

LAW N<sup>o</sup>. 2017/015 OF 12 JUIL 2017

TO AMEND AND SUPPLEMENT SOME PROVISIONS OF LAW  
N<sup>o</sup>. 2013/4 OF APRIL 2013 TO LAY DOWN PRIVATE INVESTMENT  
INCENTIVES IN THE REPUBLIC OF CAMEROON

PRESIDENCE DE LA REPUBLIQUE  
SECRETARIAT GENERAL  
SERVICE DU FICHIER LEGISLATIF ET REGLEMENTAIRE  
COPIE CERTIFIEE CONFORME

*The Parliament deliberated and adopted,  
the President of the Republic hereby  
enacts the law set out below:*

**Section 1:** The provisions of Sections 3,8,11,18,19,21,25,35 and 36 of Law No. 2013/4 of 18 April 2013 to lay down private investment incentives in the Republic of Cameroon are amended and supplemented as follows:

**Section 3:** (new) For the purposes of this law and the regulatory instruments arising thereof, the following definitions shall apply:

1. "Force majeure": any external and unpredictable event that is beyond the control of the parties, whose occurrence makes it impossible for the party under an obligation to fulfil such obligation;
2. "Economic difficulties": unpredictable circumstances which, while not rendering the implementation of the project impossible, significantly affects it;
3. "Exportation": transaction consisting in selling or shipping products, goods and services outside the national economic area;
4. "Supplies and consumables": sundry resources, not available on the local market but essential for the functioning and quality of a company's production system or process;
5. "Incentives": special benefits granted by government authorities to a resident or non-resident natural or legal person, to promote and/or develop a specific activity;
6. "Input": item used in producing a semi-finished or finished product (raw material, labour etc.);
7. "Investment": asset held and/or acquired by an investor (company, shares, equity, bonds, monetary claims, Intellectual property rights, contractual rights, rights conferred by laws and regulations, any other tangible or intangible movable or immovable property, all related ownership rights);
8. "Investor": resident or non-resident Cameroonian or foreign natural or legal person that acquires assets in the conduct of business for profit;
9. "Establishment phase": period not exceeding 5 (five) years during which the infrastructure and facilities essential for setting up a production unit are built;
10. "Operation phase": period during which production activities are effectively carried out, which starts to run:
  - (a) for new investors, automatically, upon or before the end of the establishment phase, once marketing or sale of products begins, as ascertained by the body in charge of promoting investments or small- and medium-sized enterprises ;
  - (b) for enterprises already established in Cameroon and carrying out



new investments, once the said investments become operational as ascertained by the body in charge of investment promotion or small- and medium-sized enterprises;

11. "Intermediate products": goods processed by enterprises and used by other enterprises, either by incorporation or destruction, to produce a consumer good or a service;

12. "Value added": creation or increase in value of goods and services from other sources by an enterprise in carrying out its day-to-day professional activities. It is calculated as the difference between the production of the period plus the gross profit on goods, and the consumption of goods and services supplied by others for such production.

**Section 8:** (new) (1) Any investor may benefit from a tax credit provided he or she meets one of the following criteria:

- employs at least 5 (five) young higher education graduates each year;
- combats pollution;
- develops sporting, cultural or social activities;
- develops public interest activities in rural areas.

(2) The conditions for implementing the provisions of Section 8 (1) above shall be laid down by regulation.

**SECTION 11:**(new) (1) On account of the duly assessed scale of the project, the State may, as a special measure, extend the benefit of some tax and customs exonerations to shareholders, promoters and the investor's local co-contractors through contractual agreements.

(2) The conditions for implementing the provisions of Section 11 (1) above shall be laid down by regulation.

**SECTION 18:** (new) (1) Any investor seeking the incentives herein shall be subject to an approval regime, as defined by the Investment Charter. To this end, the investor shall submit an application file to the one-stop-shop established within the body in charge of:

- promoting SMEs, for local SMEs;
- promoting investments, for other local and foreign investors.

(2) The composition of the file referred to in Section 18(1) above shall be fixed by regulation.



(3) The one-stop-shop shall issue a receipt to the investor concerned. It shall have 5 (five) days to review and forward the file to the Minister in charge of finance.

**Section 19:** (new) (1) The body in charge of investment promotion or small- and medium-sized enterprises shall grant an approval to investors, after consultation with the Minister in charge of finance duly attached to such approval.

(2) The Minister in charge of finance shall have 15 (fifteen) working days to give his opinion.

(3) Beyond such period, the assent of the Minister in charge of finance shall be deemed granted.

(4) In the event of assent by the Minister in charge of finance, the body in charge of investment promotion or small- and medium-size enterprises, as the case may be, shall have 3 (three) working days to grant the approval.

**Section 21:** (new) (1) Any investor granted the incentives under this law must meet the criteria which determined its eligibility, within the following time frames:

- for investors governed by the approvals regime in the establishment phase, no later than the establishment phase;
- for investors already established in the Republic of Cameroon, within 5 (five) years of commissioning of new investments.

(2) However, the body having issued the approval may grant additional time in the event of duly established force majeure or economic difficulties or where the company has valid justifications. Such additional time may not exceed 2 (two) years.

(3) In the case provided for in Section 21 (2) above, the body having issued the approval shall have 15 (fifteen) working days to decide, with effect from the date of receipt of the investor's request.

**Section 25:** (new) During the establishment and operation phases, all importation and local purchase requests must first obtain the visa of the body that granted the approval.

**Section 35 (a):** (new) (1) The body in charge of investment promotion shall receive funds intended for investment promotion in Cameroon. The funds shall be derived mainly from the following sources:

- 15% of resources collected as contributions to the Housing Loans Fund under Law No. 77/10 of 13 July 1977 to institute a



(2) The conditions for the collection and transfer of the funds referred to in Section 35(1) above to the body in charge of investment promotion shall be laid down respectively by order of the Minister in charge of finance, for deductions on contributions to the Housing Loans Fund, and by order of the Minister in charge of telecommunications, for deductions from the Special Telecommunications Fund.

**Section 36:** (new) Apart from the sector codes in force and the general partnership contracts regime, this law repeals all previous provisions repugnant hereto, in particular those of Law No. 2013/4 of 18 April 2013 to lay down private investment incentives in the Republic of Cameroon, Law No. 77/10 of 13 July 1977 to institute a housing loans fund tax in Cameroon, Law No. 98/14 of 14 July 1998 to regulate telecommunications in Cameroon and Law No. 2010/13 of 21 December 2010 to regulate electronic communications in Cameroon, including the repugnant provisions of the implementing instruments of the laws concerned."

**Section 2:** This law shall be registered, published according to the procedure of urgency and inserted in the Official Gazette in English and French.

YAOUNDE, 12 JUIL 2017



**PAUL BIYA**  
PRESIDENT OF THE REPUBLIC