



Factsheet on the Economic Partnership Agreement*

UE-CENTRAL AFRICA (CAMEROON)

June 2017

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.

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. The first EPA Committee meetings (May 2015 and December 2016) established the first decision of the EPA Committee regarding its organisation and rules of procedure and have initiated discussions for updating and deepening the agreement.

Negotiations for a comprehensive EPA with the whole Central Africa region¹ 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 it². The other seven countries in the region are currently studying the possibility of joining Cameroon and acceding to the stepping stone agreement.

* 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.

¹ Cameroon, Central African Republic, Chad, Congo, Democratic Republic of Congo, Equatorial Guinea, Gabon, Sao Tome y Principe,

² 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.

With the exception of Congo (Brazzaville) 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 has benefited from the "Generalised Scheme of Preferences" (GSP). Gabon, classified by the World Bank as an "Upper Middle Income" (UMI) country, has no longer enjoyed preferential access to the European market since 1 January 2014. Only an EPA will offer Congo and Gabon free access to the European market without any time limit.

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 from Cameroon as of 1st January 2008;
- An asymmetric and gradual opening of its market to EU goods, 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).

Goods liberalised in the EPA

All imports from Cameroon enters the EU duty- and quota-free since 1 January 2008 and without time limit. This is an improvement compared to the previous Cotonou trade regime. In return, Cameroon will liberalize 80% of imports from the EU over 15 years.

Imports from the EU, the liberalisation of which was initiated by Cameroon on 4 August 2016, are mainly industrial machines (pumps, generators, turbines, etc.), electrical equipment (transformers, capacitors, resistors, etc.) and certain chemicals. These are mostly inputs used by Cameroon's industries which are not produced locally. Eliminating import duties will reduce the costs of inputs for local businesses and will also benefit consumers.

Goods not liberalised in the EPA

Cameroon has excluded a number of agricultural and non-agricultural processed goods from liberalisation of EU imports, mainly to ensure the protection of certain sensitive agricultural markets and industries but also to maintain fiscal revenues.

The excluded products include 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.

Other elements

There is a detailed dispute settlement mechanism to support effective implementation of the agreement. New, improved rules of origin are currently under negotiation and will be annexed to the EPA as soon as possible. In the meantime Cameroon benefits from the general EPA improved rules of origin included in Council Regulation 2016/1076 (ex 1528/2007) on EU market access. The agreement also maintains the possibilities under the Cotonou agreement regarding the adoption (by either party) of measures deemed appropriate concerning human rights, democratic principles, the rule of law, serious cases of corruption.

Development cooperation

Development cooperation provisions make the link with EU policy and its instruments for development cooperation. They identify 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.

Main features of the EU-Central Africa Trade

Central Africa trade in goods (2016)

Total exports: 20,817 mio€ exports to EU: 6,321 mio€
Total imports: 16,773 mio€; imports from EU: 5,331 mio€

The EU is the main trading partner of the Central Africa region (about 1/3 of total trade). 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 61% 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 (2016)

Total exports: 2,888 mio€; exports to EU: 1,579 mio€
Total imports: 5,107 mio€; imports from EU: 1,557 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 (31%) and for exports (55%).

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/>