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TRADE POLICY REVIEW

CAMEROON

Minutes of Meeting

Chairperson: H.E. Mr. Pekka Huhtaniemi (Finland)

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Note: The advance written questions from WTO Members and the answers provided by the delegation of Cameroon are contained in document WT/TPR/M/87/Add.1.

I. INTRODUCTORY REMARKS BY THE CHAIRPERSON

1. The second Trade Policy Review of Cameroon was held on 18 and 20 July 2001. The Chairperson welcomed the delegation of Cameroon, led by H.E. Mr. Bello Bouba Maigari, Minister for Industrial and Trade Development, and the discussant, H.E. Mr. Jaynarain Meetoo (Mauritius). As usual, the discussant would speak in his personal capacity and, in accordance with established procedures, he had made available in advance a broad outline of the themes he intended to raise (document WT/TPR/D/66).

2. The Chairperson recalled the purpose of the Trade Policy Reviews and the main elements of the procedures of the meeting. The Report by the Government of Cameroon was contained in document WT/TPR/G/87 and that of the Secretariat in document WT/TPR/S/87. Copies of advanced questions, submitted by Hong Kong, China; Japan; the European Union; Canada; the Republic of Korea; and the United States, were transmitted to the delegation of Cameroon (Annex I). Written responses provided by the delegation of Cameroon to these and other questions are reproduced in Annex II.

II. OPENING STATEMENT BY THE REPRESENTATIVE OF CAMEROON

3. The representative of Cameroon recalled that since February 1995, the date of the first Trade Policy Review of Cameroon, the overall situation of the Cameroonian economy had changed considerably, going from a situation of crisis to an indisputable recovery in all sectors. This recovery was due to the determination of the Government to introduce adjustment policies with the assistance of the international funding agencies.

4. The economic, legal and institutional reforms that had been introduced, not without difficulties for the people and for the State, had centred on: (i) the liberalization of the economy so as to create a successful, competitive market economy; (ii) reduced State involvement in the trade-related sectors of the economy and in the petroleum sector and the coffee/cocoa sector; (iii) the reform of trade practices through the elimination of non-tariff barriers with the abolition of quantitative restrictions on imports and export licences and authorizations; (iv) the reorganization of the general price system through the establishment of free pricing; (v) the adoption of laws on competition, dumping and metrology controls; (vi) the reorganization of the following sectors: ports, electrical energy, telecommunications, hydrocarbons and government procurement. Cameroon had also adhered to the Organization for the Harmonization of Business Law in Africa (OHBLA) Treaty, and adopted the subregional investment charter, while the national charter was in the final stages of preparation.

5. The sectoral reforms had included: (i) the restructuring of the banking and financial sector through the effective application of the measures of the Central African Banking Commission (COBAC) for the banks and of the Inter-African Conference on Insurance Markets (CIMA) in the case of insurance; (ii) improvements to the exchange markets; (iii) the establishment of a stock exchange in Douala; (iv) the creation of a single-window facility so as to speed up customs and taxation formalities; (v) tax and customs reform characterized, *inter alia*, by the simplification of the common external tariff and the introduction of value added tax (VAT); (vi) the adoption of a new, more flexible labour code; and (vii) substantial changes in the fields of telecommunications, transport, agriculture, forestry and the environment.

6. The notifications sent to the Secretariat on 17 July 2001 reflected these reforms; they concerned: (i) anti-dumping action; (ii) trade-related investment measures; (iii) trade-related aspects of intellectual property rights; (iv) technical barriers to trade; (v) import licensing procedures; (vi) safeguard measures.

7. The proactive policy pursued by the Government and the determination of the people had led to the recovery of the Cameroonian economy and a surplus on the balance of trade. This recovery had been aided by a political environment respectful of the principles of freedom and governance based on compromise, reconciliation and the shared management of the national wealth. In addition, with a view to combating corruption, an anti-corruption monitoring unit had been set up within the Prime Minister's Office.

8. Actions carried out within the Central African Economic and Monetary Community (CEMAC), the ACP countries, in partnership with the European Union, and the WTO contributed to the conviction that liberalized, open and fair international trade was a genuine vehicle for development. As a keen advocate of international trade and a founding member of the main bodies responsible for its promotion, Cameroon, like other developing countries, was concerned at the weakness and fragility of its economy and played an active role in promoting liberalization that would help to develop trade and improve people's living standards.

9. Strengthening of the capacities of human, material and financial resources was essential for the developing countries. The Poverty Reduction Programme (2001-2003) sought to create conditions for sustainable development and pursued the following objectives: (i) to achieve an annual growth rate in the GDP of 7 per cent; (ii) to strengthen the national industrial fabric so as to improve the quality and added value of exports; (iii) to find new export products that could act as engines of growth. The resources allocated under the Heavily Indebted Poor Countries (HIPC) Initiative would finance the social dimension.

10. A Committee responsible for following up the implementation of the WTO Agreements and ensuring legislative and regulatory conformity with the commitments undertaken under these agreements have been established by the Prime Minister so as to facilitate the integration of Cameroon into the multilateral trading system. This Committee was encountering enormous difficulties owing to the inadequate equipment for data and information processing and the lack of trained staff. This situation explained the limited results of the evaluation of the impact of the WTO Agreements on the Cameroonian economy and the lack of training and information on the part of economic actors in Cameroon. Cameroon had requested technical assistance from the WTO in this field.

III. STATEMENT BY THE DISCUSSANT

11. The discussant, Mr. Jaynarain Meetoo (Mauritius), noted that over a period of about 20 years the Cameroonian economy had enjoyed the development of its industrial production, its agricultural exports and its petroleum resources and for a decade it had an annual economic growth rate of 7 per cent. Unfortunately, from 1985/86 onwards the economic situation of the country had deteriorated dramatically not only on account of external factors (fall in the prices of coffee, cocoa, cotton and petroleum, a steep fall in the terms of trade and the overvaluation of the CFA franc), but also on account of internal factors (over-dependence on revenue deriving from petroleum, the accumulation of foreign debts, and the corruption and inefficiency of the judicial system).

12. Despite the lack of investment in the infrastructure and the social sectors that were the consequence of this depression, the Government had pursued a courageous policy of economic and monetary adjustment accompanied by structural reforms directed towards: (i) macroeconomic stability; (ii) restructuring of the public finances; (iii) economic liberalization; (iv) greater transparency in the judicial system; and (v) improved access to export markets. The Three-Year Economic Programme (1997-2000) put this new strategy into effect and had produced positive results, in particular a growth rate of 4.7 per cent, an inflation rate reduced to 3.6 per cent and primary fiscal surpluses.

13. However, it was accompanied by a rapid increase in levels of poverty, declining school enrolments, failing healthcare and heavy public expenditure. The crushing foreign debt had forced the authorities to appeal to the Paris Club for it to be rescheduled and to the Bretton Woods institutions for it to be reduced under the enhanced Heavily Indebted Poor Countries (HIPC) Initiative. Certain questions arise: (i) why had the authorities not taken advantage of the two decades of sustained growth prior to the depression in order to consolidate the economy and protect it from internal and external shocks? (ii) how could school enrolment and health have experienced such serious setbacks in a country where there had been neither conflict nor civil war? (iii) how are we to explain this state of impoverishment in which poor people make up slightly over half the population?

14. The adoption of the Poverty Reduction Programme for 2001-2003 was evidence of the Government's commitment in planning: (i) the elimination of quantitative restrictions on imports and exports; (ii) the reorganization of the general price system; (iii) the promotion of fair and healthy competition; (iv) the liberalization of the petroleum sector and the coffee and cocoa sectors; and (v) the reform of the ports sector.

15. The reorganization of the tax and customs systems had been marked by a broadening of the tax base, the reduction of tax exemptions, greater efficiency in the operation of the taxation and customs authorities, the reduction of taxes levied on trade, the abolition of the tax on the export of products other than forestry products, and the introduction of VAT in place of the turnover tax. However, these measures could only bring successful results if the external environment remained favourable and if their implementation was constantly assessed.

16. The report by the Secretariat had pointed out that there was no national independent statutory body periodically to review the Government's economic and trade policies. The discussant wondered whether the Cameroonian authorities were envisaging the establishment of such an advisory and research body; and how the Cameroonian Government intended to promote the development of the private sector.

17. Cameroon's membership of CEMAC appeared largely to determine its trade policy and practices, although in this respect the report by the Secretariat had noted that trade between Cameroon and its CEMAC partners was low as compared with the trade flows between Cameroon and its main trading partners. The discussant wondered what measures were envisaged so as to increase trade with the neighbouring countries; and what benefits accrued from Cameroon's membership of CEMAC.

18. Cameroon had taken various initiatives to encourage foreign investment, estimated at 274 million dollars or 3 per cent of GDP. In 1996-97 foreign investment had also helped to finance capital installation and to introduce modern technology and management techniques. However, it had decreased in volume in the following years and had been used to finance the current accounts deficits. What were the reasons behind such a change of approach?

19. Measures to stimulate foreign investment, such as price liberalization, the introduction of competition laws and legal reform, had also been taken. OHADA, whose aim was to re-establish the legal and judicial certainty of economic activities and to restore the confidence of investors, played an important role in legal reform and in the reform of the legal framework of business. Praise was also due to the efforts of the Cameroonian Government to improve the management of public expenditure and governance, to ensure greater transparency and accountability and reduce corruption through the national governance programme devised with the assistance of UNDP.

20. Cameroon was a founding member of the WTO and granted MFN treatment to all its trading partners. A National Technical Committee to follow up the WTO Agreements and to assess their impact on the national economy had been established. Cameroon had benefited from transition periods to implement a number of its WTO commitments and had requested waivers for customs valuation.

21. In addition, a committee to assess the damage caused to local producers by subsidized imports had been established. At the end of 2000 Cameroon had still not notified the WTO of the legislative and regulatory framework in force for anti-dumping or countervailing measures. Stet hoped that that omission had been rectified in the meantime. There was also a law on safeguard measures, but at the beginning of 2001 Cameroon had still not notified that law to the WTO. In April 2001 Cameroon had likewise not notified the WTO of its technical barriers to trade.

22. Cameroon had called for increased technical assistance with regard to SPS measures, technical regulations and standards, and testing and certification procedures. That request should be supported unreservedly. Cameroon had pointed out that being part of the multilateral system required greater consistency and synergy between trade policies so as to prevent the marginalization of the developing countries and encourage greater transparency in the working methods of the WTO. That was a view which the discussant shared. Being himself from an ACP State, he also shared Cameroon's feelings regarding the need for the WTO to take account of the particular characteristics of the countries whose markets were seriously disrupted by the erosion of trade preferences, such as those provided for under the Cotonou Agreement. There was a need therefore to evaluate the socio-economic impact of the WTO Agreements and examine the new conditions of market access.

23. Agriculture accounted for more than 30 per cent of GDP and provided employment for about 68 per cent of the working population. Exports, such as cocoa, coffee, cotton, bananas and timber accounted for some 23 per cent of total exports. Since 1994 agriculture had been the subject of reforms, involving privatization and the elimination of quantitative restrictions on imports and exports. Tariff protection was 23 per cent and was above the overall tariff average of 18.3 per cent. Many privatizations had also been carried out in the agro-industrial sector with a view to improving competitiveness, increasing farmers incomes and reducing poverty. However, two problems could well hold back Cameroon's development: (i) the inadequacy of the road network which hindered trade flows between the urban and rural areas; and (ii) the closure in 1997 of *Crédit Agricole du Cameroun*. He would have liked to know what the Government was intending to do to remedy these two problems.

24. Forests covered an area of 22 million hectares, but only one third was exploited. He wondered whether that was due to a lack of foreign investment. The development of that sector could have encouraged job creation. Moreover, in that sector there were restrictions on exports, which, according to the estimates of wood exporters, represented a loss of CFAF 35 billion. The authorities

could speed up the reforms so as to increase the incomes from business in this sector, while maintaining the environmental balance, and might think seriously about the possibility of strengthening the various institutions responsible for following up, evaluating and implementing the forestry policy.

25. Cameroon's major export commodity was petroleum, but the country also had bauxite, rutile and uranium, three resources which were not sufficiently exploited on account of the lack of infrastructure and investment. Cameroon's oil production had steadily declined, mainly on account of the limited exploration efforts by private investors. Moreover, the over-dependance on one non-renewable resource, such as petroleum, was dangerous for the economy of the country and thus the diversification of the extractive industries was necessary.

26. The manufacturing sector was relatively undeveloped, accounting for around 14 per cent of GDP and employing 7 per cent of the working population. A strategy to promote and develop the manufacturing sector had been adopted in June 2001. He would like to know the main features of that strategy.

27. The services sector accounted for 40 per cent of GDP and employed more than 15 per cent of the working population of Cameroon. However, the deterioration of the infrastructure and the mismanagement of some State-owned enterprises meant that the results were far from satisfactory; hence the measures taken by the Government, such as the privatization of enterprises, the elimination of restrictions, the liquidation and recapitalization of banks, the reinforcement of regulatory and supervisory capacity, the modernization of banking instruments and the restructuring of the insurance sector.

28. Tourism had the potential to become one of the pillars of the Cameroonian economy. Cameroon had entered into undertakings with regard to tourism and travel services under the GATS, but had not taken part in the WTO negotiations on basic telecommunications. The Ministry of Posts and Telecommunications had been reformed and privatization efforts had begun.

29. Road, maritime, air or rail transport was of vital importance in increasing the competitiveness of the Cameroonian economy. The Government of Cameroon had undertaken measures with a view to the restructuring of the ports, the reorganization of the national railway company, the allocation of financial resources for road maintenance, privatization, the promotion of competition and the participation of the private sector.

IV. STATEMENTS BY MEMBERS OF THE TRADE POLICY REVIEW BODY

30. The representative of Hong Kong, China said that his country was ready to support the technical assistance activities with regard to the implementation of the WTO Agreements. The bound rates only covered three non-agricultural products; in addition, they were higher than the applied rates. Hong Kong, China would like to see the tariff binding extended to non-agricultural products and the margin between the bound rates and the applied rates reduced. He went on to urge Cameroon to adhere to the Plurilateral Agreement on Government Procurement, to abolish the price preference of 20 per cent granted to local suppliers and to undertake further commitments in the context of the negotiations on services.

31. The representative of Japan pointed out that his country had already offered its technical support with regard to the development of human resources. Japan had inaugurated, with UNDP, a project to expand the use of information technology in Africa and in Cameroon within the framework of the meeting of the second Tokyo Conference on African Development (TICAD II) in 1998.

32. Japan would have liked to have seen the binding of Cameroon's customs duties extended to a greater number of products, and wished to know whether there were plans to do so. The replacement of the Brussels Definition of Value with the adoption, as of 1 July 2001, of the Agreement on Customs Valuation should enable the Cameroonian customs system to become neutral, equitable and transparent. The single-window facility for customs formalities, established in December 2000, was also appreciated. However, further efforts needed to be made to ensure that goods were not delayed and to reduce the time required for customs formalities.

33. Japan shared the priority that Cameroon attached to food security through the increase in agricultural production. Exports of unprocessed timber were still subject to restrictions; Japan would have liked to know: (i) whether that measure was consistent with Article XI of the GATT and (ii) what system was in force to supervise the production and marketing of wood. Japan was ready to undertake further cooperation with Cameroon in the pursuit of sustainable development.

34. The representative of the European Union (EU) drew attention to the main objective of the Cotonou Agreement signed in June 2000, namely the reduction of poverty, and recalled that EU aid was directed towards the reform of the coffee and cocoa industries, the transport sector and the maintenance of the road infrastructure, decentralization, governance and the health sectors.

35. The members of CEMAC had not yet initiated the regional reforms necessary for the establishment of an operational common market in Central Africa. Cameroon had still to apply the CEMAC Common External Tariff (CET) to third countries and a generalized preferential tariff to CEMAC member countries, conclude an agreement on internal taxation and apply the competition policy adopted within CEMAC or even the subregional investment charter. The EU urged Cameroon to continue the implementation of reforms within the process of regional integration and to take on a leadership role in this process.

36. Technical assistance was necessary for the implementation of WTO commitments and in order to facilitate the integration of Cameroon into the multilateral trading system. The EU would like to have information on trade between Cameroon and its CEMAC partners and further details on the liberalization of services. The EU would also like to have specific information on Cameroon's Investment Code, in particular on the system of financial incentives and their relationship with the Agreement on Trade-Related Investment Measures. The EU would also like to have details regarding the entry into force of the Agreement on Customs Valuation as of 1 July 2001, while at the same time welcoming Cameroon's intention to adhere to the Multilateral Agreement on Government Procurement. The EU urged Cameroon to support the opening of a new round of multilateral trade negotiations.

37. The representative of the United States recalled that her country supported Cameroon's efforts to increase the volume of its trade and that a bilateral investment agreement had been signed between the two countries. Cameroon was among the beneficiary countries of the African Growth and Opportunity Act, which bore witness to the United States' desire to support Cameroon's efforts. She also draw attention to the activities of the United States with regard to development cooperation, including debt relief. The United States would like to have further information regarding the Committee responsible for following up the WTO Agreements, while at the same time she urged Cameroon to increase the number of its notifications and improve interministerial coordination.

38. Cameroon had undertaken commitments to liberalize the service sector and the United States hoped to see such commitments extended to the telecommunications sector. Furthermore, the binding of its rates - only 15 per cent of Cameroon's tariff lines were bound - would be a significant signal for foreign investment. In 2000 Cameroon applied an MFN rate of 18.3 per cent, which was too high and discouraged not only trade but also investment. The United States expressed its satisfaction at the bound tariff rates for agricultural goods, while requesting that the ceiling rate of 80 per cent, which was higher than the applied rate, should be lowered so as to ensure price predictability for the consumer. The United States would also like to have more information on the implementation of the Agreement on Customs Valuation.

39. The United States went on to express satisfaction at the measures taken by Cameroon to improve customs valuation and also to reduce the time necessary to complete customs clearance formalities, which acted as a barrier to trade, while at the same time expressing its concern at the high costs and slowness of customs procedures. The United States urged Cameroon to continue its efforts to promote transparency in its legal system and to pursue its privatization programme, in particular in the telecommunications sector.

40. The representative of Canada noted that collaboration with the funding agencies had borne fruit, and urged Cameroon to continue its anti-corruption drive, the establishment of good governance and the improvement of the legal system. The reforms of the taxation and customs systems and the laws introduced as part of Cameroon's integration into CEMAC were key measures. Cameroon had not yet replied to the questions posed by Canada with regard to the Agreement on Trade-Related Intellectual Property Rights (TRIPS): Canada hoped to receive answers to its questions soon. The HIPC Initiative would enable Cameroon to develop its rural and industrial activities, improve education and public health standards and reduce poverty.

41. The representative of Korea expressed his concern at Cameroon's low number of bound tariff rates and of notifications and he urged it to pursue its efforts to reduce to 48 hours the time required for all import procedures, to simplify the preshipment inspection procedures and to apply them in a non-discriminatory manner in conformity with Article II:1 of the Agreement on Preshipment Inspection. Korea pointed out that excessively high import taxes discouraged enterprises and foreign imports, and asked what criteria were applied by the administration to decide whether a product was subject to the reduced rate of VAT.

42. The representative of India supported the request for technical assistance with regard to technical barriers to trade, the analysis of the impact of the WTO Agreements on economic and social development and market access conditions. India would like to hear what reasons the Government of Cameroon could give for the low volume of trade with its CEMAC partners.

43. The representative of Malaysia observed that despite the positive results of the economic reforms Cameroon had still to confront the challenges of health, poverty and debt. The diversification of the economy and the encouragement of foreign investment were necessary to reduce Cameroon's dependence on petroleum and agriculture. Measures to stimulate the forestry, agricultural and petroleum sectors and to support manufacturing production in these sectors were also necessary. The developed countries, Members of the WTO, had a role to play in improving market access for

Cameroonian goods. Malaysia requested clarifications regarding the precautionary principle, while at the same time stating its interest in deepening its relations with Cameroon.

44. The representative of Morocco urged Cameroon to pursue its economic reforms, and supported its request for technical assistance in implementation.

45. The representative of Gabon urged Cameroon to continue along the course of economic reform which, he believed, would also be to the advantage of the other CEMAC countries.

46. The representative of the Congo urged Cameroon to pursue its privatization efforts, and thanked it for the aid provided to the Congo following its many civil wars.

47. The representative of Senegal noted the stages through which the Cameroonian economy had passed and welcomed the efforts made by Cameroon to bring about economic recovery, liberalize its trade policy and encourage foreign investment. Cameroon could not show greater commitment to the multilateral trading system. Senegal went on to urge Cameroon to continue with the liberalization of services and the tourism sector, and supported the request for technical assistance in implementation.

48. The representative of Cameroon stated that since April 2001 Cameroon had submitted a number of notifications to the Secretariat and confirmed that the Agreement on Customs Valuation had come into force on 1 July 2001.

V. REPLIES BY THE REPRESENTATIVE OF CAMEROON AND ADDITIONAL COMMENTS

49. The Chairperson invited the representative of Cameroon to focus his responses on the following three themes: (i) economic environment; (ii) trade policy measures; and (iii) sectoral policies.

(i) Economic environment

50. The representative of Cameroon referred to the written answers (Annex II) and recalled that the Government had taken the necessary measures for the improvement of the legal system; the fight against corruption; the promotion of transparency in government procurement and the participatory management of development; the privatization of public and semi-public enterprises, particularly with regard to banking, insurance, sugar refining, wood processing, telephones (fixed and mobile), railways, the State Electricity Company of Cameroon (SONEL), while the privatization of the largest agro-industrial enterprise was now taking place.

51. Measures to encourage foreign investment had also been taken within the framework of CEMAC. ECAC, which included, in addition to the CEMAC member countries, the Democratic Republic of the Congo, Angola and Burundi, was a more recent and more political entity. Efforts to achieve harmonization between these two organizations were now under way. The low level of trade between countries of the subregion could be explained by: (i) the poor communications network, particularly the road network; (ii) the obstacles arising from the forest environment; (iii) the very low mobility of labour; and (iv) political instability. Efforts were being made to improve the situation in these fields.

52. The discussant posed two questions concerning: (i) the search for strategic partners that could become involved with the State in the process of privatization; and (ii) the relations of CEMAC with CADEC or COMESA.

53. The representative of Cameroon pointed out that the privatization had been carried out in collaboration with the IMF and the World Bank within the framework of structural adjustment programmes that envisaged no involvement whatsoever by the Government in the sectors of production. In the sectors of water, energy and railways the Government had handed over their management to the private sector, while keeping a 30 per cent shareholding.

54. Relations with CEMAC and the other subregional organizations were not highly developed, but preliminary studies were under way with a view to relaunching the process of regional integration, although Africa had no plan of action to this effect. The secretariats of the African Economic Community (AEC), the economic agency of the OAU, would be tackling this task.

(ii) Trade policy regime and measures

55. The representative of Cameroon referred to the written answers (Annex II) and also mentioned that an evaluation of the CET of CEMAC was now being carried out and that the centre for the promotion of exports had been established.

56. The discussant requested information on the period required for the single-window facility to become fully operational.

57. The representative of Japan expressed the wish to see the bound tariff rates extended to a larger number of products and asked whether there were plans to do so.

58. The representative of the United States mentioned the implementation of the Agreement on Customs Valuation and the bound tariff rates.

59. The Chairperson requested explanations regarding the customs surtax.

60. The representative of Cameroon stated, in response to the question posed by the discussant, that the problems arose not so much from the operation of the single-window facility itself, but rather from the creation of awareness among the support staff and those involved in the trading operations, in particular importers and exporters. The next CEMAC summit, scheduled for the end of 2001, would be examining this question. Cameroon promised to reply in writing to the question posed by the Chairperson on customs surtax and to the question posed by Japan.

(iii) Sectoral policies

61. The representative of Cameroon drew attention to the written answers (Annex II), and emphasized the importance of food self-sufficiency for Cameroon. The question was now being studied within the Ministry of Agriculture with a view to developing a new agricultural policy. The Government was also considering solutions to the problem of agricultural funding. More detailed answers on this subject would be supplied in writing. As for the manufacturing sector, a preliminary report to prepare a sectorial development plan was now being carried out in the textile sector and in other sectors.

62. The discussant recalled the questions relating to the reestablishment of - *Credit Agricole* and to the extension of mining exploitation to resources other than petroleum. In addition, Article XX of the Agreement on Agriculture allowed non-trade concerns, such as food security, rural development and environmental protection, to be taken into consideration in agricultural policies. He would like to know Cameroon's position on this subject.

63. The representative of the European Union requested information on the legislation planned, or already in course, to speed up reform in the service sector and on the conditions for the participation of foreign capital in privatization in the maritime and telecommunications sectors. The EU expressed itself ready to assist Cameroon.

64. The representative of Japan recalled his questions concerning the compatibility of controls on the export of unprocessed timber with Article XI of the GATT, the system for the control of production and marketing, and the maritime sector.

65. The representative of Cameroon mentioned that a study was now being carried out regarding the reestablishment of an institution such as - *Credit Agricole*. Agriculture ensured Cameroon's food security and was more than a mere business enterprise. Cameroon hoped that the non-trade aspects of agriculture would be taken into account in the forthcoming WTO negotiations.

66. The Mining Code established the conditions for the exploitation of resources, and a geological map of Cameroon had been produced with a view to the planning and organization of such exploitation, if possible with the participation of foreign investors. A petroleum code had been finalized, while a gas code was now being prepared, together with the legislative texts on services. In addition, Cameroon promised to send written answers to the questions raised by Japan.

VI. CONCLUDING REMARKS BY THE CHAIRPERSON

67. I have a very strong feeling that the second review of Cameroon's trade policy has been a distinct success. We have all learned a great deal about Cameroon, and we have been able to familiarize ourselves more closely with its economic and trade situation. We have had a very productive dialogue regarding both its economic reforms and the part played in that process by its trade policy. We have also been able to appreciate the extent of the tasks which remain, in particular as regards good governance and the alleviation of poverty.

68. Members have congratulated the Government of Cameroon on the steps it has taken to improve its integration into the multilateral trading system. The existence of a National Technical Committee with responsibility for following up questions relating to the WTO has been welcomed as a positive contribution in this respect. Similarly, the information provided by the Cameroonian delegation concerning recent notifications was much appreciated, since it demonstrated the Government's firm intention to honour its commitments within the WTO. In this connection, the country's technical assistance and capacity-building requirements have been recognized, and several delegations clearly indicated their willingness to help.

69. Most speakers expressed satisfaction at the recovery of the Cameroonian economy, assisted by structural reforms and a favourable external environment. Members appreciated the efforts which Cameroon is making to introduce important institutional and economic reforms designed to improve its competitiveness and promote its closer integration into the world economy. Many of the questions posed by delegations concerned the strategy adopted by the authorities to carry forward the structural reforms, including in the areas of privatization, investment and promotion of the private sector. Some speakers also inquired about the measures that the Government is taking to support its agricultural, mining and industrial development policy. Delegations welcomed the fact that Cameroon had become an observer with respect to the plurilateral Agreement on Government Procurement and encouraged it to ensure greater transparency in that field.

70. Most speakers noted Cameroon's participation in the Central African Economic and Monetary Community (CEMAC). Cameroon was invited to assume a leadership role in the regional integration process. Some delegations drew attention to the low-level of participation of CEMAC countries in Cameroon's trade and asked for further information on how Cameroon had benefited from its participation in the CEMAC.

71. As far as Cameroon's sectoral policies are concerned, delegations focused mainly on the agricultural sector, the need for sustainable management of natural resources (in particular, forests), and the need for improved performance in the services sector. Some delegations stressed that liberalization of the services sector was an important part of the efforts to modernize the economy. Cameroon was accordingly invited to extend its commitments under GATS, particularly in the areas of telecommunications, financial services and transport, within the context of the negotiations in progress.

72. Specific questions were also posed on subjects such as:

- Customs procedures, the operation of the single-window facility; preshipment inspection;
- customs valuations; the Chairperson welcomed the entry into force of the WTO Agreement on Customs Valuation as of 1 July 2001;
- the level of the rate of customs duties applied; the coverage of tariff bindings and the level of bound rates;
- value added tax (VAT);

- the procedures for granting import licences;
- the protection of intellectual property and implementation of the TRIPS Agreement;
- the non-existence of an independent official body for evaluating economic and trade policies;
- the Investment Code; and
- limitations on market access for Cameroonian exports.

73. The written and oral replies given by the delegation of Cameroon to most of the questions posed did much to clarify Cameroon's trade policy and the measures currently in force. The delegation also promised to send more detailed replies to the questions left in abeyance.

74. In conclusion, it seems to me that we can all congratulate Cameroon on its continuing efforts to liberalize and further develop its economy. Members have recognized Cameroon's need to receive technical assistance to strengthen its human resource capacities, thereby enabling it to fulfil its obligations within the context of the WTO. This would also facilitate Cameroon's closer integration into the multilateral trading system and allow it to benefit from the advantages this would bring. Many speakers invited the Cameroon Government to draw up a list of its substantial technical assistance needs. They also invited it to press ahead with its structural reforms and its efforts to promote greater transparency in its legal and institutional systems. Speakers encouraged Cameroon to bind, within the framework of the WTO, not only all its tariff lines but also its liberalization measures in the services sector. These efforts were regarded as essential to give the liberalization of the economy greater credibility and to attract the foreign investment so necessary in Cameroon's current situation.
