

# CAMEROON

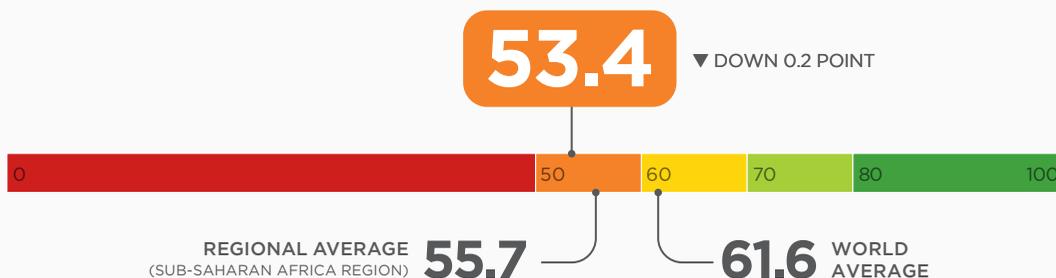
Cameroon's economic freedom score is 53.4, making its economy the 144th freest in the 2021 *Index*. Its overall score has decreased by 0.2 point, primarily because of a decline in **property rights**. Cameroon is ranked 32nd among 47 countries in the Sub-Saharan Africa region, and its overall score is below the regional and world averages.

Cameroon's economy continues to occupy the lower reaches of the mostly unfree ranks where it has been since the inception of the *Index* in 1995. To increase economic freedom in Cameroon and lay the foundation for a stronger, more broad-based domestic economy, the government needs to refocus on improving its performance on the three rule-of-law indicators: property rights, judicial effectiveness, and government integrity.

**IMPACT OF COVID-19:** As of December 1, 2020, 441 deaths had been attributed to the pandemic in Cameroon, and the economy was forecast to contract by 2.8 percent for the year.

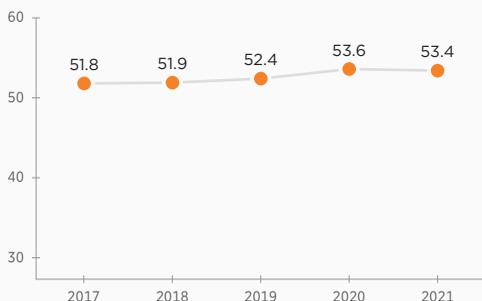
WORLD RANK: **144** REGIONAL RANK: **32**  
ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

## ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1995): +2.1

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
25.9 million

**GDP (PPP):**  
\$100.6 billion  
3.7% growth in 2019  
5-year compound annual growth 4.3%  
\$3,804 per capita

**UNEMPLOYMENT:**  
3.4%

**INFLATION (CPI):**  
2.5%

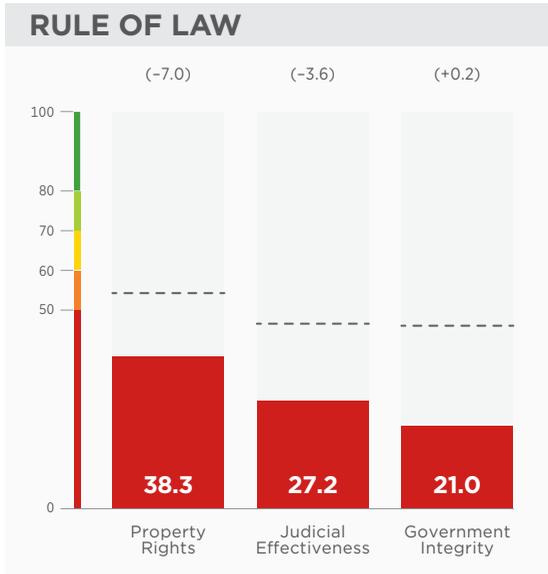
**FDI INFLOW:**  
\$781.6 million

**PUBLIC DEBT:**  
40.9% of GDP

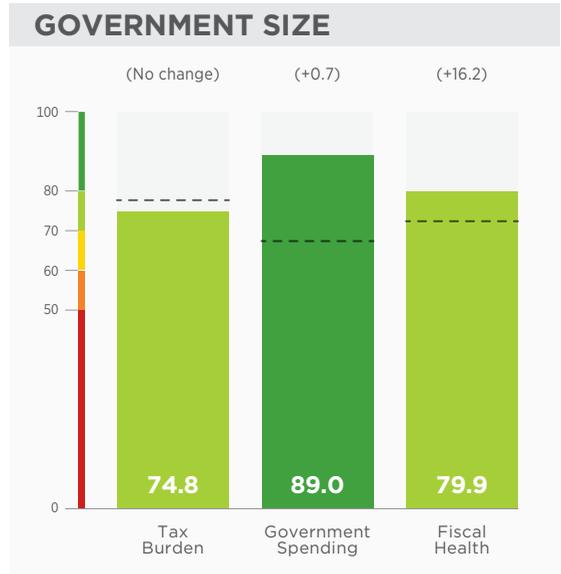
2019 data unless otherwise noted. Data compiled as of September 2020

**BACKGROUND:** Former French and British colonies merged in the 1960s to form Cameroon. Paul Biya, now 87 years old and Africa's second-longest-ruling head of state, abolished term limits in 2008 and went on to win seven-year terms as president in 2011 and again in 2018 in elections that were marred by irregularities. Tensions between the Anglophone minority and the central government erupted into violence with both sides reportedly committing atrocities. The Islamist terrorist group Boko Haram frequently attacks across Cameroon's 1,230-mile border with Nigeria. The economy depends on oil, which accounts for about 40 percent of export earnings. Cameroon is building Central Africa's only deep-sea port in Kribi, financed primarily by China's Export-Import Bank, and is expanding hydropower generation.

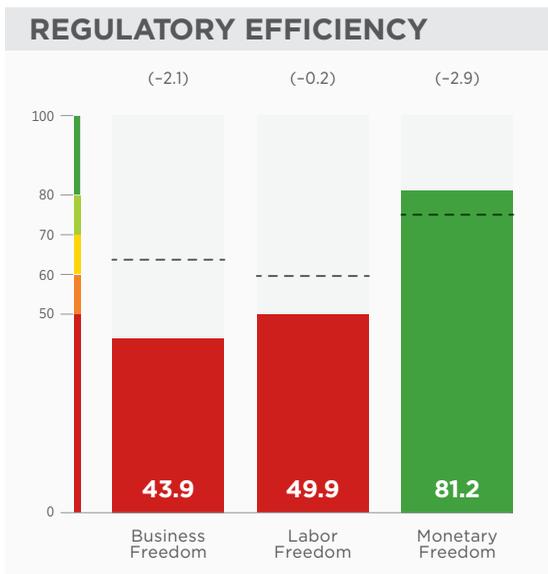
# 12 ECONOMIC FREEDOMS | CAMEROON



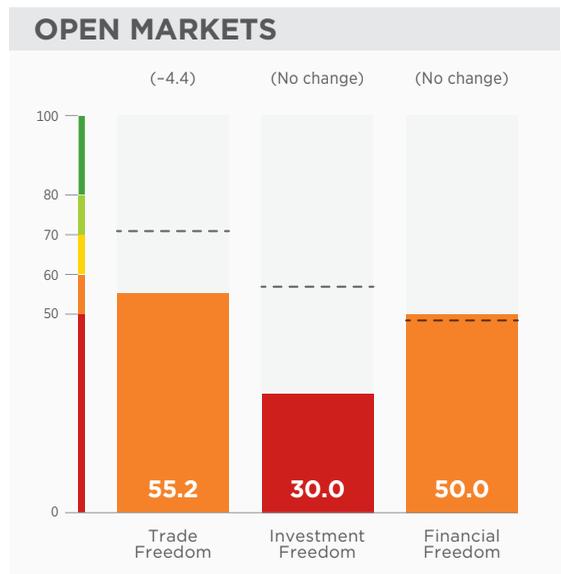
Property rights are recognized by law, but the weak judiciary makes enforcement sporadic, and land disputes are common. The inefficient judicial system is subordinate to the justice ministry, and political influence and corruption weaken courts. Corruption and cronyism are systemic, and demands for bribes are commonplace, from gaining school admission to fixing traffic infractions. Revenues from oil and minerals extractions are not publicly reported.



The top individual income tax rate is 35 percent, and the top corporate tax rate is 33 percent. Other taxes include value-added and inheritance taxes. The overall tax burden equals 14.4 percent of total domestic income. Government spending has amounted to 19.1 percent of total output (GDP) over the past three years, and budget deficits have averaged 3.2 percent of GDP. Public debt is equivalent to 40.9 percent of GDP.



Dealing with construction permits has become more complicated and expensive. Informality in labor arrangements is widespread, and no new labor laws or regulations have been introduced recently. Government price controls for food and other consumer goods and subsidies for electricity, retail gasoline, diesel, and liquefied natural gas continue to strain the federal budget.



Cameroon has three preferential trade agreements in force. The trade-weighted average tariff rate is 14.9 percent, and layers of nontariff measures hold back more dynamic trade flows. The investment code includes several general minimum requirements and local content rules. The cost of financing remains high, and access to credit remains limited in rural areas. There is a wide network of microfinance institutions.