



## Factsheet on the Economic Partnership Agreement

# UE-CENTRAL AFRICA (CAMEROON)

May 2021

### 1. State of Play

Cameroon and the EU agreed an Economic Partnership Agreement (EPA) on 17 December 2007. The EPA was approved by the European Parliament on 13 June 2013 and ratified by Cameroon on 22 July 2014. Provisional application became effective as from 4 August 2014.

This agreement has provided Cameroon with unprecedented free access to the EU market for all its products. These include bananas, aluminium, processed cocoa products, plywood and other fresh and transformed agricultural products. It was negotiated primarily to prevent a disruption of Cameroon's exports to the EU after the trade provisions of the Cotonou Agreement expired on 31 December 2007. For its part, the EU has benefited from a gradual liberalisation of its products on the Cameroon market since 4 August 2016.

Negotiations for a comprehensive EPA with the whole Central Africa region<sup>1</sup> were launched in 2003. The EPA implemented between the EU and Cameroon is a step towards this full regional agreement. Indeed, it offers the possibility to diversify and deepen the partnership according to the needs and objectives of its beneficiaries. Its vocation being regional, it is open to any country or group of countries of the region interested in acceding to it<sup>2</sup>.

With the exception of Congo (Brazzaville), Equatorial Guinea and Gabon, these countries are "Least developed countries" (LDCs) currently enjoying free access to the EU market under the "Everything But Arms" (EBA) initiative. Since 1 January 2008, Congo (Brazzaville) has benefited from the "Generalised Scheme of Preferences" (GSP). As upper-middle income countries according to the World Bank classification, Gabon (since 2014) and Equatorial Guinea (since 2021) can no longer benefit from any preferential regime for their exports to the EU. Only the EPA would offer these three Central African countries free access for their exports to the EU market without any time limit.

*This fact sheet describes the content of the Economic Partnership Agreement. It does not in any way replace or interpret the provisions of this agreement.*

<sup>1</sup> Cameroon, Central African Republic, Chad, Congo, Democratic Republic of Congo, Equatorial Guinea, Gabon, Sao Tome y Principe.

<sup>2</sup> From a legal point of view, this EPA is a regional agreement but on the Central Africa side, only Cameroon has signed it so far.

## 2. Main features of the EPA

### *Trade in goods*

The provisions on Trade in Goods cover:

- Duty-free, quota-free access to the EU for all imports of goods “originating” in Cameroon<sup>1</sup>;
- An asymmetric and gradual opening of Cameroon’s market to goods “originating” in the EU, taking full account of the differences in levels of development between Cameroon and the EU (see below);
- A chapter on trade defence with bilateral safeguards allowing each party to reintroduce duties or quotas if imports from the other party disturb or threaten to disturb their economy;
- A chapter on Technical Barriers to Trade (TBT) as well as Sanitary and Phytosanitary (SPS) measures, to help Cameroonian exporters meet EU standards, and;
- A chapter aimed at facilitating trade through measures such as more efficient customs procedures and better cooperation between administrations (as well as between administrations and businesses).

### *The categories of goods subject to tariff dismantling*

Thanks to the EPA, all imports of goods originating in Cameroon enter the EU duty-free and quota-free since 1 January 2008 and without time limit. In return, Cameroon is gradually eliminating import duties (“tariff dismantling”) on 80% of imports of goods originating from the EU over a period of 15 years.

The progressive elimination of import duties started in Cameroon on 4 August 2016 with respect to EU products (inputs) used by Cameroon’s industries and not produced locally, such as industrial machines (pumps, generators, turbines, etc.), electrical equipment (transformers, capacitors, resistors, etc.) and certain chemicals. Since 4 August 2019 these goods, if originating from the EU, are no longer subject to import duties when exported to Cameroon. A gradual tariff elimination was launched by Cameroon in August 2017 for a second category of products originating from the EU (mainly transport and construction material), and in January 2021 for a third category of products (consumer goods not produced locally, such as passenger cars, raw materials such as wheat and starch). Eliminating import duties on these categories of products originating from the EU and not produced locally will reduce the costs of inputs for local businesses and will also benefit consumers.

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<sup>1</sup> Cameroon and the EU are currently negotiating a common reciprocal regime governing rules of origin, which will constitute a Protocol annexed to the EPA. In the absence of this protocol, a product exported to the EU can be considered “originating” in Cameroon, and therefore benefit from the EPA, on the basis of the rules of origin of Regulation (EU) 2016/1076 on access to the EU market. On the other hand, a product exported to Cameroon can be considered “originating” in the EU based on the rules of origin applicable to products imported from the EU according to Cameroonian law (notably, Decree 2016/367 of 3 August 2016, which contains rules practically identical to the EU Regulation).

### ***The category of goods excluded from tariff dismantling***

To ensure the protection of certain sensitive agricultural markets and industries but also to preserve fiscal revenues, the EPA allows Cameroon to maintain import duties on a fourth category of products. This category of products (excluded from tariff dismantling) includes several agricultural and non-agricultural consumer goods such as most types of meat, wines and spirits, malt, milk products, flour, certain vegetables, wood and wood products, used clothes and textiles, paintings, and used tyres.

### ***Development cooperation***

In order to be able to take full advantage of the EPA's trade preferences, the agreement has also a cooperation component. The EU in collaboration with the Cameroonian Government and private sector has identified priority areas of development cooperation to accompany the implementation of the EPA. The main areas identified are:

- Development of basic regional infrastructure;
- Agriculture and food security;
- Industry, diversification and competitiveness of economies;
- Strengthening of regional integration;
- Improvement of the business environment; and
- Supporting Implementation of trade-related rules.

### ***EPA administration***

The EPA Committee – the joint institution responsible for EPA implementation – supervise the agreement and give practical expression to the dialogue between the partners (EU and Government of Cameroon, private sector, civil society) in the area of trade and aid for trade and development. Since its creation, the EPA Committee has taken several decisions concerning its organization and rules of procedure, the access of Croatia to the agreement, the updating of market access commitments and timeline, dispute settlement mechanism and rules. The fifth EPA Committee meeting took place on 26-27 April 2021.

#### ***Main features of the EU-Central Africa Trade***

##### **Central Africa trade in goods (2020)**

Total exports: \$43,913 mio; exports to EU: €5,750 mio  
Total imports: \$29,803 mio; imports from EU: €4,656 mio

The EU is a major trading partner of the Central Africa region. The trade balance between the EU and Central Africa shows a surplus in favour of Central Africa. The main EU exports are industrial goods and vehicles. Central Africa's main exports are oil (over 42% of Central Africa exports), raw minerals (copper), wood, diamonds, aluminium, and agricultural tropical products (cocoa, bananas, rubber, coffee). Agricultural products (raw and processed) are mainly exported by Cameroon.

##### **Cameroon trade in goods (2020)**

Total exports: \$4,011 mio; exports to EU: €1,663 mio  
Total imports: \$5,760 moi; imports from EU: €1,451 mio

In Central Africa, Cameroon is the first EU trade partner (more than 1/4 of the total EU trade with the region). For Cameroon, EU is the first trading partner for imports (28%) and for exports (44%<sup>2</sup>).

Source: IMF Dots, Eurostat

<sup>2</sup> Based on IMF Dots data

For the latest state of play, please see:

<http://ec.europa.eu/trade/wider-agenda/development/economic-partnerships/negotiations-and-agreements/#central-africa>

For general information on the EPAs see:

<http://ec.europa.eu/trade/wider-agenda/development/economic-partnerships/>