

FR EN

We use cookies to make your connection secure and make statistics about the number of visits. In order to get more information about cookies and find out how to refuse them, [visit our cookie policy page](#).

[Cookies settings](#)

REQUIRED ONLY

ACCEPT
ALL

INVEST

FOREIGN DIRECT INVESTMENT

According to UNCTAD's [World Investment Report 2023](#), FDI inflows to Cameroon, traditionally low compared to the potential of its economy, reached USD 889 million in 2021, a slight decrease from the USD 964 million recorded one year earlier. FDI stocks were estimated to account for USD 6.44 billion in 2022 (24.5% less than the pre-COVID level), around 14.7% of the country's GDP. Most of the FDI to Cameroon comes from the European Union, particularly France and Germany, and targets the mining industry, including oil extraction. However, China has become the main investor in the country, pursuing large infrastructure projects.

As part of its growing interest in Africa, China has been investing steadily in Cameroon, allowing the construction of Kribi Port and Industrial Complex and Memve'ele Hydroelectric Dam. In 2023, Cameroon's Ministry of Finance announced a new agreement with China aiming to "prevent double taxation on income and curb tax evasion and avoidance." This agreement coincides with Cameroon's pursuit of various mineral exploitation projects, many of which are of significant interest to China. Among these projects is the Mbalam-Nabeba mining venture, an extensive iron ore deposit spanning Cameroon and Congo. Bestway Finance, an investment entity aligned with China's AustSino, has been selected by Cameroon to construct the railway crucial for exploiting the deposit. The mining license for the project was granted to Cameroon Mining Company, also affiliated with Bestway Finance, which has secured agreements with at least four Chinese firms for the project. In the southern region of Cameroon, at the Lobé iron ore deposit in Kribi, China's Sinosteel received the operating license, signed on July 1, 2022.

Cameroon's economy has the potential to become one of the most prosperous countries and among the best placed to receive foreign direct investment in Africa. While the country has many natural resources (oil, forestry, fisheries), as well as fertile land on which to build, it needs to improve and simplify its administration in order to boost entrepreneurship and fight against corruption. However, poor infrastructure, weak rule of law, and continuing inefficiencies of a large parastatal system in key sectors impede FDI growth. In addition, continuing Islamist insurgency, violence, and tensions in the separatist, English-speaking regions increase political risks and negatively impact the business climate. Cameroon implements a screening process that applies to both domestic and foreign investments. This process ensures that investors adhere to specific criteria, including employment and export quotas, to qualify for private investment incentives. The country ranks 123rd among the 132 economies on the [Global Innovation Index 2023](#) and 121st out of 184 countries on the latest [Index of Economic Freedom](#).

| Foreign Direct Investment | 2020 | 2021 | 2022 |
|--|-------|-------|-------|
| FDI Inward Flow <i>(million USD)</i> | 675 | 964 | 889 |
| FDI Stock <i>(million USD)</i> | 8,931 | 5,558 | 6,446 |
| Number of Greenfield Investments* | 11 | 8 | 4 |
| Value of Greenfield Investments (million USD) | 204 | 198 | 95 |

Source: UNCTAD - Latest available data.

Note: * Greenfield Investments are a form of Foreign Direct Investment where a parent company starts a new venture in a foreign country by constructing new operational facilities from the ground up.

| Country Comparison For the Protection of Investors | Cameroon | Sub-Saharan Africa | United States | Germany |
|--|----------|--------------------|---------------|---------|
| Index of Transaction Transparency* | 7.0 | 5.5 | 7.0 | 5.0 |
| Index of Manager's Responsibility** | 1.0 | 3.5 | 9.0 | 5.0 |
| Index of Shareholders' Power*** | 6.0 | 5.5 | 9.0 | 5.0 |

Source: Doing Business - Latest available data.

Note: *The Greater the Index, the More Transparent the Conditions of Transactions. **The Greater the Index, the More the Manager is Personally Responsible. *** The Greater the Index, the Easier it Will Be For Shareholders to Take Legal Action.

WHAT TO CONSIDER IF YOU INVEST IN CAMEROON

Strong Points

The key strong points of the Cameroonian economy are:

- A long period of political stability under the regime in place
- Low-cost labour
- Abundant natural resources (agricultural, oil and mining)
- A diversified export economy (oil, mining, agriculture, etc.)
- Many ongoing infrastructure modernisation projects supported by IMF lending
- Monetary stability because of its membership of the CFA Franc zone
- The positive impact of the anti-corruption policy
- Regulation on equity participation, allowing foreigners to own 100% of a company

Weak Points

The main weaknesses of the country are:

- A complicated business environment as evidenced by its 167th place (out of 190) in the *Doing Business* ranking of 2020
- One of the highest tax burdens on the private sector in the world
- High risk of corruption
- Lack of infrastructure
- Risk of high political tension: insecurity in the north at the border with Nigeria, and uncertainty over the succession of President Paul Biya (88 years old and in power since November 1982)
- Cameroon has trade deficits, relies on food imports, and is therefore exposed to foreign shocks.

Government Measures to Motivate or Restrict FDI

The Cameroonian government has targeted certain sectors as priority sectors for investment: transport, food industry, tourism and rural development. In order to attract more investors, significant programs are being

implemented by the public authorities, with the support of financial backers, in order to improve judicial decisions, increase energy supplies, reinforce economic information, simplify procedures, support companies, and ensure the protection of the economic area against illegal threats.

Cameroon also has free trade zones in which all export companies can be set up. The free trade zones are only for the use of companies that produce goods and provide services meant exclusively for export. There are many advantages for such companies: exemption from all licenses, authorisation or quota limitation for both export and import, the possibility of being able to open a foreign currency account, no restrictions on sales operations, purchase of foreign currency, right to transfer profits abroad (25% has to be re-invested in Cameroon), tax and duty exemption for a period of 10 years from the beginning of operations and taxation at a general rate of 15% on profits starting the 11th year.

INVESTMENT OPPORTUNITIES

Tenders, Projects and Public Procurement

[ARMP](#), Public Oversight Body - Cameroon

[Tenders Info](#), Tenders in Cameroon

[DgMarket](#), Tenders Worldwide

Finding Assistance For Further Information

Investment Aid Agency

[Cameroon Investment Promotion Agency – CIPA](#)

[Investments Promotion Agency - Cameroon](#)

Other Useful Resources

[The International Finance Corporation \(IFC\)](#) a group of the World Bank, finances projects in a variety of sectors; agro-industries, tourism.

[Afriland First Bank](#) (formerly Caisse Commune d'Epargne et d'Investissement)

Doing Business Guides

[Doing Business Report - Cameroon \(World Bank\)](#)