ECONOMIC OBSERVATORY

Cameroon Chamber of Commerce, Industry, Mines and Crafts

Report on the Economic Situation of Cameroon in 2020

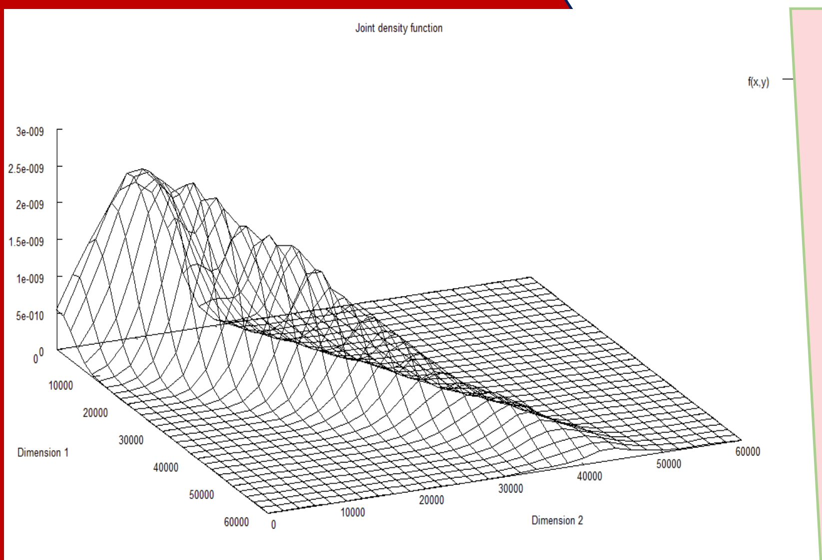

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Table of contents

LIST OF ILLUSTRATIONS

Liste of tables

List of figures

LIST OF ABBREVIATIONS

AAF	:	Autonomous Amortization Fund
ADB	:	African Development Bank
AFB	:	Afriland First Bank
AFCON	:	Africa Cup of Nations
AFL	:	Amending Finance law
BAC	:	Banque Atlantique du Cameroun
BEAC	:	Bank of Central African States
BICEC	:	Banque Internationale du Cameroun pour l'Epargne et le Crédit
BREXIT	:	British Exit
BTA	:	Fungible treasury bills
BTP	:	Public Works
CAM	:	CCIMC Centre for Arbitration and Mediation
CAR	:	Central African Republic
CCIMC	:	Cameroon Chamber of Commerce, Industry, Mines and Crafts
CEMAC	:	Central African Economic and Monetary Community
CFC	:	Crédit Foncier du Cameroun
CHAN	:	African Nations Championship
CPCCAF	:	Permanent Conference of African and Francophone Consular Chambers
CPI	:	Consumer Price Index
DF	:	Division of Forecasts
DGB	:	Directorate General of Budget
DGC	:	Directorate General of Customs
DGT	:	Directorate General of Taxation
DSX	:	Douala Stock Exchange
ECA	:	Economic Commission for Africa
FBCF	:	Gross Fixed Capital Formation
FCFA	:	Financial Cooperation in Central Africa
FINEX	:	External Financing
Fintech	:	Finance and Technology
GDP	:	Gross Domestic Product
ICT	:	Information and Communication Technology
IFL	:	Initial Finance Law
IMF	:	International Monetary Fund
ITC	:	International Trade Centre
ITC	:	International Trade Centre
LE	:	Large Enterprise
ME	:	Medium Enterprise
MFI	:	Microfinance Institution
MINFI	:	Ministry of Finance
MPC	:	Monetary Policy Committee
NFA	:	Net Foreign Assets
NIS	:	National Institute of Statistics
NPG	:	Net Position of the Government
OPEC	:	Organisation of Petroleum Exporting Countries
OTA	:	Fungible treasury bonds
RCF	:	Rapid Credit Facility
SCB	:	Société Camerounaise des Banques
SE	:	Small Enterprise
SGC	:	Société Générale du Cameroun
SME	:	Small and Medium size Enterprise
SNH	:	National Hydrocarbons Corporation
UBA	:	United Bank of Cameroon
UNCTAD	:	United Nations Conference on Trade and Development
USA	:	United States of America
VAT	:	Value Added Tax
VSE	:	Very Small Enterprise
WB	:	Word Bank
WEP	:	World Economic Prospects
WTO	:	World Trade Organisation

Editorial

Turning the contraints of COVID 19 into opportunities.

The emergence of Covid 19 had definite effects on the functioning of economies. While several businesses suffered the harms of restrictions imposed to limit the spread of the virus, thus disrupting distribution circuits, citizens on their part were limited in movement and embraced new consumption habits, which must be upheld if the pandemic should persist. In fact, in all countries especially export leaders, the disruption of production and commercial activities created scarcity of goods and services in import-dependent countries, thus accounting for a fair share of demand of locally manufactured products. In this respect, each nation redoubled its efforts, depending on its capacity, to ensure that its population did not lack basic goods. That is how Cameroon, for example, saw the creation of a market of covid 19 protection kits and the formalisation of the traditional pharmacopoeia following doubts about the panaceas proposed by the west.

The health crisis is an opportunity for Cameroon to reflect on the consumption needs of Cameroonians and promote domestic supply. In addition, Is this period of crisis not the right time to take engineering to the next level, foster innovation, propose new products to consumers, automate production and penetrate new markets ? We can affirmatively respond to this question.

Without tempting fate and without fear of failing to meet international obligations in terms of trade facilitation, we are confident of a true structural transformation of the economy and in particular, a real densification of the industrial fabric.

Moreover, while commending the efforts of the government to propose an ambitious post COVID 19 recovery plan, we call on all the driving forces of the nation to each contribute, more than in the past, to the construction of an industrial fabric capable of eventually proposing competitive products to Cameroonians, but also to Africa within the framework of the free trade area. All businesspersons in these priority sectors will have to aim at productivity and reinforce their products competitiveness.

This also involves the creation of local industries manufacturing important agricultural and industrial inputs whose prices and freight have spike due the health crisis. There is need to increase the platforms of the International Investors Forum in connecting project bearers and financing institutions. The State should put at the disposal of economic actors quality economic facilities. The same applies to the support of the private sctor in the promotion of the « made in Cameroon » label, by creating more exhibition sites and by making greater efforts to master the local content.

It is only in this way that we can turn the constraints created or worsened by the health crisis into an opportunity for a more inclusive development of Cameroon. However, time is ticking and other countries are not hesitant to react.

The President of the CCIMC

Honorable Christophe EKEN

EXECUTIVE SUMMARY

International economic environment

2020 was marked by a health crisis triggered by the COVID 19 pandemic. This crisis obliged polical leaders to adopt measures to limit its economic impact. According to the IMF world growth dropped by 3.2%.

However, the lifting of lockdown measures in May and June 2020 and the discovery of vaccins towards the end of the year renewed confidence in economic agents who progressively resumed some of their activities, thus increasing trade and contributing to the rise of commodity prices.

Cameroon's economic trends in 2020

According to the NIS, Cameroon's economic growth rate in 2020 is estimated at 0.7%. This plausible performance, despite the economic context marked by the health crisis, is explained by the good performance of activities in the secondary sector (with a contribution of 1 point to annual growth) and the primary sector (with a contribution of 0.2 point to growth). In ending 2020, the general level of prices increased by 2.5% as in 2019. This increase is 5% compared to 2018.

The 2020 budget was implemented in a difficult environment marked by the effects of the COVID-19 pandemic, which is why an amending finance law was adopted. Budget implementation was characterised by a satisfactory level of resource mobilisation, with a relatively good performance recorded in tax revenue compared to revised forecasts, as well as control of expenditure, which generally was within forecast limits. The budget implementation situation shows a global fiscal balance deficit (including grants and on the prescribed basis) of 804.4 billion, below the revised forecast of 986.6 billion.

In 2020, the trade balance deficit fell by 56 billion to stand at 1 409 billion. The export value of Cameroonian products fell by 14.6%. This variation is attributable to the fall in export earnings from crude oil (-36%), liquefied natural gas (-30%), wood and wooden products (-9%) and raw cotton (-13%). In addition, the domestic market penetration rate fell back to 15.3% in 2020, after three years of increase, because of the decline in activities.

In ending December 2020, the monetary situation projected in resources and expenditure at 7 402.1 billion, up by 13.2% year-on-year. Meanwhile, the money supply increased by 12.1% to 6 071.2 billion, due to the 21.5% increase in domestic credit.

The banking sector, for its part, is characterised by a consolidation of its activities, notably: (i) an increase in balance sheets total; (ii) an increase in customer deposits; (iii) an increase in customer loans; (iv) an improvement in financial inclusion and; (v) compliance with prudential standards.

Indeed, the balance sheet total of all the banks grew at a higher rate (8.3%), to reach 7 010.7 billion. Afriland First Bank is in first place, with 18.0% of balance sheet total of all banks. Also, deposits and loans to customers increased by 10.4% and 6.7% respectively to stand at 5 378.4 billion and 3 908.8 billion respectively year-on-year

Entrepreneurs perceptions on activity trends

The results of the business survey conducted by the CCIMC in April and May 2021 among 297 companies show that the morale of the business leaders interviewed was low in 2020, in line with the overall drop in the level of activity.

56.1% of the business leaders interviewed believe that their turnover has fallen in 2020, reflecting the negative perception that the majority of businesses of all sizes, in all sectors of activity and in all regions have of their supply conditions (balance of opinion of -61, 5%), on the one hand, and, on the other hand, on variable trends such as the level of their orders, prices (balance of opinion of -9.9%), jobs, salaries, profits (balance of opinion of -50.8%) and the business climate (-54.5%).

The opinions expressed are strongly influenced by the COVID-19 context (for 94.5% of respondents) on the one hand and by the persistence of insecurity in the North West and South West regions (70.9%) on the other.

COVID-19 and competitiveness of the economy and companies

This report conducted an analysis of the impact of Covid-19 on the competitiveness of African economies and companies. It found that African economies were not spared from the Covid-19 pandemic. The economic impact were: 1) sluggish economic growth; 2) widening government deficits and rising public debt; 3) declining foreign trade due to weak demand for commodities; 4) collapse of tourism and air transport; and 5) depreciation of local currencies.

At the company level, the impact is primarily due to the sudden interruption of supply chains from China. In Africa, two out of three companies are severely impacted by the COVID 19 pandemic, compared to an average of 55% on other continents, confirming the fragility of the African private sector.

Faced with this situation, financial aid is the main government measure requested by a majority of companies. In addition, temporary tax breaks would be the most likely to relieve medium-sized companies. Two out of three large companies would like to benefit from employment aids and a break in tax deductions, and a third would like to see a reduction in import taxes, while a third of SMEs would prefer not to be penalised for non-payment of rent or rental costs.

A- INTERNATIONAL ECONOMIC ENVIRONMENT 2020

2020 experienced a health crisis of unprecedented proportion. The emergence at the end of 2019 and the rapid spread of the new Corona virus in the first quarter of 2020, combined with the health damage it caused, forced policymakers to adopt measures whose economic impact was felt throughout most of the year. These measures were initially aimed at containing the spread of the virus by restricting mobility, enacting preventive measures and seeking medical solutions to the problem caused by the virus.

The slowdown and in some cases the complete stoppage of activities induced by these new rules of conduct affected women, young people, the poor, workers in the informal sector and those in sectors where contact is frequent, but the results are mixed. At the same time, some branches of the industrial sector had to reinvent themselves to produce sufficient quantities of personal protective equipment (gels, masks, etc.) and the information and communication technologies (ICTs) had to adapt to the high demand of internet and ICT tools due to lockdown of populations.

Faced with this situation, governments around the world amended their finance laws to adapt to the new situation. In fact, the International Monetary Fund (IMF) in its July 2021 publication estimated a 3.2% contraction in world growth for 2020.

After a sharp drop in the first half of 2020, the world economy rebounded in the third quarter of 2020, particularly in developed countries, where activity began to pick up sooner than expected. The lifting of lockdown measures in May and June 2020 and the discovery of vaccins towards the end of the year renewed confidence in economic agents who progressively resumed some of their activities, thus increasing trade and contributing to the rise of commodity prices..

The slowdown in production was felt more in the group of developed countries than in the group of emerging and developing countries. The Eurozone, for example, is expected to show a rate of -6.5% in 2020. The slowdown is less pronounced in China, +2.3%, compared to an average of 6% for almost a decade.

In sub-Saharan Africa, the drop in production in the two giants, South Africa (-7%) and Nigeria (-1.8%), contributed significantly to the 1.8% drop in GDP in the region.

I. Economic growth

Global economic growth is expected to situate at -3.2% in 2020, compared to 2.8% in 2019. Owing to a more pronounced impact of the pandemic on developed economies (see Figure 1), the decline in GDP in these countries is larger than that observed in the group of emerging and developing countries. According to the IMF's July 2021 projections, growth is nevertheless expected to rebound by 6% in 2021.

Broad structural changes in many countries are expected. Resources would be redeployed away from sectors whose activity will suffer as a result of social distancing, changes to workplaces to raise safety standards and adoption of new technologies to facilitate teleworking.

1.1. Developed countries

By region and by country, the magnitude of the shock and the pace of recovery are different. In the group of developed countries, GDP is expected to contract by 4.6% in 2020, in contrast to an increase of 1.6% in 2019, and to rebound to 5.6% in 2021.

The United States is should experience a drop by 3.5% and then return to growth of 7% in 2021.

In the Eurozone, a contraction of 6.5% is projected for 2020, due to a decline in activity in the Eurozone's core economies and a more pronounced downturn in the first half of the year than in the US.

In Japan, economic growth is expected to be -4.7% in 2020, caused by the fall in exports and household consumption. Growth of 2.8% is expected in 2021.

In the United Kingdom, activity fell by 9.8% in 2020. The COVID-19 crisis and the Brexit, which left a lot of uncertainty about the future, would justify this decrease. In 2021, growth is projected at 7%.

1.2. Emerging and developing countries

For emerging and developing countries as a whole, growth was estimated at -2.1% in 2020 vs. 3.7% in 2019, and projected at 6.3% in 2021. This underperformance is mainly attributable to the decline in activity in emerging and developing countries in Latin America and the Caribbean (-7%).

Emerging and developing countries in Asia recorded a growth rate of -0.9%; the relatively good performance in China offset the decline in activity in India. Indeed, China's growth is estimated at 2.3% in 2020 vs. -7.3% in India, which was hit hard by the Covid-19 pandemic. China is doing well thanks in particular to public investment, which has enabled it to return to growth since the second quarter of 2020. In 2021, China's growth rate will be 8.1%, while India's will be 9.5%.

The growth rate of the other European countries contracted by 2% in 2020, mainly due to the poor situation in Russia (-3%). In 2021, growth in Russia is estimated to rise by 4.4% and that in all other European countries by 4.9%.

Production in emerging and developing countries in the Middle East and Central Asia fell by 2.6% in 2020 as a result of the collapse in oil prices caused by the health crisis. Following the recovery of oil prices in 2021, GDP should increase by 2.4% in Saudi Arabia, and by 4% in all countries of this group.

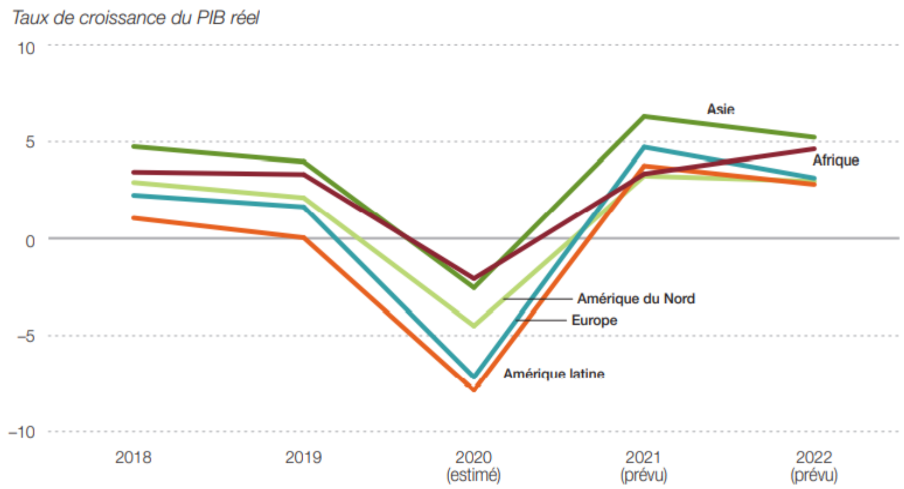
In sub-Saharan Africa, real GDP should fall by 3.0% in 2020, due to the poor economic situation in Nigeria (-1.8%) and especially in South Africa (-7%). Growth would increase by 3.1% in 2021 in the region. GDP in 2021 should rise by 2.5% in Nigeria and by 4% in South Africa.

1.3. Africa

In 2020, economic activity in Africa was constrained by the unprecedented global pandemic of COVID-19. After contracting by 2.1% in 2020, real GDP is projected to rise by 3.4% in 2021. This expected recovery from the worst recession in over a quarter of a century will be sustained by a recovery in tourism, a rebound in commodity prices and the lifting of pandemic-induced restrictions. However, the outlook is subject to considerable uncertainty due to external and internal risks.

GDP per capita is estimated to have declined by 10% in nominal terms by 2020. As the impact of the pandemic on Africa was more moderate than expected, the 2020 recession was not as severe as projected by the African Development Bank. Africa suffered fewer economic losses from the pandemic than other regions of the world.

Fig. 1 : Magnitude of the recession: Africa and other regions, 2018–2022



Source : Statistiques de la Banque africaine de développement et base de données des Perspectives de l'économie mondiale du FMI.

1.3.1. North African

Economies in North Africa experienced a relatively mild contraction (-1.1%) in 2020, mainly due to the performance of Egypt, which recorded a growth of +3.6% despite the relatively severe health impact in the country. Other countries in the region such as Tunisia (-8.8%), Morocco (-5.9%) and Algeria (-4.7%) experienced severe recessions in 2020. The combined effects of COVID-19, internal conflicts and falling oil prices caused an estimated 60.3% contraction in real GDP in Libya. North Africa should recover by 4% in 2021 and 6% in 2022.

1.3.2. Southern Africa

Southern Africa was hit hard by the pandemic and recorded an economic contraction of 7.0% in 2020. Its economy should rebound by 3.2% in 2021 and 2.4% in 2022. Tourism-dependent economies experienced the largest decline in growth in 2020, i.e. -11.5% for the group as a whole, which includes Mauritius (-15%), Seychelles (-12%) and others. They are expected to recover in 2021, with a projected growth rate of 6.8%, provided that the pandemic is brought under control, allowing for a recovery in tourism and international travel.

In oil-exporting countries, GDP contracted by 1.5% in 2020, due to the combined effect of lower demand and oil prices. The growth rate should reach 3.1% in 2021, after the expected recovery in oil prices.

The other resource-intensive economies are estimated to shrink by 4.7% of GDP in 2020, due to lower metal and mineral prices as a result of weaker demand. Botswana (-8.9%), South Africa (-8.2%) and Zambia (-4.9%) were particularly affected. Growth is expected to recover to 3.1% in 2021.

1.3.3. West Africa

GDP in West Africa declined by 1.5% in 2020, better than the initial projection of -4.3% in June 2020, partly owing to the relatively limited spread of the virus in the region. Many West African countries maintained positive growth in 2020 due to more targeted and less restrictive lockdown measures, including Benin (2.3%), Côte d'Ivoire (1.8%) and Niger (1.2%). Other countries such as Cape Verde (-8.9%), Liberia (-3.1%) and Nigeria (-3%) experienced a recession in 2020. Growth in the region is expected to reach 2.8% in 2021 and 3.9% in 2022, as restrictions are eased and commodity prices rebound.

1.3.4. East Africa

This region is the most resilient, thanks to its lower dependence on commodities and its more diversified economy. Growth reached 5.3% in 2019 and is estimated at 0.7% in 2020. Real GDP growth is projected at 3.0% in 2021 and 5.6% in 2022. The best performers in 2021 should be Djibouti (9.9%), Kenya (5.0%) and Tanzania (4.1%).

1.3.5. Central Africa

In Central Africa, real GDP contracted by 2.7% in 2020. Countries heavily affected by the crisis in the sub-region are the Republic of Congo (-7.9%), Equatorial Guinea (-6.1%), Cameroon (-2.4%) and the Democratic Republic of Congo (-1.7%). Growth in the region is expected to recover to 3.2% in 2021 and 4% in 2022.

1.4. CEMAC

CEMAC economies should experience a decline in overall production in 2020, according to BEAC. For this crude oil-dependent region, BEAC projects:

- a contraction in real GDP growth of 2.1% (of which -4.2% for the oil sector and -1.6% for the non-oil sector), vs. +2.1% in 2019;
- an inflation rate of 2.4% vs. 2.0% a year earlier;
- a widening of the deficit in the fiscal balance on an accrual basis, including grants, to -2.9% of GDP, against -0.1% of GDP in 2019;
- an overall balance of payments deficit, dropping from 0.2% of GDP (98.2 billion) in 2019 to -2.9% of GDP (-1 498.6 billion) in 2020.

By country, BEAC projects that only the CAR should record growth of 1.5% in 2020 vs. 2.8% in 2019. The rest of the countries would record negative growth: -0.7% for Chad, -1% for Cameroon and Gabon, -5.7% for Equatorial Guinea, and -6% for Congo.

II. World trade

World trade reflected the sluggish conditions in 2020. The volume of world trade fell by -8.3% in 2020, after a slight increase of 0.9% in 2019. This was due to travel restrictions and supply chain disruptions, limiting trade to those essential for the survival of populations affected by the health crisis.

In this context, global trade was more focused on manufactured goods useful for patient care and communications, while the services traded were more related to maritime transport.

Moreover, trade slowed down more in the group of developed countries (-9.2%) than in the group of emerging and developing countries (-6.7%).

With the gradual reopening of borders since the end of 2020, the WTO nevertheless expects world trade to accelerate (+9.7%) in 2021.

2.1. Merchandise trade

WTO projects a fall in the volume of trade in merchandise by 5.3% in 2020. This is lower than the 9.2% previously forecast by the institution. Improved business and consumer confidence following the announcement of new treatments and the easing of anti-COVID-19 restrictions are credited with improving these estimates of volume of trade in 2020.

By type of transaction, the WTO reports that export volumes have fallen less than import volumes, especially in Asia.

Table 1 : volume of trade in merchandise (annual variation)

	2017	2018	2019	2020	2021P	2022P
World volume of trade in merchandise	4.9	3.2	0.2	-5.3	8.0	4.0
Exports						
North America	3.4	3.8	0.3	-8.5	7.7	5.1
South America	2.3	0.0	-2.2	-4.5	3.2	2.7
Europe	4.1	1.9	0.6	-8.0	8.3	3.9
CIS[d]	3.9	4.1	-0.3	-3.9	4.4	1.9
Africa	4.7	2.7	-0.5	-8.1	8.1	3.0
Middle East	-2.1	4.7	-2.5	-8.2	12.4	5.0
Asia	6.7	3.8	0.8	0.3	8.4	3.5
Imports						
North America	4.4	5.1	-0.6	-6.1	11.4	4.9
South America	4.5	5.4	-2.6	-9.3	8.1	3.7
Europe	3.9	1.9	0.3	-7.6	8.4	3.7
CIS[d]	14.0	4.1	8.5	-4.7	5.7	2.7
Africa	-1.7	5.4	2.6	-8.8	5.5	4.0
Middle East	1.1	-4.1	0.8	-11.3	7.2	4.5
Asia	8.4	5.0	-0.5	-1.3	5.7	4.4

a Figures for 2021 and 2022 are projections..
b Average exports and imports.
c South and Central America and the Caribbean.
d Commonwealth of Independent States (CIS), including some associated and former member states.

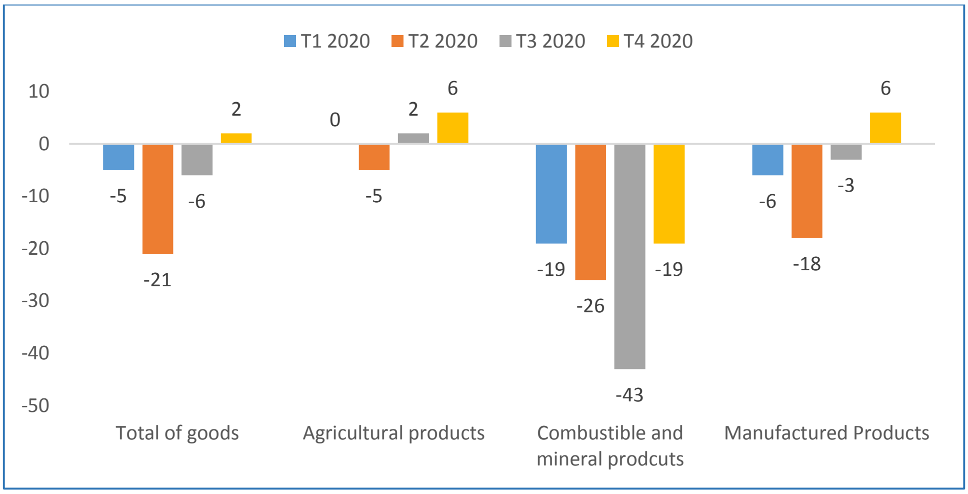
Source: WTO; consensus estimates for GDP

By product type, the value of trade in agricultural goods has improved in 2020. The WTO notes that it improved very quickly from the second half of the year onwards, as can be seen in the following figure 2. Indeed, by the third quarter, the value of trade in these products returned to positive growth of 2%. In the fourth quarter, this growth was strong and reached a rate of 6%.

The traded value of manufactured goods increased by 6% in 2020 despite a fall of 18% in the second quarter.

The amount of fuel and mining products traded fell steadily throughout the year, although the rate of decline has slowed. The largest drop was in the second quarter, with a 43% year-on-year decline. The value of trade in fuel and mining products gradually improved, thanks to the slight rise in the price of these products on international markets.

Fig. 2 : Year-on-year growth in world merchandise trade, 2020T1-2020T4



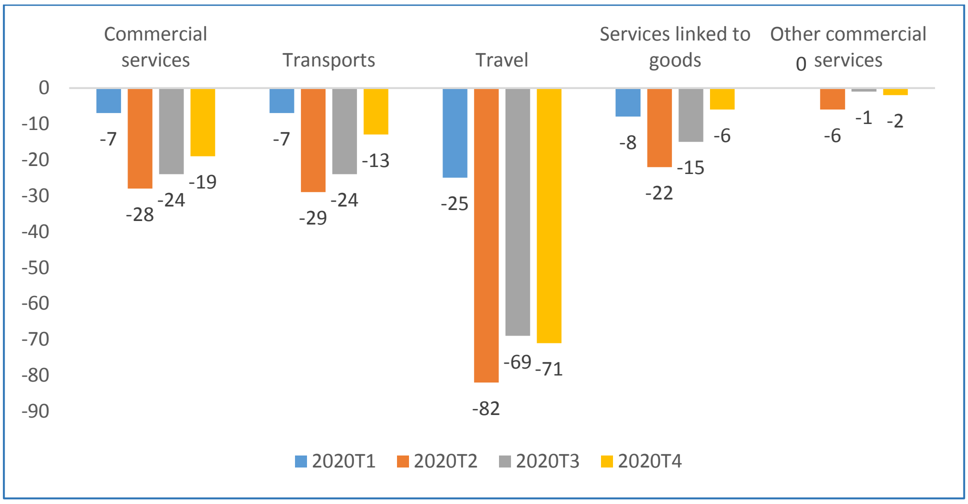
Source: WTO estimations. (Https://www.wto.org/french/news_f/pres21_f/pr876_f.htm)

2.2. Services trade

Trade in services declined in 2020, reflecting the sluggish activity in travel and transport services. Computer and financial services tended to recover, due to their heavy use during lockdowns.

In travel-related services, it is noted that while international transport struggled, the pace of maritime transport was more stable. Air transport only resumed at the end of the year to allow family reunions during the holidays, while despite the sharp slowdown observed in the second quarter, maritime transport services continued to be provided due to the privileged use of this mode of transport for the supply of essential goods.

Fig. 3 : Year-on-year growth in world trade in commercial services, 2020T1-2020T4



Source: WTO estimations-CNUCED-ITC. https://www.wto.org/french/news_f/pres21_f/pr876_f.htm

III. World commodity prices

In 2020, price variations for main products traded between CEMAC countries and the rest of the world remained rather mixed. While the prices of energy products fell by 32.7%, those of energy commodities rose by 6.7%.

3.1. Energy commodities

In the group of energy products, the prices of oil and gas fell by 32.5% and 23.5% year-on-year respectively. The decline in oil prices was smaller than expected due to Hurricane Laura, which disrupted production in the Gulf of Mexico leading to an announcement of production cut by OPEC member countries and easing demand from major import countries such as China.

3.2. Non-energy commodities

Non-energy commodities appreciated overall in 2020. Year-on-year, prices for metals traded on main exchanges rose for iron, gold and manganese, and fell for aluminium and diamonds.

For forest products, prices appreciated in 2020 vs. 2019. Raw wood prices increased by 1.75%, while sawn wood prices stagnated at 0.56%.

In addition, the prices of agropastoral products did not all move in the same direction. The prices of cotton, tobacco, gum arabic and beef fell in 2020, while those of cocoa, rice, rubber, palm oil, bananas, sugar and coffee took an upward trend.

Table 2 : Price trends of some commodities exported by CEMAC countries

Commodity	Unit	2019Q1	2019Q2	2019Q3	2019Q4	2019	2020Q1	2020Q2	2020Q3	2020Q4	2020	Var. 2020/2019
Crude Oil	$/barrel	60.5	65.1	59.7	60.3	61.4	49.1	30.3	42.7	43.6	41.425	**-32.53%**
Natural Gas	($/mmbtu)	6.9	5.5	5.6	5.8	5.95	5	4.5	3.9	4.8	4.55	**-23.53%**
Metals and minerals												
Iron	($/dmtu)	83.6	100.9	102.1	88.7	93.825	90.8	93.9	117.8	133.2	108.925	**16.09%**
Aluminium	($/mt)	1862.6	1794.2	1763.7	1757.4	1794.475	1690.7	1498.3	1708.3	1918.7	1704	**-5.04%**
Diamond	($/carat)	156.8	157.8	162.8	154.8	158.05	156.8	154.8	154.8	154.8	155.3	**-1.74%**
Gold	($/troy oz)	1304.2	1309.6	1474.6	1481.6	1392.5	1583.2	1710.4	1912.4	1874.7	1770.175	**27.12%**
Manganese	$/kg	1.7	1.7	1.9	1.9	1.8	1.9	1.9	1.8	1.8	1.85	**2.78%**
Forest products												
Logs	$/m3	305.9	303.8	303.7	301.7	303.775	300.5	301.5	315.3	319.1	309.1	**1.75%**
Sawn timber (plywood, veneer and veneer sheets)	$/m3	623.9	615.9	590.4	616.9	611.775	613.7	594.8	619.3	632.9	615.175	**0.56%**
Agricultural commodities												
Cocoa	$/kg	2.2	2.4	2.3	2.5	2.35	2.6	2.3	2.3	2.4	2.4	**2.13%**
Rice	($/mt)	390.7	390.1	399.9	393.1	393.45	429.4	495.9	476	479.7	470.25	**19.52%**
Rubber	($/kg)	1.7	1.8	1.6	1.5	1.65	1.6	1.4	1.7	2.3	1.75	**6.06%**
Cotton	($/kg)	1.8	1.8	1.6	1.7	1.725	1.6	1.4	1.5	1.7	1.55	**-10.14%**
Palm oil	($/mt)	586.9	583.9	570.1	681.6	605.625	724.7	611.4	750.9	905.3	748.075	**23.52%**
Banana	($/kg)	0.9	0.9	0.8	0.9	0.875	0.9	0.9	0.9	0.9	0.9	**2.86%**
Sugar	($/kg)	0.28	0.28	0.27	0.28	0.2775	0.3	0.24	0.28	0.3	0.28	**0.90%**
Tobacco	($/mt)	4900	4742.7	4757.5	4673.4	4768.4	4708.3	4626.9	4543.2	4383.2	4565.4	**-4.26%**
Coffee	($/kg)	2.3	2.2	2.2	2.4	2.275	2.3	2.3	2.5	2.5	2.4	**5.49%**
Gum Arabic	$/tonne	1658.8	1660.8	1666.8	1658.8	1661.3	1660.8	1658.8	1658.8	1658.8	1659.3	**-0.12%**
Beef	($/kg)	4.3	4.6	4.6	5.5	4.75	4.7	4.9	4.6	4.4	4.65	**-2.11%**
Fish products												
Fish (fresh or chilled, except fish fillets & other fish meat)	($/kg)	1478.22	1513.06	1439.48	1362.64	1448.35	1379.51	1410.62	1481.54	1459	1432.6675	**-1.08%**

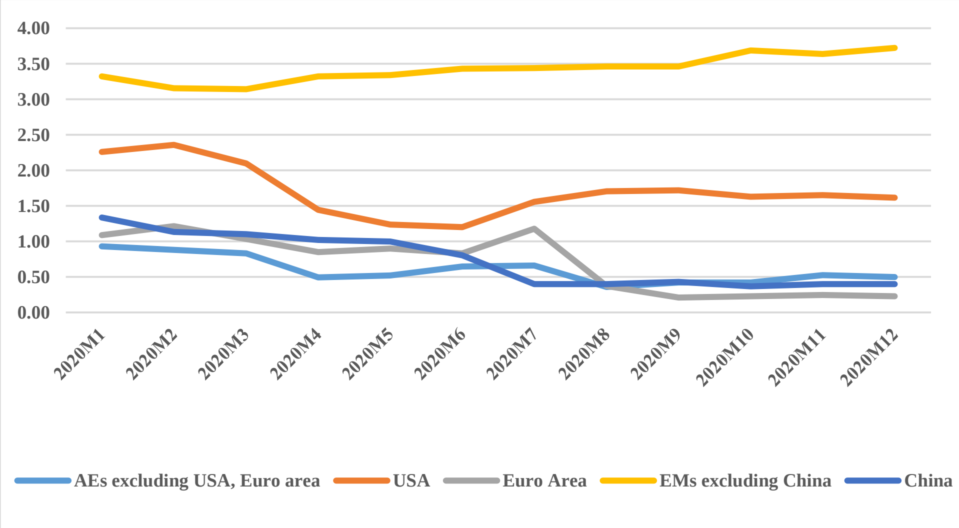
Source: BEAC Monetary Policy Report, June 2021

IV. Global Inflation

According to World Bank data, global inflation rose from 2.1% in 2019 to 1.9% in 2020. The halt in production in almost all countries led to higher inflation in importing countries than in exporting countries at the start of the pandemic. The resumption of production in the main production basins, combined with fiscal stimulus policies, helped to contain the rise in prices.

Thus, in developed countries, where measures to support business were largely implemented, inflation in 2020 should be 0.7% vs. 1.4% in 2019. In emerging and developing countries, which are more dependent on the outside world for food products, inflation rate recorded (5.1%) remained identical to that of 2019.

Fig. 4 : Trends in inflation rates in 2020 in selected country groups



Source: IMF, WEO July 2021

4.1. Developed countries

Among developed countries, prices only rose by 1.2% in the USA. In the Eurozone, prices increased by 0.3%. In Japan, prices remained at the same level as in 2019, and in Canada they only rose by 0.7% in 2020.

In Europe, the UK has an inflation rate of 1% and among the Eurozone countries, Germany and France had price growth rates of 0.5%. In Spain and Italy, prices fell by 0.3% and 0.1% respectively.

4.2. Emerging and developing countries

In emerging countries, where prices rose by 5.1% in 2020 as in 2019, prices grew by 2.4% in China.

Apart from China, inflation was higher in the majority of countries in this group. Indeed, inflation rates in India reached 6.6% in 2020 and stood around 3.4% in Saudi Arabia, Russia and Sub-Saharan Africa.

Among sub-Saharan African countries, inflation exploded in Sudan (150.3%) and South Sudan (29.7%).

Table 3 : Overview of the World Economic Outlook Projections (Percent change, unless noted otherwise)

	World Economic Outlook, July 2021 *Update*								
	Year over Year								
			Projections		Difference from April 2021 WEO Projections 1/		Q4 over Q4 2/	Projections	
	2019	2020	2021	2022	2021	2022	2020	2021	2022
World Output	**2.8**	**–3.2**	**6.0**	**4.9**	**0.0**	**0.5**	**–0.5**	**4.8**	**3.9**
Advanced Economies	**1.6**	**–4.6**	**5.6**	**4.4**	**0.5**	**0.8**	**–3.0**	**5.9**	**2.6**
United States	2.2	–3.5	7.0	4.9	0.6	1.4	–2.4	8.0	2.8
Euro Area	1.3	–6.5	4.6	4.3	0.2	0.5	–4.7	4.8	2.7
Germany	0.6	–4.8	3.6	4.1	0.0	0.7	–3.3	4.9	1.4
France	1.8	–8.0	5.8	4.2	0.0	0.0	–4.6	4.5	2.5
Italy	0.3	–8.9	4.9	4.2	0.7	0.6	–6.5	4.7	2.9
Spain	2.0	–10.8	6.2	5.8	–0.2	1.1	–8.9	7.4	2.8
Japan	0.0	–4.7	2.8	3.0	–0.5	0.5	–1.0	2.2	1.6
United Kingdom	1.4	–9.8	7.0	4.8	1.7	–0.3	–7.3	7.3	2.1
Canada	1.9	–5.3	6.3	4.5	1.3	–0.2	–3.1	5.4	3.6
Other Advanced Economies 3/	1.9	–2.0	4.9	3.6	0.5	0.2	–0.7	4.1	2.9
Emerging Market and Developing Economies	**3.7**	**–2.1**	**6.3**	**5.2**	**–0.4**	**0.2**	**1.6**	**3.9**	**4.9**
Emerging and Developing Asia	5.4	–0.9	7.5	6.4	–1.1	0.4	3.6	4.3	5.9
China	6.0	2.3	8.1	5.7	–0.3	0.1	6.3	4.2	6.2
India 4/	4.0	–7.3	9.5	8.5	–3.0	1.6	1.5	4.2	4.9
ASEAN-5 5/	4.9	–3.4	4.3	6.3	–0.6	0.2	–2.7	4.5	6.3
Emerging and Developing Europe	2.5	–2.0	4.9	3.6	0.5	–0.3	–0.2	3.4	3.5
Russia	2.0	–3.0	4.4	3.1	0.6	–0.7	–1.9	3.9	2.7
Latin America and the Caribbean	0.1	–7.0	5.8	3.2	1.2	0.1	–3.4	3.2	2.5
Brazil	1.4	–4.1	5.3	1.9	1.6	–0.7	–1.2	2.2	1.9
Mexico	–0.2	–8.3	6.3	4.2	1.3	1.2	–4.6	5.0	3.2
Middle East and Central Asia	1.4	–2.6	4.0	3.7	0.3	–0.1	...	...	...
Saudi Arabia	0.3	–4.1	2.4	4.8	–0.5	0.8	–3.9	4.8	3.5
Sub-Saharan Africa	3.2	–1.8	3.4	4.1	0.0	0.1	...	...	...
Nigeria	2.2	–1.8	2.5	2.6	0.0	0.3	–0.6	2.6	2.4
South Africa	0.2	–7.0	4.0	2.2	0.9	0.2	–4.2	1.2	3.1
Memorandum									
World Growth Based on Market Exchange Rates	2.4	–3.6	6.0	4.6	0.2	0.5	–1.2	5.2	3.5
European Union	1.8	–6.0	4.7	4.4	0.3	0.5	–4.4	5.1	2.8
Middle East and North Africa	0.8	–3.0	4.1	3.7	0.1	0.0	...	...	...
Emerging Market and Middle-Income Economies	3.5	–2.3	6.5	5.2	–0.4	0.2	1.6	3.9	4.9
Low-Income Developing Countries	5.3	0.2	3.9	5.5	–0.4	0.3	...	...	...
World Trade Volume (goods and services) 6/	**0.9**	**–8.3**	**9.7**	**7.0**	**1.3**	**0.5**	**...**	**...**	**...**
Advanced Economies	1.4	–9.2	8.9	7.1	0.4	0.7	...	...	...
Emerging Market and Developing Economies	–0.2	–6.7	11.1	6.9	2.8	0.2	...	...	...
Commodity Prices (US dollars)									
Oil 7/	–10.2	–32.7	56.6	–2.6	14.9	3.7	–27.6	50.8	–6.5
Nonfuel (average based on world commodity import weights)	0.8	6.7	26.5	–0.8	10.4	1.1	15.4	17.1	–2.3
Consumer Prices									
Advanced Economies 8/	1.4	0.7	2.4	2.1	0.8	0.4	0.4	3.0	1.9
Emerging Market and Developing Economies 9/	5.1	5.1	5.4	4.7	0.5	0.3	3.2	5.1	4.1
London Interbank Offered Rate (percent)									
On US Dollar Deposits (six month)	2.3	0.7	0.3	0.4	0.0	0.0	...	...	...
On Euro Deposits (three month)	–0.4	–0.4	–0.5	–0.5	0.0	0.0	...	...	...
On Japanese Yen Deposits (six month)	0.0	0.0	0.0	0.0	0.1	0.0	...	...	...

Note: Real effective exchange rates are assumed to remain constant at the levels prevailing during May 5--June 2, 2021. Economies are listed on the basis of economic size. The aggregated quarterly data are seasonally adjusted. WEO = World Economic Outlook.
1/ Difference based on rounded figures for the current and April 2021 WEO forecasts. Countries whose forecasts have been updated relative to April 2021 WEO forecasts account for approximately 80 percent of world GDP measured at purchasing-power-parity weights.
2/ For World Output, the quarterly estimates and projections account for approximately 90 percent of annual world output at purchasing-power-parity weights. For Emerging Market and Developing Economies, the quarterly estimates and projections account for approximately 80 percent of annual emerging market and developing economies' output at purchasing-power-parity weights.
3/ Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries.
4/ For India, data and forecasts are presented on a fiscal year basis and GDP from 2011 onward is based on GDP at market prices with fiscal year 2011/12 as a base year.
5/ Indonesia, Malaysia, Philippines, Thailand, Vietnam.
6/ Simple average of growth rates for export and import volumes (goods and services).
7/ Simple average of prices of UK Brent, Dubai Fateh, and West Texas Intermediate crude oil. The average price of oil in US dollars a barrel was $41.29 in 2020; the assumed price, based on futures markets (as of June 2, 2021), is $64.68 in 2021 and $63.02 in 2022.
8/ The inflation rate for the euro area is 1.8% in 2021 and 1.3% in 2022, for Japan is --0.1% in 2021 and 0.6% in 2022, and for the United States is 4.0% in 2021 and 3.3% in 2022, respectively.
9/ Excludes Venezuela.

B-CAMEROON'S ECONOMIC TRENDS IN 2020

The National Institute of Statistics (INS) estimates Cameroon's economic growth rate in 2020 at 0.7%. This commendable performance, despite the economic context marked by the global health crisis, is owed to the good performance of activities in the secondary (3.7%, with a contribution of 1 point to growth) and primary (1.1%, with a contribution of 0.2 point to growth) sectors and the poor performance of activities in the tertiary sector (-0.7%).

I. Production

The resilience of the economy in 2020 results from strong activity in the secondary sectors ...

Despite the economic context handicapped by the COVID-19 health crisis, the secondary sector recorded encouraging economic growth of 3.7% in 2020 compared to 2019, thus contributing one point to GDP growth. The good performance of activities in the secondary sector was driven by the "construction" industry (7.6%), "agri-food industries" (4.6%) and hydrocarbon extraction industries (2.9%).

The construction industry thus continued its growth dynamic for more than two years, with sustained growth of 7.6% in 2020, reflecting the continuation of sports and road infrastructure work to host continental competitions (CHAN 2020 and CAN 2021). Similarly, the maintenance of growth in the agri-food industries (1.0%) is thanks to the performance observed in the beverage manufacturing and grain processing industries.

Table 4 : Trends in secondary sector activity (in%) from 2013 to 2020

Heading	2013	2014	2015	2016	2017	2018	2019	2020
Secondary sector	**6.9**	**5.5**	**9.6**	**3.6**	**1.3**	**3.1**	**4.9**	**3.7**
Mining and quarrying	8.4	14.3	24.8	-3.4	-16.1	-2.6	8.4	3
of which extraction of hydrocarbons	8.4	14.4	24.8	-3.6	-16.4	-2.7	8.5	2.9
Food and beverage industries	6.8	1.9	1.9	5.7	7.5	4	2.5	4.6
Other manufacturing industries	5.1	0.4	4	4.4	5.6	3.3	5.4	1
Production and distribution of electricity	12.2	12.6	8.9	3.3	5.9	1.2	0.3	-0.1
Water supply and sewerage	4.1	4	10	-1.4	6.5	2.6	1.8	1.1
Construction	8	7.5	8.4	10.4	8.9	7.6	4.7	7.6

Source: NIS, 2021

...and the primary sector.

The primary sector, whose annual growth in 2020 remained positive (1.1%), also contributed sufficiently to this resilience of the economy. This timid progression in the primary sector is attributable to the positive contribution of activities in the "forestry and logging" (4%) and "agriculture" (2.9%) industries.

On the other hand, the timid progression observed in this sector is mainly due to the contraction of activity in the "breeding and hunting" industry (-3.4%).

Table 5 : Trends in primary sector activity (in%) from 2013 to 2020

Heading	2013	2014	2015	2016	2017	2018	2019	2020
Primary sector	**7**	**6.2**	**5.3**	**5**	**3.2**	**5.1**	**2.8**	**1.1**
Agriculture	7.3	4.7	6.3	6	2.2	4.8	3.5	2.9
Livestock and hunting	9.8	5.7	7.2	4.3	4.7	4.4	5.5	-3.4
Forestry and logging	4.7	13.8	0.2	1.2	6.3	7.3	-2.7	4
Fishing and fish farming	2.4	3	3.1	5	4.5	3.1	4.8	-0.7

Source: NIS, 2021

However, the service sector suffered the most from the effects of the crisis

The service sector recorded a contraction of 0.7% in 2020 and made a negative contribution of 0.4 points to GDP growth in 2020. Indeed, the service sector suffered the most from the effects of the crisis, the impacts of which can be observed in most of its industries, in particular trade (-0.9%), transport and storage (-2.4%) and hotels and restaurants, which were strongly affected (-16.3%).

Table 6 : Trends in service sector activity (in %) from 2013 to 2020

Heading	2013	2014	2015	2016	2017	2018	2019	2020
Tertiary sector	**4.4**	**4.8**	**3.4**	**4.9**	**4.3**	**4.4**	**3**	**-0.7**
Trade, car repair	2.7	6.4	3.5	5.6	4.5	5.1	4.2	-0.9
Restaurants and hotels	-7	-2.1	2.2	6.6	5.3	4.3	1.8	-16.3
Transport, warehousing, communications	8.2	3	4.3	2.2	4.2	4	3.5	-2.4
Information and telecommunications	8	7.3	5.1	6	5.7	-2.3	3.9	3.7
Banks and financial institutions	14.6	5.6	6.9	5.2	6	10.2	6.2	3.9
Public administration, social security	4.4	4.7	4.6	3.6	4.8	3.5	1.7	0.6
Education	4.7	6.4	4.3	6	4.2	3.5	3.6	
Health and social work	4.1	4.5	-2.9	0.8	3.5	5.3	2.7	
Other services	4.3	3.5	2.2	5.9	3.2	4.3	1	-0.9

Source: NIS, 2021

II. Domestic demand

Demand was sustained by private investments

Concerning demand, the economy was resilient in 2020 mainly due to gross private domestic investment. Indeed, final consumption grew by 0.7% for a contribution of 0.6 points to growth, coupled with overall investment driven by its private component, up by 0.6% compared to 2019 with a contribution of 0.2 points to annual GDP growth. Foreign trade in goods and services remained unfavourable for the country insofar as the fall in the volume of exports (-4.0%) was greater than that of imports (-2.6%).

Final consumption, although positive, recorded a decline

Private final consumption grew marginally by 0.5% against 4.5% a year earlier, mainly due to the fall in demand for accommodation and food services, but also the contraction in demand for products from other manufacturing industries, grain processing and agricultural processing industries. It records, however, a positive growth thanks to the rising demand for products of the beverage manufacturing industries, textiles and clothing, other agro-food products, as well as telecommunications services.

As for public final consumption, it recorded a considerable recovery in the fourth quarter of 2020 with a performance of 9.5% after a sequence of misfortune marked by declines in the two previous quarters. Overall, it grew by 2% in 2020.

A drop in the overall level of investment

2020 was marked by a decline in overall investment (0.6%) compared to strong growth in 2019 (8.5%). This evolution is attributable not only to a significant destocking during the year, but also to the recession recorded by its public component since the second quarter of 2020.

A decrease in the rate of external trade

2020 experienced a joint fall in exports (-4%) and imports (-2.6%). The fall in overall imports (respectively exports) is the result of a contraction in imports (respectively exports) of goods (-2.7%) (respectively -4.1%) and imports (respectively exports) of services (-2.4%) (respectively -3.7%).

Table 7 : GDP by component (volume trends in %)

	2013	2014	2015	2016	2017	2018	2019	2020
1. Final Consumption Expenditure	**6.1**	**5.1**	**5.2**	**3.3**	**3.3**	**4.6**	**4.1**	**0.7**
private	6.2	5.3	5.3	3.3	4.3	4.7	4.5	0.5
public	5.5	4.3	4.7	3.2	-1.6	3.9	1.8	2
2. GFCF	**5.6**	**13**	**2.5**	**4.8**	**4**	**7.2**	**8.1**	**2.9**
private	5.4	15.6	3.3	2.3	6.7	9.6	7.4	9
public	6.2	3.6	-0.6	15.2	-6	-3.1	11.4	-25.2
3. Stock variation	**175.1**	**-37.7**	**-262.8**	**-96.3**	**-395.1**	**368.8**	**68.7**	**-195.7**
4. Investment (2+3)	**6.8**	**12**	**-0.3**	**6.5**	**4.2**	**7.8**	**8.5**	**0.6**
5. Net exports	**19.3**	**19.1**	**-18.7**	**-4.8**	**3.2**	**28.7**	**26.5**	
6. Exports	**4.2**	**5.3**	**6.4**	**-0.6**	**-1.6**	**2.3**	**5**	**-4**
Exports of goods	2.8	10.4	10.8	-4.4	-5	2.3	5	-4.1
Exports of services	7.8	-8.2	-7.5	13.6	9.2	2.4	4.9	-3.7
7. Imports	7.5	8.6	-0.3	-1.5	-0.6	8.1	10.6	-2.6
Imports of goods	5.5	10.9	1.1	-2	-3.8	9.3	12.6	-2.7
Imports of services	14.1	1.7	-5.2	0.2	10.7	4.7	4.4	-2.4
GDP (1+4+5)	**5.4**	**5.9**	**5.7**	**4.6**	**3.5**	**4.1**	**3.7**	**0.7**

Source: NIS, National Accounts 2019 and Quarterly National Accounts (4th quarter 2020)

III. Price trends

Consumer Price Index (CPI) measures the rate of inflation for each type of good on a 100 basis. When the CPI for a consumer good or service is 105, its inflation rate is 5%.

Cameroon, like most countries, was heavily impacted by the repercussions of the health crisis and restrictive sanitary measures. To counteract the negative fallout from the spread of COVID-19, the government set up a special fund dedicated to managing the pandemic. The responsiveness of the public authorities made it possible to mitigate the negative impacts of the pandemic on the national economy, particularly on prices.

At the end of 2020, the general price level rose by 2.5%, as in 2019. The increase is 5% compared to 2018. The coronavirus had little impact on household consumer prices.

Price hikes are led by food and non-alcoholic beverages...

An analysis of contributions by various consumption functions shows that in 2020, the increase in the general price level was strongly impacted by the contribution of the following functions: "food and non-alcoholic beverages" (+3.5% vs. +2.9% in 2019)

The increase in food prices was largely due to the surge in the prices of fruit (+9.1%), vegetables (+8.5%) and bread and cereals (+3.8%). The prices of certain staple foods increased, notably: rice, fresh fish, beef, eggs, plantain, sweet bananas, crude oils, shelled groundnuts (Garoua type) and citrus fruits (lemons, oranges).

... as well as "housing, water, gas, electricity and other fuels" ...

Compared to 2019, the price increase observed in 2020 is also attributable to the functions "housing, water, gas, electricity and other fuels" (+3.1% vs. 1.7% a year earlier) and "alcoholic beverages and tobacco" (+3%). The prices of clothing and footwear as well as those of "restaurants and hotels" (which increase by 2.3%) also support the rise in prices in 2020.

Table 8 : Price index trends by consumption function (base 100, in 2011)

Consumption function	**2018** **a**	**2019** **b**	**2020** **c**	**Variation (in %)** **c/b**	 **c/a**
Food products and non-alcoholic beverages	112.3	115.6	119.7	3.5	6.6
Food products	112.4	115.6	119.7	3.5	6.5
Non-alcoholic beverages	109.9	113.9	116.8	2.5	6.3
Alcoholic beverages and tobacco	123.8	129.6	133.5	3.0	7.8
Clothing and footwear	108.3	111.4	114	2.3	5.3
Housing, water, gas, electricity and other fuels	114.8	116.7	120.3	3.1	4.8
Furniture, household goods and routine household maintenance	107.4	109.4	111.1	1.6	3.4
Health	102.5	103.1	103.3	0.2	0.8
Transport	121.6	124.0	126.5	2.0	4.0
Communications	90.2	90.5	91.1	0.7	1.0
Recreation and culture	104.5	105.8	107.5	1.6	2.9
Education	115.3	116.7	117.5	0.7	1.9
Restaurants and hotels	121.8	128.7	131.7	2.3	8.1
Other goods and services	111.9	114.7	116.3	1.4	3.9

Source: NIS, inflation 2020

… and by the prices of local products and petroleum products

Par groupe secondaire de produits, la hausse des prix est alimentée par les produits pétroliers (+5%) et les produits locaux (+2,7%).

Sur le plan spatial, un fort taux d'inflation est relevé à Buea (+3,6%) et à Bertoua (+3,6%). Par rapport 2019, l'inflation s'accélère à Maroua (+3,4% après 0,7% en 2019) et à Garoua (+2,7% après +1,7% en 2019) et décélère à Bamenda (+2,2% contre +4,8% en 2019) et à Ebolowa (+0,8% contre +2,6% en 2019). By secondary product group, price increases were led by petroleum products (+5%) and local products (+2.7%).

Spatially, a high rate of inflation was recorded in Buea (+3.6%) and Bertoua (+3.6%). Compared to 2019, inflation accelerated in Maroua (+3.4% vs. 0.7% in 2019) and Garoua (+2.7% vs. +1.7% in 2019) and decelerated in Bamenda (+2.2% vs. +4.8% in 2019) and Ebolowa (+0.8% vs. +2.6% in 2019)

Table 9 : Price index trends (base 100, year 2011) for the various regions

	2018 **a**	2019 **b**	2020 **c**	Variation (en %) **c/b**	 **c/a**
Yaoundé	111.9	114.5	116.8	2.0	4.4
Douala	111.7	114.4	117	2.3	4.7
Bafoussam	111.4	114.4	117.4	2.6	5.4
Bamenda	111.7	117	119.6	2.2	7.1
Garoua	111.6	113.5	116.5	2.6	4.4
Maroua	111.7	112.5	116.3	3.4	4.1
Ngaoundéré	110	112.5	115.1	2.3	4.6
Bertoua	115.7	118	122.3	3.6	5.7
Buea	114.9	118.8	123.1	3.6	7.1
Ebolowa	113.8	116.7	117.6	0.8	3.3
National	**112.1**	**114.9**	**117.7**	2.4	5.0

Source: NIS, inflation 2020

Overall, the increase in household final consumption prices is mainly due to the following factors i) a significant increase in the price of imported food products, resulting both from the disruption of supply channels following the anti-COVID-19 measures and the rise in world prices of food commodities; ii) the decline in the supply of food products, linked to the rise in the price of agricultural inputs; iii) security and social tensions, as well as iv) speculation by some retailers anticipating difficulties in the supply of imported products due to the COVID-19 pandemic.

On the other hand, the following factors contributed to controlling inflationary pressures in the region in 2020: i) the sluggishness of domestic demand, in the context of the health crisis, but above all ii) the measures taken by the government to combat the high cost of living, which essentially took the form of price controls in trade.

IV. Public finance

The 2020 budget was implemented in a difficult environment marked by the effects of the COVID-19 pandemic which turned into an economic and financial crisis. This change of context led to the adoption of an amending finance law, which reduced the budget amount and created a Special Solidarity Fund for the fight against the coronavirus and its economic and social repercussions (CAS-COVID).

The budget implementation situation shows an overall fiscal balance deficit (including grants and on the prescribed basis) of 804.4 billion, below the revised forecast of 986.6 billion. Compared to the 2019 fiscal year, deficits in the reference fiscal balance and the non-oil primary balance were reduced. Budget implementation was characterised by a satisfactory level of resource mobilisation, with a relatively good performance recorded in terms of tax revenue compared to the revised forecasts, as well as a controlled implementation of expenditure which generally was within forecast limits.

However, some shortcomings persist in budgetary management. For example, the sustainability ratio of the wage bill deteriorated from 36.5% in 2019 to 41%. Similarly, the operating expense ratio on tax revenue rose from 89.1% in 2019 to 96.9%. The envelope for current expenses remained high. The ceiling of 140 billion set for direct interventions was exceeded. Payment terms went above 90 days as in 2019, above the EU standard of 60 days.

4.1. Budgetary resources

Budgetary resources mobilised at the end of December 2020 amounted to 4 587.3 billion for a revised forecast of 4 409 billion, i.e. an achievement rate of 104%. Compared to 2019, budgetary resources fell by 467.5 billion due to the low mobilisation of domestic revenue, particularly VAT revenue, caused by the sluggishness of activity.

Budgetary resources comprised 3 221.4 billion in budgetary revenue (oil revenue, non-oil revenue and grants) and 1 365.8 billion in cash resources (borrowing on the capital markets, programme loans and project loans).

Table 10 : Budgetary resources for 2020

HEADINGS	L.F.R. 2020	Jan-Dec 19 Achievements	Jan-Dec 20 Achievements	Implementation rate (in %)
A-Budgetary revenues (I+II)	**2 950.5**	**3 650.4**	**3 221.4**	**109.2**
I- Internal revenues (a+b)	**2 848.5**	**3 517.1**	**3 177.5**	**111.5**
a-Oil revenues	269.7	584.5	428.2	158.8
b- Non-oil revenues (1+2)	2 578.8	2 932.6	2 749.3	106.6
1- Tax revenues (i+ii)	2 374.8	2 768.1	2 560.6	107.8
i- Tax revenues	1 724.8	1 947.7	1 852.8	107.4
ii- Customs revenues	650.0	820.4	707.8	108.9
2- Non-tax revenues	204.0	164.5	188.7	92.5
II- Grants	**102.0**	**133.3**	**43.9**	**43.0**
B- Cash resources	**1 458.5**	**1 404.4**	**1 365.8**	**93.6**
TOTAL BUDGETARY RESOURCES	**4 409.0**	**5 054.8**	**4 587.3**	**104.0**

Source: MINFI/DP

4.1.1. Budgetary revenues

They are made up of internal revenues and grants. Budgetary revenue mobilisation rate stood at 109.2% in 2020. Compared to the 2019 fiscal year, this revenue is down by 428.9 billion (-11.7%).

4.1.1.1. Internal revenues

Internal revenue collection was realised at 3 177.5 billion for a revised forecast of 2 848.5 billion, i.e. an achievement rate of 111.6%. Compared to the 2019 budget year, it is down by 339.6 billion (-9.7%). Internal revenue includes oil revenue and non-oil revenue.

4.1.1.1.1. Oil revenues

For a revised target of 267.9 billion, oil revenues were collected to the tune of 428.2 billion (including 321.4 billion in SNH royalties and 106.8 billion in taxes on oil companies), i.e. an achievement rate of 158.8%. This good mobilisation is attributable to effective average crude oil prices (USD 41.3/barrel) that are relatively higher than those used in the amending finance law (USD 35.6/barrel). Compared to 2019, oil revenue is down by USD 156.3 billion (-26.7%). The weight of oil revenue in domestic revenue is 13.5% in 2020 vs. 16.7% in 2019.

4.1.1.1.2. Non-oil revenues

Collected to the tune of 2 749.3 billion, the rate of realisation of non-oil revenue was 106.6% in 2020. However, this revenue is down by 183.3 billion (-6.3%) compared to the 2019 fiscal year.

Tax revenue was collected to the tune of 2 560.6 billion at the end of December 2020, exceeding the downwardly revised target of 2 374.8 billion to include the effects of COVID-19 by 185.8 billion. This result is mainly thanks to the performance recorded in debt collection:

- **Tax on non-oil companies**, which amounted to 352.3 billion against 330.1 billion forecast, i.e. a positive difference of 22.2 billion. This result is owed to the payment of this tax on time by several companies, despite the moratorium granted by the State;
- **excise duties**, which amounted to 283.9 billion, i.e. a difference of 60.1 billion compared to the revised forecast of 223.8 billion
- **Special Tax on Petroleum Products**, which was collected to the tune of 135.7 billion, against a revised forecast of 112.8 billion. This performance is mainly due to higher than projected volumes released for consumption.

Compared to the achievement of the same period in 2019, tax revenues decrease by 207.5 billion. This is mainly attributable to the decline in VAT revenue (-194.4 billion) and import duties (-44.2 billion).

Non-tax revenues were collected to the tune of 188.7 billion, down by 15.3 billion compared with the 204 billion forecast in the amending finance law. Compared to 2019, non-tax revenue was up by 24.2 billion.

Table 11 : Non-tax revenue achievements (in billions)

Headings	2019 Achievement	2020 AFL	2020 Achievement	2020/2019 Variation (%)	Implementation rate (%)
Revenue from property	4.1	4.2	5.1	24.4	121.4
Income from services	23.8	81.9	31.2	31.1	38.1
Pension contributions	48.5	60	55.3	14.0	92.2
Oil transit fee	35	25	36.8	5.1	147.2
Other non-tax revenues	53.1	32.9	60.2	13.4	183.0
Of which dividends	13.6	-	15.9	16.9	-
Total non-tax revenues	**164.5**	**204**	**188.7**	**14.7**	**92.5**

Source: MINFI/DGB-DGTCFM

4.1.1.2. Grants

In 2020, grants are estimated at 43.9 billion for an annual forecast of 102.0 billion, i.e. an implementation rate of 43.0%. They are divided into 20.4 billion in programme grants and 23.5 billion in project grants.

4.1.2. Cash Resources

Cash resources were mobilised to the tune of 1 365.8 billion out of a revised forecast of 1 458.5 billion, i.e. an implementation rate of 93.6%.

Project loans are estimated at 449.5 billion, corresponding to an implementation rate of 77.2%. Compared to 2019, they decreased by 322.8 billion (-41.8%).

IMF loans amounted to 268.3 billion out of a forecast of 45.3 billion. This overrun is explained by disbursements under the Rapid Credit Facility (RCF) amounting to 223 billion, to help Cameroon cope with the constraints resulting from the COVID-19 pandemic.

Other budgetary support was mobilised to the tune of 110.3 billion, mainly by the AfDB. Their implementation rate stood at 33.3% compared to the revised forecasts of 331.2 billion.

Initially forecast at 350.0 billion in the finance law, the amount of public securities issued was revised upward to 420 billion. These issues, made up of Treasury bonds and additional Treasury bills, amounted to 391.9 billion and correspond to an implementation rate of 93.3%. The amount of Treasury Bills (Bons du Trésor Assimilables - BTA) is 31.2 billion and that of Treasury Bonds (Obligations du Trésor Assimilables - OTA) 360.7 billion.

Out of a revised forecast of 80 billion, bank loans were mobilised to the tune of 145.8 billion, i.e. an implementation rate of 182.3%. Compared to the 2019 fiscal year, they are up by 75.8 billion.

Table 12 : Cash resources for 2020(in billions)

Headings	**2019 Achievement**	**LFI**	**AFL**	**2020 Achievement**	**2020/2019 Variation (%)**	**Implementation rate (%)**
Borrowing	**1 404.5**	**1 304.5**	**1 458.5**	**1 365.8**	**-2.8**	**93.6**
Project loans	772.3	767.0	582.0	449.5	**-41.8**	**77.2**
Programme loans	228.0	115.5	376.5	378.6	**66.1**	**100.6**
IMF loans	44.7	0.0	45.3	268.3	**500.2**	**592.3**
Other budgetary supports	183.3	115.5	331.2	110.3	**-39.8**	**33.3**
Governments bonds issues	334.2	320.0	420.0	391.9	**17.3**	**93.3**
Bank loans	70.0	102.0	80.0	145.8	**108.3**	**182.3**

Sources: MINFI/DGTCFM-CAA

4.2. Budgetary expenditure

In accordance with the changes made in the amending finance law, the overall expenditure allocation for the 2020 financial year was reduced from 4 951.7 billion to 4 409.0 billion. Expenditure was implemented to the tune of 4 341.8 billion, i.e. an implementation rate of 98.5%. Compared to the 2019 fiscal year, it is down by 847.8 billion (-16.3%).

Table 13 : Overall implementation of 2020 expenditure (in billion)

Headings	LFI 2020	AFL 2020 a	Scheduling 2019 (b)	Scheduling 2020 (c)	Variation (%) (c/b)
A-CURRENT EXPENDITURE (I+II+III)	2 443.5	2 241.0	2 636.1	2 516.9	-4.5
I – Personnel costs	1 070.2	1 040.1	1 016.9	1 046.9	3.0
II – Goods and services	759.4	666.7	894.5	876.9	-2.0
III – Transfers and subsidies	613.9	534.2	724.7	593.1	-18.2
B-CAPITAL EXPENDITURE (I+II+II+IV)	1 496.3	1 254.3	1 516.7	1 060.1	-30.1
I - Capital expenditure from internal resources	654.4	542.2	650.7	564.5	-13.2
II – Participation	30.0	19.3	36.1	16.8	-53.5
III - Rehabilitation / Restructuring	15.9	8.8	7.2	8.8	22.2
IV - External financing	796.0	684.0	822.7	470.0	-42.9
C -PUBLIC DEBT (I+II)	1 011.9	913.7	1 036.7	764.8	-26.2
I – Internal public debt	539.7	539.7	536.2	411.4	-23.3
II – External public debt	472.2	374.0	500.5	353.4	-29.4
TOTAL (A+B+C)	**4 951.7**	**4 409.0**	**5 189.5**	**4 341.8**	**-16.3**

Source: MINFI/DGB

4.2.1. Current expenditure

Current expenditure (excluding interest on debts) stood at 2 516.9 billion against a forecast of 2 241.0 billion, i.e. an implementation rate of 112.3%. Compared to 2019, it fell by 119.2 billion due to the decrease in grants and subsidies. This expenditure is made up of personnel costs, which amount to 1 046.9 billion out of a forecast of 1 040.1 billion, i.e. an overrun of 6.8 billion; expenditure on goods and services, which amounted to 876.9 billion out of a revised allocation of 666.7 billion, i.e. an overrun of 210.2 billion; Finally, transfers and subsidies amounted to 593.1 billion, against a forecast of 534.2 billion, i.e. an implementation rate of 111.0%. Compared to the 2019 fiscal year, they fell by 131.6 billion (-18.2%).

4.2.2. Capital expenditure

Capital expenditure was implemented to the tune of 1 060.1 billion for an allocation of 1 254.3 billion, i.e. an implementation rate of 84.5%. Compared to 2019, capital expenditure is down by 456.6 billion. This change is explained by the emergence of the health crisis, which caused supply disruptions and slowed down several infrastructure projects.

Capital expenditure from own resources implemented in 2020 amounted to 564.5 billion out of an allocation of 542.2 billion, i.e. an implementation rate of 104.1%. Compared to 2019, they fell by 86.2 billion (-13.2%).

Capital expenditure on external financing amounted to 470.0 billion for a forecast of 684 billion, i.e. an implementation rate of 68.7%. Compared to 2019, it is down by 352.7 billion (-42.9%).

The drop in the level of external disbursements compared to 2019 is explained by: (i) the slowdown of some major infrastructure projects in the context of the health crisis; (ii) the completion of the majority of AFCON projects; (iii) an extension of disbursement deadlines by some donors.

4.2.3. Public debt

Public debt servicing was paid to the tune of 764.8 billion out of a revised forecast of 913.7 billion, i.e. an implementation rate of 83.7%. The payments were made on domestic debt (411.4 billion) and foreign debt (353.4 billion).

The debt service ratio to GDP fell from 4.6% in 2019 to 3.3%. The drop in this ratio is on account of Cameroon's admission to the G20 Initiative, which suspended debt servicing in response to the COVID-19 pandemic.

Table 14 : Implementation of debt servicing

Headings	AFL 2020	2019 authorization	2020 authorization	Variation (%)
I - Domestic public debt	539.7	536.2	411.4	-23.3
Principal	417.8	415.5	259.5	-37.5
Interest	49.9	54.7	72.9	33.3
VAT credits refund	72.0	66.0	79.0	19.7
II - External public debt	374.0	500.5	353.4	-29.4
Principal	204.0	327.9	217.9	-33.5
Interest	170.0	172.6	135.5	-21.5
PUBLIC DEBT (I+II)	913.7	1 036.7	764.8	-26.2

Source: MINFI/DGB, 2021

4.3. Budget implementation outcome

4.3.1. Fiscal balance trends

At the end of the year, fiscal balances were higher than the amounts set in the amending finance law. These results can be explained by an effort to control expenditure (a reduction of 39.8 billion compared to the AFL) as well as the tax measures included in the AFL, which allowed for better revenue mobilisation (+329 billion).

In 2020, the primary balance was in deficit by 476.3 billion out of a revised forecast of 901.4 billion. This deficit is 2.1% of GDP vs. 2.4% in 2019.

The overall fiscal balance is in deficit by 684.7 billion (3.0% of GDP against 4.5% in the AFL). Compared to 2019, it is down by 17.6 billion.

The reference fiscal balance is in deficit by 639.8 billion (3.6% of GDP) and did not comply with the surveillance standard in the CEMAC region (below 1.5% of GDP). Compared to 2019, this deficit is down by 314.5 billion.

Table 15: Fiscal balance trends from 2019 to 2020 (in billions)

Nature of the balance	**Amount AFL 2020**	**Achievement 2019**	**Achievement 2020**	**Variation 2020/2019**
Primary balance	-797.0	-559.4	-599.4	-40.0
% of GDP	-4.1	-2.4	-2.8	...
Non-oil primary balance	-1066	-1 143.9	-1 028	107.8
% of GDP	-5.4	-5.0	-4.7	...
Overall balance	-986.6	-786.8	-804.4	-17.6
% of GDP	-4.5	-3.5	-3.5	...
Baseline fiscal balance	-961.7	-954.3	-639.8	314.5
% of GDP	-3.9	-4.2	-3.6	...

Source: MINFI/DGB

4.3.2. Trends of other budgetary ratios and indicators

The state of public finances can generally be analysed through a set of indicators, each adapted to an issue, with the shortcomings of one being compensated for by the characteristics of the other. The indicators selected should allow for a comparison of the budget implementation outcome with the objectives of multilateral surveillance or the economic and financial programme.

Deficit corresponds to the increase in debt. In 2020, the debt ratio deteriorated from 41.7% in 2019 to 47%. The same applies to the debt service to tax revenue ratio, which rose from 21.2% in 2019 to 33.1%. On the other hand, the debt service to GDP ratio fell from 4.4% in 2019 to 3.8%.

The tax rate excluding oil revenues is on a downward trend since 2018. It is 10.8% in 2020.

The current expenditure-to-GDP ratio dropped in 2020 from 11.4% in 2019 to 10.9%. However, Cameroon did not comply with the EU standard on the sustainability of the wage bill since 2017. This ratio deteriorated by 4.5 points compared to 2019, to 41% in 2020. This situation could be explained by the growth of the State civil service workforce, the civil service wage policy and career effects, caused by the existence of salary scales for each professional body and the effects age-technical drifts.

The weight of productive investment in total expenditure has been on a downward trend since 2017. It stood at 23.8% in 2020.

As regards cash flow, SNH paid out 321.37 billion in 2020 in oil royalties, including 194.29 billion in direct interventions above the 140 billion limit. The overrun is mainly explained by the constraints imposed by the fight against terrorism in the Far North and the socio-political and security crisis in the North West and South West.

Table 16 : Other indicators and budget ratio for Cameroon

Indicators	limit	2017	2018	2019	2020
Debt ratio (% of GDP)			39.5	41.7	47.0
Debt service/tax revenue (in %)	/	28.5	25.5	21.2	33.1
Debt service to GDP (%)				4.4	3.8
Tax pressure rate excluding oil revenues (non-oil revenues/non-oil GDP) (in % of GDP)	> 17%	13.2	13.4	12.6	10.8
Wage bill sustainability ratio (wage bill/tax revenue) (as a %)	< 35%	38.9	39.0	36.5	41.0
Operating expenditure/tax revenue (in %)	/	85.0	89.3	89.3	96.3
Current expenditure/GDP (in %)				11.4	10.9
Share of productive investment in total expenditure (in %)	/	43.4	32.8	28.2	23.8
Direct interventions (in billions)	<= 140				194.29
Payment term (in days)	<= 60	90	120	> 90	> 90

Source: MINFI/DGTCFM-DP-CAA

V. Foreign trade

5.1. Trends in foreign trade balance (or the capacity of Cameroonian supply to respond to internal and external demand)

According to the estimates of the National Technical Committee on the Balance of Payments, the current account deficit of transactions between Cameroon and the rest of the world should be reduced by CFAF 120 billion compared to its value in 2019, and should stand at 4% of GDP compared to 4.3% in 2019.

The measures taken around the world to deal with the COVID-19 pandemic have helped to reduce Cameroon's external imbalances. Over the period, although trade in goods and services all fell, trade in goods and services supplied to Cameroon fell more.

In addition, the scrupulous respect of foreign exchange regulations on private capital flows and the repatriation of external assets from banks, combined with budgetary support from technical and financial partners, contributed to the increase in external reserves.

After three years of improvement, the degree of openness of the Cameroonian economy fell to 11% in 2020. The trend of the previous three years (2017-2019) could, however, be maintained if the obstacles to international trade are lifted as a result of the discovery of vaccines against the coronavirus, and if the reforms carried out within the framework of the African Continental Free Trade Area are successful.

It should also be noted that the current account balance has been in deficit since 2009, a deficit resulting from the worsening of the deficits in the balance of income, services and, above all, the balance of goods.

5.2. Balance of trade in goods

Trade balance

Cameroon's trade balance is structurally in deficit. In 2020, however, the trade deficit improved by 56 billion vs. 2019 to stand at 1 409 billion. Excluding crude oil, the trade deficit is larger, amounting to 2 049 billion in 2020 vs. 2 327.5 billion in 2019.

The depth of the trade balance deficit is explained by the structure of exports (with a significant weight of crude products or raw materials). The rate of coverage of imports by exports is below 62% over the period 2017-2020. In 2020, it fell by six percentage points compared to 2019 and stood at 56.3%.

These trends illustrate a loss of competitiveness of the Cameroonian economy in the period under review.

The export rate was on an upward trend over the period 2017-2019 before the pandemic occurred in 2020. In that year, export rate represented 8% of the sum of national value added.

Table 17 : Some key figures for Cameroon's foreign trade (in billion)

Heading	2017	2018	2019	2020
Exports	**1 881.9**	**2 112.3**	**2 397.8**	**1 813**
excluding crude oil	1 137.5	1 250.0	1 398.3	1 173
			1 131	989
Imports	**3 054.3**	**3 405.2**	**3 945.7**	**3 222**
excluding crude oil	2 843.0	3 232.3	3 725.9	3 222
excluding crude oil and gas			3 603	3 201
Trade balance	**-1 172.3**	**-1 292.8**	**-1 547.9**	**-1 409**
excluding crude oil	-1 705.5	-1 982.3	-2 327.5	-2 049
excluding crude oil and gas			-2 472	-2 212
Coverage rate	**61.6%**	**62.0%**	**60.8%**	**56.3%**
excluding crude oil	40.0%	38.7%	37.5%	36.4%
excluding crude oil and gas			31.4%	30.9%
Global trade	**4 936.2**	**5 517.5**	**6 343.6**	**5035**
Degree of openness ((X+M)/(2GDP))	12.1%	12.8%	14.0%	11%
Export rate	9.3%	9.8%	10.6%	8%
Internal market penetration rate	15.9%	16.9%	18.7%	15.3%
Norminal GDP	20 328.0	21 493.0	22 692.0	22 428.2

Source: MINFI/DGD, NIS and our calculations

Exports

In 2020, the value of exports of Cameroonian products fell by 14.6%. This trend is attributable to exports of crude petroleum oils (-36%), liquefied natural gas (-30%), wood and wood products (-9%) and raw cotton (-13%).

The five main products that represented 80% of export earnings in 2020 are: crude petroleum oils (36%), raw cocoa beans (14%), wood and wooden products (14%), liquefied natural gas (10%) and raw cotton (6%). Concerning Cameroon's clients, the statistics show that the first five acquired nearly 52% of the total products exported in 2020. These two facts indicate a very weakly diversified economy.

Table 18 : Evolution of exports in 2019 and 2020 (Q in thousands of tons; V, in millions of francs)

		Jan-Dec 2019 (1)		Jan-Dec 2020 (2)		Variation (2)/(1) in%		Weight
Product	**Heading**	**Q**	**V**	**Q**	**V**	**Q**	**V**	**V**
18.01	Raw cocoa beans	218 002	288 862	190 728	246 609	-12.5%	-14.6%	14%
18.03	Cocoa paste	27 577	44 167	28 362	50 706	2.8%	14.8%	3%
18.04	Cocoa butter	19 631	34 183	19 263	36 180	-1.9%	5.8%	2%
27.09.00.10	Crude petroleum oils	3 811 088	999 485	3 715 162	640 301	-2.5%	-35.9%	36%
27.11.11.00	Liquefied natural gas	1 224 520	261 983	1 235 545	183 571	0.9%	-29.9%	10%
Chapter 44	Wood and wood products	1 514 634	279 935	1 352 359	253 736	-10.7%	-9.4%	14%
of which 44.03. *	Raw wood (logs)	881	85 790	778	74 945	-11.8%	-12.6%	4%
44.07 *	Sawn timber	785	167 593	786	158 388	0.1%	-5.5%	9%
52.01	Raw cotton	130 061	130 021	123 907	113 397	-4.7%	-12.8%	6%
76.01	Raw aluminium	49 074	56 739	45 028	50 638	-8.2%	-10.8%	3%
Overall exports		**7 702 087**	**2 392 739**	7 367 573	1 803 083	-4.3%	-24.6%	100%

Source: NIS, 2021

In the ranking of Cameroon's clients, China remains the main client in 2020 with 21.5% of the market share, i.e. three (3) percentage points more than in 2019, thanks to the purchase of products such as crude petroleum oils (70.5%), liquefied natural gas (12.6%) and raw and sawn timber (9% and 5.8% respectively).

The rest of the ranking is made up of Italy (10.0%), the Netherlands (9.3%), Spain (6.8%) and Malaysia (4.2%).

It should be noted that, as far as Italy is concerned, the main products traded are crude petroleum oils (60.6%), crude aluminium (12.6%) and sawn wood (7.3%).

Tableau 19 : Principaux clients du Cameroun en 2020

Country	Quantity (in tons)	Value (in millions of Fcfa)	Value weight (in %)
China	2 663 312	390 678	21.5
Italy	744 127	182 130	10.0
Netherlands	145 846	169 510	9.3
Spain	536 145	122 508	6.8
Malaysia	73 113	76 905	4.2
India	404 405	73 113	4.0
Bangladesh	117 808	71 184	3.9
Chad	224 535	68 777	3.8
France	95 270	67 237	3.7
Belgium	251 627	61 479	3.4
Total top ten	5 256 189	1 283 521	71
Other Countries	2 131 658	529 839	29
Total général	**7 387 847**	**1 813 360**	**100.0**

Source: NIS, 2021-a

Imports

Notwithstanding a variety of partners (close to 180), the Cameroon's internal market penetration rate fell by 15.3% in 2020 after three years of increase (from 2017 to 2019). This situation is certainly explained by the slowdown in activity caused by the pandemic.

Table 20 : Import trends from 2017 to 2019 (Q in millions tons; V, in billions)

	Period	Jan-Dec 2019 (1)		Jan-Dec 2020 (2)		Variation (2)/(1) in%		Weight
Product	**H**	**Q**	**V**	**Q**	**V**	**Q**	**V**	**V**
03	Fish and shellfish	185 943	133 259	201 667	138 123	8%	4%	4%
0303	Frozen sea fish	185 753	132 822	201 181	137 598	8%	4%	4%
section 1	**Animals and animal products**	**204 274**	**167 945**	**228 726**	**181 714**	**12%**	**8%**	**6%**
10	Cereals	1 776 935	379 071	1 466 447	302 268	-17%	-20%	10%
1001	Wheat and meslin	857 940	142 870	854 842	139 163	0%	-3%	4%
1006	Rice	894 486	231 831	591 597	159 871	-34%	-31%	5%
section 2	**Vegetable products**	**1 925 591**	**435 392**	**1 615 860**	**352 006**	**-16%**	**-19%**	**11%**
section 4	**Industrial food products**	**310 017**	**170 443**	**338 856**	**193 513**	**9%**	**14%**	**6%**
25	Salt; sulphur; earth; cements	2 976 707	128 106	2 913 785	103 145	-2%	-19%	3%
25.23.10.00	Clinkers	2 556 321	107 050	2 461 126	82 410	-4%	-23%	3%
27	Hydrocarbons	2 600 236	1 012 494	1 802 293	580 733	-31%	-43%	18%
2710	Fuels and lubricants	1 670 687	724 558	1 618 441	529 284	-3%	-27%	17%
section 5	**Mineral products**	**5 579 191**	**1 140 776**	**4 717 200**	**684 053**	**-15%**	**-40%**	**22%**
30	Pharmaceutical products	18 927	128 647	22 123	133 083	17%	3%	4%
38	Miscellaneous chemical products	37 491	69 716	47 599	82 192	27%	18%	3%
3808	Insecticides; Fungicides; Herbicides	19 286	48 195	26 285	61 695	36%	28%	2%
section 6	**Chemical industry products**	**555 054**	**390 014**	**538 763**	**383 098**	**-3%**	**-2%**	**12%**
39	Plastic materials	126 300	118 611	149 040	115 988	18%	-2%	4%
section 7	**Plastics and rubber**	**154 600**	**159 841**	**184 359**	**161 871**	**19%**	**1%**	**5%**
48	Paper and cardboard	90 567	55 735	100 262	57 168	11%	3%	2%
section 10	**Wood pulp; paper and its applications**	**95 185**	**64 677**	**105 611**	**67 224**	**11%**	**4%**	**2%**
63	Other made-up textile articles	86 458	61 879	91 136	57 240	5%	-7%	2%
section 11	**Textile materials and articles thereof**	**121 935**	**101 717**	**131 530**	**93 665**	**8%**	**-8%**	**3%**
69	Ceramic products	335 092	72 774	252 636	57 480	-25%	-21%	2%
6908	Glazed tiles	306 431	60 539	228 804	48 354	-25%	-20%	2%
section 13	**Articles of stone, cement and glass**	**382 793**	**91 877**	**306 101**	**76 596**	**-20%**	**-17%**	**2%**
72	Cast iron and steel	182 890	93 032	278 981	172 274	53%	85%	5%
73	Articles of cast iron and steel	72 253	106 047	56 700	74 296	-22%	-30%	2%
section 15	**Base metals and articles thereof**	**280 624**	**250 281**	**362 676**	**281 276**	**29%**	**12%**	**9%**
84	Machinery and mechanical appliances	75 283	288 625	73 898	227 805	-2%	-21%	7%
85	Electrical machinery and apparatus	51 098	212 557	54 675	159 705	7%	-25%	5%
section 16	**Mechanical and electrical machinery and apparatus**	**126 381**	**501 181**	**128 573**	**387 510**	**2%**	**-23%**	**12%**
87	Motor vehicles; tractors	105 228	197 701	119 211	157 939	13%	-20%	5%
8703*	Passenger cars	32 699	68 548	34 484	63 395	5%	-8%	2%
section 17	**Transport equipment**	**115 161**	**220 027**	**130 285**	**177 939**	**13%**	**-19%**	**6%**
Overall imports		**10 011 073**	**3 856 890**	**8 952 992**	**3 178 391**	**-10,6%**	**-17,6%**	**100%**

Sources: MINFI/DGD-DP

In addition, 60% of import expenditure is collected by the first ten suppliers of Cameroon. Top of these suppliers is China whose supply weight to Cameroon in 2020 stood at 17.5%, i.e., one point up compared to 2019. Next in line are France (8.7%), Belgium (5.6%) and India (5.0%).

Cameroon imports mainly electrical machinery and apparatus (12%); mechanical machinery and apparatus (10%); iron and steel (8%); various chemical products (7.8%) and cereals (7.4%) from China.

Products supplied by France consist mainly of cereals, notably wheat and meslin (16.8%); pharmaceuticals (13.2%); machinery and mechanical appliances (8.4%) and electrical machinery and appliances (6.3%).

Cameroon spent 675.4 billion in 2020 on the import of agri-food products vs. 715.8 billion in 2019 and 651.1 billion in 2018.

VI. Money and Credit

The monetary and financial situation in 2020 was affected by the reponse to the COVID-19 pandemic and the further implementation of reforms intiated within the three-year econmic and financial programme signed with International Monetary Fund (IMF) in June 2017.

6.1-Monetary policy

Within the framework of the three-year programme with the IMF and taking into account the harmful consequences of the COVID-19 pandemic on the economy, BEAC continued with its accommodative monetary policy initiated in March 2020.

Indeed, the Monetary Policy Committee (MPC) of BEAC adopted two sets of measures. The first concerned the easing of monetary conditions. The second was aimed at supporting bank liquidity and directly influencing the financing conditions of governments on the public securities market and the productive sector.

The measures to ease monetary conditions included: i) a downward revision of BEAC's main interest rates; ii) an increase in the amount of liquidity to be injected into the money market to 500 billion CFA francs; iii) a widening of the range of private bills accepted as collateral for monetary policy operations; iv) a downward revision of haircuts applicable to public and private bills accepted as collateral for BEAC refinancing operations.

Measures to support bank liquidity included: (i) the reactivation of longer-term liquidity injections on the money market; and (ii) the implementation of exceptional intervention measures on government securities markets. The measures adopted by BEAC since March 2020 to mitigate the potential effects of the COVID-19 health crisis on CEMAC economies made it possible to maintain the liquidity of the banking system at a comfortable level in a context characterised by many uncertainties.

6.2- Monetary Situation

At the end of December 2020, the money situation was balanced in resources and expenditure at 7 402.1 billion, up by 13.2% year-on-year.

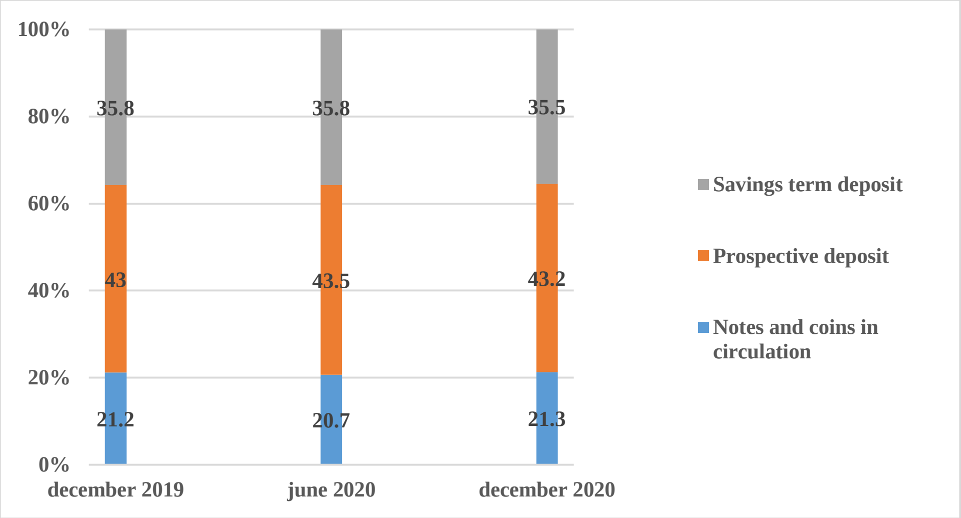
6.2.1-Monetary aggregate trends

As at 31 December 2020 and year-on-year, the money supply increased by 12.1% to stand at 6 071.2 billion.

The increase in the money supply results from that of its three components: +12.6% for scriptural money (or sight deposit), +11.2% for near money (or term deposit or savings) and +12.5% for fiduciary money (banknotes and money in circulation).

The structure of the money supply remains dominated by scriptural money (sight deposits), whose weight increased from 43% at the end of December 2019 to 43.2% of the money supply.

Fig. 5 : Components of money supply (in %)



Source: BEAC

6.2.2- Sources of monetary creation

1.1.1. Net Foreign Assets (NFA)

Cameroon's net external assets fell from 2 370.8 billion at the end of December 2019 to 2 336.7 billion at 31 December 2020, thus showing a slight decline of 1.4%. This aggregate fell by 29.5% for all CEMAC countries as a result of the contraction (-5.3%) of gross external assets due to a decline in exports of goods and services that was more pronounced than imports, combined with the 23.6% increase in the external liabilities of the monetary system due to IMF budgetary support, particularly in the context of the fight against COVID-19.

At the end of December 2020, the sub-region's foreign exchange reserves fell by 3.6% to stand at 4 193.3 billion compared to December 2019, after having reached a peak of 5 013.2 billion in May 2020. The gradual decline in this aggregate since November 2020 is linked to the COVID-19 health crisis, which negatively influenced the prices of the main commodities exported by CEMAC. This decline is also due to budget support disbursements by donors that were not made on time.

CEMAC's foreign exchange reserves represented about 3.7 months of imports of goods and services. Cameroon's foreign exchange reserves covered 7.5 months of imports in 2020 vs. 6.3 months a year earlier.

The currency coverage rate, defined as the ratio of gross official foreign currency assets to total Central Bank demand liabilities, stabilised at 78.6%. This stability was also observed for all CEMAC countries, for which the aggregate coverage rate remained at 70.4% over the same period.

1.1.2. Domestic credit

As at 31 December 2020, domestic credit stood at 5 065.5 billion, up by 21.5% year-on-year. This increase was driven by net claims on the State.

1.1.2.1. Net claims on the State

Net claims, which stood at 1 480.1 billion as at 31 December 2020, increased by 98.5% compared to 31 December 2019. This increase is attributable to the intensification of government issues and drawings from the IMF to finance economic and financial programmes under implementation as well as the emergency support mobilised to limit the spread of COVID-19.

The Net Government Position (NGP), an essential component of the monetary system's net claims on the State, remained in debit at 1 451 billion, up by 94.8% year-on-year. This rise due to the increase in commitments to the IMF and the increase in the NGP to money-creating banks and to the BEAC.

1.1.2.2. Credits to the economy

As at 31 December 2020, credits to the economy amounted to 3 585.3 billion. They increased by 162.5 billion compared to the end of December 2019. This trend resulted from the 21.7% increase in credits granted to non-financial public enterprises to reach 357.7 billion.

Credit to the non-financial private sector (3 176.3 billion) increased by 37.1 billion compared to the end of December 2019. It represents 88.6% of credits to the economy against 10.0% for credits to non-financial public enterprises.

With regard to the maturity of loans to the economy, short-term loans represent 55.3% of outstanding loans, medium-term loans 41.9% and long-term loans 2.8%.

The distribution by sector of activity of bank financing to the economy reveals a primacy of the "Production of services intended for the community, social services and personal services" and "wholesale and retail trade, catering and hotels" sector (22.1% and 20.2%, respectively), followed by the "Manufacturing industries" sector (14.3%). The primary sector accounted for only 6.4% of all bank lending.

The rate of coverage of loans by deposits "deposits / loans to the economy" in the CEMAC sub-region rose by 5.9 points in September 2020, as compared to the level reached a year earlier, to stand at 132.3%, due to the growth of bank deposits (6.1%), which was stronger than that of loans to the economy granted by commercial banks (1.4%). This increase also resulted from the repatriation of foreign assets held by commercial banks following the strengthening of plausibility checks carried out by the Banking Commission and the reinforcement of the application of foreign exchange regulations.

Table 21 : monetary situation in the broad sense (in billions of CFA francs)

	Dec.-19 a	June-20 b	Dec-20 c	Variations (in %) c/b	 c/a
Counterparts of money supply	**6 539,3**	**6 872,4**	**7 402,1**	**7,7**	**13,2**
Net external assets	2 370.8	2 337.2	2 336.7	0.0	-1.4
Net external assets of BEAC	1 653.0	1 494.4	1 344.0	-10.1	-18.7
Net external assets of commercial banks	717.8	842.8	992.7	17.8	38.3
Domestic credit	4 168.5	4 535.2	5 065.5	11.7	21.5
Net claims on the government	745.7	1 148.9	1 480.1	28.8	98.5
Net position of the government	745.0	1 140.7	1 451.0	27.2	94.8
Credit to the economy	3 422.8	3 386.2	3 585.3	5.9	4.7
Credit to the non-financial private sector	3 139.2	3 045.2	3 176.3	4.3	1.2
Credit to non-financial public enterprises	230.0	294.1	357.7	21.7	55.5
Resources of the monetary system	**6 539.3**	**6 872.4**	**7 402.1**	**7.7**	**13.2**
Money supply (M2)	5 416.4	5 731.0	6 071.2	5.9	12.1
Currency in circulation	1 151.4	1 184.2	1 295.2	9.4	12.5
Demand deposit	2 326.6	2 496.6	2 620.4	5.0	12.6
Time and savings deposit	1 938.4	2 050.3	2 155.5	5.1	11.2
Other net items	1 122.9	1 141.3	1 331.0	16.6	18.5

Source: BEAC

6.3- Banking and financial sector

In 2020, the banking and financial sector had 15 banks, 8 financial institutions and 411 microfinance institutions (MFIs), 27 insurance companies. The number of financial institutions, combined with the progress of technological finance "Fintech", contributed to the improvement of financial inclusion.

6.3.1- Banking sector

At the end of December 2020, the banking sector experienced a consolidation of its activities, notably (i) an increase in total balance sheets; (ii) an increase in customer deposits; (iii) an increase in customer loans; (iv) an improvement in financial inclusion and; (v) compliance with prudential standards.

The total assets of all the banks grew at a higher rate (8.3%), reaching 7 010.7 billion. Afriland First Bank is in first place, with 18.0% of the total balance sheet of all banks. Next to it were Société Générale-Cameroun (15.1%), BICEC (10.4%), S.C.B. (8.9%), BAC (8.0%), UBA (6.9%) and ECOBANK (6.6%).

6.3.1.1-Customer deposits

At the end of 2020, deposits increased by 10.4% year-on-year and stood at 5 378.7 billion.

The increase in deposits was driven by those of public enterprises (contribution of 3.2 points to the growth of deposits), private enterprises (contribution of 3.4 points) and individuals (contribution of 3.1 points to the growth). Deposits from public bodies, which fell by 24.2% year-on-year, slowed the growth of deposits.

By type of customer, private individuals held the largest share of deposits (40.1%), followed by private companies, including individuals (27.6%), and central public administration (9.0%). Public enterprises accounted for 6.9% of total deposits, compared to 3.3% for insurance and capital companies and 2.7% for private administrations.

Table 22 : Breakdown of deposits by type of customer (in billions of FCFA)

Heading	Dec.-19	June-20	Dec-20	Variations (%)		Weight in Dec. 2020
	(a)	(b)	(c)	(c/b)	(c/a)	(%)
Central public administration	461.2	492.0	486.3	-1.2	5.4	9.04
Local public administration	20.9	31.3	27.2	-13.1	30.1	0.51
Public bodies	174.4	157.5	137.1	-13.0	-21.4	2.55
Private administrations	129.4	166.3	148.1	-10.9	14.5	2.75
State enterprises	218.0	261.1	372.4	42.6	70.8	6.92
Private companies	1 111.9	1 226.4	1279.2	4.3	15.0	23.78
Insurance and equity companies	161.0	159.2	179.7	12.9	11.6	3.34
Sole proprietorships	233.2	197.7	208.0	5.2	-10.8	3.87
Private individuals	2 002.9	2 100.2	2154.6	2.6	7.6	40.06
Others	357.2	355.2	386.0	8.7	8.1	7.18
Total	**4 870.0**	**5 146.8**	**5 378.7**	**4.5**	**10.4**	**...**

Source: BEAC

By nature, demand deposits, special deposits (savings bonds) and time deposits were all on the rise. Demand deposits were the most representative, with 78.8% of the total, against 13.1% for time deposits and 8.1% for savings bonds. On a year-on-year basis, deposits increased by 10.4%, driven by private individuals, public and private companies.

Table 23 : Deposits by nature (in billions)

Headings	Dec-19	June-20	Dec-20	Variation (%)		Weight in Dec. 2020
	a	b	c	c/b	c/a	(%)
Special deposits	375.3	402.4	433.5	7.7	15.5	8.1
Time deposits	652.9	659.2	705.9	7.1	8.1	13.1
Demand deposits	3 841.9	4 085.2	4 239.2	3.8	10.3	78.8
TOTAL	**4 870.0**	**5 146.8**	**5 378.7**	**4.5**	**10.4**	**100**

Source: BEAC

In the deposit-based market, Afriland First Bank retains first place with 18.4% of deposits. It is followed by SGC (15.7%), BICEC (11.5%), SCB (9.5%), BEAC (6.2%). In the deposit-based market, Afriland First Bank remains in first place with 18.4% of deposits. Next to it are SGC (15.7%), BICEC (11.5%), SCB (9.5%), BEAC (6.2%).

6.3-1. Outstanding loans

At the end of 2020, outstanding loans amounted to 3 908.8 billion, i.e. an increase of 6.7% year-on-year. These increases were as a resukt of loans granted to individuals (contribution of 2.1 points to growth), public enterprises (contribution of 3.5 points to growth) and private enterprises (contribution of 1.3 points to growth).

The main areas the benefited from the credits granted were: "Construction and public works" (20.7% of total credits), "Trade, catering and hotels" (17.4%), "Transport and auxiliary transport activities" (16.5%), "Agriculture, livestock and hunting, forestry and fishing" (14%), "Production and distribution of electricity, gas and water" (11.7%), "Mining and quarrying" (11.1%), "Activities of financial institutions, real estate and business activities" (2.7%). By type of customer, 61.8% of loans were granted to private companies, including individuals; 17.8% to individuals; 10.3% to the central public administration and 9.3% to public companies.

Table 24 : Breakdown of loans by type of customer (in billions of FCFA)

Headings	Dec.-19	June-20	Dec-20	Variations (%)		Weight in Dec. 2020
	(a)	(b)	(c)	(c/b)	(c/a)	(%)
Central public administration	295.7	382.5	401.4	4.9	35.7	10.3
Local public administration	1.0	1.3	1.0	-23.1	0.0	0.0
Public bodies	0.2	0.1	0.1	0.0	-50.0	0.0
Private administrations	11.4	11.0	10.8	-1.8	-5.3	0.3
State enterprises	237.2	294.0	365.1	24.2	53.9	9.3
Private companies	2 227.3	2 232.3	2 273.5	1.8	2.1	58.2
Insurance and equity companies	2.5	2.4	10.2	325.0	308.0	0.3
Sole proprietorships	194.0	133.4	140.7	5.5	-27.5	3.6
Private individuals	620.2	610.8	696.6	14.0	12.3	17.8
Others	75.3	14.6	9.5	-34.9	-87.4	0.2
Total	**3 664.6**	**3 682.4**	**3 908.8**	**6.1**	**6.7**	**100**

Source: BEAC

With regard to the maturity of bank loans, short-term credits represent 24.7%, against 47.6% for medium-term credits and 2.2% for long-term credits. The category of loans classified as gross overdue loans represents 16.6%, and those classified as customer accounts receivable 8.9%.

The rate of gross overdue loans deteriorated by 0.8 points compared to September 2020, to reach 16.6%. The following five banks (SGC, AFB, BICEC, SCB, UBA) accounted for 76% of the total outstanding loans and finance 60% of the loans.

The total number of bank accounts was up by 100,145 accounts compared to the end of December 2019. The bancarisation rate in the strict sense of the term of the active population stabilised at 28.4%.

The level of financial intermediation, measured as the ratio of loans to deposits, fell to 72.7% from 75.2% at the end of December 2019. Conversely, the ratio of deposits to long-term loans improved from 38.9% to 41.5%.

Of the 15 banks operating in the Cameroonian market, the situation of prudential ratios were as follows

- 13 banks respected the minimum capital and net equity ratio;
- 12 banks respected the norm relating to the solvency ratio (risk coverage);
- 12 banks met the minimum ratio of coverage of fixed assets by permanent resources;
- 14 banks met the liquidity ratio;
- 12 banks met the long-term transformation ratio.

6.4- Financial market

At the beginning of 2020, sixteen securities were listed on the stock exchange's official list. The activity of the CEMAC treasury securities market in the second half of 2020 took place in an international and regional context still marked by the COVID-19 health crisis, preceded by the fall in the price of crude oil, CEMAC's main export product, which had a negative impact on the macroeconomic situation and the revenues of its Member States.

Sub-regional stock market activity (Douala Stock Exchange) experienced a downturn. The market capitalisation of all securities listed on the market stood at CFAF 701.54 billion at the end of December 2020, down by 13.3% compared to 31 December 2019. This decrease reflects the combined decline in the capitalisation of the equity market by CFAF 1.46 billion and that of the bond market by CFAF 131.09 billion.

Despite the difficult situation linked to COVID-19, the treasury securities market continued to grow in the second half of 2020 and enabled the States of CEMAC to mobilise more and more capital. Thanks to this market, the CEMAC States were able to raise more than CFAF 1,000 billion, which made it possible to finance numerous infrastructure projects and to deal with the unforeseen expenses caused by the multiple consequences of the COVID-19 health crisis.

The outstanding amount of Treasury securities as at 31 December 2020 stood at CFAF 3,225.2 billion, up by 54.67% compared to the end of December 2019. Since January 2020, there had been a recomposition of the structure of the portfolio of government debt issued on the Treasury securities market, which is now mainly made up of OTAs (fungible Treasury bonds) representing 64.52% of the overall portfolio of securities. In fact, the outstanding amount of OTAs doubled in one year, rose to CFAF 1,037.1 billion at the end of December 2019 to CFAF 2,081 billion. The change in the structure of financial instruments circulating on the market is the consequence of an increasing recourse of public treasuries to long resources, reflecting a gradual consolidation of investor confidence in CEMAC sovereign signatures.

C- ENTREPRENEUR PERCEPTIONS ON ECONOMIC ACTIVITY TRENDS

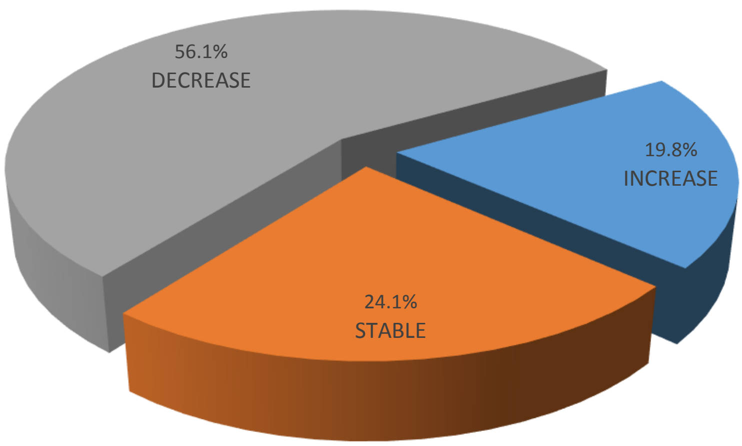
To describe the sectoral trends for 2020, the **CCIMC** carried out an opinion survey of 297 business leaders between April and May 2021. The sample of companies was chosen according to a stratified random sampling technique; with the statistical and tax declarations of 2015 serving as sampling base.
The results of this survey show that the morale of business leaders remained low in 2020, in line with the poor economic situation observed at national level, with most business leaders believing that their level of activity was sluggish.
Indeed, 56.1% of the business owners questioned think that their turnover fell in 2020, thus reflecting the negative perception that the majority of businesses, of all sizes, in all sectors of activity and in all regions have of their supply conditions (opinion balance of -61, 5%) on the one hand, and, on the other hand, on the trend of variables such as the level of their orders, prices (opinion balance of -9.9%), jobs, salaries, profits (opinion balance of -50.8%) and the business climate (-54.5%).
The opinions expressed were strongly influenced by the context of covid-19 (for 94.5% of respondents) on the one hand and by the persistence of the security crises in the North and the English-speaking regions (70.9%) on the other.

I. Activity

In 2020, turnover would have fallen for more than half of the companies surveyed...

More than 56.1% of the companies surveyed believe that their turnover would have fallen during the year 2020, as shown in the following figure 6. This poor economic situation resulted from the joint fall in production (for 45.1% of respondents) and the level of orders (for 48% of respondents).

Fig. 6 : Entrepreneur perceptions on their turnover trends in 2020

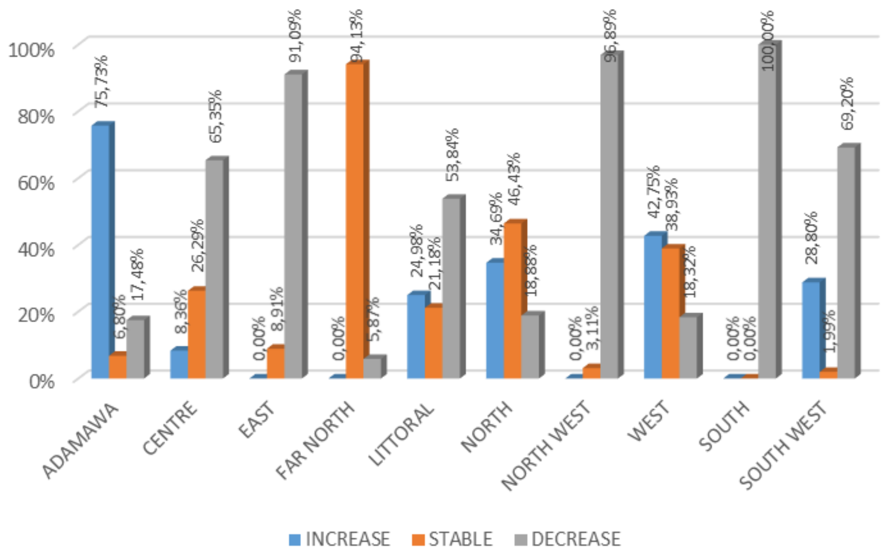


Source: CCIMC/ H2_2020 Business survey data

... especially in the South, South-West and Eastern regions...

This impression of a decline in turnover was more pronounced in the South (100%), South-West (96.9%) and East (91.1%) regions, where almost all respondents said they had noted a decline in turnover. However, for 75.7% of business leaders in the Adamaoua region, turnover would have increased in 2020.

Fig. 7 : Entrepreneur perceptions on their turnover trends, by region, in 2020

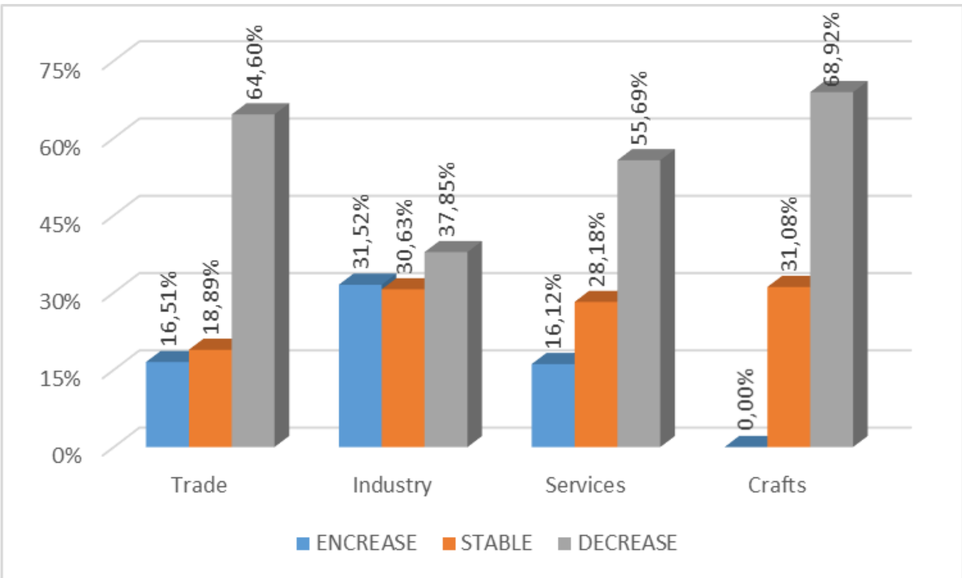


Source: CCIMC/ H2_2020 Business survey data

… in all sectors of activity …

This unfavourable situation was observed in all sectors of activity, with craft industries followed by commerce being the sectors of activity where turnover fell the most, with respectively 68.9% and 64.6% of respondents who felt that they had noted a fall in their turnover.

Fig. 8 : Entrepreneur perceptions on their turnover trends, by sector of activity, in 2020

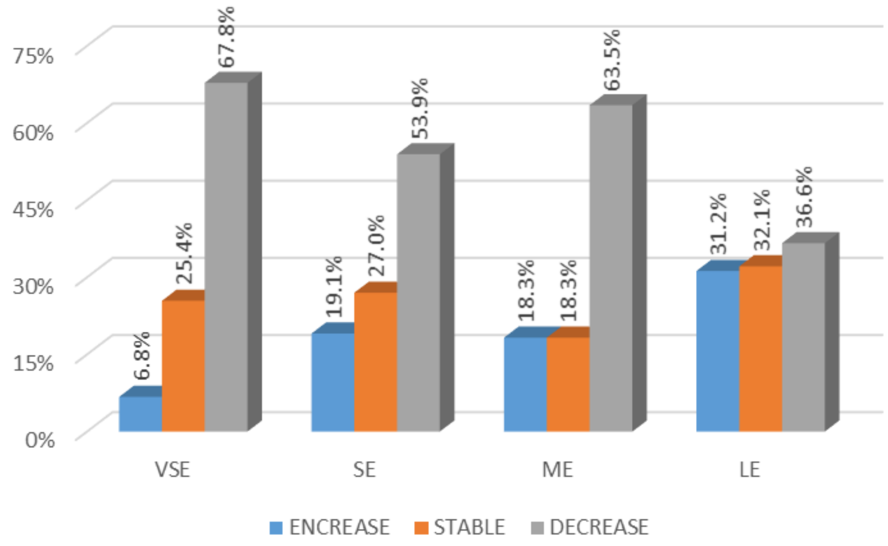


Source: CCIMC/ H2_2020 Business survey data

… and for all enterprise sizes.

The general trend of declining turnover in 2020 was observed in all enterprise sizes. It was accentuated among Very Small Enterprises (67.8%) and Medium-sized Enterprises (63.5%) as shown in Figure 9 below.

Fig. 9 : Entrepreneur perceptions on their turnover trends, by size, in 2020



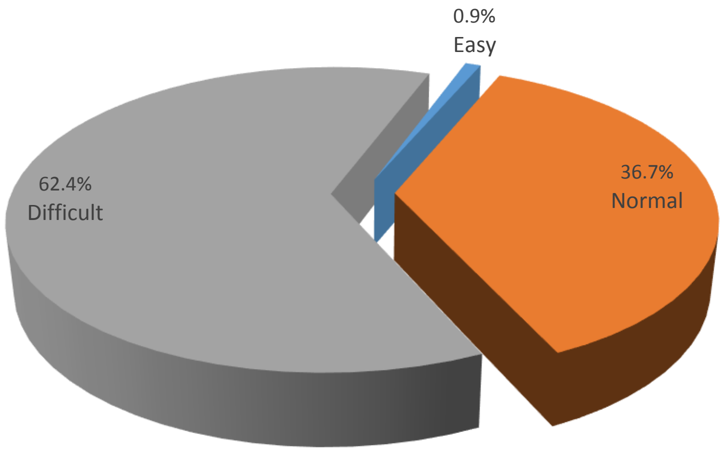
Source: CCIMC/ H2_2020 Business survey data

II. Supply conditions

Globally difficult supply conditions …

Globally, supply conditions would have been difficult in 2020. While 36.7% of respondents said they were normal, 62.4% said they would be difficult in 2020. In addition, the opinion balance on the supply conditions situation worsened further in 2020, losing 31.1 points compared to 2019 to stand at -61.5% in 2020.

Fig. 10 : Entreprneur perceptions on supply condition trends in 2020

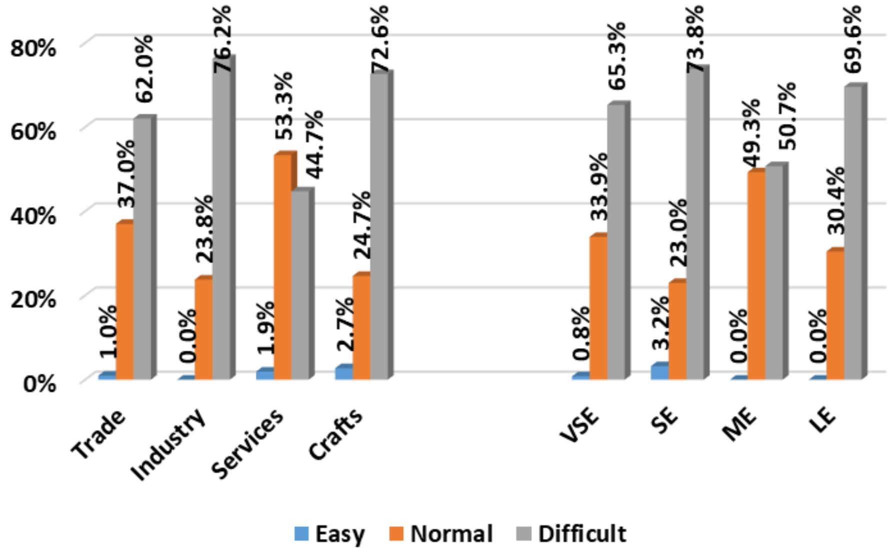


Source: CCIMC/ H2_2020 Business survey data

... regardless of size and sector of activity ...

The views of business leaders on the question show that, apart from service sector companies and medium-sized enterprises, procurement conditions were difficult for more than 62% of respondents from other sectors of activity and companies of other sizes.

Fig. 11 : Entreprneur perceptions on supply condition trends in 2020 by size and sector of activity

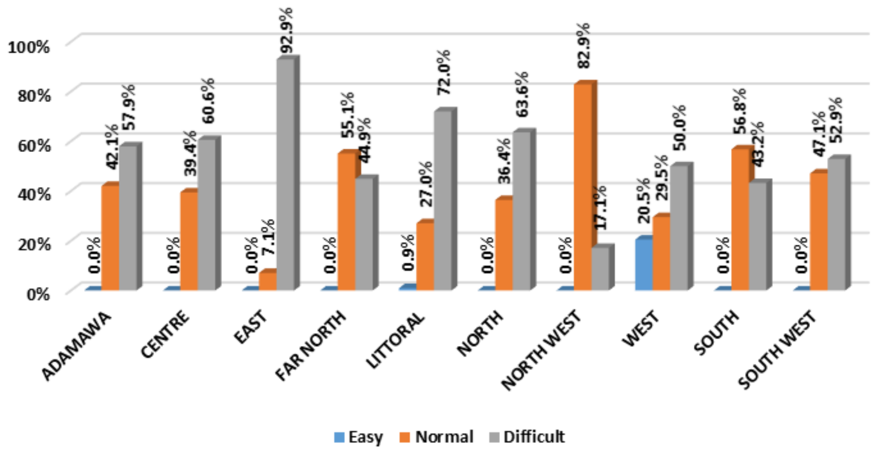


Source: CCIMC/ H2_2020 Business survey data

... and in all regions.

This overall trend of difficult supply conditions was observed in all regions. The Eastern region would have been the most difficult with an opinion balance of 92.9%, followed by the Littoral, with an opinion balance of 71.1%.

Fig. 12 : Entreprneur perceptions on supply condition trends in 2020 by region



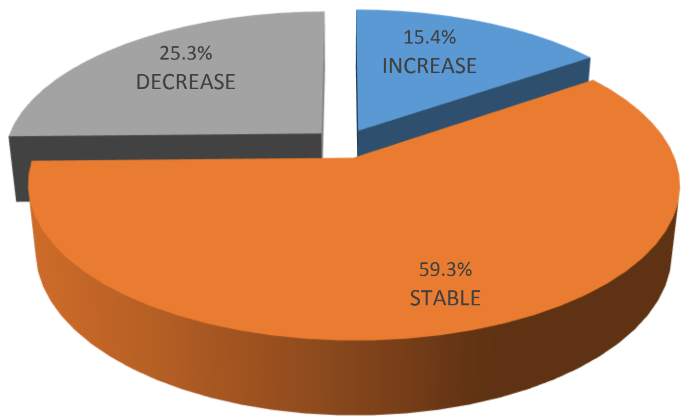
Source: CCIMC/ H2_2020 Business survey data

III. Sales prices

Sales prices charged by companies would have remained stable in 2020...

Sales prices charged by companies in 2020 would have remained stable for 59.3% of respondents. Overall, business leaders believe that sales prices fell with an opinion balance of of 9.4%.

Fig. 13 : Entrepreneur perceptions on the trends of sales prices in 2020

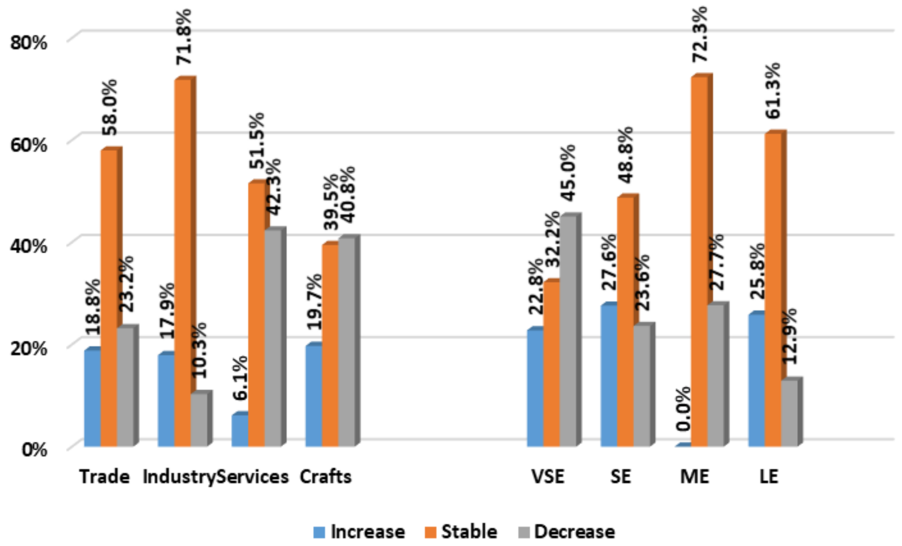


Source: CCIMC/ H2_2020 Business survey data

... despite the fall in prices noted among artisans and VSEs ...

The sales prices charged in the craft sector (for 40.8% of respondents) and by Very Small Enterprises (for 45% of managers) would have decreased during the year 2020 according to business leaders. They would have remained stable in other sectors of activity as well as in Small, Medium and Large Enterprises.

Fig. 14 : Entrepreneur perceptions on the trends of sales prices in 2020 by sector of activity and size

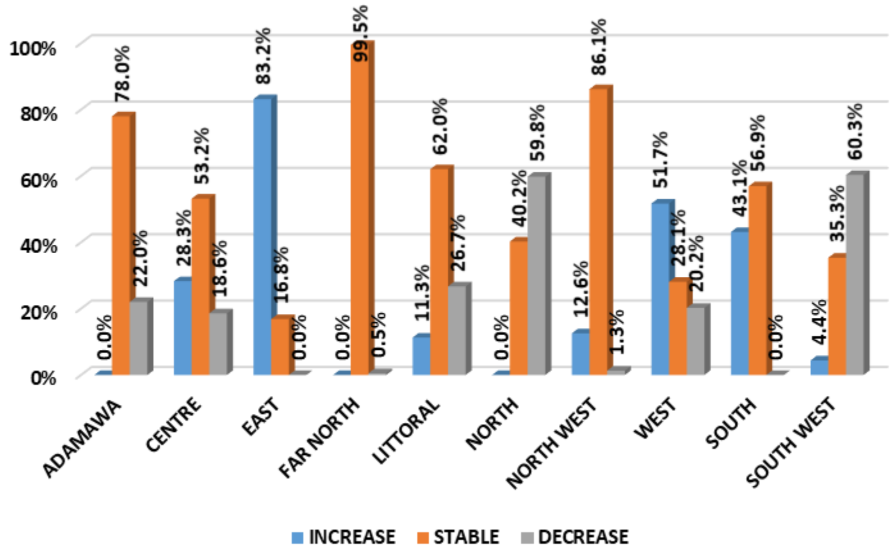


Source: CCIMC/ H2_2020 Business survey data

… and the contrast observed by region.

The overall trend is observed only in the Littoral region and to some extent in the Adamaoua region, where sales prices would have been stable in 2020 for 62% and 78% of respondents respectively. In the East (83.2%) and West (51.2%) regions, on the other hand, sales prices would have increased.

Fig: 15 Entrepreneur perceptions on the trends of sales prices in 2020 by region



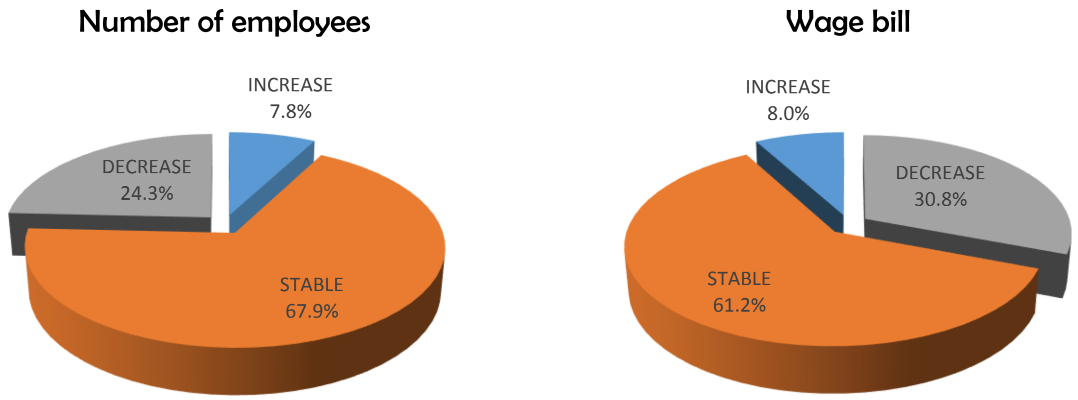
Source: CCIMC/ H2_2020 Business survey data

IV. Staffs and wage bills

The number of employees and wage bill would have remained stable in 2020 …

While 67.9% of the business leaders surveyed stated that they had kept their number of employees stable and, in turn, their wage bill, there would have been a joint decrease in the level of employment and wage bill in 2020 (with respective opinion balances of 16.5% and 22.8%).

Fig. 16 : Entrepreneur perceptions on staff and wage bill trends in 2020

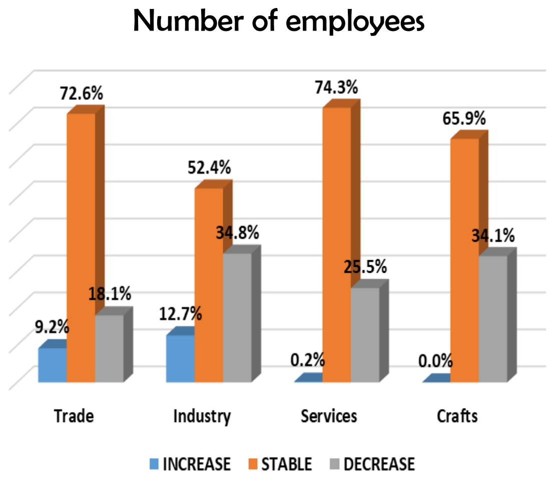


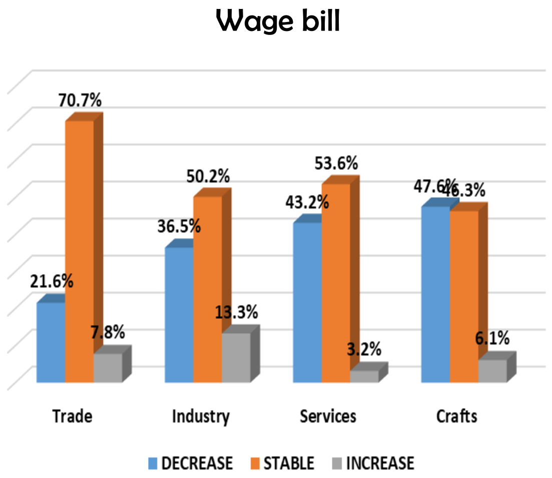
Source: CCIMC/ H2_2020 Business survey data

… in all sectors of activity …

The overall trend was observed in all sectors of activity. However, the overall decline in employment levels was most pronounced among craftsmen and manufacturers, with respective opinion balances of 34.1% and 22.1%. As for the wage bill, it is said to have fallen much more among craftsmen.

Fig. 17 : Entrepreneur perceptions on staff and wage bill trends by sector of activity in 2020



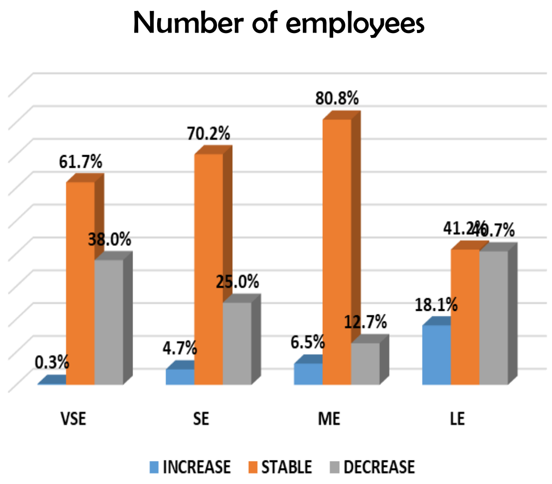


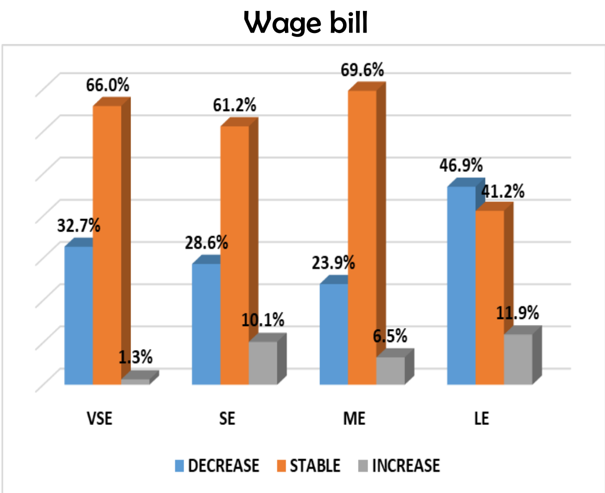
Source: CCIMC/ H2_2020 Business survey data

… and for all enterprise sizes …

For the business leaders interviewed, the number of employees and the wage bill decreased overall. However, the number of employees was stable in VSEs, small businesses and medium-sized businesses for more than 60% of respondents. On the other hand, jobs were lost in large enterprises for 40.7% of respondents. The wage bill fell in enterprises of all sizes in 2020.

Fig. 18 : Entrepreneur perceptions on staff and wage bill trends by enterprise size in 2020



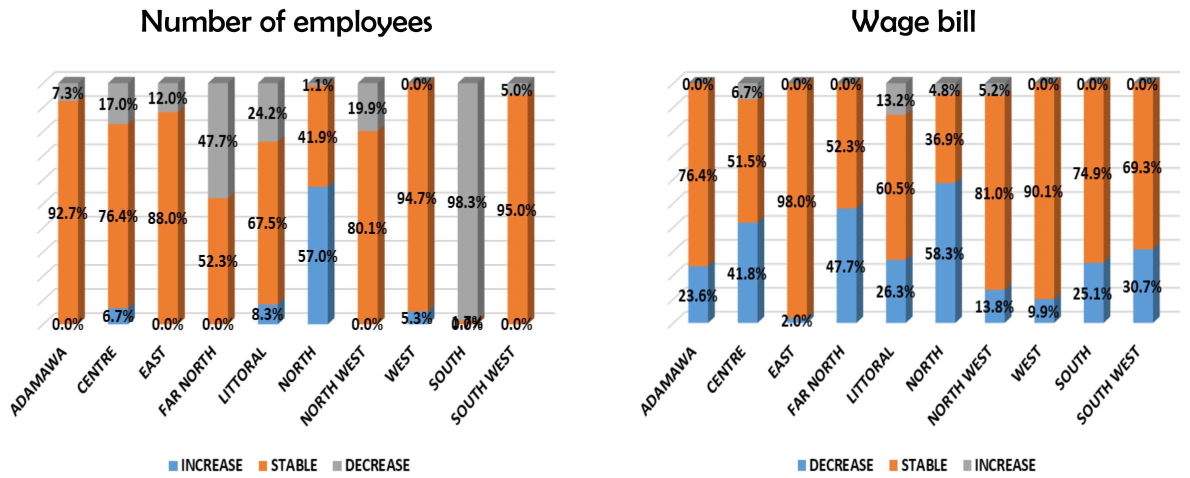


Source: CCIMC/ H2_2020 Business survey data

… dynamic hiring in the North region and a decline in the South

Hiring was reportedly dynamic in the North region, with an opinion balance of 55.9%. On the other hand, in the South region, 98.3% of business leaders say they reduced the number of employees.

Fig. 19 : Entrepreneur perceptions on staff and wage bill trends by region in 2020



Source: CCIMC/ H2_2020 Business survey data

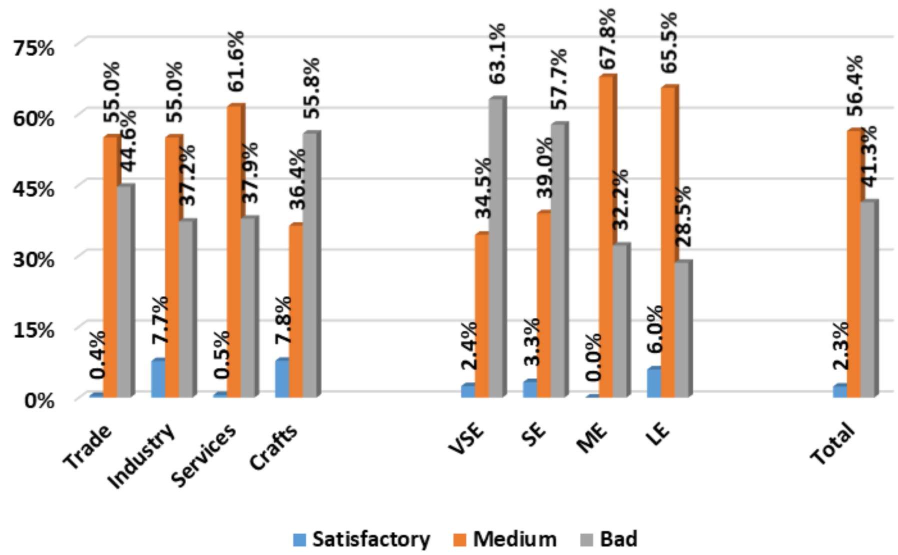
V. Cash flow

A generally poor financial situation…

According to 41.3% of the business leaders interviewed, the cash flow situation was difficult. The financial situation would have been bad with an opinion balance of 39% in 2020, especially among small businesses (with an opinion balance of 54.4%) and very small businesses (opinion balance of 60.7%).

The overall trend was observed in all sectors of activity and especially for craftsmen according to 55.8% of respondents.

Fig. 20 : Entrepreneur perceptions on cash flow trends by sector of activity and size of enterprise 2020

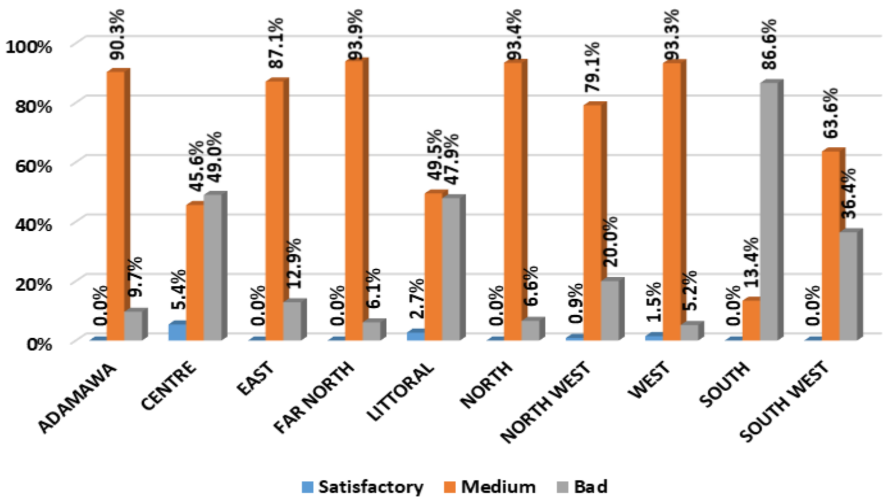


Source: CCIMC/ H2_2020 Business survey data

... especially in the southern region...

A majority of respondents (86.6%) in the South region reportedly experiend cash flow difficulties. However, in the Far North, North, West, Adamaoua, East and North West regions, cash flow was stable for more than 79% of respondents.

Fig. 21 : Entrepreneur perceptions on cash flow trends by region in 2020



Source: CCIMC/ H2_2020 Business survey data

... and as a result of a slowdown in activity and insufficient demand.

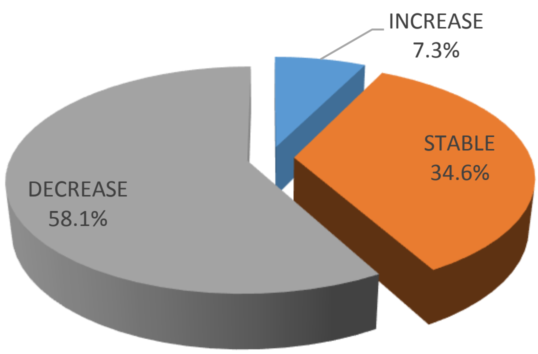
Cash flow pressures could be explained by the slowdown in activity (for 28.6% of respondents), insufficient demand (for 19.5% of respondents), debt recovery difficulties (for 13.8% of respondents), rising prices from suppliers (for 11.6% of respondents) and taxes (for 10.7% of respondents).

VI. Profit

Profits in 2020 fell for the majority of respondents ...

One of the consequences of activity slowdown as perceived by respondents would be a decline in profits overall in the year 2020. For 58.1% of respondents, profits would have decreased in 2020, while 7.3% report an increase in profits.

Fig. 22 : Entrepreneur perceptions on profit trends in 2020

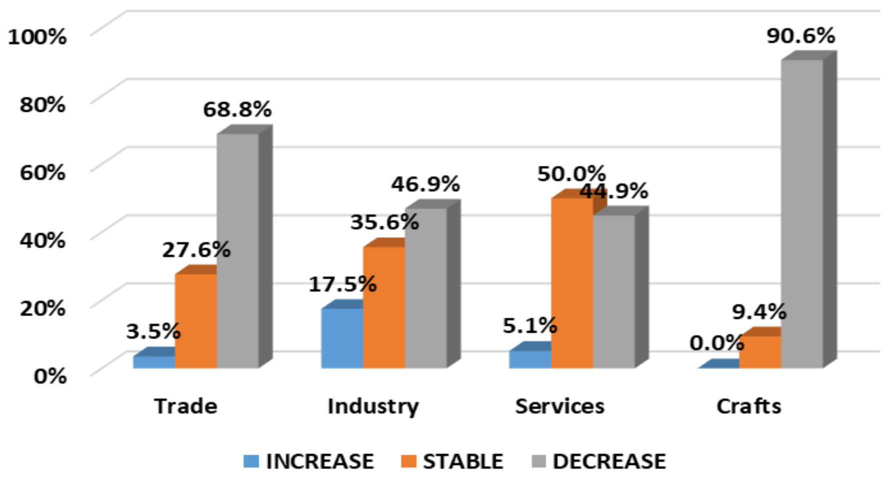


Source: CCIMC/ H2_2020 Business survey data

... especially among craftspersons ...

Profits would have fallen more among craftspersons and traders in 2020. Indeed, 90.6% of cratspersons and 68.8% of traders say that they saw their profits fall.

Fig. 23 : Entrepreneur perceptions on profit trends by sector of activity in 2020

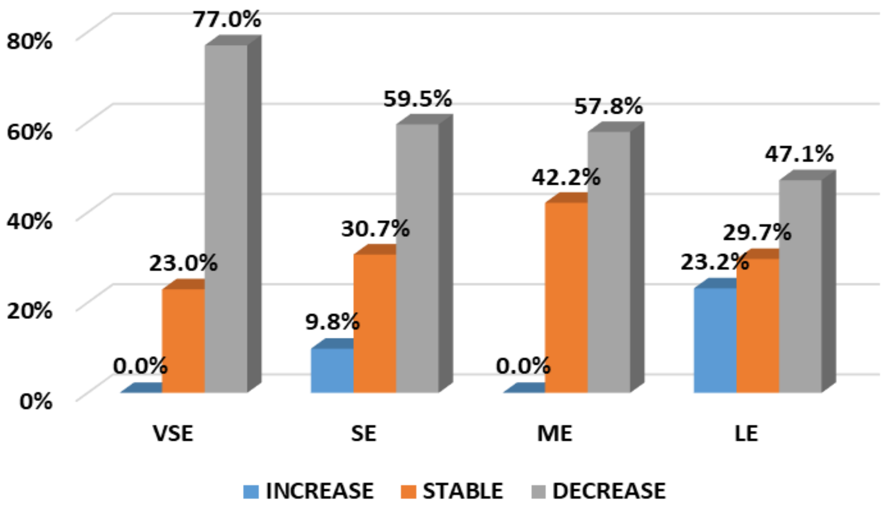


Source: CCIMC/ H2_2020 Business survey data

... and in VSEs.

The general trend of falling profits was felt in all sizes of business. Most very small companies reportedly saw a fall in profits in 2020 (77% of respondents). On the other hand, large companies (LEs) had the highest proportion of respondents reporting an increase in profits in 2020 (23.2% of LEs versus 9.8% of SMEs).

Fig. 24 : Entrepreneur perceptions on profit trends by business size in 2020



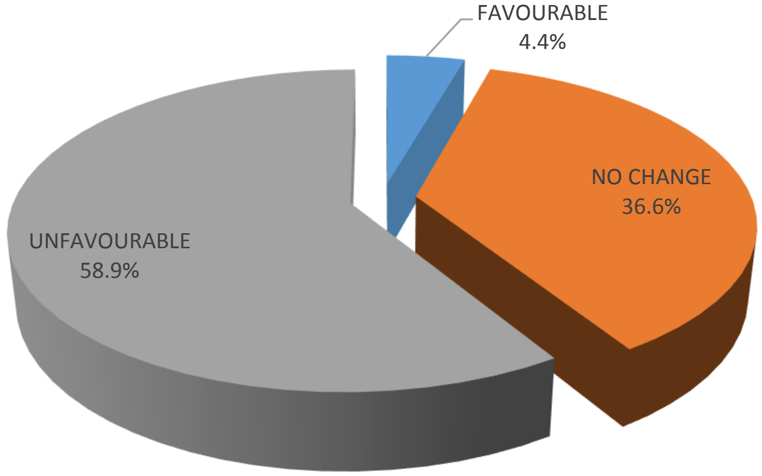
Source: CCIMC/ H2_2020 Business survey data

VII. Business climate

Unfavourable business climate in 2020.

Overall, the morale of the business leaders interviewed is not good. Indeed, with an opinion balance of 54.5%, they consider that the business climate was unfavourable in 2020. Only 4.4% of respondents said that the business climate would have been favourable in 2020.

Fig 25 : Entrepreneur perceptions on the business climate in 2020



Source: CCIMC/ H2_2020 Business survey data

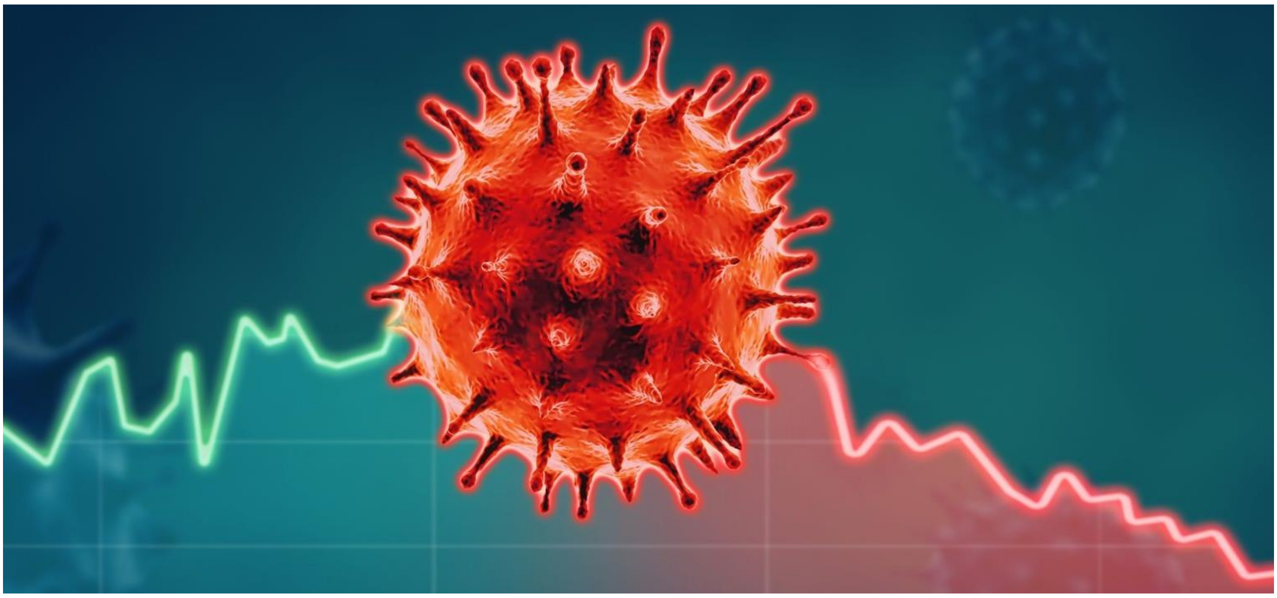
... but good prospects for 2021.

Furthermore, with an opinion balance of 5.3%, they foresee an overall better business climate in 2021, despite the pessimistic view they have of the way Cameroon is developing.

The opinions expressed were strongly influenced by COVID-19 (for 94.5% of respondents) on the one hand and by the persistence of insecurity in the North and South-West regions (70.9%) on the other.

D- POINT FOR REFLECTION

"COVID-19 AND THE COMPETITIVENESS OF THE ECONOMY AND ENTERPRISES"



Africa was not spared from the COVID 19 pandemic. Its economic impacts include: 1) sluggish economic growth; 2) widening government deficits and rising public debt; 3) declining foreign trade due to weak demand for commodities; 4) collapse of tourism and air transport; and 5) depreciation of local currencies.

The IMF estimates that African growth contracted by 3.0%, which remains an all-time low. The induced slowdown affects the real economy, consisting of businesses and their employees, and could lead to the death of many small businesses in particular, thus destroying jobs in the process.

Impact of COVID 19 on businesses

The first impact of the pandemic was the brutal interruption of supply chains with China. This brought to a halt in the activity of thousands of African companies that were dependent on spare parts or specific inputs. The Chinese and European markets closed overnight, leaving a large number of exporting companies without activity. This shutdown also affected many fast-growing companies that need access to capital to fuel strong growth.

COVID-19 compromised the competitiveness of SMEs by raising the costs of absenteeism relating to health reasons, reluctance by business owners to provide on-the-job training to their employees, and low level of qualifications of candidates for employment, who due to the health crisis were deprived of some of their teachers.

Small businesses, which are crucial to the growth of the African economy, are more likely to suffer than larger ones and are therefore more vulnerable. Small and medium-sized enterprises (SMEs) are also characterised by low productivity, limited access to financial resources, and an often negligible role in regional and global supply chains.

The International Trade Centre's (ITC) SME Competitiveness Outlook 2020 shows that, globally, two-thirds of micro and small enterprises were severely affected in their business operations, compared to about 40% of large enterprises. In Africa, two out of three companies are severely impacted by the COVID 19 pandemic, compared to an average of 55% of respondents in other continents, confirming the fragility of the African private sector[1].

Opinion surveys confirm this trend on enterprises and the various sectors of activity

More specifically, the CCI and the Permanent Conference of African and Francophone Consular Chambers (CPCCAF) assessed the impact of the COVID 19 pandemic on trade at the outset of the crisis, collecting data from over 3,000 enterprises based in 22 countries, including Cameroon.

Two-thirds of respondents were microenterprises, defined here as having 0-9 employees, 27% were small enterprises (10-49 employees), 6% were medium-sized (50-250 employees) and 3% were large enterprises (more than 250 employees). More than three quarters of the companies surveyed were service providers, of which 9% were active in tourism. The rest were in food and non-food, 16% industry and the primary sector (5%). The majority of respondents stated that they do not export.

More than 99% of the companies surveyed said they would be affected in some way by the COVID 19 crisis. The repercussions that are expected suggest an economic crisis that would be difficult to contain in the months to come.

A quarter of the respondents saw their turnover fall. The service sector remained the most affected. Eight out of ten service companies saw their sales fall, compared to around 70% of companies in other sectors.

The analyses also show that smaller companies were further weakened. Eight out of ten micro enterprises recorded a fall in sales, compared with 72% of large enterprises. Conversely, some large companies (8%) managed to record increases in sales, compared to almost none of the micro companies (1%).

One third of respondents considered going out of business, with one in five of them doing so within a month. The majority of those were SMEs: one in three said they were on the verge of bankruptcy, compared to 18% of large companies. The repercussions are likely to be particularly disastrous in the tourism sector, where almost half of all businesses could go out of business. In contrast, the majority of businesses in the non-food industry could survive: only 11% of businesses in this sector considered permanent closure.

In addition to these major economic under-performances, half of the respondents faced supply disruptions and another half experienced cash flow pressures. Three quarters of small businesses faced cash flow difficulties, compared to 47% of large businesses. This was followed by difficulties in exporting and a drop in investment for a quarter of businesses.

Companies coped with the crisis as best they could. The various strategies adopted highlight their degree of agility and resilience, and also show the degree of difficulty in adapting to a crisis of this magnitude. They opted for temporary closure of their premises (50%), short-time working for their employees (46%), rescheduling of their bank loans (12%) and distance working (9%).

They were more active in offering new goods and services (17%) and in seconding their employees to other activities. One in four SMEs was able to be agile, compared to 15% of large companies. One in five micro-enterprises considered offering new products or services, compared to 11% of large enterprises. In addition, most SMEs were able to retain staff, while one in ten large companies laid off employees. All companies were able to build on their advantages and showed resilience. Almost all of them temporarily closed their premises. On the other hand, large companies, probably better connected to the Internet, were able to make use of distance working.

In terms of sectors, the non-food industry fared best: one third of companies showed agility. One in two companies in this sector offered new products, compared to 30% or less of companies in other sectors. Although companies in the tourism sector were less agile, they were the most resilient (81%). In contrast, redundancies and the sale of company assets were more common in the primary sector.

Responses from Governments

Most governments adopted measures to mitigate the health and economic impact of the pandemic, according to the results of the CCI/CPCAF survey.

Financial assistance was the main government measure requested by a majority of companies (53%). A detailed analysis shows that temporary tax relief would most likely provide relief to medium-sized companies, as is the case for many companies. However, large companies did not appear to be in a financial emergency compared to SMEs. In order of importance, two out of three large companies would like to see employment subsidies and a tax break, and a third would like to see a reduction in import taxes, while a third of SMEs would like to see no penalties for non-payment of rent or service charges.

Metcalf, Ramlogan and Uyarra (2003) argue that a company's competitiveness is determined by its characteristics, which include:

1) Efficiency and effectiveness in the use of resources; 2) Determination and ability to invest; and 3) Ability to innovate to improve the technology and organisation of the firm, and thus become more efficient and effective. Meyer-Stamer (1995) supports the view that competitiveness comes down to the company, but is partly determined by a general context and a complex interplay between governments, companies and other actors.

In order to strengthen the competitiveness of enterprises, the predictability of the business environment is a crucial factor for decision-making. Factors such as a controlled budget deficit, low inflation and a stable and transparent monetary system, which ensure a competitive exchange rate, all help to provide the minimum stability that enterprises need to make sound decisions.

Any strategy to improve the competitiveness of enterprises must by nature tackle the difficulties that SMEs in particular face due to their size and aim to overcome the shortcomings of institutional and organisational structures in order to boost their competitiveness.

In terms of competitiveness, SMEs first need easy and cost-effective access to first-level information: scientific, technical, statistical, financial, commercial, legal and judicial information. Public and parastatal bodies have most of this information.

It is desirable to have a comprehensive view of the impact of macroeconomic policy and business environment on SMEs (particularly resilient in the face of COVID-19), which must first decide to invest in order to grow and establish their competitive advantage.

Theoretically, a microeconomic environment conducive to entrepreneurship requires, among other things, a simplified legal and regulatory framework, good governance, absence of corruption, improved access to finance and a wider supply of finance, adequate infrastructure, a large, skilled, adaptable and healthy workforce, the possibility of raising the profile of business in society at large, and the ability of firms to source inputs other than labour at competitive prices.

It is the responsibility of the government to implement a strategy to increase the competitiveness of enterprises. It is also essential to ensure policy coherence by administrations acting in a coordinated manner and in close collaboration with SMEs/the private sector and development partners.

There is a need to assess the demand of the economy for skills. Education and training systems can increase entrepreneurial activity in our country where the creation of innovative enterprises is a priority. The unconsciously instilling of the image of enterprise creation in the minds of young Cameroonians is a long-term project, the centrepiece of which is education and training.

In the future, there is need to establish statistical data on the state and health of the SME sector in collaboration with SME support institutions and the National Institute of Statistics.

E- ANNEX: THE CCIMC AT WORK IN 2020

In this section, some key actions of the Consular Chamber in 2020 will be presented. They fall under its three-year performance project (2018-2021) for the year 2020.

During 2020, despite the recrudescence of the COVID-19 pandemic, the Cameroon Chamber of Commerce, Industry, Mines and Crafts focused on the publishing of economic information, the organisation of local trade fairs, the improvement of the logistical capacities of the Pilot Incubation Centre (CIP), the renewal of the Consular Assembly, the holding of statutory meetings, the continuation and monitoring of activities to develop the Penja pepper value chain through the Standards and Trade Development Fund (STDF) programme; the preparation for the implementation of the ARCHIPELAGO Programme (Youth and Gender Connect) in partnership with the Pays de la Loire Chamber of Trades and Crafts on agri-food processing, car repair and entrepreneurship.

CCIMC's contribution to improving the business climate

Cameroon Business Forum: The Prime Minister, Joseph Dion Ngute on 22 October 2020 at the auditorium of his office in Yaounde, chaired the 11th session of the Cameroon Business Forum (CBF) on the theme: "COVID-19 proofing the business environment". The CBF is a platform for discussions between the government and the private sector. During this event, the President of the CCIMC highlighted the concerns of the private sector and several themes were also discussed. Public and private actors spoke about the economic consequences of pandemics, the impact of the coronavirus on businesses, the strategies of the private sector in the face of the pandemic, government's support measures in fiscal and financial matters in the face of the health crisis and the resilience and the prospects of the Cameroonian economy in the face of COVID-19.

Public-private sector dialogue: In 2020, despite the difficult health context, the CCIMC was able to organise a meeting between actors of the iron and steel construction materials sector. The said meeting was held on Wednesday 21 October 2020, at 10 am, in the conference room of the CCIMC head office building, located in Douala, Bonanjo, in the presence of economic operators, several public and private structures such as the Ministry of Trade, the Ministry of Industry, the Ministry of SMEs, the General Directorate of Customs, the Investment Promotion Agency, the

National Office of Industrial Free Zones (NOIFZ), and professional associations such as GICAM, the Chamber of Architects etc…

The meeting had as objective to address two concerns raised by SYNDIMAC (national union of importers and distributors of construction materials). The first concern, according to their observations, is the fact that companies benefiting from specifications import duty free certain semi-finished products such as wire rods (heading 72-13 and 72-27) which are used for the manufacture of nails and other related products, while at the same time, member companies of the Union rigorously import the same products by paying the totality of the duties and taxes required by the regulation in force, for the manufacture of similar finished products, that is to say 10% of Customs Duties and VAT at the normal rate; and second, the fact that for other iron and steel products, excluding raw materials not produced locally, the customs administration keeps imposing market values that do not take into account the realities of the international market, in a context where local companies cannot manufacture them. The recommendations of this consultation were transmitted to the Prime Minister, Head of Government.

Training of economic actors: In 2020, the CCIMC organised fourteen (14) sensitization and capacity-building actions for seven hundred and eleven (711) businesspersons, of which approximately 75% was organised by the the head office and 25% by regional delegations. These training sessions focused on various themes including "techniques and practices of Public Private Partnership (PPP) projects applied to project management"; "how to ensure the continuity of the company's activity in times of major crisis such as the COVID-19 pandemic? How to ensure the continuity of the company's activity in a period of major crisis such as the COVID-19 pandemic?"; "The importance of business plans and business model in enterprise creation"; "Innovations of the 2020 Finance Law and consequences on the development of the company"; "How does compliant and international barcode help to improve the competitiveness of business operators in the period of the COVID-19 pandemic? "; "time mangement", the organisation of the third edition of the "Pre-Installation Workshops in Cameroon (APIC)" with the support of the *Société Anonyme des Brasseries du Cameroun* (SABC), etc.

CCIMC / BMN partnership: The implementation of the joint CCIMC-BMN 2020 action plan made it possiblr for the profiling of enterprises spread throughout the country, under the Industrialization and Development of Agro-food Products Programme (PIVPA). This activity was carried out by sixty (60) trainees recruited by the CCIMC in collaboration with regional secretaries, and made it possible to profile thirty-six (36) enterprises to which support was granted.

PEA-JEUNES Programme: The partnership with PEA-jeune allowed executives of the CCIMC's PIC to participate in the committee that approved the projects of young entrepreneurs who enrolled in the programme. At the end of the session, 80 young business initiative bearers were selected, some of whom will enter incubation at the CCIMC's PIC. In addition, follow-up and support activities continued, which enabled the identification of 123 young people and 104 as being active or in the process of setting up. The 104 identified benefited from three capacity building sessions in 2020.

Technical support to enterprises and vocational structures: Technical support to project bearers and businesspersons also constituted a significant part of the consular action during the year 2020.

Pierre Castel Prize: The CCIMC ensured the organisation of the third edition of the Pierre Castel Prize, as well as the follow-up of the winner of 2019. Thanks to the consular action, a cal for applications was launched on 19 March 2020 throughout the national territory, followed by pre-qualification sessions by the juries on 26 May 2020, and selection of a winner on 6 July 2020, and the publication of results awarding an entrepreneur specializing in the processing of banana-plantain chips of a sum of ten (10) million FCFA.

Support to improve the quality of the products of the Groupement Représentatif Poivre de Penja: With the technical and financial support of the Standards and Trade Development Facility (STDF) through COLEACP, the implementing agency of the 494,876 euro grant for carrying out the STDF PG 593 "Improvement of the sanitary and phytosanitary quality of Penja pepper for its access to markets" Programme. Launched on 26 October 2019 for a period of three years, this programme entered its operational phase with the effective implementation of several activities in spite of the pandemic COVID-19. Several activities were successfully organised by the local coordination of which the CCIMC is a focal point under the supervision of COLEACP. These activities include:

- The organisation of five (5) sensitization and information sessions for actors of the pepper sector in the five (5) pepper production basins on the activities of the STDF PG 593 programme in January 2020, at a rate of one session per basin, thus enabling 193 actors to be reached, including 5% women; The conduct by a Cameroonian expert of the analysis of Sanitary and Phytosanitary risks (SPS) of the value chain which made it possible to characterize and analyze the various stages of the process of production, conditioning and distribution of the Penja pepper;

- The drafting of the sector guide of good sanitary and phytosanitary practices (guide which includes the list of technical and pedagogical tools to be developed to carry out future trainings) by two Cameroonian experts and a contracted European expert. The approval of the guide by actors of the Penja pepper sector took place on 11 November 2020 in Penja;

- The creation of a geo-localized database (2.1) of the IGPP with the help of an expert and the support of the OAPI which provided geo-localization devices;

- The organisation of the first phase of the training of trainers and facilitators from 21 to 23 December 2021 at the BONANDAM Hotel in NJOMBE.

Youth and Gender Connect Project: Following a call for proposals from the ARCHIPELAGO consortium, the Chamber of Commerce, Industry, Mines and Crafts submitted a project in partnership with the Pays de la Loire Chamber of Trades in France "Youth training programme on agri-food processing, car repair and entrepreneurship in Cameroon called Youth and Gender Connect". The said project was selected and granted four hundred and ninety-nine thousand nine hundred and sixty (499,960) Euros to train in dual mode (training centre, enterprises) at least 480 young people particularly return migrants aged between 15 and 40 years old, for a period of 24 months starting from September 2020. From 11 to 16 December 2020, teams from the ARCHIPELAGO programme coordination were deployed in the cities of Douala, Bafoussam, Yaoundé and Ngaoundéré in order to sensitise and inform about 417 potential participants in the programme, including: managers of agri-food processing units, car garages, training centres and the administrative authorities concerned.

Similarly, seven (7) workshops to identify the needs of actors in these two trades helped to understand their needs in capacity building, specify the prerequisites and prioritise the dual training needs. A total of 214 (two hundred and fourteen) actors in the automotive repair and agri-food processing trades actually participated in the workshops in the four target regions.

With a view to recruiting learners for the first year of the programme, a call for applications No. 0001/CCIMA/SG/DAPE/DAPEA of 20 December 2020 was launched in the Cameroon Tribune newspaper, then published on social networks and other communication channels.

Production and dissemination of economic documents: Delivered at the end of 2020, the economic situation report for the second half of 2019 was drawn up based on the analysis of data derived from 300 questionnaires administered in April 2020 despite the delicate health situation. Given the health situation, surveys of the economic situation report for the first half of 2020, coducted during the last quarter of 2020, were coupled with surveys to monitor the impact of COVID19 on business development in Cameroon. The approval of this report by the CCIMC's Scientific Committee will take place during the first quarter of 2021.

The report on the economic situation in Cameroon in 2019 was produced, approved by the Scientific Committee of the CCIMC Economic Observatory and disseminated via the various digital platforms. It was printed in paper form in December 2020. The focus of this edition was on the theme: "AfCFTA, challenges, opportunities and prospects".

It should be noted that for reasons related to the health situation, the CPCCAF suspended the production of SME barometer. In addition, the number 25 of "*La Chambre*, special consular election 2020" magazine was produced and disseminated by the Communication Unit.

Update of the CCIMC business database: Two hundred and forty-six (246) companies were registered in the business database. The breakdown by section is as follows: 49% for service companies; 30% for trade companies; 17% for industrial companies and 10% for craft companies.

Trade promotion and international cooperation: Activities carried out both locally and externally within the framework of trade promotion missions are mainly aimed at finding outlets for products and services for Cameroonian companies. These actions, which are based on the maintenance of a mutually beneficial cooperation with foreign partners, give a near-monopoly to consular chambers which are confronted with an increasingly aggressive institutional and private competition. Unfortunately, with the closure of borders following concerted actions to limit the spread of the coronavirus, the holding of trade events was strongly impacted.

The organisation of trade events in the regions was mainly aimed, in the light of decentralisation, at the business promotion of regional products and services. To this end, terms of reference for the activity were drafted, but the activity was not implemented due to the health situation.

During 2020, the CCIMC designed a new concept of "made in Cameroon" promotion which should be deployed in the coming months depending on the evolution of the coronavirus pandemic.

The International Investors Forum (F2i): Initiallty scheduled to be held in October 2020, on the theme "The recovery of investment after the COVID-19 health crisis: What mechanisms and support tools?" in the conference room of « La falaise Diamond » in Douala-Bonanjo with Pakistan as guest of honnor, the F2i was postponed to November 16-18, 2021, due to the emergence of new variants of the virus and thus making travel impossible for the expected foreign partners, but also due to low registration of participants on the platform, both on the part of project bearers and financing institutions. An agreement was proposed to Cameroonian credit institutions so that they can take ownership of the platform and run it. Several tasks were already carried out (putting the state of preparations at 60%) with regard to the organisation of this event: the signing of cooperation agreements between the CCIMC and RUBY ENTREPRISE Sarl, on the one hand, for the hosting of a multisectoral Pakistani mission composed of public and private economic actors and, on the other hand, with ALCOBEES, based in France, for the mobilisation of Russian investors and certain European companies; the creation and the launching of a website dedicated to the Forum (www. f2icameroon.com); the design of communication and sensitization materials for potential participants; the referral and sensitization of targets with a view to organising B2Bs and discussions, etc.

International Cooperation: Concerning cooperation activities with international partners (CCI Sfax, Maroc Export, UPMI, CCI Johannesburg,), it is worthnoting that the CCIMC registered and effectively participated in the sessions of the 36th meeting of the ICCIA which was held by videoconference on 5 September 2020. A draft Partnership Agreement between the Union of Chambers and Commodity Exchanges of Turkey (TOBB) and the Chamber of Commerce, Industry, Mines and Crafts (CCIMC) is under preparation and signature is imminent.

Renewal of CCIMC members in 2020: Following decision No. 007328/MINMIDT/CAB/CE of 7 May 2020 of the Minister of Mines, Industry and Technological Development, President of the Electoral Commission to convene the electorate, businesspersons went to the polls on 7 July 2020 for the election of members of the CCIMC's Plenary Assembly. One hundred and twenty-two thousand two hundred (122,200) voters were called to elect members of the CCIMC divided into nine (9) sub-sections namely, Crafts Production, Crafts Services, Medium and Large Businesses, Very Small and Small Businesses, Mines, Water, Energy and Public Works, Medium and Large Industries, Small Industries, Medium and Large Businesses and Small Businesses.

Following the publication by the Electoral Commission on 17 July 2020 by decision No. 000322/MINMIDT/CAB/CE on the publication of the final results of the elections of 7 July 2020 for the renewal of CCIMC members, the President of the Republic proceeded to the appointment of Mr Christophe EKEN, as President of the new elected Chamber for the term 2020 - 2024, on 7 August 2020 by decree No. 2020/409. The installation of members of the new mandate by the Minister of Mines, Industry and Technological Development took place on 24 September 2020, in Douala at the Hôtel la Falaise in Bonanjo.

Meeting of the Executive Bureau: Two meetings of the Executive Bureau were organised in 2020, the first on 9 January 2020, focusing on the approval of the 2019 accounts, the 2019 budget and the CCIMC strategy documents for the year 2021.

The second meeting of the Executive Bureau took place on 25 September 2020, the day after the installation of the newly elected Chamber and focused on the approval of the strategy documents for the 2021 budget year.

Plenary Assembly: Three Plenary Assemblies were held in 2020. The first Plenary Assembly was held on 10 January 2020 at the PRINCE DE GALLES Hotel, for the year 2019. During the session, which focused on accounts, the 2020 performance project was approved, the draft programme budget for the 2020 financial year was adopted and the administrative account and the management account for the 2018 financial year were also approved. The Directorate of Economic Studies and Information briefed members on the theme "Positioning African industry to supply the AfCFTA market".

A second, Constitutive Assembly, was held on 24 September 2020, following the proclamation of the results of the list elected at the end of the July 2020 elections and the appointment of the President of the CCIMC. New members were installed and CCIMC governing bodies were composed.

The third session, which was also an accounts session, was held on 25 September 2020 and saw the approval of the activity, performance and budget execution reports as at 31 August 2020 on the one hand, and the approval of the performance projects and the 2021 budget on the other. On the same occasion, the administrative accounts were also approved.

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