

Factsheet on the Economic Partnership Agreement

EU-CENTRAL AFRICA (CAMEROON)

OCTOBER 2019

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.

Regional perspective

Negotiations for a comprehensive EPA with the whole Central Africa region 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.

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 enter 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 (until 2029).

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. Tariffs for these imports have by now been removed by 100% on 4 August 2019, they are mostly inputs used by Cameroon's industries which are not produced locally. In 2017, tariff reduction for a second category of products has been launched. This category includes goods such as transport and construction material. Tariffs on these goods have been reduced by currently 45%. 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

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.

For general information on the EPAs see:

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