15%)

It is not levied on products from the EEC countries.

1.2.2 Import tax (IT)

This is levied on all products whatever their origin or provenance.

Basis = value cif

Rate varying between 0 and 40%

Some products are exempted from it (fertilizers).

1.2.3 Tax on import turnover

This is levied on all products whatever their origin or provenance.

Basis: price cif + CD + IT (origin outside EEC)

price cif + IT (origin EEC)

Normal rate: 10%

Some products are exempted (see Customs tariff)

1.2.4 Complementary tax (CT)

This is ad valorem or specific.

Basis: price cif

Rate: 0 to 25 %

1.2.5 Landing tax

This is generally payable only at Douala, Kribi and Garoua. The proceeds of this tax are assigned to the Directorate of Ports and Waterways. The rate is specific and ranges from 110 to 1 900 CFAF per set and per tonne.

The rate of this tax is reduced by 50% for goods of all kinds which pass in transit through the territory or are notionally bonded.

1.2.6 Municipal tax

This is payable at Douala, Yaoundé and Kribi on goods unloaded in those towns. Its rate varies from 60 to 300 CFAF per tonne and per set.

1.2.7 Warehousing dues

Decree of 22 December 1970, applicable from 1 January 1971.

(a) carriage of goods to the warehouse or standing area outside the Customs - handling charge 500 CFAF per tonne.

(b) goods put in warehouse
in bulk (cement, salt, fertilizers ...)

warehousing dues 30 CFAF per tonne from 1st to 10th day
80 CFAF per tonne from 11th to 30th day
200 CFAF per tonne from 31st to 60th day
400 CFAF per tonne beyond 60th day

packaged over 500 kg

warehousing dues 30 CFAF per tonne from 1st to 10th day
150 CFAF per tonne from 11th to 30th day
350 CFAF per tonne from 31st to 60th day
500 CFAF per tonne beyond 60th day

(c) goods outside warehouse

Unit: CFAF per day

	Stripped vehicle (per vehicle)	Goods in bulk (per tonne)
1st to 10th day	40	25
11th to 30th day	300	100
31st to 60th day	1 000	300
beyond 60th day	1 500	500

1.2.8 Spare parts

Generally the provisions applicable to separate or spare parts are the same as those for the appliances, machines and gear to which they appertain.

Reductions or exemptions are laid down for new investments (see Investment Code).

Table No 7

DUTIES AND TAXES LEVIED ON IMPORTS
(for selected products)

BTN Nomen- clature	Products	Cus- toms duty %	Import tax %	Turn- over tax %	Comple- mentary tax %	Total duties and taxes (as % on CIF)	
						Origin EEC	Origin outside EEC (mini tariff)
25.22	Lime	10	25	10	-	37.5	48.5
25.23	Cements, clinkers	20	15	10	15	41.5	63.5
27.10	Petroleum oils and oils obtained from bituminous minerals, lubricating oils	5	20	10	-	32.0	37.5
28.08	Sulphuric acid	5	25	10	-	37.5	43.0
32.09	Varnishes and lacquers, paints and enamels, zinc white	30	30	10	-	43.0	76.0
	Cellulose paints	30	30	10	5	48.0	81.0
36.02	Dynamite	5	25	10	-	37.5	43.0
39.02	Polymerisation products	5	25	10	10	47.5	53.0
40.11	Tyre cases, inner tubes, inner tubes for private cars	10	30	10	5	48.0	59.0
	Inner tubes for vans, lorries, motor buses	10	25	10	5	42.5	53.5
	New tyre cases for private cars	10	30	10	5	48.0	59.0
	New tyre cases for vans, lorries, motor buses	10	25	10	5	42.5	53.5
44.05	Wood sawn but not further prepared, of a thickness exceeding 5 mm	30	25	10	-	37.5	70.5
44.23	Shuttering for concrete work	30	25	10	15	52.5	85.5
48.01	Paper and paperboard, Kraft paper, weighing 35 g or more per m ² for packagings	12.5	30	10	-	43.0	56.75
	Printing and writing paper	12.5	30	10	-	43.0	56.75
48.05	Paper and paperboard, corrugated	12.5	30	10	5	48.0	61.75
62.03	Sacks for packing of goods, new, of jute	30	15	10	10	36.5	69.5
68.12	Articles of asbestos-cement, corrugated sheets	10	20	10	10	42.0	53.0
	Tubes and tube fittings	10	20	10	10	42.0	53.0
69.07	Unglazed paving, hearth and wall tiles, in stoneware	10	35	10	-	48.5	59.5

Table 7 (contd)

DUTIES AND TAXES LEVIED ON IMPORTS
(for selected products)

BTN Nomen- clature	Products	Cus- toms duty %	Import tax %	Turn- over tax %	Comple- mentary tax %	Total duties and taxes (as % on CIF)	
						Origin EEC	Origin outside EEC (mini tariff)
69.10	Sinks, wash basins, bidets, water closet pans, urinals, baths and like sanitary fittings, in ceramic materials	10	25	10	-	37.5	48.5
70.07	Drawn or blown glass	10	35	10	-	48.5	59.5
73.10	Bars or rods of iron (or steel) hot-rolled, wire rod	10	20	10	10	42.0	53.0
	Reinforcing rods for cement (round iron)	10	20	10	10	42.0	53.0
73.11	Angles, shapes and sections of iron (or steel) hot-rolled, U/IH sections less than 80 mm high	20	20	10	10	42.0	64.0
	U/IH sections 80 mm or more high	20	20	10	10	42.0	64.0
73.13	Sheets of iron or steel hot-rolled 2 to 3 mm	10	20	10	10	42	53.0
73.18	Tubes or pipes of iron or steel, circular section, seamless	10	20	10	10	42	53.0
73.25	Cables of iron or steel wire	5	20	10	20		
73.32	Bolts, nuts, rivets of iron or steel	5	30	10	5	48.0	53.5
74.03	Copper wire	10	20	10	15	47.0	58.0
76.03	Wrought sheets of aluminium, of thickness 0.20 and over, corrugated	15	20	10	10		
83.01	Safety locks	10	30	10	5	48.0	59.0
84.10	Pumps and motor pumps for liquids	10	20	10	10	42.0	53.0
	Parts of pumps and spare parts	10	20	10	10	42.0	53.0
84.06	Internal combustion piston engines with a cylinder capacity of over 250 cm ³ for motor vehicles	5	25	10	5		
	Parts for vehicle propulsion engines	2.5	20	10	10	42.0	44.75
84.45	Machine-tools for working metal, slide lathe	10	10	10	20	41.0	52.0
84.48	Parts for machine-tools	5	20	10	10	42.0	47.5

Table 7 (contd)

DUTIES AND TAXES LEVIED ON IMPORTS
(for selected products)

BTN Nomen- clature	Products	Cus- toms duty %	Import tax %	Turn- over tax %	Comple- mentary tax %	Total duties and taxes (as % on CIF)	
						Origin EEC	Origin outside EEC (mini tariff)
85.01	Electrical generators, electric motors, universal electric motors, generating sets, parts and spare parts	7.5	10	10	20	41.0	49.25
85.05	Tools for working in the hand, with self-contained electric motor	10	10	10	10	31.0	42.0
87.02	Motor vehicles and other land vehicles: Private cars of less than 2 000 cm ³ with 1 driving axle	15	30	10	12	55.0	71.5
	Private cars of over 2 000 cm ³ with 1 driving axle	15	40	10	20	74.0	90.5
	Lorries of 3 000 to 4 500 cm ³	15	15	10	15	41.5	58.0
	Lorries of over 4 500 cm ³						
	less than 10 t	15	15	10	10	36.5	53.0
	over 10 t	15	5	10	10	25.5	42.0
87.06	Parts, spares for motor vehicles	5	25	10	5	42.5	48.0

1.3 Exports

The United Republic of Cameroon has signed various bilateral and multilateral agreements (GATT, EEC, UDEAC) opening up broad possibilities of access for its own products.

- the movement of products, capital and property is unrestricted within UDEAC,
- the Customs provisions are greatly simplified,
- the export duties on industrial products are:
 - either very low (generally 2%)
 - or non-existent (destined for EEC).

Wood in logs and boards pays from 2 to 12%.

Fashioned wood (plywood, furniture ...) is assimilated to industrial products: 2% or exemption (destined for EEC).

For exports within UDEAC the Single-Tax regime is applied. The duties and taxes applicable to exports outside UDEAC lie within the competence of each Member State.

1.4 Temporary admission

There is a new regime applicable only to equipment intended for works recognized to be of public utility.

This regime consists in charging the purchasers with a fraction of the import duties and taxes, estimated on the basis of the ratio between the period for which the equipment is used in Cameroon and its total rated depreciation period under conditions of continuous use.

1.5 Miscellaneous regimes

The import regime in force is defined each year in a circular issued by the Minister for Industrial and Trade Development.

The global-quotas regime was abolished in 1971. Nevertheless, imports from outside the franc area are still subject to licence. A list of controlled products is drawn up each year in the light of the protection needs of the national economy and health requirements.

Exports are not subject to any particular regulations beyond the Customs formalities, except as regards coffee and cocoa.

2. TAXATION SYSTEM

2.1 General Tax Code

The taxation system in the United Republic of Cameroon is laid down in the General Tax Code of 1 July 1973.

2.2 Taxation on enterprises

2.2.1 Company tax

The company tax is assessed on the profits made over a 12-month period corresponding to the budget year. However, enterprises which start up business during the six months preceding the regulation closing date may close their first balance-sheet at the end of the budget year following the one in which their business started.

2.2.1.1 Calculation of the tax

Any fraction of the taxable profit under 1 000 francs is ignored; the rate of the tax is set at 30%.

The tax is paid in three equal instalments payable on the following dates:

- first instalment before 31 October
- second instalment before 31 January
- third instalment before 30 April.

The amount of tax due from each company may not be less than the amount that would result from the application of the rate of 1% to the total turnover or than the sum of 400 000 francs.

2.2.1.2 Taxable profit

The taxable profit is the net profit determined from the overall results of the operations of all kinds carried out by the enterprise during the period taken as the basis for the tax, including in particular transfers or assignments of any parts of the assets either in the course of or at the end of the enterprise's activity.

Stocks are valued at cost or at the price prevailing on the closing date of the period if the price prevailing on that date is lower than cost; work in progress is valued at cost.

The taxable net profit is arrived at after deduction of all necessary charges directly attributable to the conduct of the activity taxable in Cameroon:

- general costs
- financial charges
- real losses
- depreciation
- reserves

These provisions appear in Article 6 of the General Tax Code.

A. General costs

(1) Remunerations and miscellaneous payments

The remuneration paid to an employee is deductible from the results only in so far as it corresponds to work actually performed and is not excessive. Rewards of all kinds paid to all the joint-holders in limited-liability companies or joint-stock companies or to their spouses for an actual job in the enterprise are deductible only up to the limit of an aggregate remuneration not exceeding one-quarter of the taxable profit.

Within that limit, reductions in the salaries actually collected by each joint-holder will be made pro rata to the capital held by each of them. Excess rewards will be deemed to be distributed profits.

The quotas (percentages of profits) paid to directors of companies are not deductible from the taxable profit unless they are in the nature of salaries.

The attendance tokens given to members of the Board of Directors are deductible only to the extent that they represent remuneration for work performed.

The remunerations paid under whatever head to the sole director of a limited-liability company are not deductible.

The lump-sum allowances which a company makes to its directors or to its managerial staff for representation or travel expenses are excluded from the charges deductible under this head for the assessment of the tax when these charges include the customary expenses of this nature refunded to the persons concerned.

The following are accepted as charges provided that they are not excessive:

- that part of head-office general costs which is attributable to the operations conducted in Cameroon and the remunerations for certain actual services (studies, technical, financial or accountancy assistance) rendered to Cameroonian enterprises by persons or legal entities. In no case will a sum exceeding 10% of the taxable profit before deduction of the expenses in question be accepted under this head.
- commissions or brokerage fees relating to goods purchased for the account of enterprises located in Cameroon, up to 5% of the cost of the purchases, on the understanding that the commissions or fees will benefit Cameroonian enterprises.
- the sums paid for the use of patents, trademarks, designs and models during the period of their validity. However, when they benefit an enterprise located outside UDEAC which has a share in the management or the capital of a Cameroonian enterprise, they are regarded as a distribution of profits.
- in connection with the holidays (leaves) of their joint-holders who are employees of the enterprise, companies are allowed to deduct from their profit, provided that the journey was actually made, the round-trip travel expenses of the said joint-holders, their wives and their dependent children.

(2) Rental expenditure

The amount of rentals paid by a company is accepted for inclusion in the charges on the sole condition that it is not in any way excessive in comparison with the rentals usually charged for similar buildings or plants. However, when a joint-holder holds at least 10% of the shares or stock of a company, the amount of rentals other than those of the buildings leased to the company cannot be accepted

for inclusion in the enterprise's charges.

For the purpose of applying this provision, the shares or stock held absolutely or as a life interest by the joint-holder's spouse, progenitors or progeny are deemed to belong to the joint-holder.

(3) Taxes and fines

The only deductibles under this head are professional taxes due for collection during the period and actually chargeable to the enterprise in respect of the portion attributable to operations conducted in Cameroon. The company tax and the personal income tax are not accepted for inclusion in the charges deductible for calculation of the tax.

Reliefs granted on deductible taxes form part of the earnings for the period during which the enterprise is informed of their sanctioning. The following are not deductible from the profits subject to tax: out-of-court settlements, fines, confiscations, penalties of any kind imposed upon offenders against legal, economic and tax provisions.

(4) Insurance premiums

Premiums on insurance taken out for the benefit of the enterprise are deductible from the taxable profits in respect of the portion attributable to operations conducted in Cameroon if the risk covered is such that its materialization would directly entail a reduction in the net assets, the insurance premiums forming an operating charge in themselves. The sums set aside by the enterprise for its own insurance, on the other hand, are not deductible from the taxable profit.

(5) Gifts, donations and subsidies

Gifts, donations and subsidies are not deductible charges. However, payments to institutions or bodies of general interest of a philanthropical, educational, sporting, scientific, social or family character, provided that these institutions or bodies are located in Cameroon, are deductible where they are substantiated and up to 0.5 per thousand of the turnover for the period.

B. Financial charges

Interest paid to joint-holders on sums which they leave in or make available to the company over and above their capital shares, whatever the form of the company, is deductible up to an amount calculated at the lending rate of the Central Bank plus two points.

For joint-stock or limited-liability companies the deduction is allowed, as regards the sums paid by joint-holders or shareholders holding de jure or de facto the management of the enterprise, only to the extent that these sums do not exceed, for all the said joint-holders or shareholders, half of the paid-up registered capital.

C. Real losses

Real losses recorded in the items of the capital or realizable assets are deductible from the profit.

D. Depreciation

Depreciation actually recorded in the accounts on the basis of the probable useful life as determined by the norms observed for each kind of business, including depreciation previously deferred in a loss-making period, but the rates must not exceed those given below:

structures in durable materials	5%
demountable or temporary buildings	20%
heavy operating equipment	10%
tractors	20%
light operating equipment	20%
office equipment	20%
furniture	20%
fittings, fixtures	10%
heavy automobile equipment	33%
light (touring) automobile equipment	25%
ship and aircraft equipment	20%

E. Reserves

Reserves set aside to meet clearly defined losses or charges made probable by current events, provided that they have actually been recorded in the accounts for the period. Reserves which, wholly or in part, are used in a manner inconsistent with their purpose or become pointless during a subsequent period are carried forward to the results of that period.

2.2.1.3 Lump-sum minimum tax

The basis for computing the lump-sum minimum tax is the total turnover during the preceding tax year (gross turnover on all the operations forming part of the company's business).

The following are exempted from payment of the lump-sum minimum tax:

- companies and other legal entities enjoying a regime under the Investment Code conferring exemption from the tax on industrial and trading profits, and for the duration of the regime;
- companies which have been dissolved and have completely ceased operating before 1 July of the tax year;
- new companies and new craft production cooperatives, for the first two tax years;
- insurance companies which conduct their business in a pool with other companies or which confine their business to co-insurance operations in the transport and fire branches and whose annual turnover does not exceed three million CFAF;
- public and private works enterprises which possess a building or assembly site in Cameroon but do not have a branch, a management headquarters, an office or a workshop there;
- exporters of agricultural products, enterprises in the agricultural and stock-farming sector, excluding the forestry sector, and approved agents who receive very low gross commissions the rates of which (less than 4%) are fixed by law and regulations.

2.2.2 Turnover tax

The internal turnover tax is payable on business transacted in Cameroon by persons who regularly or occasionally buy to resell or perform acts pertaining to an industrial, commercial, craft or non-commercial activity and in particular:

- the provision of services;
- the sale for consumption on the local market of locally produced products other than fish-pond products;
- the transfer or assignment on the local market of industrial products of local manufacture;
- the sale of second-hand articles and equipment;
- commission and brokerage operations relating to goods supplied or used in Cameroon, and the payment of fees by Cameroonian enterprises to foreign enterprises for technical, administrative, financial and accountancy assistance.

The internal turnover tax is also payable on:

- deliveries made to himself by a person subject to this tax of products mined or quarried or manufactured by him and used by him either for his own needs or for those of his business or in a service business;
- transport, transit and handling operations carried out by enterprises for their own account.

The act giving rise to the tax is:

- the delivery of the goods in the case of sales and exchanges;
- the performance of the service, in the case of the provision of services of a commercial, industrial or craft character;
- the receipt of the price in the case of other transactions.

In the calculation of the tax, any fraction of the turnover under 1000 CFAF is ignored. In all cases the taxable basis includes all charges and taxes, including the turnover tax.

The general rate is 8%.

The tax is settled upon receipt of returns signed by the persons liable under the conditions described below;

These returns must be submitted within the first twenty days of each month for transactions completed during the previous month.

The returns must state:

- name or style of firm,
- address,
- tax period,
- total amount of the transactions completed,
- amount of the taxable transactions,
- rate,
- amount of tax.

The amount of the tax is paid directly and spontaneously by the person liable, within the time-limit laid down for the submission of returns, to the Treasury cashier's office with which his registered office, his principal place of business or his authorized agent is registered.

2.2.3 Licences

Any person or legal entity of Cameroonian or foreign nationality who carries on in Cameroon a business, an industry, a profession not included in the exemptions laid down by the Tax Code is subject to the licence tax.

The licence tax is an annual tax payable by any taxpayer pursuing a taxable activity on 1 July of the tax year.

Licences may vary with the category of activity (fixed tax or variable tax), according to the classes defined in the Tax Code and to the territorial zone. They may range from 30 000 to 400 000 CFAF for an industrial enterprise.

2.3 Personal income tax

This tax comprises:

- a proportional tax levied at different rates on:
 - the profits of industrial and commercial activities,
 - the profits of craft occupations,
 - the profits of farms and other agricultural undertakings,
 - income from land,
 - salaries, wages, pensions and life annuities,
 - the profits of liberal professions,
 - income from movable capital.
- a progressive surtax levied on the taxpayer's aggregate net income.

This note will deal only with the taxes payable by salary or wage earners or persons receiving a similar income.

The employer is the person liable in law, after withholding at source. The basis of the tax is the salary or wage paid to each employee; benefits in kind are taken into account in the calculation of the taxes in accordance with the following scale:

- | | | |
|---------------|-----|--|
| - housing | 5% | of salary or wage |
| - per servant | 5% | " " " " |
| - lighting | 3% | " " " " |
| - water | 1% | " " " " |
| - food | 20% | per person with a maximum of 30 000 francs per month, children under 15 years counting for half. |

Rate of the proportional tax: 3% plus one tenth for local-authority rates.

The progressive surtax applies to the whole of the salary or wage earner's income, with the exception of remuneration in the form of social benefits, family allowances, medical care....

Taxable income is divided up into a number of portions:

unmarried man, divorced man, widower without children	1 portion
" " " " " with 1 child	1.5 "
married man without children	1.75 "
unmarried man, divorced man, 2 children	2 "
married man 1 child, widower 2 children)	2.25 "
unmarried man, divorced man, 3 children)	
married man 2 children, widower 3 children)	2.50 "
unmarried man, divorced man 4 children)	
etc.	
maximum portion	3.50 "

The tax is calculated by applying the following scale for each income portion:

0 to 200 000	CFAF	Nil
201 000 to 350 000	"	10%
351 000 to 500 000	"	15%
501 000 to 750 000	"	20%
751 000 to 1 000 000	"	25%
1 001 000 to 1 500 000	"	30%
1 501 000 to 2 000 000	"	35%
2 001 000 to 3 000 000	"	40%
over 3 000 000	"	45%

2.4 Miscellaneous duties and taxes

2.4.1 Registration and stamp duties

Registration duty:

Capital duty ranges from 0.25 to 2%.

The merger duty is a fixed charge of 1 000 CFAF.

There is a special, registration tax for companies the rate of which varies. It is 0.75% for a capital of less than 5 thousand million CFAF.

Fixed duty of 1 000 CFAF for the registration of any operation connected with the execution of projects under the Plan.

For other operations:

There are proportional duties on movable and immovable property, businesses, administrative contracts.

Stamp duty:

Graduated stamps, varying with the size of the contract.

Size stamps, varying with the number of pages used.

2.4.2 Tax on vehicles

A stamp duty is charged on the registration certificate, amounting to 1 000 CFAF per unit of tax horsepower; no duty is charged on temporarily imported vehicles.

Tax label: this is an annual tax, the rate being 1 000 CFAF per HP. For vehicles over 3 years old the tax is reduced by half.

The tax is limited to 15 000 CFAF for lorries and vans with a carrying capacity exceeding 850 kg.

2.4.3 Apprenticeship tax

Any person or legal entity carrying on a licensable activity is subject to the apprenticeship tax.

The tax is levied each year on the total amount of salaries, wages, allowances and miscellaneous rewards including benefits in money or in kind.

The rate is 0.30%.

Upon application submitted at the same time as the tax return, the following entitle taxable persons to a tax reduction:

- the cost of technical and vocational courses,
- the salaries of technicians assigned exclusively to the training of apprentices,
- the allowances and additional wages paid to apprentices for their attendance at vocational courses,
- payments to public or private institutions or schools contributing to the general or technical training of apprentices.

3. INVESTMENT CODE

3.1 Historical

The Investment Code of Cameroon is the result of conventions common to the States members of UDEAC (Central African Customs and Economic Union), of which Cameroon, the People's Republic of the Congo, Gabon and the Central African Republic are members.

In general, the overall framework of the Investment Code is common to the 4 countries, with certain provisions and advantages granted to the investors operating exclusively in each country.

The Investment Code of Cameroon is governed by the following three laws:

- Law 60/64 of 27 June 1960: Investment Code of East Cameroon
- Law 64/IF/6 of 6 April 1964: adaptation of law 60/64 to the federal institutions
- Law 66/LF/5 of 10 June 1966: amendments and by Decree

and by Decree No 68/DF/10 of 16 January 1968 laying down the procedure for implementation.

Beneficiaries:

"Any new enterprise, of an industrial or agricultural character, may, in view of its interest for the economic development of Cameroon, be deemed to be of a priority nature and enjoy one of the privileged regimes, after consultation of the Investment Commission, which takes its decision in the light of the application-for-approval file."

3.2 Provisions

- 3.2.1 The enterprise does not intend to sell its products in the other UDEAC countries

Whichever preferential regime (A,B,C or D) is granted, the enterprise enjoys the regime of the Internal Production Tax (T.I.P.).

This regime provides for:

- the granting of exemption from all duties and taxes levied upon import on the raw or consumable materials and products entering into the composition of the product manufactured and on non re-usable packagings;
- exemption from the internal turnover tax and from the transactions tax on raw materials, packagings and finished products. In place of these duties and taxes, the enterprise is subject to an internal production tax levied on the finished product; the rate of this tax is fixed by decree for each enterprise.

The advantages of the preferential regimes are as follows:

Regime A

- exemption from the duties and taxes levied upon import on raw materials,

production equipment, packing and packaging products

- possibility of enjoying a reduced rate for export duties

- enterprises benefit by:

either the Internal Production Tax (TIP) (Decree 66/DF/220 of 12 May 1966)
or the UDEAC Single Tax (Act 12-65/UDEAC/34 of 14 December 1965) with the
possibility of a reduced rate for the first 3 years of operation

- assurance that any new legislative provision or regulation will not be
applicable to the approved enterprise unless it is more favourable

- the duration of the advantages is limited to 10 years.

Regime B

In addition to the advantages of Regime A, enterprises enjoy the following
advantages:

- exemption from the tax on industrial and commercial profits during the
first five years of operation

- depreciation normally entered in the accounts during the first five
years may be charged for tax purposes to the following three years,
after authorization by the Minister of Finance

- exemption for the same period from the licence tax and the land, mining
or forestry dues

- the provisions defined above may not be restricted by any legislative
provision

- the duration of the advantages is 10 years.

Regime C - Special statuses

This regime applies to enterprises whose economic importance justifies
the conclusion with the Cameroonian Government of an establishment agreement
for a specified period (maximum 25 years). The tax advantages provided for
in the agreement may be extended to parent companies which are shareholders
in the enterprises concerned. The agreement provides for reciprocal guarantees:

- regime C is applicable subject to the enterprise's general operating
conditions, programmes and commitments being defined
- the guarantees granted by the Government relate to the stability,
access and movement of labour, the renewal of forest and possibly
mine exploitation permits etc...

The agreement also defines the terms of possible extension or modification.
Enterprises approved for admission to regime C enjoy some or all of the tax
advantages of regime B.

Regime D - Long term

This regime applies to enterprises of capital importance involving very high investments. It provides for stabilization of the tax regime for a period which may extend up to 25 years, plus the normal setting-up period.

This stability relates to taxes, fiscal charges and duties in regard to their basis of assessment, rates and terms of collection. As with the other regimes, should a more advantageous ordinary-law tax regime come to be applied, the enterprise concerned would be entitled to apply to be granted the benefit of it.

Regime for small and medium-sized enterprises

Any enterprise whose size does not justify its approval for admission to one of the Code's four regimes but whose activity is nevertheless of interest for the economic development of Cameroon may enjoy:

- the regime of the Internal Production Tax (TIP).
(specific or ad valorem tax)
- partial exemption from the duties and taxes levied upon import on the equipment directly required for its activity.

Regime for forestry undertakings

This regime consists in the application of a reduced total rate of 5% for duties and taxes levied upon import on equipment directly required for forest operations and sawmills, provided that the value of this equipment exceeds 10 million CFAF.

Advantages granted in the event of reinvestment of profits

Enterprises agreeing to reinvest a sum of at least 1 000 000 CFAF may enjoy a reduction in the tax on industrial and commercial profits (or in personal income tax in the case of a private business). The reduction allowed in taxable profits is one half of the amount of the reinvestments for which the programme has been accepted by the competent government department.

3.2.2 The enterprise intends to sell its products in various UDEAC countries

In this case, the enterprise is compulsorily made subject to the "UDEAC Single Tax" regime.

Only the essential provisions describing the principles and the advantages of this regime are set forth below.

The other terms and regulations are to be found in Act 12/65-34 of the UDEAC Investment Code.

Principle of the UDEAC Single-Tax regime

National enterprises manufacturing industrial products likely to be marketed in the territory of more than one member State are compulsorily made subject to the Single-Tax regime by act of the Management Committee of the Central African Customs and Economic Union (UDEAC).

Without provisional authorization duly granted by the Chairman of the Union's Management Committee, no national factory not approved for admission to the Single-Tax regime may market part of its output in a State other than the one in which it is established.

Advantages of the Single Tax

The levying of the Single Tax excludes:

- the levying of the duties and taxes chargeable upon import on the essential raw materials and products (including packagings) used in the factory for obtaining the products manufactured in the form in which they are supplied to the market
- the levying of any internal tax on the essential raw materials and products (including packagings), imported or of local origin, used in the factory for obtaining the products manufactured.

The act approving the enterprise for admission to the Single-Tax regime lays down the list of raw materials eligible for exemption from the duties and taxes of all kinds on imported goods on the one hand and goods of local origin on the other hand.

Products manufactured under the Single-Tax regime and intended for export outside the Union are exempted from the Single Tax.

They are exempted from the Single Tax when they are supplied to another factory also subject to the Single-Tax regime or to a privileged tax regime provided for by the Investment Codes, as a raw material or in general as products for incorporation in manufactures.

They are likewise exempted from the Single Tax when they are intended to be supplied under deals, contracts or orders to privileged recipients enjoying complete exemption from duties and taxes levied upon imports.

Products manufactured under the Single-Tax regime and intended to be supplied to enterprises approved for admission to a privileged investment regime and thus enjoying a reduced total rate of 5% for duties and taxes levied upon imports are subject to a Single-Tax rate of 5%.

Benefit of the reduced rate of Single Tax is limited to the goods covered by the texts providing for the granting of the reduced total rate of 5% for duties and taxes levied upon imports.

Rate of the Single Tax

The act of the UDEAC Standing Committee approving an enterprise for admission to the Single-Tax regime fixes the rate of the Single Tax for each product manufactured by the enterprise concerned, in accordance with the provisions of Article 62 of the Treaty of Brazzaville, of 8 December 1964.

In the calculation of the Single-Tax rate, account is also taken of the presence or absence within the Union of competing enterprises manufacturing similar articles.

The fixing of the Single-Tax rate for a particular product and factory implies an obligation to study the protection which should be provided for the industrial products by means of the duties and taxes levied upon imports (and possibly internal taxes) and where appropriate to take all necessary steps to restore normal competition.

The rate of the Single Tax as determined in article 14 may be reduced for enterprises during their starting-up period.

Any enterprise is regarded as being in the starting-up period for three years, reckoned from the date on which it started manufacture.

The starting-up period may be lengthened or shortened by act of the Management Committee.

3.3 Procedure for approval under the Investment Code

Any investor wishing to obtain the advantages conferred by the Investment Code must submit a file to the Ministry of Industrial and Trade Development (Directorate of Industry).

This file, to be submitted in 30 copies and 60 for UDEAC, is made up of the replies to a questionnaire which is supplied to the prospective investor upon request.

The questionnaire covers 17 points, including the following:

- legal data on the company, including the names of the shareholders,
- investment programmes and mode of financing,
- forecasts of supplies, production, sales,
- personnel,
- estimates of operating accounts and balance-sheets.

Approval of the investment project is obtained after the file has been examined by an Expert Committee (Interministerial Committee) and where appropriate by the Investment Commission (only for regimes A, B, C, D of the Investment Code). It then forms the subject of a presidential decree for regimes A and B, of a law for regimes C and D.

For a well presented file the approval procedure takes about 2 months.

The Directorate of Industry may assist the promoter concerned in the preparation of his file.

The essential criteria for the approval of files are as follows:

- the local value added (the fundamental criterion),
- the creation of new jobs,
- industrial decentralization,
- financial and economic profitability,
- the price and quality of the products,
- the tax balance-sheet.

In the case of enterprises wishing to be approved for admission to the UDEAC Single-Tax regime, the file is submitted, after examination by the Interministerial Committee and the Investment Commission, to the UDEAC Management Committee for the preparation where appropriate of the act of approval, which lays down in particular the rates adopted for the various products concerned.

4. LABOUR LEGISLATION

4.1 General remark concerning the Labour Code

The labour regulations are contained in the Labour Code and in various decrees settling points of detail.

4.2 Collective agreements

18 collective agreements, comprising 8 ordinary agreements (enterprise agreements) and 10 extended agreements or agreements capable of extension.

The classifications and sectoral salary and wage scales represent the beginnings of national collective agreements which will be prepared separately for each branch of activity.

4.3 Working hours, overtime

Working hours

Sources: Labour Code, article 87
Decrees Nos 249 and 250 of 10 July 1968

- enterprises in the secondary and tertiary sectors: 40 hours a week
- farms and other agricultural undertakings, and assimilated undertakings:
2 400 hours a year.

The regulations governing exceptions (equivalences, compensation, extensions of working hours) are contained in the above-mentioned decrees.

The weekly rest-period is a minimum of 24 consecutive hours; it is normally taken on Sunday, but exceptions may be made, depending on the branch of activity concerned (Order No 22 of 27 May 1968).

Overtime

Under the Labour Code, article 87, Decrees Nos 249 and 250 of 10 July 1968:

first eight hours:	increase of 15%
next eight hours:	increase of 30%
further hours (up to 60 hours a week):	increase of 40%
overtime worked on Sundays and official holidays:	increase of 40%
overtime at night:	increase of 50%

Wage to which increase is applied: actual hourly wage including the various bonuses attaching to the nature of the work. The request must be addressed to the Inspector of Labour.

4.4 Holidays (leave) and official holidays

4.4.1 Holidays (leave)

Unless more favourable provisions are contained in the collective agreements or individual labour contracts, workers are entitled to one and a half days holiday per month actually worked.

The right to holidays is acquired after an actual working period of one year. It may be deferred for a longer period not exceeding two years.

It is not permissible to give an allowance in compensation for a holiday. A holiday of less than fifteen days may not be split up.

Remuneration for holidays is equal to:

1/16 of the total remuneration for adults,
1/12 for young people under 18 years of age.

For additional days the remuneration is equal to the total holiday remuneration divided by the number of working days of holiday, multiplied by the number of additional days.

4.4.2 Official holidays

Four civil holidays:

1 January	New Year's Day - Independence Day
11 February	Youth Day
1 May	Labour Day
20 May	National Day

Six religious holidays:

Ascension Day
Good Friday
Feast of the Assumption (15 August)
Christmas Day (25 December)
End of Ramadan
Feast of the Sheep

When a civil official holiday falls on a Sunday or a non-working day, the following day becomes a holiday. The same arrangement may be made by order of the President of the Republic in the case of a religious holiday.

Rules: civil official holidays are compulsory holidays and are paid. Religious holidays are not compulsory holidays; when they are not worked, workers paid by the hour or by the day receive no pay, but the pay of workers paid by the month remains unchanged.

4.5 Transport and conditions of travel of salary and wage earners (pro mem.)

4.6 Benefits in kind

In general, the benefits listed below are granted to expatriate managerial staff:

- for 10 months work in Africa: 2 months leave with round-trip travel expenses for the family, payable by the employer;
- furnished housing provided by the company; electricity is often paid for by the company;
- company car available;
- salary at least twice as high as salary received in Europe;
- the labour contract of expatriates is subject to prior authorization by the Cameroonian Labour and Employment services under:
 - . Order 90/MTLS/DEGRE of 22 July 1968
 - . Decree 68/DF/251 of 10 July 1968
 - . Order 50/CAB/PR of 6 April 1967.

4.7 Vocational training

The Ministry of Labour has set up vocational training centres. Engineers receive their training either at the higher polytechnic school or in the science faculties.

There are also other more specialized schools like the schools of telecommunications, technology and public works.

Enterprises practise a policy of training and advancement for their staffs.

Public technical-training establishments train skilled workers and technicians (mechanical engineering, electricity, electronics, draughtsmanship, commerce etc.).

4.8 Right of association and staff representation

Employers' associations

- The Union of Trade Associations in Agriculture, Forestry and Related Activities of Cameroon (USPAC) groups employers' associations in the primary sector
- The Union of Trade Associations of Cameroon (USPC) groups the employers' associations in the secondary and tertiary sectors
- The West Cameroon Employers Association (WCEA)

Trade Unions

The trade-union federations pronounced their own dissolution in November 1971. These organizations were replaced on 1 September 1972 by a single national union: the National Union of Cameroonian Workers (UNTC).

4.9 Formalities to be completed by the employer

Any employer wishing to recruit local labour will have to apply to the regional Labour and Employment bureau. There are five regional bureaux: at Douala, Yaoundé, N'Kongsamba, Garoua and Buéa.

The labour contract must be drawn up in writing and submitted for visa-ing to the Employment and Vocational Advancement Service in each of the following cases:

- a contract stipulating a duration in excess of three months
- a contract requiring the worker to live away from his usual place of residence
- a contract concerning a worker of foreign nationality

The visa must be applied for before the contract is put into effect; the worker's entry into Cameroon is conditional upon it.

Any application for a labour-contract visa must be accompanied by the following documents:

- a medical certificate less than 3 months old,
- a note giving a detailed description of the job,
- the professional or university references of the candidate: work, certificate, university degrees, etc...,
- a curriculum vitae of the candidate.

In the case of foreign workers, the following additional documents will have to be supplied:

- a certificate of good conduct (extract from the police record),
- an indication of the references and of the type of Cameroonian entry and residence visa held, in the case of expatriates already in the country.

There is no longer any special status for expatriates in Cameroon. The granting of the expatriation allowance (provided for in article 70 of the Labour Code, without indication of rate) and of longer leave than the legal norm must be dealt with in contractual provisions.

CHAPTER III

AVAILABILITIES AND COSTS OF THE FACTORS OF PRODUCTION AND SETTING-UP

This chapter assembles the items considered necessary for a knowledge of the general conditions for setting up and operating an industrial enterprise in Cameroon, namely:

- labour,
- energy (electric power, water, hydrocarbons),
- land and industrial buildings,
- building materials,
- transport, telecommunications and credit.

The data on availabilities and costs of factors of setting-up and operation were obtained on the spot by direct inquiry from administrative departments and local enterprises.

The costs and tariffs indicated were collected and are presented in such a way as to be suitable for use by possible investors. Depending on the kind of information obtained, they are given in the form of ranges, averages or examples of actual cases. They remain however of a general and indicative nature, and for specific studies further details would have to be sought.

For the real personnel costs payable by enterprises, it has been thought helpful to supply "calculation norms" prepared from the various sources of information available. These norms, however, are to be regarded as "indicative" owing to the degrees of uncertainty noted and the differences observed as between industrial sectors, types and sizes of enterprise and locations in the country.

1. LABOUR

1.1 General

In 1974 the economically active population of Cameroon (20 to 55 years) is estimated at 2 500 000 with a rate of increase of 0.7% per year.

In 1963 the proportion of urban population, i.e. the populations of towns with over 5 000 inhabitants, was estimated at 16%. In 1970 the proportion had risen to 22%, or about 1 300 000 inhabitants. According to the forecasts of the Third Five-Year Plan (1971/76), the proportion is expected to be 26% in 1975 and 38% in 1985, with a strong concentration however in the South Central (political capital) and Littoral (economic capital) regions.

1.2 Job classification

Wages and salaries are differentiated

by sector: primary
secondary
tertiary I (transport, transit)
tertiary II (commerce, banking, insurance, hotel-keeping,
liberal professions, services)

by category of qualification (12 categories)
by territorial zone (3 zones)

General definitions for the various categories:

First category (I):

Worker entrusted with elementary work not requiring either vocational knowledge or adaptation.

Examples: sweeper, goods-handler, navy, plantation labourer.

Second category (II):

Worker entrusted with simple work, with or without an easily operated machine, requiring elementary knowledge, brief on-the-spot instruction, and adaptation.

Examples: orderly, watchman, telephonist, specialized labourer, pump attendant, wood squarer.

Third category (III):

Worker entrusted with work requiring a minimum of instruction or competence acquired by practice.

Examples: office boy, laboratory boy, duplicator, assistant warehouseman, ganger, driver of equipment of under 120 HP.

Fourth category (IV):

Worker performing with sufficient speed and accuracy work requiring basic vocational training or competence of the same level acquired by practice.

The vocational training is of the level of the End-of-Apprenticeship Certificate or the Rapid Vocational Training Certificate (Rapid Vocational Training Centre for Office Workers: Typing Proficiency Certificate).

Examples: typist, assistant cashier, mechanic (simple work), brazier, joiner, welder, driver of motor vehicles of over 5 t.

Fifth category (V):

Worker performing work requiring a complete knowledge of his trade as well as a thorough theoretical and practical training, acquired either from appropriate teaching substantiated by satisfactory results in trade tests or through equivalent vocational experience.

The vocational training is of the level of the Vocational Efficiency Certificate and, in the case of the Rapid Vocational Training Scheme, of the level of the Certificate of Proficiency as "Secretary/Shorthand-Typist" or as "Typist/Assistant Book-keeper".

Sixth category (VI):

Worker performing particularly difficult work in his trade, requiring consummate skill and a very thorough theoretical and practical training acquired either from teaching substantiated by satisfactory results in trade tests or through very substantial experience in his trade.

By reason of his competence, he may supervise the work of workers in the preceding category and occasionally less experienced workers in his own category.

Seventh category (VII):

Being responsible for performing, or securing the performance of, the work entrusted to him, the senior craftsman of category VII, whether or not he exercises a supervisory function, must possess either knowledge of his specialty acquired through vocational experience or through supplementary training, or possess knowledge substantiated by:

for administrative staff: the Commercial Training Certificate
for technical staff: the Industrial Training Certificate

Eighth category (VIII):

Being responsible for performing, or securing the performance of, the work entrusted to him, the senior craftsman of category VIII, whether or not he exercises a supervisory function, must possess either knowledge of his speciality acquired through long vocational experience or through supplementary training, or knowledge substantiated by:

for administrative staff: the Higher Commercial Training Certificate
for technical staff: the Technician's Certificate
or the Technician's Baccalaureate
or the Professional Certificate.

Ninth category (IX):

Being responsible for performing, or securing the performance of, the work entrusted to him, the senior craftsman of category IX, whether or not he exercises a supervisory function, must possess either knowledge of his speciality acquired through vocational experience or through supplementary training, or knowledge substantiated for administrative staff and technical staff by the Senior Technician's Certificate.

Tenth category (X):

An officer called upon to perform managerial functions in the administrative, technical or commercial sphere, and holding a State-recognized Diploma of Higher Education, or, failing that, possessing an administrative, legal, financial, commercial or technical training of an equivalent level acquired through long professional experience.

He must have general knowledge and intellectual and human qualities, enabling him to familiarize himself quickly with the various matters appertaining to his duties.

Eleventh category (XI):

An officer fulfilling the definition of category X and called upon in the performance of his duties to take the initiatives and responsibilities arising therefrom, initiating, guiding and controlling directly the work of his colleagues in preceding categories.

Twelfth category (XII):

Senior managerial officer directly subordinate to the head of the enterprise, having the power of authority and decision over one or more colleagues in the preceding categories, assuming full responsibility for administration, organization and direction within the purview of his functions.

1.3 Salary and wage zones

Zone I: Towns of Buéa, Douala, Edéa and Yaoundé

Zone II: Towns of Bafia, Bafoussam, Bamenda, Bertoua, Ebolowa, Eséka, Fort-Foureaux, Garoua, Kribi, Kumba, Maroua, M^eBalmayo, N^eGaoundéré, N^eKongsamba, Sangmélima, Tiko, Victoria, Department of the Wouri (except for town of Douala)

Zone III: The remainder of the United Republic.

1.4 Official salaries and wages

Last fixing of SMIG and SMAG: Decree No 73/495 of 28 August 1973 in force since 1 September 1973.

Hourly rate (CFAP)

	SMIG	SMAG
Zone I:	43.00	32.50
Zone II:	34.65	27.50
Zone III:	27.50	22.00

Minimum salaries and wages in the primary sector (in CFAP)

Categories	Zone I		Zone II		Zone III	
	Hourly	Monthly	Hourly	Monthly	Hourly	Monthly
I ¹	34.65	6 930	29.37	5 874	23.71	4 742
II	36.85	7 370	31.24	6 248	24.97	4 994
III	40.70	8 140	34.48	6 896	27.61	5 522
IV	50.60	10 120	42.90	8 580	34.32	6 864
V	88.00	17 600	74.58	14 916	59.67	11 934
VI	126.50	25 300	107.19	21 438	85.80	17 160
VII		31 500		26 696		21 357
VIII		42 000		35 595		28 476
IX		65 625		55 613		44 493
X		87 550		87 550		87 550
XI		123 600		123 600		123 600
XII		154 500		154 500		154 500

¹After 6 months work in the enterprise.

In each category there are 6 steps (A to F), which allow the salary or wage earner's progressive advancement.

The highest step of a category corresponds to the lowest step of the next higher category.

Example: Primary sector - Zone I

step A of category I is 34.65

step F of category I is 36.85

Monthly salaries and wages are calculated on the basis of 200 hours work.

Minimum salaries and wages in the secondary sector
and in the tertiary I sector (in CFAF)

Categories	Zone I		Zone II		Zone III	
	Hourly	Monthly	Hourly	Monthly	Hourly	Monthly
I ¹	47.30	8 200	38.22	6 622	30.30	5 258
II	58.30	10 103	47.08	8 162	37.34	6 473
III	69.30	12 012	55.99	9 702	44.44	7 700
IV	93.50	16 209	75.51	13 090	59.95	10 389
V	134.53	23 320	108.68	18 837	86.24	14 949
VI	178.20	30 800	143.93	24 876	114.23	19 739
VII	39 900		32 224		25 578	
VIII	57 750		46 646		37 017	
IX	73 500		59 367		47 019	
X	103 000		103 000		103 000	
XI	139 050		139 050		139 050	
XII	169 950		169 950		169 950	

¹After 6 months work in the enterprise.

Minimum salaries and wages in the tertiary II sector (in CFAF)

Categories	Zone I	Zone II	Zone III
I	9 640	7 640	6 061
II	11 220	9 064	7 194
III	14 850	11 990	9 520
IV	21 340	17 237	13 678
V	29 150	23 545	18 683
VI	37 620	30 387	24 112
VII	45 150	36 466	28 943
VIII	63 000	50 883	40 383
IX	84 000	67 845	53 844
X	118 450	118 450	118 450
XI	149 350	149 350	149 350
XII	180 250	180 250	180 250

Monthly salaries or wages calculated on the basis of 200 hours work.

1.5 Employers' social charges

1.5.1 Cameroonian salary or wage earners

(a) Social charges common to all categories

family allowances (ceiling for contributions: 750 000 CFAF per year)	7%
medical care and pharmaceuticals: average	2.50%
days not worked but paid	4%
apprenticeship tax	0.30%
paid holidays	6.25%
	<hr/> 20.05%
insurance-disability, death, old-age pension (Law No 69/LF/18 of 10 November 1969)	12.00%
	<hr/> 32.05%

(b) specific social charges

occupational risks (Decree 72/DF/111 of 28 February 1972)

4 rates according to type of activity and risk, in particular:

group A: administration, agriculture, radio and electricity, food industries, including canneries. Low risk	1.5%
group B: all industries not mentioned in ACD Medium risk	3.5%
group C: metallurgy, engineering, timber industry, manufacture of packagings and metal drums, public works and buildings. High risk	5%
group D: public works (civil engineering), agricultural hydraulic engineering, well-boring	9%

In the case of possible export activities, 1 to 5% for occupational risks must be added to the 32.05% for common social charges.

Thus the total rate of employers' social charges ranges from 33.05 to 37.05%.

1.5.2 Expatriate salary or wage earners

(a) Proportional social charges

paid leave (5 days per month worked)	17%
days not worked but paid	4%
family allowances	} according to contract
retirement	
industrial accidents (occupational risks)	1.5 to 9%
apprenticeship tax	0.30%
medical and pharmaceutical expenses; according to contract	

(b) Miscellaneous social charges

travel expenses (for the employee and his family)
housing, electricity
company car
allowance for travel within the country

According to the Chamber of Commerce and the Cameroonian Industrialists' Association (SYNDUSTRICAM), the total employers' social charges for expatriates more or less double the salary; they thus amount to 90-100%.

1.6 Cost to the enterprise, according to "indicative calculation norms"

1.6.1 Cameroonian employees

Personnel costs are obtained from the sum of the salary and wage scales, to which are added the employers' social charges according to the rate applicable to the type of industry. For the preparation of estimates of operating accounts, the "indicative calculation norms" given below are proposed. They have been prepared for the secondary and tertiary I sectors, the social charges adopted being those corresponding to group C for vocational risks (5%) and to a rate of 38% of salaries and wages paid.

CFAF			
Categories	Zone I	Zone II	Zone III
	Monthly	Monthly	Monthly
I	11 500	9 000	7 500
II	14 000	11 500	9 000
III	17 000	13 500	10 500
IV	22 500	18 000	14 500
V	32 000	26 000	21 000
VI	42 500	34 500	27 000
=====			
VII	55 000	44 500	35 500
VIII	80 000	64 500	51 000
IX	101 500	82 000	65 000
X	142 000	142 000	142 000
XI	192 000	192 000	192 000
XII	234 500	234 500	234 500

1.6.2 Expatriate employees (Source: SYNDUSTRICAM)

The total cost for expatriates (salaries and all social charges) lies within the following orders of magnitude:

enterprise manager	500 to 700 000 CFAF per month
intermediate managerial staff	300 to 400 000 CFAF per month
junior managerial staff	250 to 350 000 CFAF per month
foreman	150 to 200 000 CFAF per month

The annual average is 5 to 6 million CFAF per year.

The annual average includes (or does not include) a 13th month, which is not compulsory but would be granted in 60% of cases.

1.7 Trend and forecasts

Employment opportunities over the five-year period 1971/76

- (a) New jobs linked to extensions of existing enterprises and the establishment of new ones (private and para-public sector)

Branches	Activities	New jobs
0	Modern rural sector	10 160
1	Mining and quarrying	580
2	Industries manufacturing organic products	7 380
3	Industries manufacturing mineral products and rubber	3 280
4	Buildings and public works	2 680
5	Electricity, gas, water	900
6	Financial institutions	2 520
7	Transport	3 500
8	Services	450
9	Commerce	2 000
	Total	33 450

- (b) Overall trend of employment (persons employed) during the Third Plan

The overall trend of employment (persons employed) in the public and private modern sector during the Third Plan can be summed up in the table below:

	1970/71		1975/76	
	Total numbers	%	Total numbers	%
Primary sector	41 360	24.4	51 520	23.3
Secondary sector	34 250	20.2	49 070	22.3
Tertiary sector	<u>42 720</u>	<u>25.1</u>	<u>54 590</u>	<u>24.7</u>
Total private sector	118 330	69.7	155 180	70.3
Public sector	51 340	30.3	65 470	29.7
Total modern sector	169 670	100	220 650	100

Thus, during the forthcoming five-year period, total numbers of wage-earners might increase by 30%, representing an average annual growth rate of 5.4%, the private sector (5.6%) showing a higher rate than the public sector (5%).

2. ENERGY

2.1 Electric power

2.1.1 Infrastructure

Installed capacity

- (a) Existing hydroelectric plants, regulatory storage-dam.
- M'Bakaou dam, on the Djerem, regularizing the waters of the Sanaga river
 - Bamendjinn dam, capacity 1.5 thousand million cubic metres
 - Edéa: installed capacity, 156 000 kW. This is the only big hydroelectric plant at present in service in Cameroon. It supplies the whole industrial area of Edéa, Douala, Yaoundé
 - Buéa: installed capacity 1 500 kW
 - Macalo: installed capacity 720 kW
 - Dschang: installed capacity 260 kW
 - Foumban: installed capacity 128 kW

(b) Thermal power plants

The other urban centres are supplied with electricity by their own diesel thermal power sets.

Projects under the Third Plan

(a) Hydroelectric schemes

- extension of generating plant at Edéa through the bringing into service of Edéa III:
 - 1974: putting into service of 2 sets each of 20 MW capacity
 - 1975: putting into service of a further 20 MW set.

The installed capacity of the Edéa plants will then be 216 000 kW.

- harnessing of the Nachtigal falls on the Sanaga river. By 1978 this scheme should have a capacity of 100 KW in the first stage, with the possibility of extension up to 250 MW.

- development of the Njock site on the Nyong river. This scheme, with a capacity of 60 MW, would only be carried through as an alternative if substantial delay occurred in the harnessing of Nachtigal;
- development of the Lagdo site on the Bénoué river. With a capacity of 30 MW this scheme will be able to supply the whole of the Garoua area;
- harnessing of the Metchiée and Choumi falls, to the north-west of Bafoussam, each with a capacity of 5 MW;

Average production, consumption

The generation and distribution of electric power is carried out by:

- Cameroon Electric Power (ENELCAM), a semi-public company which operates the Edéa hydroelectric plant and supplies the ALUCAM plant at Edéa as well as the town of Edéa and in part Douala and Yaoundé;
- Cameroon Electricity (EDC), a joint-stock company which supplies lighting and industrial electricity to nearly all the towns in the eastern part of the country;
- West Cameroon Electricity Corporation (POWERCAM)
Cermersons Development Corporation (CDC)

These two corporations are responsible, in the western zone of the country, for the operation and management of three hydroelectric plants and two thermal plants.

Trend of electric power production

Unit: 000 kWh

	1970	1971	1972
Hydroelectric	1 162 999	1 152 439	1 092 434
Thermal	12 180	30 393	40 550
Total	1 175 179	1 182 832	1 132 984

Source: Quarterly Statistical Note - 4th quarter 1972.

2.1.2 Cost

Low-voltage tariff

in CFAF/kWh

	Douala	Yaoundé	Garoua	Secondary centre	
				Other centres	Edéa Dschang centres
1. Lighting and domestic uses					
- Power contracted for not exceeding 0.66 kVA	27.60	29.25	37.10	41.10	32.45
- Power contracted for exceeding 0.66 kVA	30.90	34.60	44.30	48.70	37.99
2. Domestic uses without time restriction					
- For air-conditioning appliances, water-heaters, electric cookers and washing machines, provided that the power consumed is recorded by a special meter	13.70	24.95	27.30	38.95	21.65
3. Domestic uses at off-peak hours (1200-1430 hours and 2030-0700 hours)					
- Use of off-peak current exclusively for water-heaters and air-conditioning appliances	11.00	16.25	23.70	27.10	16.25
4. Power and craft uses					
- Tariff increases laid down for high-voltage supplies .. in case of poor power factor will be applied to the low-voltage power tariffs	20.45	23.80	30.90	35.75	21.65
5. Public lighting					
- Tariff granted provided that consumption extends from 1830 hours to 0600 hours	9.95	16.80	20.40	20.40	20.40

High voltage tariff

in CFAF

Supply system	Fixed charge ¹	Power contracted for	MONTHLY UTILIZATION OF POWER CONTRACTED FOR ²			
			0 to 200 h	201 to 325 h	326 to 450 h	Beyond 450 h
Douala	3 310	0 to 100 kW	13.75	12.70	11.55	10.50
		101 to 250 kW	12.40	11.25	10.20	9.05
		251 to 500 kW	11.00	10.00	8.80	7.75
		501 to 1 000 kW	10.00	8.80	7.75	6.60
		1 001 to 2 000 kW	8.80	7.75	6.60	5.55
		2 001 to 5 000 kW	7.75	6.60	5.55	4.40
Yaoundé	4 325	0 to 100 kW	18.00	17.00	15.85	14.85
		101 to 250 kW	17.00	15.85	14.85	13.70
		251 to 500 kW	15.85	14.84	13.70	12.65
		501 to 1 000 kW	14.40	13.10	11.95	10.60
		1 001 to 2 000 kW	12.85	11.35	10.00	8.55
		2 001 to 5 000 kW	11.35	9.80	8.15	6.50
Garoua	4 120	0 to 100 kW	20.60	19.55	18.55	17.50
		101 to 250 kW	20.10	19.05	18.00	17.00
		251 to 500 kW	19.55	18.55	17.50	16.50
		501 to 1 000 kW	18.55	17.50	16.50	15.45
		1 001 to 2 000 kW	17.50	16.50	15.45	14.40
		2 001 to 5 000 kW	16.50	15.45	14.40	13.30
¹ Per kW contracted for/year. ² Per kWh. Other centres: Akonolinga, Bafang, Bertoua, Bafoussam, M'Bouda, Foumbot, Ebolowa, Eséka, Foumban, Kribi, M'Balmayo, N'Kongsamba, Loum, Penja, Manjo, Nloé, M'Banga, Sangmélima, Guider, Maroua, Mokolo, N'Gaoundéré, Yagoua.						
	5 410	0 to 100 kW	23.80	22.15	20.60	18.45
		101 to 250 kW	21.65	20.00	18.45	16.25
		251 to 500 kW	19.45	17.80	16.25	14.10
		501 to 1 000 kW	17.30	15.65	14.10	11.95
Secondary centres:						
	Edéa	Single tariff	15.15			
	Dschang					

Reactive power: When the power factor is less than 0.80, the amount of the fixed charge and the proportional rates will be increased by 1 per cent for each point below the value indicated above. For example: 1 per cent for 0.79, 2 per cent for 0.78 and so on.

For heavy electric power consumption the tariffs to be applied may be negotiated.

Average price per kWh for an enterprise of the type:

(a)	100 000 kWh/year	8 h/day	250 days/year
	average power used		50 kW
	maximum demand		80 kW or 88 kVA
	price per kWh in CFAF		16.40
(b)	10 ⁶ kWh/year	3 x 8 h/day	250 days/year
	average power used		166 kW
	maximum demand		200 kW or 220 kVA
	price per kWh in CFAF		11.99
(c)	10 ⁷ kWh/year	3 x 8 h/day	250 days/year
	average power used		1 660 kW
	maximum demand		2 000 kW or 2 200 kVA
	price per kWh in CFAF		8.42

These examples are worked out from the general tariff. It may be possible to negotiate a preferential tariff.

2.2 Water

The water installations at Douala, Yaoundé and the secondary centres are managed by a semi-public company, the SNEC.

Rate-fixing

- fixed charge for the first 5 000 cubic metres per year (drinking water and industrial water):

Yaoundé	80 CFAF/m ³	Bafoussam	98 CFAF/m ³
Douala	70 " "	Ebolowa	98 " "
Garoua	80 " "	Edéa	60 " "

- tapering tariff for industrial water for the Yaoundé and Douala centres:

Blocks m ³ /year	Yaoundé CFAF/m ³	Douala CFAF/m ³
1 - 5 000	80	70
5 001 - 10 000	76	66
10 001 - 25 000	72	62
25 001 - 50 000	68	58
50 001 - 100 000	65	55
100 001 - 250 000	63	53
250 001 - 500 000	62	52
500 001 - 750 000	61	51
750 001 - 1 000 000	60	50

Source: Ministry of Industrial and Trade Development.

2.3 Petroleum products

At present there is no refinery in Cameroon. However, a plan for a plant on the Littoral is under study. The price-list for petroleum products at the pump is as follows:

	in CFAF/litre or drum (inclusive of all taxes)	
	Douala	Yaoundé
Ordinary petrol	43.50	47.20
Paraffin	25.40	29.30
Gas oil	26.90	32.40
Motor oil in drums	25.840	26.874
Grease in drums	33.043	38.177

To obtain the wholesale prices, the above prices must be reduced by 2.6 to 3 CFAF/litre according to product. Depending on the size of the fuel order, discounts of 2 to 4 CFAF/litre can be obtained on the wholesale prices.

An oil refinery with a topping-reforming plant is going to be built at Limbols point, near Victoria, by SONARA (National Refining Company; semi-public).

3. BUILDING MATERIALS

3.1 Supply of building materials

3.1.1 Natural resources

Supplying a big building site with water, sand and aggregates does not raise any particular problems, that is to say, wherever the building site is located in Cameroon, normal prospecting will always lead to the opening-up of quarries within a reasonable distance.

The forests are very rich and forest operators market a large number of species.

It is difficult to give a list of the woods marketed; it would be too long or else incomplete. The Cameroonian Chamber of Agriculture at Yaoundé will supply special information about the timber trade to any entrepreneur wishing to have it.

3.1.2 Local industry

The following products are manufactured in Cameroon:

cement, solid and hollow bricks, aluminium tubs and sheets, vinyl paints, nails and tiling.

3.2 Formalities to be completed for the quarrying of materials

Authorizations for opening up quarries required for the construction of works of undoubted interest are very readily granted by the Cameroonian Government.

3.3 Wholesale prices of building materials

in CFAF

Cement (tonne)	18 000
Concrete-reinforcement iron 10 mm (tonne)	26 707
Hardboard, 3.5 mm thick, 1.22 x 2.44 m (sheet)	754
Beams (tonne)	114 534
Aluminium sheet 6/10 (unit)	922
Ridge-tile sheet 6/10 (unit)	560
Cast-iron pipe, 2 m (unit)	1 430
Quicklime (100-kg drum)	6 308
Brass tap 15 x 21 (unit)	619
Ordinary kitchen sink 60 x 50 (unit)	8 334
Shuttering wood (m ³)	14 to 18 000
Structural timber (m ³)	17 to 21 000
Joinery timber (m ³)	19 to 30 000

January 1974.

4. LAND AND BUILDINGS

4.1 Land

4.1.1 Availability of land

At Douala there are two industrial zones, one at Bonabéri, the other at Bassa:

- Bonabéri (heavy industries), access to wharf, zone served by rail and road. The first section of 70 hectares is in process of being equipped, a second section is to be equipped for 1980. At present 3.5 hectares are completed.

- Bassa (light industry), zone served by rail and road; at present, in addition to the plots already occupied, a first section of 50 hectares is in process of being equipped; the capacity will be raised later on.

Studies are in progress for the establishment of industrial zones at Yaoundé and N'Gaoundere.

4.1.2 Cost of land

Land forming part of industrial zones will not be sold but leased.

Land outside the industrial zones is generally sold at a price ranging between 600 and 1 000 CFAF per square metre.

The cost of land for housing varies from 2 000 to 5 000 CFAF per square metre according to district (Douala or Yaoundé).

4.1.3 Rentals and concessionary regimes

A mission for the equipment and management of industrial zones under the sponsorship of the Ministry of Industrial and Trade Development (MINDIC) is responsible for the equipping and leasing of developed land. Long-term lease agreements are negotiable; it is difficult to indicate figures for rentals.

4.2 Construction of buildings

The construction cost for industrial buildings or workshops is generally estimated at 20 000 CFAF per square metre.

Offices cost 30 000 to 40 000 CFAF per square metre, depending on the class desired.

The average cost of housing is 70 000 CFAF per square metre, differences above or below the average depending upon the quality of the building and fittings.

4.3 Rentals

In the case of new industrial enterprises, provision must be made for construction of the buildings. Available existing premises are very rare.

The rents of houses or apartments range between 50 000 and 150 000 CFAF per month, depending upon standard of accommodation and location.

For a 4 to 5 room dwelling the average rent is 100 000 CFAF a month.

Rents at Douala are slightly higher than those at Yaoundé. Outside Yaoundé and except in Douala, it is difficult to find dwellings to rent.

5. TRANSPORT

5.1 Infrastructures

5.1.1 Railways

Composition of the railway system: three axes:

South-North	Douala-M'Banga-N'Kongsamba
South-West	M'Banga-Kumba
South-East	Douala-Edéa-Otélé
	- M'Balmayo
	- Yaoundé-Bélabo-N'Gaoundéré

Total: 1 169 km

distances between the main stations:

Douala-Yaoundé	305 km
Otélé-M'Balmayo	37 "
Douala-N'Kongsamba	171 "
M'Banga-Kumba	30 "
Yaoundé-Bélabo	296 "
Bélabo-N'Gaoundéré	330 "

transport conditions

passengers:	mixed passenger/goods stopping trains
	express trains
	air-conditioned self-propelled railcars
	car-carrier couchette trains
goods:	30 to 40-tonne wagons
	overhung and extra wide flat wagons for special traffic

5.1.2 Road system

The system comprises:

22 600 km of roads, including 4 940 km of main roads
34 000 km (estimate) of tracks.

The road classification is based on traffic density estimated in traffic units (TU). The basis of estimation is:

1 TU for a vehicle with a total laden weight under 10 tonnes
3 TU for a vehicle with a total laden weight over 10 tonnes.

<u>Roads</u>	<u>TU per day</u>	<u>Km</u>
Asphalted		1 728
Category A	Over 450	1 023
B	between 300 and 450	2 189
C	between 150 and 300	2 216
D	between 30 and 150	6 930
E1	between 3 and 30	8 587
Feeder tracks (estimate)		34 000
Total		<u>56 673</u>

The objectives of new road construction and road improvements scheduled in the Third Plan will be:

- an improvement in inter-regional links, in order to provide the country with a close-knit structure,
- an improvement in international links,
- a strengthening of the local collection and delivery network.

The projects of the Third Plan are largely completed, namely, the North-South axis (rail and road) linking the littoral to the extreme North of the country.

The Douala-Bafoussam-Bamenda axis is in process of being asphalted.

5.1.3 Inland waterways

Although there are large numbers of water-courses, only the Mungo river and the Wouri river are navigable with barges, in their lower reaches. The Bénoué river is navigable as far as Garoua for two months in the year from 20 July onwards, the high-water period being in August.

In Nigeria the ports of embarkation on the Bénoué river for traffic to Cameroon are:

- Warri, for the account of C.T.C. (Cameroonian company)
- Burutu, for the account of the L.R.T. Company (British company).

These two companies are in process of merging.

The fleet consists of:

- 4 barges - L.R.T. Company
 - 2 barges - C.T.C. Company
 - 3 barges - John HOLTS Company
- and 5 oil-tanker barges.

The barges with the highest deadweight capacity belong to the C.T.C. and are each of 2 000 tonnes. The John HOLTS barges are of a low deadweight capacity.

The port of Garoua on the Bénoué river has 256 metres of wharves. The dock area covers 13 000 square metres, including 4 300 square metres of covered sheds. Besides the usual handling gear, it is equipped with 3 5-tonne cranes.

Traffic at Garoua has been recovering since 1970, following the stoppage in 1968 due to the events in Nigeria.

5.1.4 Air services

Some important international airlines are represented in Cameroon: CAMEROON-AIRLINES, AIR-AFRIQUE, PANAMERICAN AIRWAYS, U.T.A., ALITALIA, IBERIA; companies which do not have their own office are represented by AIR-AFRIQUE.

There are numerous domestic lines serving the various parts of the country.

The principal airfields are:

- Class A Douala,
- B Yaoundé, Garoua, Maroua, Salak, N°Gaoundéré
- C Fouban/Kounja (Koutaba), Mamfé, Tiko, Batouri, Kaélé, Kribi, Yagoua
- D 43, including 21 private ones

Cameroon-Airlines has one Boeing 707 for intercontinental services and two Boeing 737s for regional services. It also has a small fleet of propeller-driven aircraft for various domestic services.

5.1.5 Seaports

Cameroon has 4 seaports:

- Douala-Bonabéri

Douala handles 90% of the sea-going traffic (1 845 000 tonnes in 1970).

At present it has 2 000 metres of deep-water wharves, 230 000 square metres of dock area, including 140 000 asphalted and 66 510 of warehouses and sheds.

The port is served by a substantial rail network, equipped with a variety of gear.

At Bonabéri there is a 150-metre sheet-piling wharf reserved for the banana traffic.

- Kribi, in the South, specializing in timber and cocoa exports.

52 500 tonnes in 1970.

- Victoria and Tiko, in West Cameroon, traffic 130 000 tonnes in 1970, capacity 300 000 tonnes.

Campo, whose private installations deal essentially with timber exports; 45 000 tonnes in 1970.

There are five coastal shipping lines:

- Douala-Victoria
- Douala-Tiko
- Douala-Kribi
- Douala-Bata
- Douala-Lagos

Douala-Victoria and Douala-Tiko coastwise traffic is handled by barges from Douala and on a less regular basis by ships sailing to Victoria after calling at Douala. Departures to Victoria and Tiko are weekly. Traffic can be shipped to Kribi and Bata, consigned by SOGOPAO-CAMEROUN.

5.2 Principal projects - Transport

5.2.1 Railways

Project for correcting the Douala-Yaoundé line; the cost of the operation is estimated at 25 thousand million CFAF. Negotiations are currently in progress. Work should be undertaken soon as the line is expected to be saturated by 1980.

5.2.2 Roads

The road projects are on a very substantial scale. 400 km are scheduled in the South zone for moving forest products to the railway.

The Douala-Maupé road is under construction. Strengthening of the Belabo-Kenzo section (link with the Central African Republic) is being planned.

5.2.3 Air transport

Construction of the Douala Airport Building is in progress. Project to upgrade the Garoua airport to class A. Repair of the Maroua-Salaka and N'Gaoundéré landing strips has just been started.

5.2.4 Ports

Large-scale project for the port of Douala, estimated at 40 thousand million CFAF:

- extension of the timber port, for the shipment of 1 million tonnes a year,
- deepening of the channel from 7 to 10 metres,
- lengthening of the wharves.

Port of Kribi: capacity raised to 100 000 tonnes.

The improvement of the ore port of Victoria and of a petroleum port are projects which are less advanced.

The establishment of a Cameroonian shipping company is also planned.

5.3 Tariffs for goods, internal and external

5.3.1 Railways

The Cameroonian railway system is operated by REGIFERCAW. The tariffs shown below are those of REGIFERCAW (source: Ministry of Industrial and Trade Development). They are quoted exclusive of tax, and turnover tax of 3.5% must be added to them.

General tariffs

express consignments	28	CFAF per t/km from 0 to 308 km
	18	CFAF per t/km over 308 km
less-than-wagonload consignments	14.70	CFAF per t/km from 0 to 308 km
	12	CFAF per t/km over 308 km

Special tariffs (ST)

ST 11	Natural and chemical fertilizers	
	0 to 308 km:	9 CFAF per t/km
	over 308 km:	7 CFAF per t/km
ST 12	Motor vehicles (private cars, motor coaches, lorries, flat transporters, tanker lorries) not exceeding 5 t.	
	per tonne and per km all distances:	12 CFAF, with minimum charge of 4 200 CFAF per consignment
	per wagon and per km	: 60 CFAF, with minimum charge of 10 500 CFAF per consignment
ST 13	Building materials	
	0 to 200 km	9.50 CFAF per t/km
	201 to 400 km	7.50 CFAF per t/km
	over 400 km	6.00 CFAF per t/km
ST 14	Metallurgical products	
	0 to 308 km	11.20 CFAF per t/km
	over 308 km	9.00 CFAF per t/km

ST 22 Wood and wood derivatives from local forest undertakings

(a) overall tariffs

All rough cut wood for sawing, ebony and awong (or Ambam wood), in logs and squared:

0 to 51 km	9.50 CFAF per t/km
51 to 100 km	8.00 CFAF per t/km
100 to 150 km	6.50 CFAF per t/km
over 150 km	4.50 CFAF per t/km

(b) particular tariffs

Peeled wood and plywood of local manufacture, firm rates:

from Yaoundé and M'Balmayo to the industrial zone of Douala	2 050 CFAF per tonne
from Bélabo to the industrial zone of Douala	3 400 CFAF per tonne

Wood of 2nd category, ceiling rates (firm rates):

for distances of less than 350 km	1 300 CFAF per tonne
for distances beyond	2 400 CFAF per tonne

Wood of 3rd category, ceiling rates (firm rates):

for distances of less than 350 km	1 200 CFAF per tonne
for distances beyond	2 300 CFAF per tonne

ST 23 Coffe

0 to 308 km	12 CFAF per t/km
over 308 km	10 CFAF per t/km

Firm rates from Yaoundé and M'Balmayo to Douala station for traffic groupers and forwarding agents: 2 600 CFAF per tonne.

5.3.2 Road transport

Rates vary from one haulier to another.

For a balanced transport operation the rate is about 30 CFAF per t/km.

The rate may be appreciably lower for a short haul, about 20 CFAF per t/km for building materials.

5.3.3 Air transport

(a) Freight - international tariff

Europe - Cameroon services

in CFAF/kg

Airports		Weight groups			
departure	arrival	under 45 kg	over 45 kg	over 500 kg	over 1000 kg
Paris	Batouri	916	687	562	480
"	Douala	831	623	498	416
"	Garoua	821	616	501	426
"	Maroua	809	607	492	417
"	N'Gaoundéré	846	634	519	444
"	Yagoua	809	607	492	417
"	Yaoundé	840	631	504	420

Tariff due to be revised in August 1974.

the tariff for freight between Cameroon and the other Common Market capitals is slightly lower (Rome) or slightly higher (London, Brussels, The Hague, Luxembourg, Frankfurt).

minimum charge: 10 US dollars.

(b) Freight - domestic tariff

Airports		Weight groups			
departure	arrival	under 45 kg	over 45 kg	over 500 kg	over 1000 kg
Douala	Batouri	80	60	-	-
"	Garoua	103	78	48	-
"	Maroua	113	85	54	-
"	N'Gaoundéré	75	56	27	-
"	Yagoua	113	85	54	54
"	Yaoundé	49	38	27	-
Yaoundé	Batouri	63	48	-	-
"	Foumban	71	58	-	-
"	Garoua	91	68	43	-
"	Maroua	103	78	49	-
"	N'Gaoundéré	57	43	27	-
"	Yagoua	103	78	49	49

Tarif due to be revised in August 1974.

5.3.4 Transport by sea

The cost of transport comprises:

- the freight charge Europe-Cameroon (or Cameroon-Europe)
- the lighterage (or handling) charge
- the fee for waiting (if any)
- insurance
- port dues (20 CFAF per tonne discharged or taken aboard)
- the cost of warehousing (if any)
- turnover tax equal to 7.06% of the port charges given below.

(a) Freight rates

Freight rates vary with the nature of the goods. For guidance, some charges for transport from ship's rail (departure from a French port) to wharf at Douala are given below:

plastics materials	7 280	CFAF	per	chargeable	unit
vehicles up to 5 tonnes	10 640	"	"	"	"
equipment, heavy machines	15 230	"	"	"	"
and spares					
cement	9 520	"	"	"	"

The charges are worked out per highest chargeable unit (m³ or tonne).

(b) Lighterage (handling) charge - June 1972 tariff

Goods are classified in 14 categories. For each of these categories there are two scales of lighterage charge:

normal tariff

"exceptional" tariff applicable to goods in transit or destined for the regions of North Cameroon (Logone and Chari, Margui Wandala, Diamaré, Bénoué), Chad and the Central African Republic. The "exceptional" tariff is applicable upon submission of supporting evidence.

There is a minimum charge of 257 CFAF (193 for the "exceptional" tariff).

The tariffs given below are subject to the addition of turnover tax (7.06%).

They range from 335 to 2 570 CFAF/t according to category of goods, for example:

in CFAF/t

Products	Categories	Normal tariff	Exceptional tariff
Wood, in logs	9	335	249
Bitumens, pitches, aluminium fluorides, cement in bags	5,6,7	770 to 910	580 to 690
Bundles or iron wire, metal frameworks, sheet-metal, flour, rice, salt, petroleum products in drums	3,4,8,11	1 050 to 1 560	790 to 1 160
Goods in sacks, dangerous, heavy or bulky packages	1,2,10,12	1 560 to 2 570	1 160 to 1 930
Empty drums	13	24 (unit)	13
Containers	14	Tariff for the contents plus 0.5 supplement for heavy or bulky packages	

(c) Waiting fee

Upon expiry of the free-of-charge period of 20 days and up to the time of the transfer of the goods to the Customs warehouse, or of their removal, a waiting fee, over and above the handling charges, is levied which is identical to the warehousing and custody dues collected by the Customs when the goods enter the Customs warehouse.

in CFAF/day

Goods	1st to 10th day	11th to 30th day	31st to 60th day	Beyond 60th day
In bulk				
- per tonne	7	44	109	217
- or fraction of tonne				
Packaged (other than cement, salt) per package				
- of less than 100 kg	3	11	22	33
- from 100 to 500 kg	4	17	38	49
- of over 500 kg	11	82	163	325

Turnover tax (7.06%) to be added to these rates.

(d) Maritime insurance

The tariffs are valid in the two directions (Cameroon to and from Europe) and are common to the UDEAC countries (source: DROUOT Group, Brazzaville). Examples for some imported or exported products, as % of the value, including transport:

- machines, industrial equipment, engines, pumps, compressors	1.05%
- fertilizers	1.05%
- plywood	5.30%
- cement	6.15%
- concrete-reinforcement iron	0.85%
- hardware, small tools, machine parts	1.15%
- radios, assembled	2.20%
- leather goods, shoes	1.30%
- canned goods	} 3.95%
- syrups, in bottles	

(e) Port charges

- warehousing dues

Upon expiry of the free-of-charge period (20 days), a warehousing due is charged of 11 CFAF per indivisible tonne/day (plus turnover tax of 7.06%)

- embarkation fee (export)

The embarkation fee comprises all charges for bringing alongside, slinging, any custody and attention during warehousing within the free-of-charge period, stacking in the warehouse and collection, the conditions of application being as follows:

turnover tax of 7.06% is to be added to the tariffs given below, the minimum charge is fixed at 217 CFAF per bill of lading,

the tariffs given below are the normal tariffs; there are "exceptional" tariffs (about 50% of the normal tariffs) for goods in transit or coming from North Cameroon, Chad and the Central African Republic, the embarkation fee ranges from 98 to 1 000 CFAF/gross tonne (or fraction of tonne rounded to the higher tenth).

Examples:

Coffee, cocoa, raw hides and skins	570 CFAF/gross tonne
Peeled wood, cattle cake in sacks	389 " " "
Cut wood	98 " " "
Miscellaneous goods	670 " " "
Heavy and/or bulky packages up to 5 t or 4 m ³	670 " " "
Palm oil	1 000 " " "

- miscellaneous services

hoisting overside of all goods in sacks for:

loading on wagon: 190 CFAF/t
loading on lorry: 95 CFAF/t

loading on wagon with collection of goods from standing area or warehouse: 290 CFAF/t

loading on lorry with collection of goods from standing area or warehouse: 200 CFAF/t

sheeting requested by receivers: 310 CFAF/t

unloading of cut wood from barges: 262 CFAF/t

possibility of hiring handling gear and cranes at 950 to 5 000 CFAF/hour

5.4 Examples of transport costs

Air fare: Europe - Yaoundé, round trip

Brussels	250 000 CFAF
Frankfurt	250 000 CFAF
London	251 900 CFAF
Paris	245 900 CFAF
Rome	226 700 CFAF
Amsterdam	250 000 CFAF
New York	309 700 CFAF

Cost of transporting 10 tonnes of cement, by rail Douala - Yaoundé (305 km)

Transport charge: 7.50 CFAF per t/km, plus turnover tax at 3.59%
= 23 696 CFAF.

Cost of transporting 10 tonnes of concrete-reinforcement iron in 6-metre rods, by rail Douala-Yaoundé (305 km)

Transport charge: 11.20 CFAF per t/km, plus turnover tax at 3.59%
= 35 386 CFAF.

Cost of transporting a typical machine (gross weight 1.2 t) from a port in Northern Europe to Yaoundé: estimated at 150 000 CFAF,

- this cost comprising: transport by sea to Douala
- discharge
- port charges
- forwarding agent's fees
- turnover tax
- warehousing
- rail transport
- unloading and warehousing at Yaoundé
- delivery to factory

5.5 Price of vehicles

Saloon, 4-seater, 504	1 550 000 CFAF
Lorry, 5-tonnes carrying capacity, flat	6 000 000 CFAF

6. TELECOMMUNICATIONS

6.1 Telephone

The following towns are linked by automatic telephone:

Bués, Tiko, Victoria, Bamenda, Kumba, Mamfé, Bafoussam, N°Kongsamba, Douala, Edéa, Kribi, Eséka, M°Balmayo, Yaoundé, Garoua, N°Gaoundéré, Maroua.

Local calls: 30 CFAF

Douala-Yaoundé 200 CFAF for 3 minutes

International calls: (between 09.00 and 20.00 hours)

France: 1 820 CFAF for 3 minutes, 606 CFAF for each additional minute

European capitals: 2 800 CFAF on average for 3 minutes, 930 CFAF for each additional minute

United States of America: 4 180 CFAF for 3 minutes, 1 390 CFAF for each additional minute

Connection charges:

1st zone (1 km from the exchange)	charge:	15 000	CFAF
	guarantee deposit:	10 000	CFAF
2nd zone (1 to 3 km from the exchange)	charge:	15 000	CFAF
	guarantee deposit:	10 000	CFAF
	contribution share:	25 000	CFAF
3rd zone (over 3 km from the exchange)	charge:	15 000	CFAF
	guarantee deposit:	10 000	CFAF
	contribution share:	25 000	CFAF

+ contributions to construction costs on the basis of 6 500 CFAF/km beyond the 3rd km.

Subscription:

1st zone	11 800	CFAF per year
2nd zone	19 800	" " "
3rd zone	19 800 + 500/km	" " "

6.2 Telex

Cost of installation: 15 000 CFAF plus possible guarantee

Cost of subscription: 10 000 CFAF per year

Cost of communications:

France: 1 365 CFAF for 3 minutes, 455 CFAF for each additional minute

European capitals: 2 100 CFAF on average for 3 minutes, 700 CFAF for each additional minute.

7. BANKING SYSTEM, LOANS TO ENTERPRISES

7.1 Structure of the banking system

A public body, the National Credit Council, was set up by Decree No 62/DF/90 of 24 March 1962 as amended on 29 May 1970 and by Decree No 70/DF/278 of 12 June 1970.

It is responsible for regulating the banking profession in Cameroon and for studying and implementing the Government's credit policy. It can be consulted on Cameroonian financial policy, and it makes proposals for credit regulations.

The other banks established in Cameroon are deposit banks which deal in short-term credit and medium-term credit with rediscounting.

The Société Camerounaise de Banque (SCB), a subsidiary of the Crédit Lyonnais, whose registered office is at Yaoundé, has as shareholders: Morgan Guaranty, International Banking Corporation, Banca Commerciale Italiana Holding S.A., Deutsche Bank A.G.

Branches: Yaoundé, Douala, N'Gaoundéré, Victoria, Bafoussam, Bafang, Bafia, Monatéfé, N'Kongsamba, Maroua, Garoua, Dschang, M'Balmayo, Edéa.

The State has a majority holding (60%) in the registered capital of 800 million CFAF.

The Banque Internationale pour l'Afrique de l'Ouest (BIAO), a correspondent of the First National Bank, USA.

Branches: Yaoundé, Douala, Garoua, Ebolowa.

The Banque Internationale pour le Commerce et l'Industrie au Cameroun (BICIC), a correspondent of the Banque Nationale de Paris (BNP).

Branches: Douala, Garoua, N'Kongsamba, Edéa, Bafang, Mamfé, Tiko, Bamenda, Buéa, Kumba.

The Société Générale de Banques au Cameroun, a correspondent of the Société Générale of Paris.

Branches: Douala, Yaoundé, N'Kongsamba, Bafoussam, Foumban.

The Standard Bank of West Africa at Douala and Victoria, a correspondent of the Standard Bank of London.

The Order of 30 August 1973 contains the plan for the reorganization of the Cameroonian banking system currently in progress:

All banks must have their registered office in Cameroon; within a maximum period of two years all banks must be managed by Cameroonian nationals.

Abolition of the distinction between commercial bank and deposit bank.

10% of the profits of the banks will go to form a fund intended to finance expenditure on the training and briefing of Cameroonian businessmen and keeping of their accounts. It is also proposed to use this fund to solve some of the problems arising from the absence of underwriting.

7.2 Credit policy

The State takes holdings in some industrial companies through the National Investment Corporation (SNI), which operates under the sponsorship of the Ministry of Industrial and Trade Development.

Investors may obtain short-term and medium-term loans from the Cameroonian Development Bank (BCD). This establishment was set up on 21 April 1961. It pursues two basic objectives:

it must foster the development of cooperation in Cameroon,
it must carry out any operation promoting the development of industry, agriculture, crafts, stock-farming, fisheries, housing conditions, the professional equipment of members of the liberal professions.

Breakdown of the loans made to the economy by
the banking system

in millions of CFAF

	January 1973	January 1974
short-term	52 785	64 505
medium-term	5 772	6 985
long-term	1 468	1 954
	<u>60 025</u>	<u>73 444</u>

7.3 Terms and cost of credit

The practice of long-term credit is non-existent at present, apart from exceptional loans provided by the Caisse Centrale de Co-opération Economique (CCCE) and the Banque Centrale des Etats d'Afrique Centrale (BCEAC).

For medium-term credit the rates generally applied range from 7% to 10%.

The rates for short-term credit, generally linked to trading operations, range from 6.5% to 10%.

Interest rates generally charged by:

IFC	about 9.5%
ADB/IBRD	" 7.5%
CCCE	" 5% (4.5 + 0.5)
EIB with deferred redemption	7.75%

8. INSURANCE

The insurance sector has been reorganized under Order No 73-14 of 10 May 1973.

The minimum capital of insurance companies is fixed by decree and may in no case be less than 20% of the total amount of the accident claims paid out during the last three financial years.

No foreign insurance company may operate in the United Republic of Cameroon, if its total premium income exceeds 150 million CFAF, except through Cameroonian companies, save for exceptions granted by decree.

The State has set up the National Reinsurance Institution, which supervises activities in this sector; all important insurance companies have links with this institution.

9. MISCELLANEOUS

9.1 Hotels, meals

Room in Douala and Yaoundé from 5 500 CFAF including breakfast and taxes.

Meal: from 1 500 CFAF (not including drinks).

9.2 Car hire, taxi fares

Cars: hire by the day, free allowance of 50 km per day, inclusive of taxes and insurance, from 4 500 to 15 000 CFAF according to model chosen (deposit of 100 000 CFAF).

Taxi ride: Airport to city centre (Yaoundé or Douala): 600 CFAF
ride within city limits: 200 CFAF minimum

9.3 Domestic staff

There are 8 categories of domestic staff, ranging from the child minder and the gardening labourer (category I) to the butler (category 8). A trained domestic cook is in the 6th category. Wages vary according to zone as for industrial labour:

Zone I	Zone II	Zone III
7 400 to 15 000	6 000 to 12 000	5 000 to 10 000

These figures are given for guidance; the average wage of a cook ranges from 12 000 to 15 000 CFAF a month in Yaoundé or Douala.

9.4 Cost of living for expatriates

The level of monthly expenses for a household without children is 140 000 CFAF, the extra cost per additional person being about 35 000 CFAF.

Movement of the retail consumer price index for non-Cameroonian families

General index (base 1966=100)	Monthly average 1972	Monthly average 1973	April 1971
Douala	125.2	130.3	138.8
Yaoundé	121.2	129.3	147.5

Source: Directorate of Statistics and National Accounts.

OTHER DOCUMENTS ON THE INDUSTRIALIZATION OF THE AASM PUBLISHED
BY THE COMMISSION OF THE EUROPEAN COMMUNITIES

● « Codes des investissements des Etats Africains et Malgache Associés »

(Investment laws in the Associated African States and Madagascar)

One volume, third edition, Brussels, March 1974, in French.

This compendium reproduces in detail the basic legislation governing the setting up of industrial concerns in the 19 Associated States. It gives the situation as at 1 March 1974 and is a useful addition to the series of monographs below.

● « Inventaire des études industrielles concernant les pays africains en voie de développement »

(Inventory of industrial studies concerned with the developing countries in Africa)

4 volumes, Brussels, December 1972, in French.

This document contains in four volumes some 900 record cards on studies dealing with industrial projects – whether they were carried out or not – in the African countries. It is the outcome of a Commission survey conducted in 1971/72 and intended for the Governments, development bodies and other specialized institutions of the AASM and the Member States of the Community, and for certain international aid and financing organizations. It was published in 1972 and, although by no means exhaustive, it is the most systematic inventory on this subject yet to appear in published form.

● « Pré-sélection des industries d'exportation susceptibles d'être implantées dans les Etats Africains et Malgache Associés » *(Pre-selection of export industries suitable for setting up in the AASM)*

1 report + 3 volumes of annexes, July 1971, in French.

This study aims to define the export industries most suitable for setting up in the AASM and lists them in approximate order of suitability. Pre-selection there is based on factors of supply (general conditions of production in the AASM) and demand (the industrialized countries' imports of manufactured goods from the developing countries).

● « L'industrialisation textile d'exportation des Etats Africains et Malgache Associés »

(Industrialization of textile production for export in the AASM)

4 volumes, Brussels, October 1972 and March 1973, in French; summary report in English, German, Italian and Dutch.

This study examines possible outlets in Europe and picks out the types of products likely to sell there which could be produced in the AASM, and considers the general conditions for producing textiles for export in Africa. The second part of the study is devoted to feasibility studies analysing the specific conditions for manufacturing certain textile products in the AASM.

● « Possibilités de création d'industries exportatrices dans les Etats Africains et Malgache Associés »

(Export industries which might be set up in the Associated States and Madagascar)

1 volume in French; summary report in English, German, Italian and Dutch.

A SERIES OF STUDIES ON THE FOLLOWING:

Production and assembly of electrical equipment
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Meat
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Footwear
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First and second stages of processing wood and articles of wood
Preparations and/or preserves of tropical fruits
Manufacture of cigars and cigarillos
Electric steelmaking
Ferro-alloys

*All these documents may be obtained free of charge from the
Commission of the European Communities,
Directorate-General for Development and Cooperation (VIII/B/1),
200 rue de la Loi, 1040 Brussels*