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Cameroon

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The Republic of Cameroon lies at the junction between Western and Central Africa, bordering the Bight of Biafra, between Equatorial Guinea and Nigeria. The nation shares its western border with Nigeria, its eastern border with Chad, the Central Africa Republic and the Republic of Congo and its southern border with Gabon and Equatorial Guinea; its southwestern coastal border faces out to the Atlantic Ocean. The largest city is Douala, which is the country's main port and economic capital with its commercial and industrial activities. Yaoundé is the second largest city and the political capital of Cameroon. The country's name is derived from Rio dos Camarões ("River of Prawns")—the name given to the Wouri River estuary by Portuguese explorers of the 15th and 16th centuries.

The land of the nation is triangular in shape and it has four distinct geographical regions in the north, centre, west and south. The central region consists of a savanna plain that spans across the eastern and western highlands and stretches from the Sanaga River near the south to the Benue River towards the northern region. The plain progressively increases in elevation towards the north with the highest elevation at the Adamawa Plateau standing at approximately 4,450 feet. In the northern region further up the Benue River, lies the Lake Chad basin, the Waza national Park and inselbergs of erosion-resistant rocks. The southern region extends south of the Sanaga River towards the border and comprises coastal plains estimated to be at an average 40 km wide; the region also consists of elevated forested plateaus.

Demographics

Cameroon has a population of approximately 29,321,637 according to 2022 estimates. The biggest ethnic group in the country are the Bamileke-Bamu that make up 23.3% of the population. Other notable ethnic groups are the Beti/Bassa (21.6%), the Biu-Mandara (14.6%), the Arab-Choa/Hausa/Kanuri (11.0%), the Adamawa-Ubangi (9.8%), the Meka/Pygmy (3.3%), the Cotier/Oroko/Ngoe (2.7%), and the southwestern Bantu (0.7%) with the remaining people being from several different and foreign ethnicities. English and French are the official languages of the republic, however English is spoken by 23% of the population, mainly in official and business settings whilst French is spoken more widely and colloquially with 56% of the population speaking it daily. Aside from English and French, there are 24 distinct language groups also widely spoken across the nation. Cameroonians have a distinct vernacular used called Camfranglais which is a combination of grammatical and lexical elements of French, English and Cameroonian Pidgin English.

Cameroon has a large Christian population; 38.3% are Catholics, 25.5% are Protestant while 6.9% practice other forms of Christianity. 24.4% of the population is Muslim, 2.2% are animist and 2.2% are atheists. Cameroon has a very youthful population with over 60% under the age of 25 and the fertility rate of the nation remains high. 58.7% of the population lives in urban areas and Yaounde, the political capital, is the largest urban settlement.

History

Historians believe that Cameroon has been inhabited since as early as 50,000 years ago. The most well-known early kingdom is that of the Sao which ruled over the area around Lake Chad in the year 500 CE. The Sao kingdom remained in power till the 15th century after which it declined in power due to the rise of the Kotoko statedom that began to expand into northern Cameroon and Nigeria. It was a short-lived rule as it was soon usurped by the Bornu Empire, an emirate that emerged from northeastern Nigeria, under the rule of the Muslim military leader, Rabih al-Zubayr. Subsequently, Islam became widespread through immigration and trade in the late 19th century in the northern regions while other regions remained inhabited mostly by the local kingdoms such as those of the Bamoum and Bamileke.

European presence was intermittently present on the island since the arrival of the Portuguese explorer, Fernão do Pó, in 1472. Dutch and Portuguese traders followed his route and began to trade and develop ports and routes inland towards the territories of the Bamileke, Bamoum and other kingdoms. With the decline of slave trade in the 19th century and the shift in focus to the trade in rubber and palm oil, British and German interest in the territory began to increase and Dutch and Portuguese influence began to wane. Christian missionaries under the leadership of the British missionary, Alfred Saker, set up a Baptist station in Akwa Town, present day Douala, in 1845; another large station was also set up at Victoria, present day Limbe, in 1858. German presence was also prevalent and growing. In 1884, German explorer Gustav Nachtigal arrived in July that year at the Douala coast and supported the Germans in gradually moving inland and extending their control into these areas. They successfully managed to gain control by establishing plantation agriculture and large estates in southwestern Kamerun (the name the Germans gave to the territory), using force to gain control of labour from the traders and plantation owners that had been present prior to their annexation.

The dynamics shifted when during World War 1 the Allied forces chased Germans out to exile. The British took control of a small portion of then-Kamerun and the French administered the remainder of the territory; the League of Nations consequently gave the mandates to the two nations and the territory was divided into the French Cameroun and the British Cameroons. During British administration, the old German plantations were amalgamated into a single parastatal (government-owned enterprise), the Cameroon Development Corporation, which became the mainstay of the economy with the production of cacao, coffee and bananas bringing in revenue. Post-World War II momentum began to build for sentiments of nationalism and self-determination due to which Cameroon's first nationalist party, the Cameroon People's Union led by Felix-Roland Moumie and Reuben Um Nyobe, gathered support for the demand to become an independent socialist economy. Harsh suppression of the movement led to a civil war in the French-administered part of Cameroon but eventually on 1 January 1960, they were successful and were granted independence. In the British-administered part of Cameroon there was a UN-supervised plebiscite that took place on the question of whether the territory would be assimilated into Nigeria or united with its French counterpart to become an independent nation; the result of the plebiscite, announced in February 1961, led to southern section choosing to unite with the former French colony to become the federal Republic of Cameroon whilst the north chose to unite with Nigeria. In the first elections to take place after independence, Ahmadou Ahidjo of the Cameroon Union party became the first president and his administration lasted till 1982.

Key dates

1884 Cameroon becomes the German colony of Kamerun. It expands in 1911 when France cedes territory to Germany.

1916 British and French troops force Germans to leave Cameroon, which is partitioned between France and Britain at the end of the First World War.

1919 Under the London Declaration Cameroon is divided into French (80%) and British (20%) administrative zones

1958 French Cameroon granted self-government with Ahmadou Ahidjo as prime minister. The country becomes independent two years later, and Mr Ahidjo becomes president.

1960 French Cameroon gains independence; becomes the Republic of Cameroon with Ahmadou Ahidjo as president.

1961 Britain's Cameroons colonies divide between Cameroon and Nigeria after a referendum.

1966 National Cameroonian Union formed out of six major parties; becomes the sole legal party.

1972 Cameroon becomes a unitary state following a national referendum and is renamed the United Republic of Cameroon.

Government and Legal System

Cameroon is a [unitary presidential](#) republic, whereby the [President of Cameroon](#) is both [head of state](#) and [head of government](#), and of a [multi-party system](#). [Executive power](#) is exercised by the government. [Legislative power](#) is vested in both the [government](#) and the [National Assembly of Cameroon](#).

The legal system and the sources of law in the country has been significantly shaped by the dual English-French colonial legal heritage that has given rise to its dual legal system in the country. Cameroon has a bijural system with the English common law operating in the two Anglophone regions of Northwest and South West and the French civil law operating in the eight francophone regions. The main sources of Cameroonian law are the Constitution, legislation, judicial precedents, and customary law.

Economy

In the two decades following independence, the government of Cameroon initially concentrated on expansion of educational facilities, diversification of farm production, selective industrialization, rural development, and the introduction of rural cooperatives. In subsequent years, however, less central planning and more reliance on private enterprise and [free trade](#) became the dominant trends. Services, mainly financial, trade, transportation and retail, contribute 51.5% of GDP and employs 42.1% of the working population. Agriculture remains a robust sector for the economy despite its gradual decline due to the growth of manufacturing, services and the oil industry; as of yet, it contributes 15.2% of GDP and employs 43.5% of the working population; Cameroon's main agricultural products include plantains, coffee beans, potatoes, yams, cassava, corn, and oil palm in the south and peanuts (groundnuts), millet, and cassava in the north. Cameroon's industrial sector has been steadily growing since the late 20th century and by 2000, it accounted for 20% of GDP. Today, the industrial sector, largely due to the manufacturing of light consumer goods, textiles, ship repair and food processing, accounts for 25% of the GDP and employs about 14.4% of the nation's workforce.

Cameroon is the largest economy in the Central African Economic and Monetary Community (CEMAC). In April 2017, the Country Economic Memorandum issued by the World Bank notes that if Cameroon is to become an upper-middle-income country by 2035, it will have to increase productivity and unleash the potential of its private sector. Cameroon's growth target—a real GDP growth rate of approximately 8% (5.7% per capita) between 2015 and 2035—will be jeopardized by the COVID-19 crisis as it fell to 0.73% which is still a better outcome than the World Bank estimate of -0.2%.

Trade

Cameroon's GDP in 2021 stood at US\$45.2 billion. In 2021, the top exports for the year were mineral fuels, oils and products of their distillation (58.2%), cocoa beans and preparations (15.5%), wood and articles thereof (12.5%), and edible fruits and nuts and their by-products (5.6%). The main export destinations for the year included China (24.8%), Italy (13.7%), the Netherlands (9.7%) and France (7.0%). Top imports for 2021 consisted of ships, boats and other floating structures (7.9%), cereals (7.5%), machinery, mechanical appliances, nuclear reactors, boilers and parts thereof (7.5%) and electrical machinery and electronic equipment (6.9%). The main import source countries for these commodities included China (18.5%), France (8.4%), Nigeria (5.6%) and the Netherlands (4.8%).

Aside from CEMAC, Cameroon is a signatory of the Global System of Trade Preferences among Developing Countries (GSTP). It has a regional trade agreement with the EU and a free trade agreement (FTA) with the United Kingdom.

Investment Opportunities

Cameroon has maintained long lasting political stability and democratic values under the current regime which minimizes security risks for investors. With a growing middle class, abundance of cheap but highly skilled labour and its “Cameroon Vision 2035” agenda, the state is looking to upgrade into a middle/upper middle economy. Cameroon is in an enviable geographical position whereby it connects Central and Western Africa and has direct access to the South Atlantic Ocean via its Port of Douala which, despite the logistical disruptions caused by the COVID-19 pandemic, lent its state a profit of 3.6 billion XAF profit. Cameroon is affluent in natural resources across a diverse selection of sectors; for mining products such as petroleum, gas, bauxite, iron, nickel, wood, and agricultural products including cocoa, coffee, cotton, banana, palm oil and pineapple. The government of Cameroon encourages investment in the production and packaging of products and is giving special focus to upgrading the state’s infrastructure for which it has acquired IMF lending and approval for current projects. The government is also eager to attract foreign direct investment into the ICT and infrastructure as these will be critical in upgrading its global economic status and to fulfill its national development goals.

Investors looking into setting up a company in Cameroon’s Free Zones and industrial free points, or those investors looking into investing in aforementioned sectors of high priority for the economic development of Cameroon can enjoy specific tax exemptions such as the exemption of registration duties, transfer duty, customs duties and value added tax for certain items for the first 5 years of the installation phase; exemptions and reductions for 10 years of the minimum tax, corporate tax, customs duties on certain items and other taxes; and exemption from the Business license tax for newly incorporated enterprises for 2 years.

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