

# **FOURTH QUARTER 2023 ECONOMIC OUTLOOK BULLETIN**



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## ***ACRONYMS AND ABBREVIATIONS***

**BEAC:** Bank of Central African States

**CEMAC:** Economic and Monetary Community of Central Africa

**CT:** Corporation Tax

**DF:** Division of Forecasts

**DGC:** Directorate General of Customs

**GDP:** Gross Domestic Product

**GNP:** Government Net Position

**HPSF:** Hydrocarbon Prices Stabilisation Fund

**IMF:** International Monetary Fund

**lb:** English Pound

**MINFI:** Ministry of Finance

**NHC:** National Hydrocarbons Corporation

**OECD:** Organisation for Economic Co-operation and Development

**STPP:** Special tax on the sale of petroleum products

**TNP:** Treasury Net Position

**VAT:** Value Added Tax

## OVERVIEW

### International economic environment

**In the fourth quarter of 2023**, global economic activity was marked by rising commodity prices, in line with the continuing war in Ukraine, the conflict in Gaza and the effects of climate change on agricultural production.

In advanced countries, GDP growth decelerates to 0.4% from 0.5% in the third quarter of 2023. However, there are disparities between countries in terms of the pace of growth.

In the United States, economic growth slows to 0.8% after 1.2% in the third quarter. This slowdown is driven by the slowdown in public consumption, despite an increase in household final consumption, investment and exports.

In emerging and developing countries, growth was positive in almost all the Group's main economies. In China, sales rose by 1.0% after 1.5% in the previous quarter. Among the Group's other main countries, there was: (i) an acceleration in India (+2.1% after +1.9%), South Africa (+0.1% compared with -0.2%) and Turkey (+1.0% after +0.3%); (ii) stable growth in Indonesia (+1.2% as in the previous quarter) and Brazil (+0.0%); and (iii) a contraction in Argentina (-1.9% compared with +2.2%).

**For the year 2023 as a whole**, growth in the world economy is estimated at 3.2%, after 3.5% in 2022. It should remain at 3.2% in 2024. In the group of advanced countries, growth will slow to 1.6% after 2.6% in 2022. This slowdown is the result of weak growth in the eurozone, despite the dynamism seen in the United States.

In the group of emerging and developing countries, growth is estimated at 4.3% after 4.1% in 2022. Among the main countries in the group, GDP will grow by 5.2% after 3.0% in China, 7.8% after 7.0% in India, 3.6% compared with -2.2% in Russia and 2.9% after 3.0% in Brazil. In sub-Saharan Africa in particular, the growth rate will be 2.7% after 3.8% in 2022. This slowdown is mainly seen in Nigeria (+2.9% after +3.3%) and South Africa (+0.6% after +1.9%). In the CEMAC zone, it is estimated at 2.5%, after 2.8% in 2022.

Global inflation is expected to be 6.8% in 2023, after 8.7% in 2022, and 5.8% in 2024. In the CEMAC zone, with persistent inflationary pressures, household final consumption prices are expected to rise by 5.7% in 2023, after 5.6% in 2022.

With regard to raw materials, the energy price index dropped by 3.7% after rising by 11.2% in the previous quarter. This was mainly due to the 3.8% fall in the price of crude oil, which stood at \$82.05 a barrel.

On the foreign exchange market, the CFA franc depreciated by 0.3% against the currencies of Cameroon's main trading partners. The CFA franc depreciated against the Chinese yuan (1.3%), the US dollar (1.7%) and the Russian rouble (5.1%). Conversely, it appreciated against the New Turkish lira (8.2%), the Japanese yen (2.2%) and sterling (1.0%). On an annual basis, the CFA franc recorded an overall appreciation of 11.0%.

### Development of the national economy

At the national level, the economic situation is marked by: (i) the consolidation of economic activities in the North-west and South-west regions; (ii) the effects of the continuing Russo-Ukrainian crisis; (iii) climate change; and (iv) the continued implementation of the Economic and Financial Programme agreed with the IMF.

## Real sector

According to estimates based on the results of the business survey for the 4th quarter of 2023, business sales will grow by 8.4% in 2023. The updated framework puts the growth rate of the Cameroonian economy at 3.3% in 2023 after 3.6% in 2022.

## External sector

**In the fourth quarter of 2023**, compared with the previous quarter, the current account deficit narrowed by 89.4 billion to 225.5 billion. This was the result of a reduction in the goods and primary income deficits. External financing showed net inflows of 384.9 billion, compared with net outflows of 211.4 billion. The non-bank private sector recorded net inflows of 311.7 billion against net outflows of 35.9 billion. The overall balance of all foreign transactions in the fourth quarter of 2023 was a surplus of 137.4 billion, compared with a deficit of 554.5 billion in the previous quarter.

**Year-on-year**, the current account deficit widened by 26.6 billion, mainly as a result of the widening deficit in goods and primary income on the one hand, and the reduction in the surplus in secondary income on the other. Net external financing fell by 157.8 billion. This was mainly due to the fall in net drawings by the public sector (-154.6 billion) and net external commitments by commercial banks (-144.8 billion). The overall surplus fell by 253.1 billion.

## Public finances

**In the fourth quarter of 2023**, total budgetary resources collected amounted to 1,882.4 billion, up 12.2% year-on-year. They included 1,386.8 billion in domestic revenue and 135.4 billion in loans and grants. Total budget expenditure based on ordinances amounted to 1,770.1 billion, up 8.8% year-on-year.

**For the 2023 financial year as a whole**, domestic budgetary revenue amounted to 4,842.5 billion, up 449.4 billion compared with the previous financial year 2022. This is made up of 877 billion in oil revenues and 3,965.5 billion in non-oil revenues (broken down into 2,622 billion in tax revenues, 1,022.6 billion in customs revenues and 259.5 billion in non-tax revenues). Loans and grants are estimated at 1,297.8 billion. Total budget expenditure, based on ordinances, amounted to 6,454.3 billion, an increase of 567.8 billion. This breaks down into 3,657.3 billion in current expenditure, 1,117.8 billion in capital expenditure and 1,662.4 billion in servicing the public debt.

## Monetary situation

At the end of December 2023, and compared with the end of September 2023, external assets rose by 12.4% to 2,870.8 billion, while domestic credit increased by 0.7% to 7,394.9 billion. Money supply thus fell by 3.2% to 8,269.8 billion. It is made up of 21.8% banknotes and coin, 42.9% scriptural money and 35.3% quasi money. Year-on-year, money supply also increased by 3.2%, following an 11.6% rise in domestic credit and a 10.1% contraction in net foreign assets.

## Money market and banking sector

At the end of December 2023 and compared with the end of September 2023, banking activity was characterised by: (i) an increase in the consolidated balance sheet of banks (+3.8%), with resources and expenditure balanced at 10,468.6 billion, (ii) an increase in deposits (+1.2%) to 7,723.5 billion and an increase in bank loans (+2.4%) to 5,404.3 billion to

customers; (iii) an improvement in financial inclusion; (iv) compliance with prudential standards. Year-on-year, deposits rose by 6.6% and outstanding loans by 14.9%.

### **Socio-economic information**

In the fourth quarter of 2023, the household final consumption price index rose by 0.5% compared with the previous quarter. This increase was due to higher prices for almost all consumption items, in particular: "food and non-alcoholic beverages" (+0.6%), "clothing and footwear" (+0.7%), "housing, water, gas, electricity and other fuels" (+0.6%), "restaurants and hotels" (+0.5%) and "education" (+0.9%).

Year-on-year, the household final consumption price index rose by 6.3%. This rise in the general price level was mainly due to the 8.4% increase in the price of "food and non-alcoholic beverages" and the 16.9% rise in the cost of "transport" services.

By the end of 2023, inflation is estimated at 7.4%, driven by the price of "food and non-alcoholic beverages" (+10.9%) and the cost of "transport" services (+15.0%). These two items account for around 44% of final household consumption expenditure.

Sales of white petroleum products rose by 2.9% on the previous quarter to 528,018 litres. Premium petrol grew by 2.5% and diesel by 2.6% to 223,070 litres and 259,109 litres respectively.

For the year 2023 as a whole, releases for consumption of white products will rise by 0.6% compared with 2022. By product, the trends are as follows: super (+12.0%), paraffin (-26.2%), jet A1 (+1.0%) and diesel (-5.0%). With regard to heavy petroleum products, the quantities consumed of fuel oil 1,500 will increase by 60.6% compared with 2022.

## INTERNATIONAL ECONOMIC ENVIRONMENT

### *Economic growth*

In the fourth quarter of 2023, global economic activity was marked by rising commodity prices, linked to the continuing war in Ukraine and the Israeli-Palestinian conflict, as well as the effects of climate change on agricultural production. Following the group of countries, there are contrasting trends in the activity.

In the **advanced countries**, GDP growth decelerated to 0.4% after 0.5% in the third quarter of 2023, with disparities between countries. In the United States, economic growth stood at 0.8%, driven by the rise in final household consumption (+0.8%), investment (+1.4%) and net exports (+0.7%). However, this growth slowed by 0.4 points compared with the third quarter, mainly due to the slowdown in public administration consumption (0.4% after 1.1%).

**In the eurozone**, economic growth stood at 0% compared with -0.1% in the previous quarter. In the main economies of this zone, growth accelerated in France (+2.1% after +1.9%), stood at 0.2% as in the previous quarter in Italy, and contracted in Germany (-0.3% compared with +0.0%).

The other advanced economies recorded growth of : (i) -0.3% after -0.1% in the third quarter in the United Kingdom, linked to the fall in services exports (-6.0%); (ii) 0.1% compared with -0.8% in Japan, driven mainly by the rise in exports (+2.6%) and investment (+1.0%); (iii) 0.2% compared with -0.1% in the previous quarter in Canada, due to the increase in final consumption expenditure (+0.3%) and exports of goods and services (+1.4%), as well as the fall in imports (-4%).

In the **emerging and developing countries**, there were also disparities in terms of economic performance. In China, growth slowed (+1.0% after +1.5%), due to the decline in activity in the property sector. In contrast, there was: (i) an acceleration in India (+2.1% after +1.9%) and Turkey (+1.0% after +0.3%); (ii) stability in Indonesia (+1.2% over the last two quarters) and Brazil (+0.0%); and (iii) a recovery in South Africa (+0.1% compared with -0.2%).

**For 2023 as a whole**, the IMF estimates that the world economy will grow by 3.2%, after 3.5% in 2023. This rate would remain at 3.2 % in 2024. The slowdown in economic activity in 2023 will be seen in both advanced, emerging and developing countries.

In the group of advanced countries, growth slows to 1.6% after 2.6% in 2022. This slowdown is seen in the United Kingdom (+0.1% after +4.3%), Canada (1.1% after 3.8%) and more particularly in the eurozone (+0.7% after 3.4% in 2022), which is suffering the effects of the war in Ukraine. Among the main economies in this zone, there was a contraction in Germany (-0.3% after +1.8%) and a deceleration in France (+0.8% after +2.5%), Italy (+0.7% after +3.7%) and Spain (+2.4% after +8%). In contrast, growth accelerated in Japan (+1.9% after +1.0%) and stabilized in USA (+2.1% after 1.9%).

In the **group of emerging and developing countries**, growth is estimated at 4.3% in 2023, after 4.1% in 2022. It is estimated at : (i) 5.2% after 3.0% in China, driven by increased public spending; (ii) 7.8% after 7.0% in India; (iii) 3.6% compared with -2.2% in Russia; (iv) 2.7% after 3.8% in sub-Saharan Africa, with in particular 2.9% after 3.3% in Nigeria; 0.6% after 1.9% in South Africa and 2.5% after 2.8% in the CEMAC zone.



In terms of prices, global inflation is expected to reach 6.8% in 2023, after 8.7% in 2022, according to the IMF, and is expected to reach 5.8% in 2024. In the CEMAC zone, with persistent inflationary pressures, price growth is estimated at 5.7% in 2023, after 5.6% in 2022.

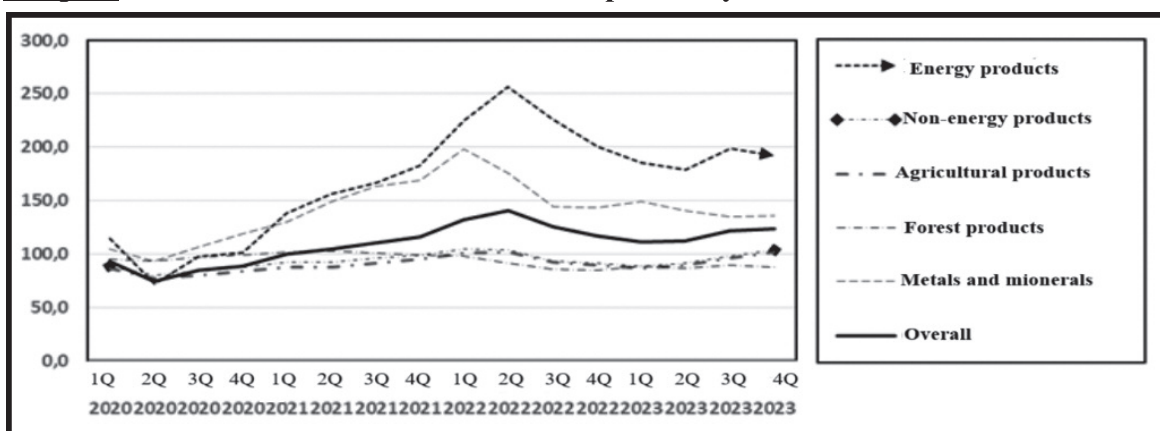
### Prices of raw materials

As in the third quarter, the fourth quarter of 2023 was marked by contrasting trends in world prices for the main products exported by Cameroon. During this period, the prices of liquefied natural gas, cocoa, crude rubber, Arabica coffee, iron and crude aluminium rose. On the other hand, prices of crude oil, crude cotton, palm oil, as well as crude wood, sawn wood, plywood and unwrought lead fell.

Cameroon's Global Commodity Price Index (ICMPE) rose by 1.8%, after 8.7% in the previous quarter. This increase was the result of a rise in the index of prices for non-energy products (+5.8%) and a fall in the index of prices for energy products (-3.7%).

In 2024, the CPIME would be influenced by a series of key global factors, including persistent inflation, higher loan costs, changes in China's economic dynamics, persistent geopolitical tensions and variable weather conditions. According to recent analyses by the World Bank, energy prices are expected to fall by around 5% in 2024 compared with 2023. Similarly, the prices of agricultural products and metals are expected to rise by 2% and 6% respectively.

**Graph 1 : Price indices for raw materials exported by Cameroon evolution**



### Prices of main exported products

#### Energy product

In the fourth quarter of 2023, the energy product price index fell by 3.7% after an increase of 11.2% in the previous quarter. This decline is mainly driven by the price of crude oil, which fell by 3.8% to settle at \$82.05 per barrel. Year-on-year, crude oil prices also fell by 3.8%.

On the other hand, liquefied natural gas prices increased to \$13.83 per million BTU, compared to \$12.68 per million BTU in the third quarter. This dynamic occurs in a context of supply difficulties for net gas importing countries, due to the closure of a gas platform off the Israel coast, the explosion of a gas pipeline in the Baltic Sea and fears of an escalation of the conflict in the Middle East. Compared to the fourth quarter of 2022, liquefied natural gas prices recorded a significant drop by 31.9%.

## *Non-energy products*

### **Agricultural products**

In the fourth quarter of 2023, the agricultural raw materials price index increased by 6.0%, compared to a 7.1% increase in the previous quarter. This performance is the result of several dynamics observed within the main agricultural raw materials.

Cocoa prices increased by 13.5%, reaching a record level of \$3.95/kg for 46 years. This trend is attributable to the drop in supply in Ghana and Côte d'Ivoire. Year-on-year, cocoa prices are progressing significantly, with an increase of 64.2%.

In line with this trend, raw rubber prices increased by 9.5%, to stand at \$1.65/kg. This increase is attributable to : (i) the increase in demand in China (the world's largest consumer of rubber) and Japan; (ii) the weakness of the yen and; (iii) unfavourable weather conditions in Thailand and Vietnam. Year-on-year, rubber prices increased by 10.5%.

**Arabica coffee** prices stood at \$4.35/kg and recorded an increase of 4.9%, after a drop of 14.1% in the previous quarter. This trend is explained by the low certified stocks of this variety of coffee and by short-term supply problems. Year-on-year, Arabica prices are down by 10.9%. Robusta coffee prices stabilized at \$2.77/kg in the fourth quarter and increased by 30.7% year-on-year.

**Banana and sugar** prices remained stable at \$1.56/kg and \$0.54/kg respectively. Year-on-year, **banana prices** were down by 4.3% and sugar prices were up by 33.0%.

**Raw cotton** prices fell by 3.5%, to \$2.03/kg, due to lower demand, particularly in the United States, combined with an increase in global production and stocks. Year-on-year, cotton prices dropped by 8.2%.

**Palm oil** prices fell further by 4.7%, reaching \$816.08 per ton. This trend is influenced by an increase in production and stocks, particularly in Malaysia, as well as by the low prices of other oils (soybean and sunflower) and petroleum. Year-on-year, palm oil prices fell by 11.8%.

### **Forest products**

In the fourth quarter of 2023, the forest products price index fell by 2.0% compared to an increase of 3.4% recorded in the previous quarter. Sawn timber prices fell by 2.0%, from \$690.13/m<sup>3</sup> to \$676.49/m<sup>3</sup>. This decrease is attributable to the slowdown in activities in the construction and renovation sectors during the fourth quarter of 2023. However, over the whole year, sawn timber prices increased by 5.8%. As for the prices of raw wood and plywood, they remained on their downward trend, with a decrease of 2.2% to stand respectively at \$201.47/m<sup>3</sup> and \$369.54 per sheet. This reduction is mainly due to increased production in major producers, notably Indonesia, Malaysia, the United States and Canada. On an annual basis, logs and plywood prices each recorded a decline of 4.4%.

### **Metals and Ores**

During the fourth quarter of 2023, the metals and minerals price index recorded an increase of 0.8% compared to the previous quarter. Raw aluminium and iron prices increased by 1.5% and 12.0%, respectively, reaching \$2,192.30 and \$129.03 per ton. This increase is attributable, among other things: (i) to the temporary withdrawal of China from the market, due to the start of the Golden Week Holiday; (ii) at the level of stocks, the lowest since the summer of 2022.

Year-on-year, aluminium prices fell by 6.2% while those of iron increased by 30.0%.

Lead prices fell by 4.9%, due to the outlook for sluggish demand, particularly from China. On an annual basis, lead prices fell by 1.9%.

**Table 1: Evolution of the prices of the main exported raw materials**

	4 <sup>th</sup> quart. 2022	3 <sup>rd</sup> quart 2023	4th quart. 2023	Variations (in %)	
	a	b	c	c/a	c/b
<b>Energy products*</b>	<b>200,57</b>	<b>199,21</b>	<b>191,81</b>	<b>-4,4</b>	<b>-3,7</b>
Crude oil (\$/barrel)	85,26	85,31	82,05	-3,8	-3,8
Liquefied natural gas (\$/million BTU)	20,30	12,68	13,83	-31,9	9,1
<b>Non-energy products*</b>	<b>91,69</b>	<b>98,42</b>	<b>104,17</b>	<b>13,6</b>	<b>5,8</b>
<b>Agricultural products*</b>	<b>89,90</b>	<b>96,51</b>	<b>102,25</b>	<b>13,7</b>	<b>6,0</b>
Cocoa (\$/kg)	2,41	3,49	3,96	64,2	13,5
Raw cotton (\$/kg)	2,22	2,11	2,03	-8,2	-3,5
Raw rubber (\$/kg)	1,49	1,50	1,65	10,5	9,5
Bananas (\$/kg)	1,63	1,56	1,56	-4,3	0,4
coffee (\$/kg)	3,50	3,46	3,56	1,7	3,0
Including Arabica coffee (\$/kg)	4,88	4,15	4,35	-10,9	4,9
Robusta coffee (\$/kg)	2,12	2,76	2,77	30,7	0,2
Palm oil	925,04	856,31	816,08	-11,8	-4,7
(\$/metric ton)	0,41	0,54	0,54	33,0	-0,6
<b>Sugar (\$/kg)</b>	<b>85,15</b>	<b>89,62</b>	<b>87,80</b>	<b>3,1</b>	<b>-2,0</b>
Forest products*	639,41	690,13	676,49	5,8	-2,0
Sawn timber (\$/m3)	210,70	206,07	201,47	-4,4	-2,2
Raw wood (\$/m3)	386,47	377,97	369,54	-4,4	-2,2
<b>Plywood (\$/sheet)</b>	<b>143,70</b>	<b>135,40</b>	<b>136,47</b>	<b>-5,0</b>	<b>0,8</b>
Metals and minerals*	2 335,98	2 160,32	2 192,30	-6,2	1,5
Raw aluminium	99,25	115,20	129,03	30,0	12,0
(\$/metric tonne)	2 105,44	2 171,69	2 064,65	-1,9	-4,9
<b>Overall index*</b>	<b>117,08</b>	<b>121,94</b>	<b>124,19</b>	<b>6,1</b>	<b>1,8</b>

Source: MINFI / DF, \*Index



## THE REAL SECTOR

### Evolution of economic activity

The results of the economic survey conducted by the Ministry of Finance for the fourth quarter of 2023 reveal that, the national economy continues to be marked by: (i) the consolidation of economic activities in the North-west and South-west regions, despite the security crisis; (ii) the effects of the persisting Russo-Ukrainian crisis; (iii) climate change; and (iv) the continuous implementation of the Economic and Financial Programme signed with the IMF. Production activities recorded a 13.2% increase in turnover compared with the previous quarter. At the end of 2023, turnover had risen by 8.4%. Updated macroeconomic forecasts reveal growth in the economy of Cameroon stood at 3.3% in 2022 after 3.6% in 2023.

### Primary sector

In the fourth quarter of 2023, turnover in the primary sector rose by 14.5% compared with the previous quarter. At the end of the year, turnover rose by 9.3% compared with 2022. The number of employees increased by 3.2%, due to recruitment for harvesting and protecting plantations.

In industrial and export agriculture, the fourth quarter corresponds to the resumption of the production cycle for most crops. In 2023 as a whole, with the exception of rubber, all crops recorded a drop in production compared with 2022.

Crude palm oil production rose by 45.2% compared to the previous quarter. Year-on-year, it rose by 23.3%. These improvements are attributed to the ongoing rehabilitation of plantations in the North-west and South-west and to the plant's vegetative cycle. Over the year as a whole, production fell by 4.3% compared with 2022, due to difficulties in supplying SOCAPALM with palm nuts from village producers. During its November 2023 session, the Oilseed Sector Regulation Committee raised the price at which SOCAPALM sells its crude palm oil to the processing industry from 450 francs per litre to 550 francs. At the same time, it was agreed that, in order to repurchase nuts from village plantations, SOCAPALM would have to raise its purchase price per kilogram of palm nuts from 60 francs to 100 francs.

Banana production rose by 48.4% in the fourth quarter of 2023 compared with the previous quarter. Year-on-year, banana production rose by 8.4%. These improvements are mainly attributed to the ongoing rehabilitation of CDC plantations. At the end of the year, production was down by 1.5%, due to higher input costs and climatic changes (violent winds). Banana exports were down 4.7% compared with the previous year.

Cotton fibre production more than doubled in the fourth quarter of 2023 compared with the previous quarter, due to the plant's production cycle.

Year-on-year, production rose by 28.6%. At the end of the year, cotton fibre production increased by 1.3%. Exports of raw cotton fell from 14.6% to stand at 127,506 tons.

Natural rubber production rose by 7.8% in the fourth quarter of 2023 compared with the third quarter. Year-on-year, natural rubber production rose by 6.5%. At the end of the year, production increased by 3.2%. However, raw exports rubber fell by 9.4% due to lower demands from the tyre industry.

According to ONCC statistics, marketed cocoa production for the 2022-2023 cocoa season stood at 262,112 tons, down by 11.2% from 295,163 tons in the previous season. On the

other hand, the volume of cocoa processed locally rose by 2.7% to settle at 89,204 tons. The cocoa sector saw the arrival of a new operator in cocoa bean processing. AFRICA PROCESSING company, brings the number of processing companies to 6. Exports of raw cocoa beans fell by 23.5%.

As for the various coffees, marketed production registered a drop of 5.2% compared with the previous season, and settled at 11,576 tons, including 10,579 tons of Robusta coffee and 997 tons of Arabica coffee. Robusta coffee exports rose by 32.5%, while Arabica coffee exports fell by 41.1%

***Box 1: Improving the purchase price of cocoa for farmers: background and outlook***

*Cameroon's second largest export after crude oil, cocoa contributes directly and indirectly to the livelihoods of millions of people.*

***Trends in cocoa production and exports***

*One of the targets of the national development strategy is to achieve cocoa production of 640,000 tons by 2030. Cameroon's efforts in this sector are remarkable, but the country is struggling to reach the 400,000 tons' threshold.*

***Table 2 : trend in cocoa production and exports (in tons)***

	2015	2016	2017	2018	2019	2020	2021	2022
<i>Production</i>	308,753	330,412	308,736	309,627	293,685	310,595	370,257	324,233
<i>Exports</i>	265,306	263,746	221,667	218,793	218,002	190,728	213,835	235,451

*Source : MINADER*

***Hike in producer prices***

*The rise in cocoa prices since the start of the 2023/2024 season is attributed to the international economic situation.*

*These include lower production forecasts in the main cocoa-producing countries (Ivory Coast and Ghana, which account for 60% of global supply), which according to the international Cocoa Organisation forecasts, will result in an 11% fall in global production for the 2023-2024 season. This situation is caused by; unfavourable weather conditions marked by the return of the El Niño phenomenon; ageing orchards; infected seedlings by the Swollen Shoot; smuggling and the eviction of some farmers from classified forest reserves, in anticipation of new European Union regulations.*

*In Cameroon, the surge in prices is linked in particular to the liberalized market system, which allows the national price to be in harmony with international trends, unlike in countries with a price-fixing system. On 09 November 2023, the Government signed a decree specifying the methods for packaging and marketing cocoa. Henceforth, beans with a moisture content of more than 8% will no longer be accepted for sale. Similarly, agreements between buyers to impose a single price on producers are prohibited. In addition to being highly appreciated on the international market, Cameroon cocoa benefits not only from the battle between exporters and local processors for control of Cameroon's brick-red beans, but also from the group sales system used by producer organizations. In fact, cocoa prices in Cameroon has reached 5,100 FCFA/kg (\$8.4/kg), an increase of 245% compared to the*

maximum price of 1,480 FCFA/kg (\$2.4/kg) recorded during the 2022/2023 season. This price beats the record of FCFA 3,336/kg (\$5.5/kg), recorded in July 1977.

On a completely different level, Cameroon in June 2023, joined the club of fine aromatic cocoa producers. This recognition is the result of actions taken by the Government and the Inter-Professional Cocoa and Coffee Council (CICC) to promote good post-harvest practices, highlights the distinctive taste and aroma of Cameroon cocoa. These actions taken include the fight against the smell of smoke in cocoa harvested in the South-west region, the construction of centres of excellence for post-harvest processing in production basins, negotiation with strategic commercial partnerships with internationally renowned chocolate manufacturers and the distribution of bonuses to producers of quality cocoa.

**Graph 2: Cocoa price evolution according to the International Exchange, New York**



Source : Intercontinental Exchange, New York

**Cameroon and the European Union's new cocoa regulations**

Since 2020, the EU has been negotiating with cocoa-producing countries on the low incomes of local producers and forest degradation. Consequently, the EU disbursed €25 million in aid to strengthen the economic, social and environmental sustainability of cocoa production in Ivory Coast, Ghana and Cameroon. With the new European regulation on deforestation adopted by the Council of the European Union in May 2023, which stipulates that "the importation into Europe of cocoa from land that has been deforested after 31 December 2020 will be impossible from 1 January 2025". From this date onwards, all importers must be able to provide a list of producers who have contributed to the quantity of cocoa, together with the GPS information of their pieces of land. Physical traceability must be respected not only by producers, but also by bean collectors in the field, processors and exporters, according to EU requirements. Companies will also have to check that these products respect the legislation of the producing country, including human rights and the rights of indigenous populations. In short, to adhere to the EU, cocoa will have to be traceable and certified as "zero deforestation".

As far as Cameroon is concerned, it should be pointed out that cocoa is grown largely in the form of agroforestry. The particularity of the country's cocoa cultivation is that, it is

*practised in forested areas, but, the entire forest is never completely destroyed compared to other countries. Nevertheless, as a prelude to the entry into force of this regulation, Cameroon has launched, through the CICC, a geo-referencing exercise for cocoa bean producers and their plantations. This mission will be supported by the EU, which has issued a call for tenders for the recruitment of firms to support the CICC in its mission. In addition, studies are equally underway at the Ministry of Agriculture in a bid to increase yields in cocoa plantations over the same areas.*

In **forestry and logging**, log production fell by 6.1% in the fourth quarter of 2023 compared with the previous quarter. Year-on-year, log production fell by 50.8%. This under performance is attributed to a fall in demand for timber and unfavourable weather conditions. At the end of the year, log production was down by 7.8%. The decline in log exports (-20%) can be explained, among other things, by the Government's decision to over tax these products, in order to encourage primary and secondary processing in particular. Over the period 2017-2023, the exit duty on logs increased from 17.5% to 60%. Production of sawn timber fell by 15.1% between the third and fourth quarters of 2023. Year-on-year, they are down by 9.1%. At the end of the year, timber production fell by 1.9%. Exports of sawn timber rose by 26.0%, reflecting the increase in demand and the continuous application of the measure to enhance the value of primary and secondary processing.

### Secondary sector

In the fourth quarter of 2023, demand in the secondary sector was boosted by the end-of-year festivities. It continues to be impacted by high inflation, due to the ongoing rise in the price of imported raw materials and the cost of sea freight, which remains high.

Turnover in the secondary sector rose by 9.3% in the fourth quarter of 2023 compared with the previous quarter. At the end of the year, turnover in this sector jumped by 8.2%, higher than in 2022. Manpower rose by 9.6% due to the recruitment of temporary staff for end-of-year promotions. Growth in this sector was estimated at 3.8% in 2023, up from 2.7%. This growth was mainly driven by the "agri-food industries" (+5.5%), "other manufacturing industries" (+5.2%) and "electricity production and distribution" (+4.7%) branches.

**Table 3 : Growth rate evolution in the secondary sector**

Item	2022	2023 Forecasts
<b>Secondary sector</b>	<b>2.7</b>	<b>3.8</b>
Extractive industries	-0.9	-0.3
Food industries	4.9	5.5
Other manufacturing industries	1.2	5.2
Electricity production and distribution	1.2	4.7
Water production, distribution and sanitation	2.6	2.9
BTP	4.5	4.6

Source : Working committee

**The manufacturing industries** include the agri-food industries and other manufacturing industries.

In the fourth quarter of 2023, compared with the previous quarter, production was dynamic in the **agri-food industries**, driven in particular by the increase in production in the "drinks industry" (+16.2%), "Grain milling and starchy products" (+7.9%) and "Oilseed and animal feed industries" (+32.4%) branches.



At the end of 2023, growth in the agri-food industries was estimated at 5.5%, after 4.9% in 2022, driven by increased production in the "drinks industries" (+3.1%), "Grain milling products and starchy products" (+9.0%), "Manufacture of cereal-based products" (+5.2%), and "Manufacture, processing and preservation of meat, fish and fish products" (+1.2%) branches. This momentum was retarded by declines in the "Oilseed and animal feed industry" (-9.8%) and "Cocoa, coffee, tea and sugar industries" (-4.0%).

Per branch of activity, the trends were as follows :

In the **"production, processing and preservation of meat, fish and fishery products"**, meat production rose by 11.8% in the fourth quarter of 2023 compared with the previous quarter, in connection with the end-of-year festivities and the commissioning of new cold stores, particularly in Yaoundé. At the end of the year, meat production grew by 1.2%. Activity in this sector continues to be impacted by the security crisis in the North-west and livestock theft from ranches.

In the grain milling and starchy products industry, production rose by 7.9% in the fourth quarter of 2023 compared with the previous quarter, driven by a 7.6% increase in wheat flour production. Demand for flour during the end-of-year festivities also helped to boost production of the industry's other crops. Over the year as a whole, flour production was up by 15.8% compared with 2022, owing to the commissioning of a new production unit in Kribi and the availability of wheat, whose global prices witnessed a drop compared with last year.

In the **"cocoa, coffee, tea and sugar industries"**, output more than quintupled in the fourth quarter of 2023 compared with the third quarter, on the back of a recovery in sugar production. Year-on-year, the sector's output more than doubled, bolstered by sugar production, which grew by 159.8%.

At the end of the year, production in this branch dropped by 4.0%, compared with 2022, particularly due to the fall in sugar production.

As concerns **sugar**, the fourth quarter saw the resumption of production after the stoppage generally observed in the third quarter for maintenance purposes and updating machines. In addition, SOSUCAM has invested in the acquisition of agricultural machinery and the replacement of machines at their production unit. During the year 2023, the government issued import authorisations to cover national production, which was slowing down due to the company's financial constraints. As a result, sugar imports rose by 87.9%.

**Tea** production rose by 31.2% in the fourth quarter of 2023 compared with the previous quarter. Year-on-year, production rose by 60.8%. Over the year as a whole, production rose by 22%, compared with 2022. These developments are linked to the good weather conditions and the relative calm observed in the crisis regions, the main production areas.

Cocoa butter production doubled in the fourth quarter of 2023, in line with the increase demand. Cocoa mass production fell by 2.1%. At the end of the year, cocoa butter production fell by 17.1% and cocoa mass production rose by 6.2%. Exports of cocoa mass and cocoa butter fell by 2.8% and 19.2% respectively.

In the "oilseed and animal feed industries", production rose by 38.9% in the fourth quarter of 2023 compared with the previous quarter. This is the result of an 87.0% increase in oilcake production.

By the end of 2023, the industry's production dropped by 11.7% compared with 2022, due to insufficient supply of crude palm oil, main raw material used by the industry's manufacturers. In order to support the industry, the Government issued import authorisations for 160,000 tons at a 5% CET and free of VAT. Crude palm oil imports rose by 30.9%.

In the "manufacture of cereal-based products" branch, biscuit and pasta production rose by 8.4% in the fourth quarter of 2023. At the end of the year, it rose by 5.2%, compared with 2022, due to increase in demand.

Production in the "Beverage Industries" rose by 16.2% in the fourth quarter of 2023 compared to the previous quarter, due to end-of-year festivities. Quarter-on-quarter, beverage production rose by 11.2%. At the end of the year, production was up by 3.1%.

**Table 4: Production growth rates per industry in the agri-food sector (in %)**

Items	4Q23/ 3Q23	2023 Forecasts
Production, processing and preservation of meat, fish and fishery products	11.8	1.2
Grain processing and the manufacture of starchy products	7.9	9.0
Cocoa, coffee, sugar and tea industries	-	-4.0
Manufacturing of cereal based products	8.4	5.2
Oilseed and animal feed industries	32.4	-9.8
Drinks industry	16.2	3.1

Source : Macro-economic survey MINFI/DF

In the fourth quarter of 2023, production activity in the "Other manufacturing industries" fell compared with the previous quarter. This decline is linked to the counter-performances recorded in the "Manufacture of wood products excluding furniture" (-10.6%), the "Manufacture of textiles and clothing" (-5.1%), and the "Manufacture of other non-metallic mineral products" (-5.7%).

Over 2023 as a whole, growth in "other manufacturing industries" is expected to fall by 1.3%, compared with 1.2% in 2022. This trend is attributed in particular to the decline in production in the "Manufacture of wood and wood products, except furniture" (-1.2%), "Manufacture of chemicals and chemical products" (-3.8%), "Manufacture of other non-metallic mineral products and construction materials" (-0.7%) and "Manufacture of paper and paper products, printing and related activities" (-36.2%).

**Table 5 : Output growth rates per branch in other manufacturing industries (%)**

Items	2022 Weight	4Q23/ 3Q23	2023 Forecasts
Textile and clothing industries	29.5	-5.1	-0.1
Manufacture of wood products, excluding furniture	18.5	-10.6	-1.2
Manufacture of paper and paper products, printing and related activities	2.7	-7.5	-36.2
Chemical industries and manufacture of chemical products	7.3	106.5	-3.8
Manufacture of rubber and plastic products	0.9	2.4	1.7
Manufacture of other non-metallic mineral products	13.1	-5.7	-0.7
Manufacture of basic metal products	12.9	10.5	13.0

Source : Macro-economic survey DF/MINFI

In the **"textile and clothing industries"**, production fell by 5.1% in the fourth quarter of 2023, compared with the previous quarter. At the end of the year, output was virtually stable.

CICAM, the industry's main producer, continues to struggle with its outdated production facilities and financial difficulties.

Activity in the **"Manufacture of wood products excluding furniture"** sector fell by 10.6% in the fourth quarter of 2023 compared with the previous quarter, as a result of the rainfall, which caused road conditions to deteriorate. Year-on-year, the sector's output fell by 4.9%. Over the year as a whole, production fell by 1.2%, lower than in 2022.

In the **"Manufacture of paper and paper products"** sector, output fell by 7.5% in the fourth quarter of 2023. By the end of 2023, it will have fallen by 36.2%, mainly as a result of the drop in demand, the financial difficulties faced by some companies in the sector, and the high cost of paper pulp.

In the **"Manufacture of other non-metallic mineral products"** branch, production fell by 5.7% in the fourth quarter of 2023, compared with the previous quarter, due to the 6.3% drop in cement production. Glass production rose by 8.5%. At the end of the year, the sector's production was down by 0.7%, due to the combined effects of a 2.7% fall in cement production and a 22.7% rise in glass production. The increase in glass production was due to the commissioning of a new production unit.

In the **"Production of rubber and manufacture of rubber products"** branch, production rose by 2.4% in the fourth quarter of 2023 compared with the previous quarter. Over the year as a whole, production rose by 1.7%.

As for the **"Chemicals and chemical products manufacturing"** branch, production rose by 23.7% in the fourth quarter of 2023, in line with the increase in soap production, which rose by the same proportion, from 11,542 tons to 14,074 tons. This increase is linked to the fall in crude palm oil prices compared with the previous quarter. At the end of the year, production in the sector fell by 16.2%. Soap production fell by 22.7%, due to insufficient crude palm oil supplies.

In the **"Manufacture of basic metals and fabricated metal products (excluding machinery and equipment)"** production rose by 10.9% in the fourth quarter of 2023 compared with the previous quarter, due to the increase in aluminium ingot production (16.0%). At the end of the year, production in the branch rose by 13%. In this branch, the concrete iron production plant, "PROMETAL", with a share capital of 20 billion, was inaugurated. The plant has an installed annual production capacity of 480,000 tons of concrete reinforcing steel bars and other long products, 80,000 tons of wire rod and 600,000 cylinders of gas. In addition, a production line for steel profiles, agricultural products and sharp objects has also been installed.

With regard to **"Electricity generation and distribution"**, electricity production is made up of production from the dams and power stations managed by Eneo, which represents around 70% of overall production, and production purchased by Eneo from independent operators (around 30% of total production).

In the fourth quarter of 2023, electricity generation and distribution rose by 4.4% as a result of greater use of thermal power stations compared with the previous year. At the end of the year, electricity generation was 4.1%, higher than in 2022, mainly as a result of higher output from the Memve'ele dam. In addition, the commissioning of the Lom-Pangar feet plant has helped to improve production. Growth in the sector is estimated at 4.7%, after 1.2% in 2022.

In the production and distribution of water and sanitation, waste collection activity remained virtually stable in the fourth quarter of 2023 compared with the previous quarter. Over the year as a whole, household waste collection remained stable. Growth in the sector is estimated at 2.9% in 2023, after 2.6% in 2022.

### **Tertiary sector**

Turnover in the tertiary sector rose by 15.9% in the fourth quarter of 2023 compared with the previous quarter. At the end of the year and year-on-year, the sector's turnover rose by 7.6%, supported by the consolidation of activities in all sectors.

Manpower remained virtually unchanged. Growth in the sector is estimated at 4.7% in 2023, after 4.5% in 2022. Per branch of activity, we note the following:

In the fourth quarter of 2023, turnover in the **"Information and Telecommunications"** sector rose by 7.9% compared with the previous quarter. Such an improvement is due to the multiplication of promotional offers, the extension of the network, and the extensive use of internet and mobile money services. The number of subscribers rose from 8.8% to 24,827,238. At the end of the year, turnover rose by 9.5%. The **"Information and Telecommunications"** branch forecast stood at 5.5% as in 2022.

Turnover in the **"Hotels and catering"** branch rose by 19.1% in the fourth quarter of 2023 compared with the previous quarter, mainly due to the organisation of seminars and workshops to mark end of year's activities for associations, public bodies, organisations and businesses. The end-of-year festivities also contributed to this growth. The number of overnights stays and the room occupancy rate rose by 9.6% and 11.7% respectively. At the end of the year, turnover went up by 0.7% compared with 2022. Estimated growth in the **"Hotels and Catering"** branch stood at 4.6%, the same as in 2022.

In the fourth quarter of 2023, turnover in the **"Trade and reparations"** branch jumped by 19.7% compared with the third quarter of 2023. At the end of the year, turnover remained virtually stable (-0.1%). Growth in the sector is estimated at 3.5%, following 3.1% in 2022.

In the **"transport and warehousing"** branch, turnover rose by 5.8% in the fourth quarter of 2023 compared with the previous quarter. This growth was mainly driven by pipeline transport, with turnover swelling by 18.5%. The decline in other types of transport had a negative impact on the overall trend. At the end of the year, turnover in this branch rose by 4.2%. Growth in the **"Transport and warehousing"** branch was estimated at 6.7% in 2023, after 6.9% in 2022. Per type of transport, trends are as follows:

**In maritime transport**, revenues fell by 9.9% in the fourth quarter of 2023 compared with the previous quarter. This decline was mainly due to the 94% drop in revenue from authorisations to occupy port property and the 9% drop in revenue from ships stopping over at the port, mitigated by the 3.2% increase in revenue from loading and unloading. However, overall goods traffic improved by 7.2% due to a 7.4% increase in the tonnage of goods imported and a 6% increase in the tonnage of goods exported. The number of ships docking at the Port of Douala stood at 260, compared with 243 in the previous quarter. At the end of the year, turnover in this sector grew by 2.5%, higher than in 2022. This increase was mainly due to a 5.6% rise in revenue from concessions and a 1% rise in revenue from ships stopping over in the port, offset by a 1% fall in revenue from loading and unloading. However, maritime traffic fell by 2.5%, due to the 17.4% drop in the tonnage of goods exported, despite the 1.7% rise in the tonnage of goods imported.



**In the rail transport,** turnover dropped by 0.5% compared with the previous quarter, reflecting a 3% decline in activity. The decline in activity is explained by the combined effect of the 4.3% fall in freight tonnage and the 3.6% rise in passenger traffic. The fall in freight tonnage was due to delays in the unloading of wagons, resulting in their unavailability. At the end of the year, rail traffic was up by 8.2%, due to a 6.5% increase in freight traffic and a 17.1% rise in passenger traffic. Concerning pipeline transport, turnover rose by 18.5% compared with the previous quarter. At the end of the year, it was up by 1.9%.

As concerning **air transport**, Cameroon Airline CAMAIR-CO recorded a 5.5% fall in turnover in the fourth quarter of 2023 compared with the previous quarter. This decline is cumulative with the 4.8% fall in passenger transport and 35.8% fall in freight. These changes are largely due to the lack of maintenance of the Boeing C 737 and the Q 400 aircraft. At the end of the year, turnover remained virtually stable despite the decline in air freight, marked by the drop in demand for the transportation of banknotes by BEAC.

***Box 2: Workshop to vulgarise the platform for digitising economic surveys***

With a view to reducing the time and cost of data collection, particularly that used to update the macroeconomic and budgetary framework, a process of digitising the business and consumer surveys was launched in 2022. The related work continued in 2023, with the IT development of the digital platform. All the facilities (installations, configurations, settings, etc.) required to host the platform were carried out at the Tax Directorate's DATA CENTER, and specific requirements were identified with a view to implementing the platform's back-up. At the end of this phase, a workshop was held in Douala on 14 November to launch and popularise the platform. Chaired by the Director General of the National Institute of Statistics (NIS), assisted by officials from the Ministry of Finance (Head of the Budget Reform Division at the Directorate General of the Budget and Head of the Forecasting Division) and the Ministry of the Economy, Planning and Regional Development (DP) (Head of the Economic Policy Unit), the workshop was attended by representatives of companies and groups of companies as well as other officials and executives from the above-mentioned administrations.

The purpose of the workshop was to: (i) to reiterate the importance of data collection both for monitoring economic activity and for drawing up national accounts, and (ii) to present the platform for digitising economic surveys. With specific regard to the platform for digitising data collection, the Director General of the NIS explained that this system replaces the old system, which consisted of teams visiting companies every quarter to fill in a questionnaire on their activities. The new system is also designed to facilitate the work of the correspondents responsible for filling in the questionnaires. With this in mind, the three government departments responsible for data collection have begun to pool their efforts by adopting a single questionnaire in 2019. This digital data collection tool has several advantages.

From the administration's point of view, this system will make it possible to obtain the data within reasonable timescales, to build up the database automatically, to save the resources used to deploy staff in the field, and to make sector notes and reports available to companies.

From the point of view of companies, the new system will reduce the need for interviewers to be physically present in the field, thereby saving time. What's more, companies will be able to access the new business survey database on request.

It has been specified that the platform will be implemented gradually. Companies will be given the option of continuing to use the physical questionnaire for a few more quarters, to enable them to familiarise themselves with the new system and put it through its paces. Finally, companies were advised to be receptive and to complete the questionnaires on time, in the interests of all concerned. The business leaders present at this workshop appreciated the initiative, expressed the wish to receive this tool as soon as possible, and expressed the need for strict respect for the confidentiality of their information. Subsequently, interviews were given to the press and a round table discussion was organised between the various speakers to better inform the press and the general public.

### **Household final consumption prices**

In the fourth quarter of 2023, the household final consumption price index rose by 0.5% compared with the previous quarter. This rise was due to higher prices for almost all consumption items, in particular : "food and non-alcoholic drinks" (+0.6%), "clothing and footwear" (+0.7%), "accommodation, water, gas, electricity and other fuels" (+0.6%), "restaurants and hotels" (+0.5%) and "education" (+0.9%).

The rise in prices of "food products and non-alcoholic drinks" is linked to the increase in prices of "vegetables" (+3.7%), "milk, cheese and eggs" (+2.4%) and "fruit" (+1.2%). The overall trend was mitigated by drops in the prices of "bread and cereals" (-1.5%), "oils and fats" (-1.1%) and "sugar, jam, honey, chocolate and confectionery" (-0.7%).

Prices for local and imported products rose by 0.6% and 0.4% respectively compared with the third quarter of 2023. Spatially, the regional capitals recorded price hikes above the national average and are : Douala (+0.8%), Bafoussam (+0.7%) and Garoua (+0.6%). In the other regional capitals, price hikes were thus: Maroua (+0.5%), Bamenda (+0.5%), Yaoundé (+0.4%), Ngaoundéré (+0.4%), Ebolowa (+0.3%), Bertoua (+0.2%). On the other hand, there was a drop of 0.1% in Buea.

Year-on-year, the final household consumption price index rose by 6.3%. This increase in the general level of prices is mainly linked to the 8.4% rise in the prices of "food products and non-alcoholic drinks" and the 16.9% rise in the cost of "transport" services.

By the end of 2023, inflation was estimated at 7.4%. The main contributors to this rise in prices were the prices of "food products and non-alcoholic drinks" (+10.9%) and the cost of "transport" services (+15.0%). These two items account for about 44% of final household consumption expenditure.

The rise in prices of "food stuffs and non-alcoholic drinks" is largely attributed to the higher prices of "vegetables" (+22.2%) and "fruits" (+14.3%). With regard to "transport", in particular road transport, inflation observed since February 2023 is directly attributed to the increase in the price of fuel at the filling station on 1 February 2023.

**Table 6 : Evolution in the harmonized index of consumer prices (Base 100, year 2022)**

Expenditure items	Weights	2022	4Q22	2023	3Q23	4Q23	Variations (in %)		
		(a)	(b)	(c)	(d)	(e)	(e)/(d)	(e)/(b)	(c)/(a)
I - Evolution according to consumption functions									
Food products and non-alcoholic beverages	3 182	100,0	104,8	110,9	112,9	113,7	0,6	8,4	10,9
Alcoholic beverages and tobacco	136	100,0	101,6	103,4	104,0	104,1	0,0	2,4	3,4
Clothing and footwear	984	100,0	101,4	104,3	104,9	105,7	0,7	4,2	4,3
Housing, water, gas, electricity and other fuels	1 289	100,0	101,3	103,4	103,9	104,5	0,6	3,2	3,4
Furniture, household goods and routine household maintenance	510	100,0	103,6	107,2	107,6	108,0	0,4	4,2	7,2
Health	478	100,0	100,2	100,9	101,0	101,0	0,1	0,8	0,9
Transport	1 127	100,0	100,9	115,0	117,5	117,9	0,4	16,9	15,0
Communication	459	100,0	100,4	100,4	100,4	100,4	0,0	-0,1	0,4
Leisure and culture	335	100,0	100,6	101,9	102,2	102,6	0,4	2,0	1,9
Education	307	100,0	102,0	103,2	103,6	104,5	0,9	2,4	3,2
Restaurants and hotels	669	100,0	102,7	104,9	105,3	105,8	0,5	3,0	4,9
Miscellaneous goods and services	524	100,0	102,4	105,3	105,7	106,3	0,6	3,8	5,3
General index	10 000	100,0	102,7	107,4	108,6	109,1	0,5	6,3	7,4
II - Evolution according to product origin									
Local products	6 785	100,0	102,9	108,1	109,4	110,0	0,6	7,0	8,1
Imported products	3 215	100,0	102,1	105,6	106,3	106,7	0,4	4,6	5,6
III- Evolution according to the regional capital									
Yaounde		100,0	102,7	107,3	108,4	108,8	0,4	5,9	7,3
Douala		100,0	102,4	107,7	108,9	109,8	0,8	7,2	7,7
Bafoussam		100,0	102,8	107,6	109,3	110,1	0,7	7,1	7,6
Bamenda		100,0	103,3	107,0	107,9	108,5	0,5	5,0	7,0
Garoua		100,0	102,3	106,9	107,7	108,3	0,6	5,8	6,9
Maroua		100,0	101,8	107,1	108,3	108,8	0,5	6,9	7,1
Ngaoundere		100,0	103,2	107,3	108,3	108,7	0,4	5,3	7,3
Bertoua		100,0	101,6	108,4	110,7	110,9	0,2	9,2	8,4
Buea		100,0	106,0	108,0	109,4	109,3	-0,1	3,1	8,0
Ebolowa		100,0	102,6	106,0	106,5	106,8	0,3	4,2	6,0

Sources : NIS, MINFI

### Releases for consumption

In the fourth quarter of 2023, the quantities of white petroleum products released for consumption rose by 2.9% compared with the previous quarter, to 528,018 litres. Premium petrol rose by 2.5% and diesel by 2.6% to 223,070 litres and 259,109 litres respectively. As for heavy products, consumption of 1,500 litres of fuel oil rose by 49.5%, due to increased demand from businesses. This increase in demand is justified by the shortfall in electricity supply by ENEO following the shutdown of the Dibamba oil-fired power station and the Kribi gas-fired power station.

Over 2023 as a whole, consumption of white products will rise by 0.6% compared with 2022. By product, the changes are as follows: super (+12.0%), paraffin (-26.2%), jet A1 (+1.0%) and gasoil (-5.0%). With regard to heavy petroleum products, the quantities consumed of fuel oil 1,500 will increase by 60.6% compared with 2022.

**Table 7 : Releases for consumption of downstream petroleum products (in thousands of litres)**

	2022	3 <sup>rd</sup> Qtr 2023	4 <sup>th</sup> Qtr 2023	2023	Variation (in %)	
	(a)	(b)	(c)	(d)	(c/b)	(d/a)
<b>White products</b>	<b>2 085 555</b>	<b>513 145</b>	<b>528 018</b>	<b>2 097 491</b>	<b>2,9</b>	<b>0,6</b>
Super	758 781	217 683	223 070	850 024	2,5	12,0
Paraffin	91 927	16 469	16 761	67 844	1,8	-26,2
Jet A1	107 469	26 334	29 078	108 543	10,4	1,0
Gasoil	1 127 378	252 659	259 109	1 071 081	2,6	-5,0
<b>Fuel 1500</b>	<b>30 568</b>	<b>10 124</b>	<b>15 132</b>	<b>49 087</b>	<b>49,5</b>	<b>60,6</b>

Source: HPSF

### Domestic gas supply

In the fourth quarter of 2023, domestic gas supplies (GPL) rose by 5.4% compared with the previous quarter. Domestic production rose by 4.2%, driven by the dynamism of NHC's activities at BIPAGA in Océan Division. Imports, which account for 83.3% of supplies, rose by 5.6% over the period. Quantities released for consumption rose by 9.6%, in line with demand.

At the end of the year, GPL supplies were 14.1% higher than in 2022, driven by increases of 12.9% in imports and 20.8% in domestic production. The quantities released for consumption rose by 7.7% to 208,083 metric tonnes.

**Table 8 : Domestic gas supply (in metric tons)**

	2022	3Q2023	4Q2023	2023	Variations (in %)	
	(a)	(b)	(c)	(d)	(c)/(b)	(d)/(a)
Production	28 684	8 028	8 369	34 658	4,2	20,8
Imports	153 622	42 264	44 649	173 425	5,6	12,9
Total supply	182 306	50 292	53 018	208 083	5,4	14,1
Releases for consumption	158 097	42 186	46 237	170 281	9,6	7,7

Source: HPSF

### Other socio-economic information

Air Algérie's inaugural flight, opening the Cameroon-Algeria line, landed at Douala international airport on 12 October 2023. From now on, the airline will operate 3 flights a week to Cameroon, on Mondays, Tuesdays and Sundays.

The Douala Port Authority's container terminal has increased its handling capacity with the commissioning of four new gantry cranes on 24 October 2023. This will shorten unloading and reloading times for ships, while improving container storage, with the possibility of stacking 6 containers instead of only 4 previously.

Decree No. 2023/08500/PM of 1 December 2023 sets out the procedures for transferring funds and securities to the Caisse de Dépôts et Consignations (CDEC). Banks and insurance companies holding accounts that have been inactive for more than 36 months are obliged to transfer the funds to the CDEC. The CDEC has 30 years in which to deal with any claims from the account holders or their legal representatives for restitution.

Faced with an increase in the number of erroneous transfers of funds via mobile money, BEAC signed a circular letter in December 2023, allowing the sender of the funds to recover them if they have been sent to the wrong recipient. When a customer realises that he or she has sent the wrong funds to the wrong recipient, he or she can submit a request for the funds to be returned using the menu provided for this purpose by the payment service provider. The payment service provider will automatically freeze, immobilise and make the funds unavailable. The payee must return the funds or contest the request by sending a notification. If the incorrect recipient does not react within 24 to 48 hours, the payment service provider will return the funds to the applicant.



## EXTERNAL SECTOR

### Balance of payments : *Year-on-year widening of the current account deficit*

#### Current account

In the fourth quarter of 2023, compared with the previous quarter, the current account deficit in the balance of payments narrowed by 89.4 billion to 225.5 billion. This was the result of a reduction in the goods and primary income deficits. The surplus on secondary income fell.

The goods deficit narrowed by 156.6 billion to 117.1 billion. This change was due to the increase in fob export receipts (+198.2 billion), which was greater than the increase in fob import expenditure (+41.6 billion). The increase in export earnings is linked to sales of raw cocoa beans, liquefied natural gas, cocoa paste, cocoa butter and other food preparations. The increase in import expenditure was mainly due to purchases of fuels and lubricants, motor vehicles and tractors and machinery and electrical appliances.

The services deficit widened by 32.1 billion to 59 billion, mainly as a result of the increase in freight expenditure in line with the rise in imports. The primary income deficit narrowed by 24.9 billion to 120.6 billion, due to lower interest payments on external public debt. The surplus on secondary revenues fell from 131.2 billion to 71.2 billion.

**Table 9: Balance of payments (in billion)**

DESCRIPTION	4Q2022**	3Q2023**	4Q2023*	Changes	
	(a)	(b)	(c)	(c)–(b)	(c) – (a)
<b>I- CURRENT BALANCE</b>	<b>-198.9</b>	<b>-314.9</b>	<b>-225.5</b>	<b>89.4</b>	<b>-26.6</b>
1- Balance of goods	-78.6	-273.7	-117.1	156.6	-38.5
2- Balance of services	-112.7	-26.8	-59.0	-32.1	53.7
3- Primary income balance	-117.4	-145.5	-120.6	24.9	-3.2
4- Secondary income balance	109.7	131.2	71.2	-59.9	-38.5
<b>EXTERNAL FUNDING</b>	<b>542.8</b>	<b>-211.4</b>	<b>384.9</b>	<b>557.0</b>	<b>-157.8</b>
<b>1- Non-banking private sector</b>	<b>170.1</b>	<b>-35.9</b>	<b>311.7</b>	<b>347.5</b>	<b>141.6</b>
Foreign Direct Investment (FDI)	71.8	54.2	138.4	84.2	66.6
Portfolio investments and financial derivatives	-55.8	-52.8	-140.7	-88.0	-85.0
Net drawings (excluding FDI and FPI)	154.1	-37.3	314.0	351.3	159.9
<b>2- Public administration</b>	<b>240.5</b>	<b>-35.5</b>	<b>85.9</b>	<b>82.1</b>	<b>-154.6</b>
Project donations (including C2D)	22.5	0.7	15.1	14.4	-7.4
Net drawings on bonds	0	0	0	0.0	0.0
Net drawings (excluding Treasury bonds)	218	-36.2	70.8	107.0	-147.2
<b>3-Banks that create money</b>	<b>132.2</b>	<b>-140.1</b>	<b>-12.6</b>	<b>127.4</b>	<b>-144.8</b>
<b>III- ERRORS AND OMISSIONS</b>	<b>46.6</b>	<b>-28.2</b>	<b>-22.0</b>	<b>6.2</b>	<b>-68.7</b>
<b>IV- OVERALL BALANCE</b>	<b>390.5</b>	<b>-554.5</b>	<b>137.4</b>	<b>691.9</b>	<b>-253.1</b>

Source: MINFI/DF ; \* Provisional ; \*\*Updated data

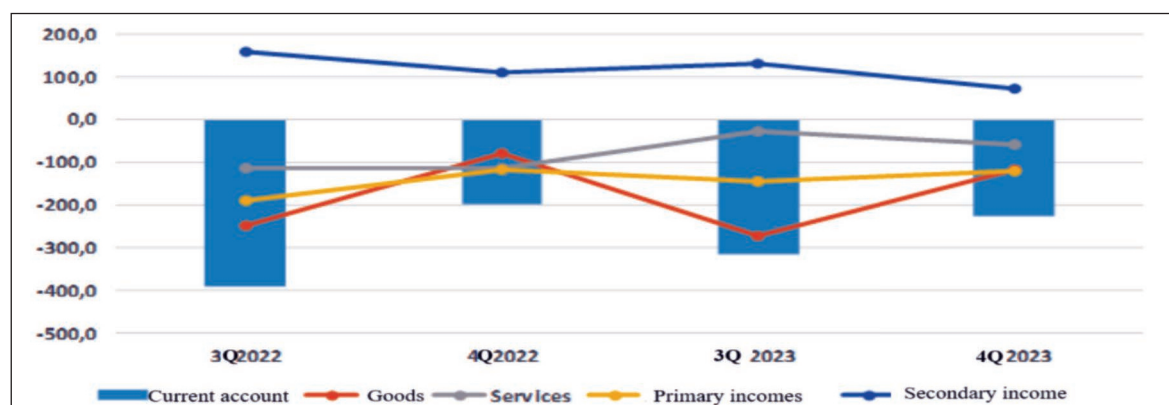
Year-on-year, the current account deficit widened by 26.6 billion, as a result of a widening deficit in goods and primary income on the one hand, and a narrowing surplus in secondary income on the other. The services deficit narrowed.

The deterioration in the goods balance was due to the fall in fob export receipts being greater than the fall in fob import expenditure. The decline in export receipts was mainly due to lower sales of crude petroleum oils, liquefied natural gas and sawn timber. The fall in purchases of rice, wheat and meslin, crude or refined oils, fuels and lubricants and liquefied bu-

tanés was not enough to reverse the trend. The reduction in the services deficit was mainly due to lower spending on freight and travel.

The primary income deficit widened by 3.2 billion, mainly as a result of higher interest payments on external public debt. The surplus on secondary income dropped by 38.5 billion.

**Graph 3: Main current account balances (in billion)**



Source: MINFI/DF

### External funding

In the fourth quarter of 2023, compared with the previous quarter, external financing showed net inflows of 384.9 billion, compared with net outflows of 211.4 billion. The non-bank private sector recorded net inflows of 311.7 billion, compared with net outflows of 35.9 billion. These were mainly made up of foreign direct investment flows (+138.4 billion) and net drawings (+314 billion). The public sector recorded an increase in net inflows of 82.1 billion, while the banking sector recorded a reduction in net outflows of 127.4 billion.

Year-on-year, net external financing fell by 157.8 billion. This was mainly due to the fall in net drawings by the public sector (-154.6 billion) and net external commitments by commercial banks (-144.8 billion). Net inflows from the non-bank private sector increased by 141.6 billion to 311.7 billion, driven by FDI.

The overall balance of foreign transactions in the fourth quarter of 2023 was a surplus of 137.4 billion, compared with a deficit of 554.5 billion in the previous quarter. This change is the result of a larger increase in external financing than the reduction in the current account deficit. On a year-on-year basis, the surplus on the overall balance fell by 253.1 billion.

### ***Box 3: Session of the National Technical Committee on the Balance of Payments on 14 December 2023***

A session of the National Technical Committee on the Balance of Payments (CTNBDP) was held on 14 December 2023 at the Mont Fébé Hotel in Yaoundé. This session was devoted to the validation of the balance of payments for the years 2021 and 2022.

The presentation made at the meeting showed that the current account balance, as in previous years, is in deficit, at 941.2 billion (3.4% of GDP) in 2022, after 996.8 billion (4% of GDP) in 2021. By sector of activity, the overall balances are in surplus for agriculture (+738.0 billion), forestry (+223.4 billion), hydrocarbons (+1863.0 billion) and transport (+146.3 billion). Conversely, industry (-1,180.8 billion), trade (-1,306.7 billion), telecom-

munications (-69.0 billion) and financial activities (-175.6 billion) recorded deficits. These results reveal the weakness of the competitiveness of the industrial sector, which continues to generate foreign currency losses. On the other hand, the sectors exploiting raw products are generating foreign exchange, reflecting the current importance of the primary sector and low-processing industries in bringing in foreign exchange.

An examination of bilateral balances of payments reveals that in 2022, the overall balance will be in deficit with Nigeria (-178.8 billion) and China (-557.9 billion), but in surplus with the United States (+2.8 billion), France (+112.5 billion), the European Union (including France) (+685.3 billion) and the other CEMAC countries (+581.5 billion). The current account showed a deficit with Nigeria (-184.5 billion), China (-730 billion), the United States (-41.2 billion) and other countries. The current account deficit with Nigeria is mainly due to imports of goods, in particular fuels and lubricants, cotton fabric, onions and other alliaceous vegetables, tableware and other household articles, and motorbikes (including mopeds). The deficit with China is due to lower exports of crude oil and gas, and higher purchases of cast iron and steel, insecticides, fungicides and herbicides. The deficit with the United States was the result of a deterioration in the balance of goods and an increase in dividends paid in respect of foreign direct investment.

The surplus with France was mainly due to higher sales of hydrocarbons (+263.9 billion) and improvements in "travel" and "other business services". The surplus with the CEMAC, on the other hand, is due to trade in "goods" (+257 billion), "services" (+198.5 billion) and "secondary income" (+23.2 billion).

**Table 10: Balance of payments 4Q2022, 3Q2023 and 4Q2023 (in billion)**

DESCRIPTION	4Q2022**	3Q2023**	4Q2023*	Changes	
	(a)	(b)	(c)	(c) - (b)	(c) - (a)
<b>I- CURRENT BALANCE (including public transfers)</b>	<b>-198.9</b>	<b>-314.9</b>	<b>-225.5</b>	<b>89.4</b>	<b>-26.6</b>
<b>CURRENT BALANCE (excluding public transfers)</b>	<b>-219.2</b>	<b>-316.1</b>	<b>-229.7</b>	<b>86.4</b>	<b>-10.5</b>
<b>1- Balance of goods</b>	<b>-78.6</b>	<b>-273.7</b>	<b>-117.1</b>	<b>156.6</b>	<b>-38.5</b>
<b>Exports of FOB goods</b>	<b>1218.3</b>	<b>849.3</b>	<b>1047.4</b>	<b>198.2</b>	<b>-170.9</b>
Including FOB customs exports	988.7	693.6	868.6	175.0	-120.1
<b>Imports of FOB goods</b>	<b>-1296.9</b>	<b>-1123.0</b>	<b>-1164.6</b>	<b>-41.6</b>	<b>132.3</b>
Including CAF customs Imports	-1407.3	-1185.4	-1227.3	-41.9	180.0
<b>2- Balance of services</b>	<b>-112.7</b>	<b>-26.8</b>	<b>-59.0</b>	<b>-32.1</b>	<b>53.7</b>
<b>Transport</b>	<b>-146.4</b>	<b>-61.9</b>	<b>-91.0</b>	<b>-29.1</b>	<b>55.4</b>
<b>Insurance</b>	<b>-15.2</b>	<b>-11.1</b>	<b>-18.3</b>	<b>-7.2</b>	<b>-3.1</b>
<b>Trips</b>	<b>44.1</b>	<b>62.8</b>	<b>70.3</b>	<b>7.5</b>	<b>26.2</b>
<b>Other services</b>	<b>4.9</b>	<b>-16.7</b>	<b>-20.0</b>	<b>-3.3</b>	<b>-24.9</b>
Including Technical assistance and miscellaneous services	-43.5	-43.1	-20.1	23.0	23.4
<b>3- Primary income balance</b>	<b>-117.4</b>	<b>-145.5</b>	<b>-120.6</b>	<b>24.9</b>	<b>-3.2</b>
<b>Revenue</b>	<b>27.9</b>	<b>50.8</b>	<b>32.3</b>	<b>-18.6</b>	<b>4.3</b>
<b>Expenditure</b>	<b>-145.3</b>	<b>-196.3</b>	<b>-152.8</b>	<b>43.5</b>	<b>-7.5</b>
<b>Employee remuneration</b>	<b>-2.2</b>	<b>-8.9</b>	<b>-2.8</b>	<b>6.1</b>	<b>-0.7</b>
<b>Direct investments</b>	<b>-114.6</b>	<b>-95.1</b>	<b>-107.8</b>	<b>-12.7</b>	<b>6.8</b>
<b>Portfolio investments</b>	<b>-0.4</b>	<b>-0.3</b>	<b>-0.5</b>	<b>-0.2</b>	<b>-0.1</b>
<b>Other investments</b>	<b>-27.8</b>	<b>-92.0</b>	<b>-41.7</b>	<b>50.3</b>	<b>-13.9</b>
Including interest on foreign public debt	-27.8	-89.5	-37.3	52.2	-9.5
<b>4- Secondary income balance</b>	<b>109.7</b>	<b>131.2</b>	<b>71.2</b>	<b>-59.9</b>	<b>-38.5</b>



DESCRIPTION	4Q2022**	3Q2023**	4Q2023*	Changes	
	(a)	(b)	(c)	(c) - (b)	(c) - (a)
<b>II- CAPITAL AND FINANCIAL ACCOUNT</b>	<b>542.8</b>	<b>-211.4</b>	<b>384.9</b>	<b>596.3</b>	<b>-157.8</b>
<b>1- Capital Account</b>	<b>26.1</b>	<b>11.5</b>	<b>15.1</b>	<b>3.6</b>	<b>-11.0</b>
Public administrations	22.5	0.7	15.1	14.4	-7.4
including: donations (HIPC, C2D, MDRI)	0.0	0.0	0.0	0.0	0.0
Other sectors	3.7	10.8	0.0	-10.8	-3.7
<b>2- Financial account</b>	<b>516.6</b>	<b>-222.9</b>	<b>369.8</b>	<b>592.8</b>	<b>-146.8</b>
<b>Direct investments</b>	<b>71.8</b>	<b>54.2</b>	<b>138.4</b>	<b>84.2</b>	<b>66.6</b>
Outgoing	-30.9	-0.6	0.5	1.1	31.4
<b>Portfolio investments</b>	<b>-55.8</b>	<b>-52.8</b>	<b>-140.7</b>	<b>-88.0</b>	<b>-85.0</b>
Commitments (decrease -)	-13.3	0.0	0.0	0.0	13.3
<b>Other investments</b>	<b>500.6</b>	<b>-224.3</b>	<b>372.2</b>	<b>596.5</b>	<b>-128.4</b>
<b>Public administrations</b>	<b>218.0</b>	<b>-36.2</b>	<b>70.8</b>	<b>107.0</b>	<b>-147.2</b>
<b>Including Commitments</b>	<b>218.0</b>	<b>-36.2</b>	<b>70.8</b>	<b>107.0</b>	<b>-147.2</b>
- Drawings	318.8	138.6	217.6	79.0	-101.2
preciation and amortisation	-100.8	-174.8	-146.8	28.0	-46.0
<b>Banks and financial institutions</b>	<b>132.2</b>	<b>-140.1</b>	<b>-12.6</b>	<b>127.4</b>	<b>-144.8</b>
<b>Assets (decrease +)</b>	<b>-47.6</b>	<b>-31.3</b>	<b>-87.5</b>	<b>-56.2</b>	<b>-39.9</b>
- Deposits	-34.9	75.2	16.4	-58.8	51.3
- Other assets	-12.7	-106.6	-103.9	2.7	-91.2
<b>Commitments (decrease -)</b>	<b>179.8</b>	<b>-108.7</b>	<b>74.8</b>	<b>183.6</b>	<b>-104.9</b>
- Deposits	156.8	-19.2	57.0	76.2	-99.8
-Other commitments	23.0	-89.6	17.9	107.4	-5.1
<b>Private non-banking</b>	<b>150.4</b>	<b>-48.1</b>	<b>314.0</b>	<b>362.1</b>	<b>163.6</b>

Source: MINFI/DF; \* Estimates ; \*\*Updated data

## Foreign trade

### Trade trends

**In the fourth quarter of 2023**, the value of trade between Cameroon and the rest of the world totalled 2,096.0 billion, up by 11.5% on the previous quarter.

This was due to a 25.2% increase in exports and a 3.5% increase in imports. Year-on-year, trade fell by 12.5%.

Excluding oil, the value of trade stood at 1,832.7 billion, up by 16.2% on the previous quarter and down by 8.4% year-on-year. Over the twelve months to 2023, trade stood at 7,994.4 billion, and excluding oil it stood at 6,867.4 billion.

### Trade balance: *Reduction in the trade deficit*

In the fourth quarter of 2023, compared with the previous quarter, the trade deficit narrowed by 133.1 billion to 358.7 billion. This was due to a larger increase in exports (+175.0 billion) than in imports (+42.5 billion). The coverage rate worsened by 12.3 percentage points to 70.8%.

*Excluding oil*, the trade balance fell by 171.0 billion. However, the coverage rate rose by 16.2 percentage points to 49.3%.

Year-on-year, the trade balance deteriorated by 6.5 billion, as a result of a slightly greater fall in imports (-12.8%) than in exports (-12.2%).

**Over the twelve months to 2023**, the year-on-year trade deficit widened by 589.2 billion to 2017.2 billion. The coverage rate fell by 11.2 points to 59.7%. Excluding oil, the trade deficit widened by 201.4 billion to 3,144.3 billion. The coverage rate fell from 40.1% to 37.2%.

**Table 11 : Main foreign trade figures (in billion)**

Periods	4th Qtr. 2022	Jan-Dec. 2022	3rd Qtr. 2023	4th Qtr. 2023	Jan-Dec. 2023	Variations in %		
Description	a	b	c	d	(e)	d/c	d/a	b
<b>Exports</b>	<b>988.7</b>	<b>3,483.3</b>	<b>693.5</b>	<b>868.5</b>	<b>2,988.6</b>	<b>25.2</b>	<b>-12.2</b>	<b>-14.2</b>
Crude oil	394.4	1,514.8	301.2	263.0	1,127.1	-12.7	-33.3	-25.6
Exports excluding crude oil	594.3	1,968.5	392.3	605.5	1,861.5	54.3	1.9	-5.4
<b>Imports</b>	<b>1407.2</b>	<b>4,911.4</b>	<b>1,185.3</b>	<b>1,227.2</b>	<b>5,005.8</b>	<b>3.5</b>	<b>-12.8</b>	<b>1.9</b>
Crude oil (*)	0	0	0	0	0			
Imports excluding crude oil	1407.2	4,911.4	1,185.3	1,227.2	5,005.8	3.5	-12.8	1.9
<b>Trade balance</b>	<b>-418.5</b>	<b>-1,428.0</b>	<b>-491.8</b>	<b>-358.7</b>	<b>-2,017.2</b>	<b>-27.1</b>	<b>-14.3</b>	<b>41.3</b>
excluding crude oil	-812.9	-2,942.9	-793.0	-622	-3,144.3	-21.6	-23.5	6.8
<b>Coverage rate (%)</b>	<b>70.3</b>	<b>70.9</b>	<b>58.5</b>	<b>70.8</b>	<b>59.7</b>	<b>21.0</b>	<b>0.7</b>	<b>-15.8</b>
excluding crude oil	42.2	40.1	33.1	49.3	37.2	49.1	16.8	-7.2
<b>Global trade</b>	<b>2,395.4</b>	<b>8,394.7</b>	<b>1,878.8</b>	<b>2,095.7</b>	<b>7,994.5</b>	<b>11.5</b>	<b>-12.5</b>	<b>-4.8</b>
excluding crude oil	2,001.5	6,879.9	1,878.8	2,095.7	6,867.4	11.5	4.7	-0.2

Source: MINFI

## Imports

Imports of goods in the fourth quarter of 2023 totalled 1,227.2 billion, up by 41.9 billion on the previous quarter. This increase was mainly due to higher purchases of fuels and lubricants (+49.1 billion), machinery and electrical appliances (+21.7 billion), rice (+14.4 billion), tractors (+10.4 billion), goods vehicles (+7.2 billion) and passenger vehicles (+7.0 billion). Conversely, there was a fall in imports of "cast iron and steel" (-28.0 billion), wheat and meslin (-13.9 billion), machinery and mechanical appliances (-8.4 billion) and frozen sea fish (-8.5 billion).

Year-on-year, imports of goods fell by 180.0 billion, due in particular to lower purchases of rice (-58.3 billion), wheat and meslin (-41.9 billion), pharmaceutical products (-6.8 billion) and books and pamphlets (-2.8 billion).

Over 2023 as a whole, imports will rise by 94.5 billion compared with 2022, to 5,005.8 billion. This trend is mainly driven by the increase in purchases of the following goods: electrical machinery and apparatus (+38.6 billion), mechanical machinery and apparatus (+97.2 billion), "wire, windings and cables" (+10.0 billion), "aluminium and articles thereof" (+14.7 billion) and "motor vehicles and tractors" (+43.4 billion). Conversely, there was a fall in purchases of Cast iron and steel (-35.3 billion), Wheat and meslin (-82.4 billion), Fish and shellfish (-20.3 billion), Rice (-63.5 billion) and Clinkers (-49.5 billion).

The main products imported in 2023 are fuels and lubricants (22.5% of the total), machinery and mechanical appliances (8.4%), machinery and electrical appliances (4.7%), rice (4.0%), cast iron and steel (3.7%), frozen fish (3.6%), pharmaceuticals (3.3%), plastics (3%) and passenger vehicles (2.3%).

**Table 12 : Main imported products (Q in million of tons and V in billion of CFA francs)**

Period	4Q 2022		Jan-Dec. 2022		3Q2023.		4Q2023.		Jan-Dec. 2023		Changes		
Description	Q	V(a)	Q	V(b)	Q	V(c)	Q	V (d)	Q	V (e)	d-a	d-c	e-b
Fish and shellfish	60	57.4	242	203.4	58	46.7	50	38.3	235	183.1	-33	-18	-10
Frozen sea fish	60	57.2	242	202.7	58	46.7	49	38.2	235	182.6	-33	-18	-10
<b>Animals and animal products</b>	65	67.9	266	249.4	65	59.6	55	50.3	261	231.7	-26	-16	-7
Cereals	584	183.8	1,774	528.4	377	82.8	346	84.9	1,550	387.7	-54	3	-27
Wheat and meslin Wheat and meslin	280	80.6	920	260.7	281	0.0	211	38.7	887	178.3	-52		-32
Maize	1	0.4	12	3.3		0.2	13	1.8	40	7.9	357	713	138
Rice	304	102.8	841	264.4	96	30.1	123	44.5	620	200.8	-57	48	-24
<b>Plant products</b>	632	204.5	1,961	608.3	415	101.4	393	105.8	1,739	473.4	-48	4	-22
Crude or refined oils	41	41.4	110	112.6	30	21.1	31	20.6	144	108.2	-50	-2	-4
Margarine	1	0.4	5	2.8	2	1.1	2	1.6	8	4.9	344	41	77
<b>Animal or vegetable fats and oils</b>	43	42.7	121	121.2	33	23.4	33	22.6	155	115.9	-47	-3	-4
Wines	2	3.5	9	12.2	2	2.9	2	2.7	8	11.8	-23	-8	-4
Ethyl alcohol	12	10.2	41	31.8	10	7.8	17	11.6	45	33.7	13	49	6
Liquors	1	2.6	3	7.3	1	3.9	1	4.0	3	10.6	53	2	45
<b>Industrial food products</b>	114	77.7	429	266.6	169	90.1	129	80.7	530	306.3	4	-10	15
Clinkers	424	22.3	2,169	137.2	448	16.1	537	19.8	2,412	87.7	-11	23	-36
Hydrocarbons	554	395.4	1,958	1,153.4	613	304.3	632	347.9	2,247	1,207.0	-12	14	5
Fuels and lubricants	489	359.5	1,765	1,048.6	539	276.0	572	325.9	2,051	1,128.1	-9	18	8
<b>Mineral products</b>	1,145	424.4	4,668	1,315.3	1,153	326.1	1,361	375.7	5,301	1,323.4	-11	15	1
Pharmaceutical products	7	37.0	26	166.1	7	42.1	8	35.2	30	166.6	-5	-16	0
Soaps and detergents	3	3.6	13	12.6	5	4.5	4	4.1	18	16.3	12	-9	29
<b>Chemical industry products</b>	91	113.4	438	489.4	133	116.1	118	95.0	652	533.0	-16	-18	9
Plastic materials	49	52.7	180	185.7	41	36.3	46	38.8	173	155.6	-26	7	-16
Caoutchouc	8	10.2	35	46.9	11	13.5	9	11.0	39	47.1	8	-19	0
<b>Plastics and rubber</b>	57	62.9	214	232.6	52	49.8	55	49.8	212	202.7	-21	0	-13
Cotton	2	0.7	10	3.5	3	0.8	3	1.6	12	4.3	138	118	21
<b>Textile materials and their articles</b>	35	22.0	141	98.9	38	22.1	38	21.7	149	93.0	-2	-2	-6
Cast iron and steel	44	34.2	284	222.1	99	48.2	36	20.2	304	186.7	-41	-58	-16
Aluminium and other aluminium products	3	5.4	10	16.7	4	6.9	5	9.9	16	31.4	83	43	88
<b>Base metals and their products...</b>	66	67.9	378	362.7	129	89.3	66	62.4	412	348.9	-8	-30	-4
Machinery and mechanical	26	87.0	102	325.0	33	108.5	34	100.5	130	422.2	15	-7	30
Fish and shellfish	60	57.4	242	203.4	58	46.7	50	38.3	235	183.1	-33	-18	-10
Frozen sea fish	60	57.2	242	202.7	58	46.7	49	38.2	235	182.6	-33	-18	-10
<b>Animals and animal products</b>	65	67.9	266	249.4	65	59.6	55	50.3	261	231.7	-26	-16	-7
Cereals	584	183.8	1,774	528.4	377	82.8	346	84.9	1,550	387.7	-54	3	-27
Wheat and meslin Wheat and meslin	280	80.6	920	260.7	281	0.0	211	38.7	887	178.3	-52		-32
Maize	1	0.4	12	3.3		0.2	13	1.8	40	7.9	357	713	138
Rice	304	102.8	841	264.4	96	30.1	123	44.5	620	200.8	-57	48	-24
<b>Plant products</b>	632	204.5	1,961	608.3	415	101.4	393	105.8	1,739	473.4	-48	4	-22
Crude or refined oils	41	41.4	110	112.6	30	21.1	31	20.6	144	108.2	-50	-2	-4

Source: MINFI

## Exports

In the fourth quarter of 2023, exports of goods totalled 868.6 billion, up by 229.0 billion on the previous quarter. This was mainly due to higher sales of raw cocoa beans (+179.2 billion), liquefied natural gas (+35.2 billion), cocoa paste (+24.1 billion), cocoa butter (+8.4 billion) and bananas (including plantains) (+3.6 billion). Conversely, exports of crude petroleum oils (-38.2 billion), fuels and lubricants (-21.3 billion) and wood and wood products (-13.6 billion) fell. Excluding oil, sales rose by 213.2 billion to 605.5 billion.

Year-on-year, exports of goods fell from 988.7 billion to 868.6 billion, a drop of 120.1 billion. This was due in particular to lower sales of crude petroleum oils (-131.3 billion), liquefied natural gas (-93.5 billion), sawn timber (-9.6 billion), household soap in pieces (-5.0 billion) and crude rubber (-3.0 billion), offset by higher exports of raw cocoa beans (+76.6 billion), cocoa paste (+16.0 billion) and raw cotton (+15.4 billion). Excluding oil, exports rose by 11.2 billion.

Over the 12 months to 2023, the value of exports was 2,988.6 billion, down by 494.7 billion compared with the same period in 2022. This change is mainly due to lower sales of crude petroleum oils (-387.8 billion), liquefied natural gas (-210.1 billion), raw cocoa beans (-35.6 billion), sawn timber (-13.0 billion), raw timber (logs) (-12.8 billion) and raw rubber (-11.1 billion). However, sales increased for fuels and lubricants (+49.8 billion), raw cocoa beans (+41.0 billion), cocoa paste (+15.6 billion) and household soaps in pieces (+14.5 billion). Excluding oil, exports fell by 107.0 billion to 1,861.5 billion.

The main products exported in 2023 were crude petroleum oils (37.7% of total exports), liquefied natural gas (14.1%), sawn timber (6.7%), raw cocoa beans (12.0%) and raw cotton (4.9%).

**Table 13 : Main export products (Q in millions of tons and V in billion of CFA francs)**

Periods	4Q 2022		Jan-Dec. 2022		3Q2023.		4Q2023.		Jan-Dec. 2023		Changes C		
Description	Q	V(a)	Q	V(b)	Q	V(c)	Q	V (d)	Q	V (e)	d-a	d-c	e-b
Bananas (including plantains)	68	9.6	220	30.9	39	6.2	68	9.8	209	31.4	2.7	0.6	1.6
Coffee	2	2.9	10	14.0	6	9.4	4	5.3	13	19.4	80.0	-0.4	38.1
including Arabica coffee	0	0.0	1	1.5	0	0.3	0	0.0		0.8	-79.3	-1.0	-46.0
and Robusta coffee	2	2.8	10	12.2	6	9.1	4	5.3	13	18.3	86.1	-0.4	50.1
Palm oil	0	0.2	1	0.7	1	0.9	0	0.2	2	2.2	-26.7	-0.8	212.7
Raw cocoa beans	100	143.3	235	318.1	20	40.7	92	220.0	180	359.1	53.4	4.4	12.9
Cocoa paste	14	23.4	51	81.9	8	15.3	17	39.4	49	97.5	68.1	1.6	19.0
Cocoa butter	7	14.0	29	57.2	3	8.0	6	16.5	24	55.6	18.1	1.1	-2.9
Cements	0	0.0	5	0.5	3	0.2	0	0.0	5	0.3	33.7	-0.9	-33.9
Crude petroleum oils	1,017	394.4	3,571	1,514.8	767	301.3	749	263.1	3,084	1,127.1	-33.3	-0.1	-25.6
Fuels and lubricants	4	5.3	21	16.7	64	24.3	9	3.0	174	66.5	-43.6	-0.9	298.2
Liquefied natural gas	402	207.4	1,348	631.5	291	78.6	355	113.8	1,373	421.4	-45.1	0.4	-33.3
Fertilizers	0	0.3	4	2.6	0	0.0	0	0.4	1	1.1	79.5		-57.8
Lump household soaps	17	13.4	55	37.1	19	14.5	11	8.4	67	51.6	-37.6	-0.4	39.1
Raw rubber	15	11.7	48	41.7	13	8.8	12	8.7	43	30.7	-25.8	0.0	-26.5
Wood and wood products	401	74.8	1,729	314.9	360	78.2	321	64.6	1,365	288.3	-13.7	-0.2	-8.4
Raw timber (logs)	0	15.6	1	77.2	0	15.1	0	15.0	1	64.4	-4.0	0.0	-16.6
Sawn timber	0	54.4	1	212.1	1	57.3	0	44.7	2	199.2	-17.7	-0.2	-6.1
Wood veneer sheets	11	4.6	58	24.4	14	5.1	11	4.2	55	21.7	-8.8	-0.2	-11.3
Raw cotton	19	19.2	149	155.3	28	34.4	29	34.5	128	147.9	79.6	0.0	-4.8
Raw aluminium	11	12.7	44	48.9	12	14.5	13	16.8	44	54.3	31.8	0.2	11.0
Aluminium sheets	0	0.8	2	3.7	1	1.6	1	1.6	3	6.6	94.3	0.0	80.2
<b>Total exports</b>	<b>2,162</b>	<b>988.7</b>	<b>8,205</b>	<b>3,483.3</b>	<b>1,737</b>	<b>693.6</b>	<b>1,797</b>	<b>868.6</b>	<b>7,142</b>	<b>2,988.6</b>	<b>-12.1</b>	<b>0.3</b>	<b>-14.2</b>

Sources: MINFI/- DF

### • Price competitiveness

#### Nominal effective exchange rate

During the fourth quarter of 2023, the CFA franc depreciated overall by 0.3% against the currencies of Cameroon's main trading partners, after four consecutive quarters of appreciation. Specifically, the CFA franc depreciated against the Chinese yuan (1.3%), the US dollar (1.7%) and the Russian rouble (5.1%). Conversely, it appreciated against the New Turkish lira (8.2%), the Japanese yen (2.2%) and sterling (1.0%). On an annual basis, the CFA franc appreciated by 11.0%.

#### Relative inflation rate

In the fourth quarter of 2023, prices in Cameroon remained stable relative to those of the country's main trading partners. This stability is also observed when trends are analysed on an annual basis. This result stems from a variety of factors, including prudent economic policies, more stable supply conditions and moderate global fluctuations.



**Table 14: Inflation rates of the main partners**

Devise	Weight of trade 2022 (in %)	Consumer price index 4th quarter 2022	Consumer price index 3rd quarter 2023	Consumer price index 4th quarter 2023	Variations (in %)	
		a	b	c	c/b	c/a
Euro European Union	28.6	127,03	131,40	128,64	-2.1	1.3
Indian rupee	12.3	208,43	222,33	220,11	-1.0	5.6
Chinese Yuan	11.4	131,79	131,88	131,26	-0.5	-0.4
CFA Franc Africa	4.1	131,74	134,29	134,24	0.0	1.9
US Dollar	2.8	133,09	138,96	138,55	-0.3	4.1
Russian Rouble	2.4	213,11	228,92	233,34	1.9	9.5
South Korean won	2.1	124,91	127,80	129,00	0.9	3.3
New Turkish Lira	2.0	564,75	853,33	887,52	4.0	57.2
Malaysian ringgit	2.0	127,91	129,74	129,27	-0.4	1.1
South African rand	1.3	184,78	192,80	193,77	0.5	4.9
Thai bath	1.3	120,31	121,25	119,98	-1.0	-0.3
Pound sterling	1.1	135,50	142,63	139,20	-2.4	2.7
Japanese yen	1.2	109,29	111,27	110,97	-0.3	1.5
CFAF Cameroon		133,74	142,89	140,73	-1.5	5.2
<b>Weighted relative price index</b>		<b>109,12</b>	<b>108,58</b>	<b>109,19</b>	<b>0.6</b>	<b>0.1</b>

Sources : BCE, NIS, MINFI/DF

**Real effective exchange rate**

After suffering three consecutive quarters of competitiveness losses, Cameroon stabilised its competitive position vis-à-vis its main trading partners in the fourth quarter of 2023. The Real Effective Exchange Rate (REER) fell slightly by 0.8%, marking a relative stabilisation after appreciations of 2% in the third quarter, 5% in the second quarter and 5.6% in the first quarter of the same year. This improvement in competitiveness is attributable to the relative stability of inflation and the nominal exchange rate over the period under review.

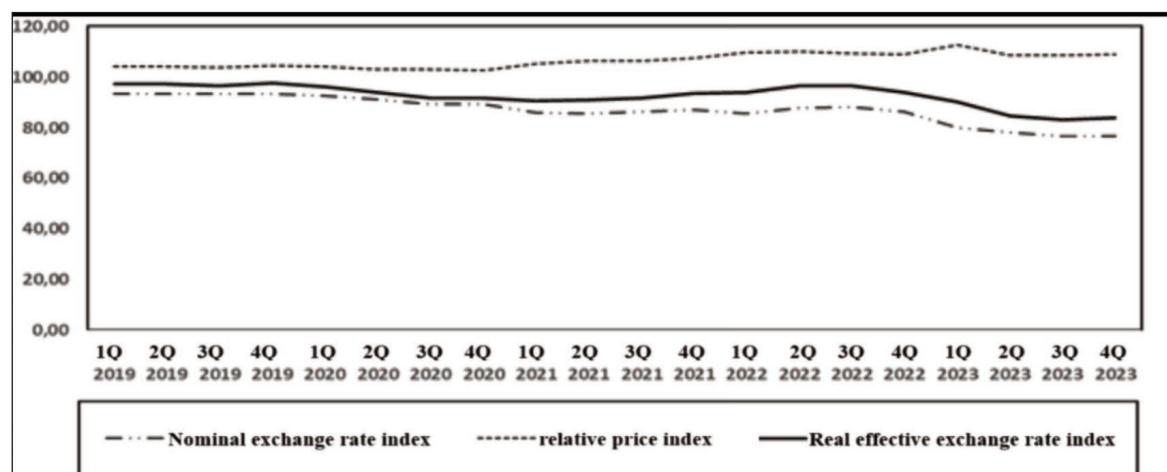
**Table 15 : Contribution to the development of competitiveness**

Currencies	Weight of trade in 2022 (%)	Weighted real exchange rate Q4 2022	Weighted real exchange rate Q3 2023	Weighted real exchange rate Q4 2023	Variations (in %)	
		a	B	C	c/b	c/a
Euro (European Union)	28.6	10.70	12.52	12.49	-0.2	16.7
Euro (European Union)	12.3	1.30	1.51	1.51	0.2	16.7
Chinese yuan	11.4	3.21	1.98	1.99	0.4	-38.2
CFA Franc Central Africa	4.1	1.00	1.00	1.00	0.1	-0.2
US Dollar	2.8	1.25	1.28	1.28	0.1	2.3
Russian rouble	2.4	1.16	1.08	1.08	0.3	-6.6
South Korean won	2.1	0.98	0.98	0.98	0.1	-0.3
New Turkish Lira	2.0	1.17	1.15	1.15	-0.1	-2.0
Malaysian ringgit	2.0	1.07	1.14	1.14	0.0	6.0
South African rand	1.3	1.03	1.07	1.07	0.0	3.6
Thai bath	1.3	1.05	1.05	1.05	0.0	0.1
Pound sterling	1.1	1.07	1.11	1.11	0.0	3.8
Japanese yen	1.2	1.03	1.02	1.02	0.0	-0.6
<b>Real effective exchange rate index</b>		<b>94.10</b>	<b>83.08</b>	<b>83.76</b>	<b>0.8</b>	<b>-11.0</b>

Source: MINFI/DF

As regards the outlook for 2024, Cameroon's competitiveness is expected to deteriorate slightly. This situation would be attributable mainly to the expected depreciation of the CFA franc, in correlation with the evolution of the euro against the main currencies, in particular the US dollar. In addition, relatively higher inflation than in Cameroon's main trading partners would also contribute to this deterioration.

**Graph 4: Change in the REER index**



Source: MINFI/DF

**Box 4: Promotion of "made in Cameroon"**

The Government of the Republic is promoting the import-substitution policy. This policy aims among other things, to strengthen the country's resilience to external shocks. It is worth pointing out that there is currently a strong reconsideration of economic openness throughout the world, a strong reminder that we are beginning to study the economy using closed economy models. It is against this backdrop that we should understand the slogan "AMERICA FIRST" coined by former US President Donald Trump. In the same line, President Emmanuel MACRON declares that "the France of 2030 will have to be more independent". This means no longer depending on other countries for essential goods and no longer risking critical supply disruptions. We might also think that the sovereign decisions to ban exports of certain goods, which have multiplied these recent years, are injunctions to importing countries to produce these goods themselves.

The import-substitution policy advocated by the Cameroonian Government is therefore wise in every respect, especially for essential goods whose importation puts a considerable strain on the balance of trade, worsening the country's external equilibrium, with its corollary of weakening the underprivileged social strata and worsening inflation. For this policy to be effective, it must be accompanied by a policy of effective promotion of Made in Cameroon, as well as better regulation of imports. With particular regard to the promotion of Made in Cameroon, it has been observed that the densification of the networks of national brands, which should also be encouraged, is accompanied by a substantial increase in imported goods, in contrast to the fact that foreign brands are a perfect reflection of the counters in their countries of origin. Regulation would help to remedy this situation and give local products greater exposure. If imports cannot be regulated, everyone could

be required to set aside a certain amount of space (20%, for example) exclusively for local products. In response to arguments about producers' inability to supply sufficient quantities and packaging shortcomings, retailers could be required to support producer groupings and get involved in packaging. In any case, giving local products a showcase in all super-markets would be a powerful vector for the blossoming of Made in Cameroon.

## PUBLIC FINANCES

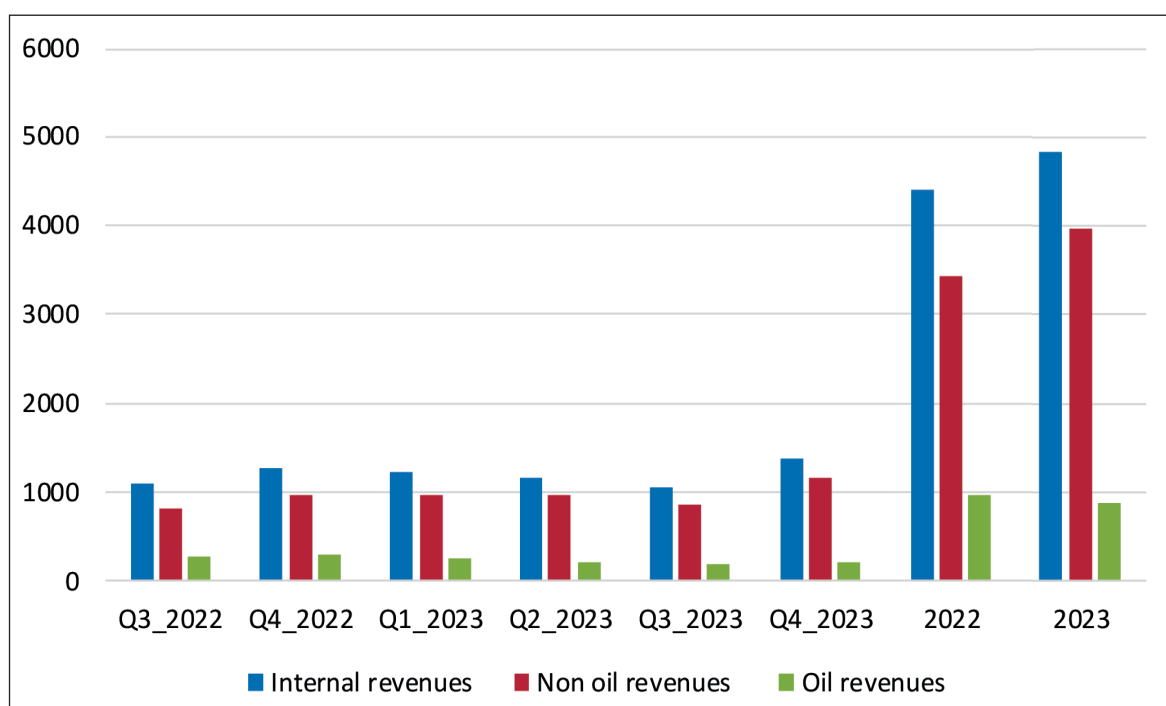
The execution of the State budget in the fourth quarter and for the full year 2023, compared to the same periods of the 2022 financial year, shows: (i) an increase in resources, driven by non-oil revenues; and (ii) an increase in expenditure, attributable to current expenditure and public debt servicing.

### Budgetary resources: increase in resources from non-oil revenues

The total budgetary resources collected, during the fourth quarter of 2023, amounted to 1,882.4 billion, an increase of 204.9 billion year-on-year. They include 1,386.8 billion in internal revenue and 135.4 billion in borrowing and grants.

Domestic budget revenues increased by 122.7 billion, due to higher non-oil revenues (+195.3 billion). Oil revenues, meanwhile, fell by 72.6 billion. This decrease is the result of a 90.1 billion decrease in the SNH royalty and a 17.5 billion increase in the tax on oil companies.

**Graph 5: Change in domestic budget revenue (in billion)**



Source: *MINFI/DF*

In the **fourth quarter of 2023**, non-oil revenues stood at 1,171.3 billion, up 195.3 billion. This increase is the result of increases in both tax and non-tax revenues. According to the main components, tax revenues stood at 1,035.9 billion, an increase of 165.5 billion; Customs revenue amounted to 288.8 billion, an increase of 34.7 billion. Non-tax revenues totalled 135.4 billion, up 29.8 billion.

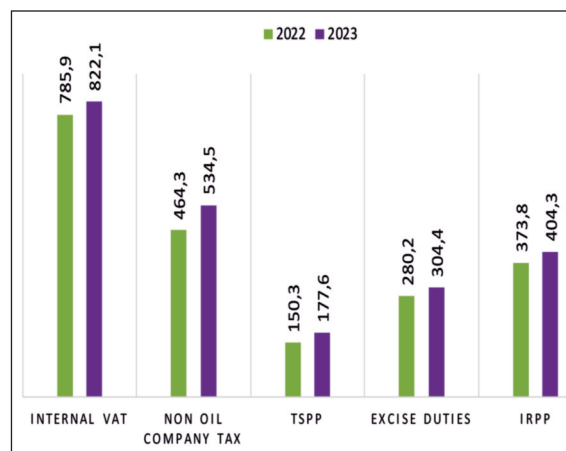
Loans and grants mobilized during the fourth quarter of 2023 increased by 82.3 billion year-on-year to 495.6 billion. They include, among others, 177.3 billion in project loans, 25.8 billion in grants, 70.3 billion in budget support and 205.2 billion in net issuance of government securities.



For the **full year 2023**, the total budgetary resources amount to 6,140.3 billion. They increased by 57.8 billion compared to the 2022 financial year. The increase is mainly due to internal revenues.

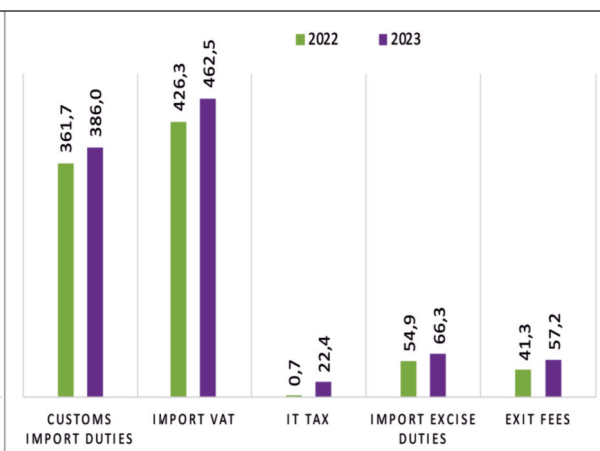
Internal budgetary revenue collected stood at 4,842.5 billion, an increase of 449.4 billion. This increase was driven solely by non-oil revenues, which amounted to 3,965.5 billion, an increase of 546.2 billion.

**Graph 6** : Trend in the main components of tax revenue (in billion)



Source : MINFI/DF

**Graph 7** : Trend in the main components of customs revenue (in billion)



Source : MINFI/DF

Oil revenues amounted to 859 billion, a decrease of 114.8 billion. This decline is mainly due to the decline in world oil prices between the two periods. These oil revenues are made up of 604.8 billion in SNH oil royalties and 254.2 billion in oil company taxes.

Non-oil revenues increased from 3,423.3 billion in 2022 to 3,965.5 billion in 2023, an increase of 546.2 billion. This increase was driven by the increase in the main components.

Tax revenues amounted to 2,622 billion, an increase of 336.1 billion. This increase is due to the increase in registration and stamp duties (+122 billion); tax on non-oil companies (+70.1 billion); VAT (+36.2 billion); personal income tax (+30.5 billion); TSPP (+27.4 billion) and excise duties (+24.2 billion).

Customs revenue amounted to 1,022.6 billion, an increase of 121.5 billion. This increase is attributable to the increase in import VAT (+36.2 billion); customs duties on imports (+24.3 billion); the IT tax (+21.7 billion); exit duties (+15.9 billion) and excise duties on imports (+11.4 billion). Non-tax revenues increased by 88.6 billion to 320.9 billion.

Loans and grants amounted to 1,297.8 billion and decreased by 391.6 billion due to the decrease in project loans (-148.6 billion); other borrowings (-278.6 billion) and net issuances of government securities (-17.9 billion). This decline was mitigated by the increase in grants (+35.2 billion); budget support (+18.2 billion).

**Table 16 : Trend in budgetary revenues (in billion)**

	4 <sup>th</sup> Qtr. 2022	4 <sup>th</sup> Qtr. 2023	Jan.-Dec. 2022	Jan.-Dec. 2023	Relative variations (in %)		Absolute variations	
	(a)	(b)	(c)	(d)	(b)/(a)	(d)/(c)	(b)/(a)	(c)/(d)
<b>A-INTERNAL REVENUE</b>	<b>1264.2</b>	<b>1277.1</b>	<b>4397.2</b>	<b>4718.2</b>	1.0	7.3	13.0	321.1
<b>I-Oil revenues</b>	<b>288.2</b>	<b>215.6</b>	<b>973.8</b>	<b>859.0</b>	-25.2	-11.8	-72.6	114.8
1-NHC dues	237.0	146.8	774.5	604.8	-38.0	-21.9	-90.1	169.7
2- IS oil	51.2	68.7	199.3	254.2	34.2	27.5	17.5	54.8
<b>II- Non-oil revenues</b>	<b>976.0</b>	<b>1061.6</b>	<b>3423.3</b>	<b>3859.2</b>	8.8	12.7	85.6	435.9
<b>1-Tax Revenues</b>	<b>870.4</b>	<b>985.8</b>	<b>3187.0</b>	<b>3594.4</b>	13.3	12.8	115.4	407.4
<b>a- Tax and duty revenues</b>	<b>616.3</b>	<b>698.2</b>	<b>2285.9</b>	<b>2570.3</b>	13.3	12.4	81.9	284.4
including –IRPP	91.9	85.2	373.8	401.5	-7.2	7.4	-6.6	27.7
- VAT	250.0	223.1	785.9	784.2	-10.8	-0.2	-26.9	-1.7
- IS non oil	88.1	108.2	464.3	533.8	22.7	15.0	20.0	69.5
- Excise duties	71.3	74.8	280.2	304.4	5.0	8.6	3.6	24.2
- Registration fees and stamp duty	35.5	113.0	120.4	239.4	218.1	98.9	77.4	119.0
- STPP	37.3	39.4	150.3	177.6	5.7	18.2	2.1	27.4
<b>b- Customs revenue</b>	<b>254.1</b>	<b>287.6</b>	<b>901.2</b>	<b>1024.1</b>	13.2	13.6	33.5	122.9
grant - customs import duty	103.5	103.3	361.7	387.0	-0.2	7.0	-0.2	25.3
- VAT import.	117.9	127.0	426.3	463.7	7.7	8.8	9.1	37.4
IT tax	0.2	5.8	0.7	22.2	3072.1	3158.8	5.6	21.6
- Import excise duties	14.6	17.8	54.9	66.3	21.4	20.8	3.1	11.4
- Exit fees	9.8	19.6	41.3	57.5	99.9	39.3	9.8	16.2
<b>2- Non-fiscal revenues</b>	<b>105.6</b>	<b>75.8</b>	<b>232.3</b>	<b>259.5</b>	-28.2	11.7	-29.8	27.2
<b>3- SAA Revenues</b>	<b>0.0</b>	<b>0.0</b>	<b>4.0</b>	<b>5.4</b>	-	34.5	0.0	1.4
<b>B- LOANS AND GRANTS</b>	<b>413.3</b>	<b>342.8</b>	<b>1689.3</b>	<b>1161.4</b>	-17.1	-31.2	-70.5	527.9
- Project loans	199.7	162.9	639.3	485.5	-18.4	-24.1	-36.8	153.9
- Grants	22.5	14.5	104.2	82.2	-35.5	-21.1	-8.0	-22.0
- Budgetary support	119.1	26.7	165.0	50.0	-77.6	-69.7	-92.4	115.0
- Issuance of net public securities	72.1	121.8	485.3	437.3	69.0	-9.9	49.7	-48.1
- Other loans (y/c PARPAC and SDR)	0	16.9	295.5	106.5	-	-64.0	16.9	189.0
<b>TOTAL BUDGETARY RESOURCES</b>	<b>1677.5</b>	<b>1619.9</b>	<b>6086.5</b>	<b>5879.7</b>	-3.4	-3.4	-57.5	206.8

Source : MINFI/DF

Government expenditure : increase in expenditure, attributable to current expenditure and public debt servicing.

During the second quarter of 2023, Total budgetary expenditure on a monthly basis amounted to 1,770.1 billion, an increase of 8.8% year-on-year. Current expenditure excluding interest on the debt amounted to 1,168.5 billion, an increase of 6.6%, due to the evolution of its components as follows: (i) personnel expenses increased by 58.8 billion to 366.9 billion; (ii) goods and services increased by 181.9 billion to 516.2 billion; (iii) transfers and pensions dropped by 168.1 billion to stand at 285.5 billion.

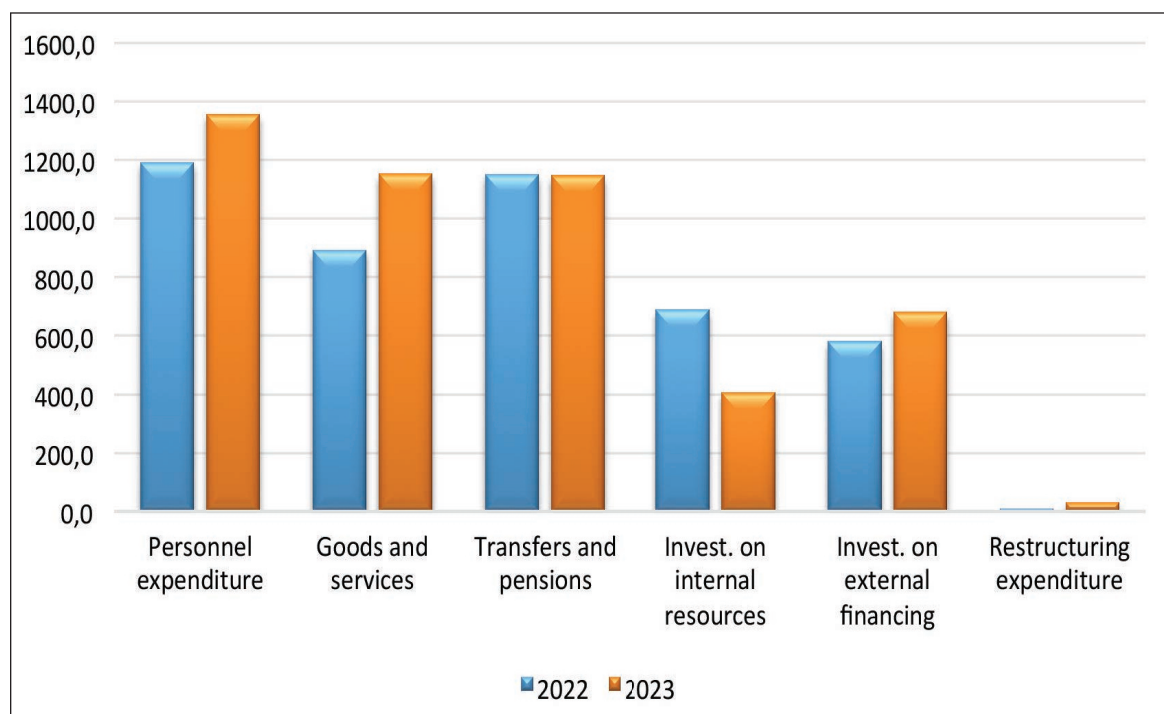
Capital expenditure increased by 2.2% to 435.3 billion. On external financing, this expenditure fell by 36.3% to 135.8 billion. On own resources, they increased by 32.4% to 279.5 billion. Restructuring expenses increased by 18.4 billion to 20 billion in the fourth quarter of 2023.

The public debt service was 263.6 billion, an increase of 74 billion. External debt servicing amounted to 158.5 billion, of which 123.5 billion was principal repayment and 35 billion was interest. The domestic debt amounted to 105.1 billion and included 20 billion in interest;

23.1 billion in principal depreciation; 14 billion in VAT credit refunds; 48 billion in domestic arrears payments from fiscal years 2022 and earlier.

**At the end of the 2023 financial year,** Total budgetary expenditure on a monthly basis amounted to 6,454.3 billion compared to 5,886.5 billion year-on-year, an increase of 567.8 billion.

**Graph 8 : Trend in the main components of expenditure excluding debt servicing (in billion)**

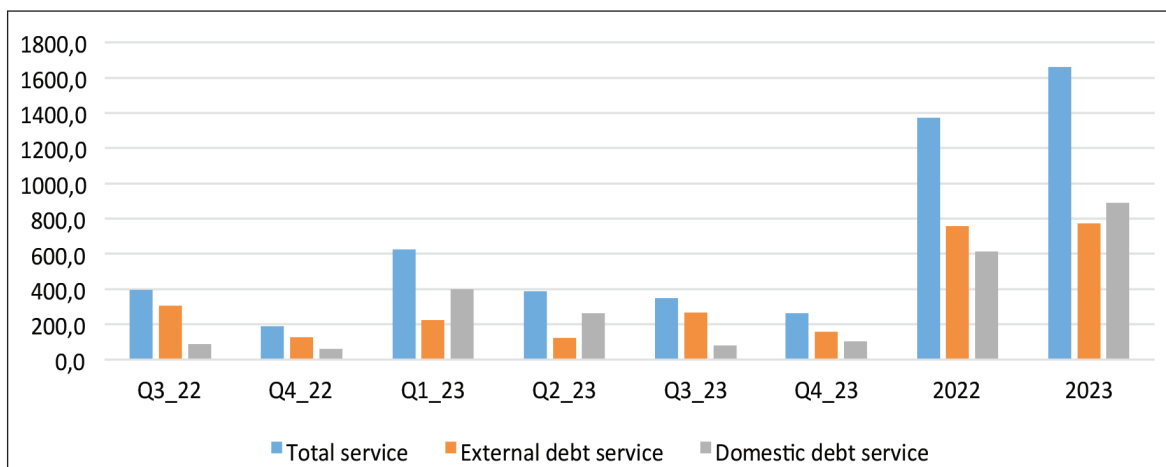


Source : MINFI/DF

Current expenditure excluding interest decreased by 65.5 billion to 3,657.3 billion. This increase is the result of the contrasting evolution of its components. Indeed, personnel costs increased by 13.7% to 1,357 billion. Spending on goods and services increased by 29.1% to 1,152.9 billion. Expenditure on transfers and pensions amounted to 1,147.4 billion, a decrease of 0.4%.

Capital expenditure is estimated at 1,117.8 billion at the end of December 2023 compared to 1,278.8 billion a year earlier, a decrease of 161.1 billion. Capital expenditure from own resources rose by 99.6 billion to 680.1 billion. Capital expenditure on external financing amounted to 406.7 billion, down by 281.5 billion. Restructuring expenditure amounted to 30.9 billion, an increase of 20.9 billion.

**Graph 9 : Trend in the public debt service (in billion)**



Source : MINFI/DF

The effective servicing of the public debt increased by 290.1 billion (+21.1%) to 1,662.4 billion, compared to the end of December 2022. It comprises 771.5 billion in external debt and 890.8 billion in domestic debt.

The actual servicing of the external debt increased by 14.1 billion (+23.2%) year-on-year. It comprises 209.7 billion in interest and 561.8 billion in principal. Domestic debt service payments amounted to 890.8 billion, 276 billion more than at the end of December 2022.

These payments include 110.5 billion in interest; 184.6 billion in depreciation; 59.3 billion in VAT credit refunds, and 536.5 billion in payments of 2022 financial year proceedings and previous arrears.

**Table 17 : Trend in public spending (in billion)**

	4 <sup>th</sup> Qtr. 2022	4 <sup>th</sup> Qtr. 2023	Jan.- Dec. 2022	Jan.- Dec. 2023	Relative variations (in %)		Absolute variations	
	(a)	(b)	(c)	(d)	(b)/(a)	(d)/(c)	(b)/(a)	(d)/(c)
<b>I-Current expenditure</b>	<b>1095.9</b>	<b>864.1</b>	<b>3237.6</b>	<b>3172.1</b>	<b>-21.2</b>	<b>-2.0</b>	<b>-231.8</b>	<b>-65.5</b>
Staff expenses	308.1	329.3	1193.1	1283.7	6.9	7.6	21.3	90.6
Expenditure on goods and services	334.3	327.6	893.1	875.6	-2.0	-2.0	-6.7	-17.5
Grant - SAA	2.7	0.0	6.6	1.1	-100.0	-83.1	-2.7	-5.5
Transfers and pensions	453.6	207.1	1151.5	1012.9	-54.3	-12.0	-246.4	-138.6
<b>II- Investment expenditure</b>	<b>425.9</b>	<b>388.8</b>	<b>1278.8</b>	<b>1125.3</b>	<b>-8.7</b>	<b>-12.0</b>	<b>-37.1</b>	<b>-153.5</b>
On external financing	213.1	167.0	688.3	507.5	-21.6	-26.3	-46.1	-180.8
on own resources.	211.1	191.3	580.6	562.5	-9.4	-3.1	-19.8	-18.1
Grant - SAA	0.0	0.0	0.0	1.6			0.0	1.6
Restructuring expenses	1.6	30.5	10.0	55.4	1759.1	454.0	28.9	45.4
<b>III- Miscellaneous expenditure to be regularised</b>	<b>-61.8</b>	<b>-106.8</b>	<b>0.0</b>	<b>0.0</b>	<b>72.9</b>		<b>-45.0</b>	<b>0.0</b>

	4 <sup>th</sup> Qtr. 2022	4 <sup>th</sup> Qtr. 2023	Jan.- Dec. 2022	Jan.- Dec. 2023	Relative variations (in %)		Absolute variations	
	(a)	(b)	(c)	(d)	(b)/(a)	(d)/(c)	(b)/(a)	(d)/(c)
<b>IV- Net loans (Loans-Repayments)</b>	<b>-22.4</b>	<b>16.9</b>	<b>-2.2</b>	<b>16.9</b>	<b>-175.6</b>	<b>-860.3</b>	<b>39.3</b>	<b>19.2</b>
<b>V- Public debt service</b>	<b>189.6</b>	<b>219.3</b>	<b>1372.3</b>	<b>1577.2</b>	<b>15.7</b>	<b>14.9</b>	<b>29.7</b>	<b>204.9</b>
External debt	128.6	158.5	757.4	771.5	23.2	1.9	29.9	14.1
Interest	27.8	35.0	168.8	209.7	25.7	24.2	7.2	40.9
Main	100.8	123.5	588.6	561.8	22.5	-4.5	22.7	-26.8
Domestic debt	61.0	60.8	614.9	805.7	-0.3	31.0	-0.2	190.8
Grant - interest	10.9	17.3	41.9	107.8	58.2	157.4	6.4	65.9
- Amortization of the main debt	17.7	13.1	148.9	111.9	-25.9	-24.9	-4.6	-37.0
- Repayment of VAT credits	19.4	14.0	80.0	59.3	-27.7	-25.9	-5.4	-20.8
- Domestic arrears	13.0	16.4	344.1	526.7	26.3	53.1	3.4	182.7
<b>TOTAL BUDGETARY EXPENDITURE</b>	<b>1627.2</b>	<b>1382.3</b>	<b>5886.5</b>	<b>5891.6</b>	<b>-15.1</b>	<b>0.1</b>	<b>-244.9</b>	<b>5.1</b>

Source : MINFI/DF

### Budgetary balances and financing flows

At the end of the 2023 Financial Year, the stock of payment arrears had been reduced by 213.3 billion. This trend is the result of payments of 526.7 billion made on arrears from previous financial years, combined with the accumulation of 313.4 billion in new proceedings from the 2023 Financial Year.

The State's operations, reflecting the revenue and grants raised, and the expenditure incurred, produced an overall balance of 106.6 billion, based on orders. The primary balance based on ordinances stood at 424.1 billion and the non-oil primary balance at -434.9 billion.

With regard to domestic financing, the Net Treasury Position (NTP) in relation to the banking system deteriorated by 397.6 billion at the end of the 2023 Financial Year. This situation stems from the combined effect of the deterioration in positions with respect to: BEAC by 64.9 billion, commercial banks by 204.1 billion and the IMF by 151 billion.

**Table 18 : Trend in budgetary balances (in billion)**

	End of December 2022	End of December 2023
OVERALL PRIMARY BALANCE (NET*)	-96.9	424.1
NON-OIL PRIMARY BALANCE (NET*)	-1,070.7	-434.9
OVERALL BALANCE (NET*)	-307.6	106.6

Source : MINFI \*Excluding VAT credit refunds

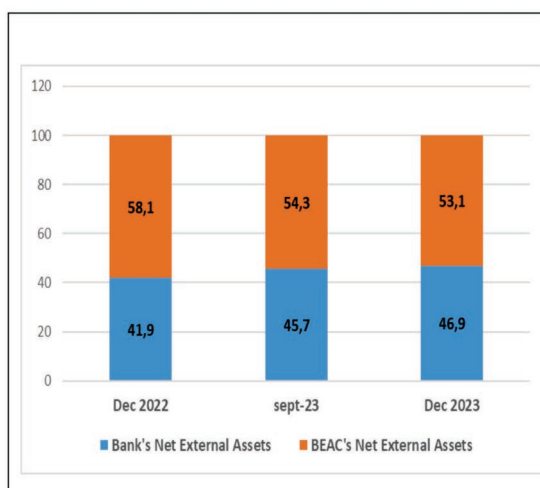


## MONETARY SITUATION

At the end of December 2023, the monetary position was balanced in terms of resources and uses at 10 265.7 billion, an increase of 3.7% compared to the end of September 2023. This development is due to the strengthening of net foreign assets. Loans to the economy and net claims on the State remained virtually stable. Year-on-year, the monetary situation is on the rise by 4.6%.

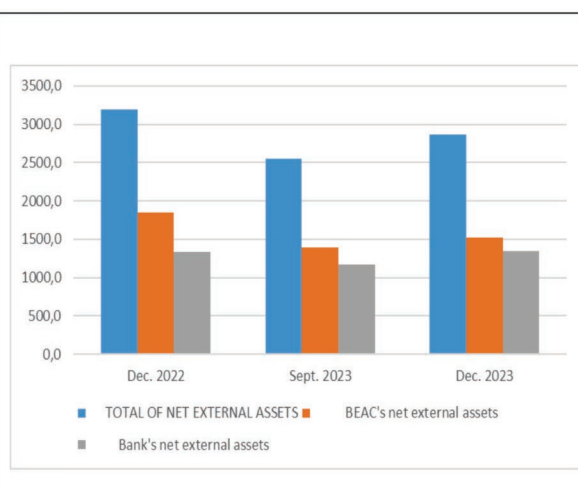
At the end of December 2023, and compared to the end of September 2023, external assets increased by 12.4% to 2,870.8 billion, as a result of the consolidation of both the BEAC's net external assets (+9.9%) and those of the banks (+15.3%). The increase in the BEAC's net foreign assets is linked to the rise in the repatriation of export earnings. The increase in banks' net external assets was due to the rise in the value of commercial banks' investment securities.

**Graph 10 :** Trends in the weight of the components of net foreign assets (in %)



Sources : MINFI, BEAC

**Graph 11 :** Trend in net foreign assets and its components (in billion assets)



Sources : MINFI, BEAC

**At the end of December 2023**, domestic credit stood at 7 394.9 billion, an increase of 0.7% compared to the end of September 2023. This increase is due to the rise in net claims on the State (+2%) and loans to the economy (0.1%).

Net claims on the State rose from 2 323.8 billion at the end of September 2023 to 2 371.0 billion at the end of December 2023. Reflecting this trend, the Net Government Position (NGP), assessed on the basis of the difference between the loans granted to the State by BEAC, the banks and the IMF, on the one hand, and total Government deposits on the other, amounted to 2,479.7 billion, an increase of 7.1% compared to the end of September 2023. This increase is the result of the fall in Government deposits at the Central Bank and the increase in Government commitments to banks, in a greater proportion than deposits. The NGP with respect to BEAC increased from 209.9 billion at the end of September 2023 to 286.8 billion at the end of December 2023. Similarly, the NGP with regard to banks increased from 937.1 billion at the end of September 2023 to 1,004.5 billion at the end of December 2023, as a result of increased subscriptions by banks to government securities issues. Similarly, the NGP with regard to banks increased from 937.1 billion at the end of September 2023 to

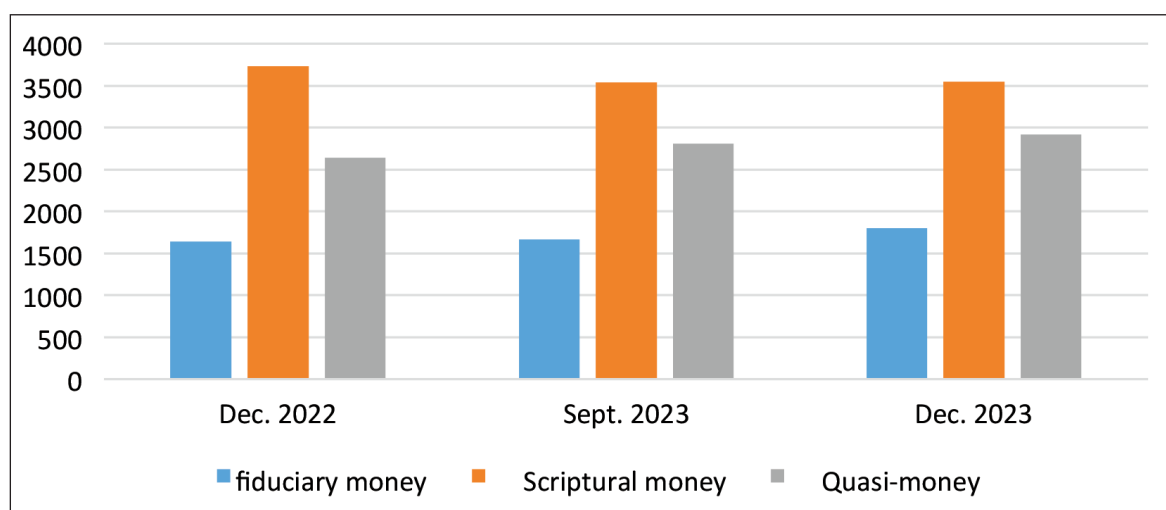
1,004.5 billion at the end of December 2023, as a result of increased subscriptions by banks to Government securities issues.

Loans to the economy were virtually stable (+0.1%), after 3.6% at the end of September 2023. In absolute terms, they stood at 5 023.8 billion compared to 5 019.1 billion at the end of September 2023. However, there is a contrast in the evolution of its components. Loans to the non-financial private sector, with a weight of 90%, increased by 2.5%, while loans to public enterprises dropped by 5%.

The breakdown of claims on the economy, according to duration, reaffirms the preponderance of short-term loans (54.1% of total claims on the economy). The share of medium-term loans stands at 42.3% and that of long-term loans at 3.6%.

Reflecting the evolution of its counterparts, the money supply (M2) dropped by 3.2% to reach 8 269,8 billion at the end of December 2023. It is made up of 21.8% of fiduciary money, 42.9% of scriptural money and 35.3% of quasi money.

**Graph 12 : Components of the money supply (in billion)**



Sources : *MINFI, BEAC*

At the end of December 2023, and compared to the same date in 2022, the monetary situation increased by 4.6%. It is characterized by the decline in net foreign assets (-10.1%), and the increase in credit to the economy (+11.6%). The decline in net foreign assets was driven by the decline in net foreign assets of the BEAC (-17.7%).

Reflecting the evolution of claims on the State, NGP increased by 16.2%, resulting from the increase of all its components that are the NGPs towards BEAC, the banks and the IMF.

Loans to the economy were driven by loans to the non-financial private sector (+12.7%) and loans to state-owned enterprises (+9.9%).

The currency's external coverage ratio, defined as the ratio between gross official holdings of foreign currency and total demand liabilities of the Central Bank, is well above the regulatory threshold. It stands at 71.9% compared to 73.1% a year ago. Cameroon's official foreign exchange reserves are estimated at 2930 billion at the end of December 2023. They account for 43% of CEMAC reserves and can cover 5.4 months of imports of goods and services.

**Table 19 : Broad monetary situation (in billion of CFAF)**

	Dec. 2022	Sept. 2023	Dec. 2023	Variations	
	a	b	c	c/b	c/a
<b>TOTAL COUNTERPARTS OF THE MONETARY SYSTEM RESOURCES</b>	9 817.3	9 897.4	10 265.7	3.7	4.6
NET EXTERNAL ASSETS	3 194.0	2 554.5	2 870.8	12.4	-10.1
BEAC's net external assets	1854.1	1388.3	1525.7	9.9	-17.7
including : Operations account	2696.7	2055.4	2134.9	3.9	-20.8
Foreign currency assets	354.8	700.9	734.0	4.7	106.9
Use of IMF Credits	793.9	849.4	870.7	2.5	9.7
BCM's net external assets	1339.8	1166.3	1345.1	15.3	0.4
Internal Credit (a+b)	6 623.3	7 342.9	7 394.9	0.7	11.6
Net Claims on the State (a)	2 133.2	2 323.8	2 371.0	2.0	11.2
Net government position	2 134.2	2 315.0	2 479.7	7.1	16.2
Other net claims on the State	-59.1	8.8	-108.7	-	-
Claims on the economy (b)	4 490.1	5 019.1	5 023.8	0.1	11.9
Banking institutions in liquidation	0.0	0.0	0.0	0.0	14.3
Other banking institutions not eligible for BEAC refinancing	7.6	8.7	11.5	31.2	51.2
Non-banking financial institutions	33.4	95.1	12.0	-87.4	-64.2
Non-financial public enterprises	442.6	512.0	486.5	-5.0	9.9
Private non-financial sector	4 006.5	4 403.2	4 513.9	2.5	12.7
<b>TOTAL RESOURCES OF THE MONETARY SYSTEM</b>	9 817.3	9 897.4	10 265.7	3.7	4.6
Banknotes and coins	1 637.6	1 668.4	1 802.3	8.0	10.1
Scriptural money	3 729.4	3 538.7	3 548.4	0.3	-4.9
BEAC	3.7	6.2	2.6	-58.7	-30.9
Money-creating banks	3 693.9	3 501.5	3 516.1	0.4	-4.8
Other banking institutions eligible for BEAC refinancing	28.3	27.5	26.2	-4.7	-7.2
Postal Cheque Centre (PCC)	3.5	3.5	3.5	0.0	0.0
Money availability	5 367.0	5 207.1	5 350.7	2.8	-0.3
Quasi-money	2 643.1	2 807.4	2 919.1	4.0	10.4
Money-creating banks	2 611.0	2 772.9	2 884.4	4.0	10.5
Other banking institutions eligible for BEAC refinancing	32.1	34.5	34.7	0.7	8.2
Monetary and quasi-money availability	8 010.1	8 014.5	8 269.8	3.2	3.2
Other net positions	1 807.2	1 882.9	1 995.9	6.0	10.4

Sources : BEAC, MINFI

## BANKING SECTOR

At the end of December 2023 and compared to the end of September 2023, the banking sector was characterised by: (i) an increase in the consolidated balance sheet of banks; (ii) an increase in customer deposits and loans; (iii) an improvement in financial inclusion; (iv) compliance with prudential standards.

### Consolidated balance sheet of banks

At the end of December 2023, the consolidated balance sheet of all banks was balanced in terms of resources and uses at 10 468.6 billion, an increase of 3.8% compared to the end of September 2023. Year-after-year, the balance sheet increases by 10.6%.

### Customer deposits

At the end of December 2023 and compared to the end of September 2023, deposits increased by 1.2% and stood at 7 723.5 billion. This increase is mainly driven by private enterprises and the Central Administration. Deposits from individuals and state-owned enterprises are dropping.

**Table 20 : Deposits by customer type (in billion)**

	Dec. 2022	Sept. 2023	Dec.2023	Variations in (%)		Weight at the end of Dec. 2023 (%)
	a	b	c	c/b	c/ a	
Central Public Administration	601.3	590.4	607.9	3.0	1.1	7.9
Local Public Administration	29.2	39.8	37.2	-6.6	27.4	0.5
Public bodies	140.7	287.0	221.2	-22.9	57.2	2.9
Private Administrations	144.9	176.8	200.9	13.6	38.6	2.6
Public enterprises	557.6	616.8	595.9	-3.4	6.9	7.7
Private enterprises	2 141.7	2 262.6	2 569.4	13.6	20.0	33.3
Insurance and Capital Companies	158.7	189.7	182.8	-3.6	15.2	2.4
Individual companies	270.7	283.5	289.6	2.1	7.0	3.7
Individuals	2 612.5	2 701.5	2 575.4	-4.7	-1.4	33.3
<i>Miscellaneous</i>	586.8	484.4	443.2	-8.5	-24.5	5.7
<b>TOTAL</b>	<b>7 244</b>	<b>7 632.4</b>	<b>7 723.5</b>	<b>1.2</b>	<b>6.6</b>	<b>100.0</b>

Source : BEAC

By nature, term deposits increased by 9.5%. On the other hand, sight deposits and special deposits (savings bonds) dropped by 0.2% and 1% respectively.

Demand deposits remain the most significant category, accounting for 79.9% of the total. They are followed by term deposits (15.8%) and savings bonds (5.3%).

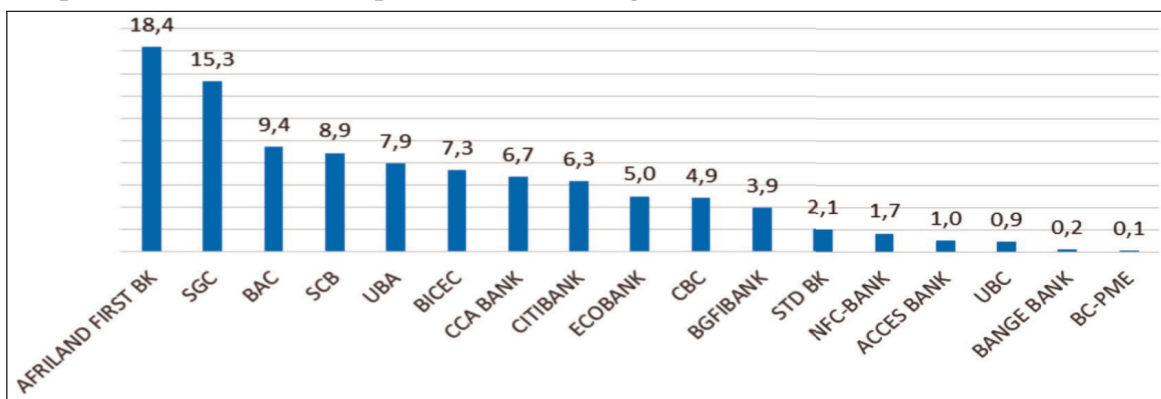
**Table 21 : Deposits by type of customers (in billion)**

	Dec. 2022	Sept. 2023	Dec. 2023	Variations in %		Weight as of 31 Dec. 2023 (in %)
	a	b	c	c/b	c/ a	
Special scheme deposits	448.9	413.7	409.5	-1.0	-8.8	5.3
Fixed-term deposits	923.3	1111.7	1 217.3	9.5	31.8	15.8
Sight deposits	5 871.9	6 107.0	6 096.7	-0.2	3.8	78.9
<b>TOTAL</b>	<b>7,244</b>	<b>7,632.4</b>	<b>7 723.5</b>	<b>1.2</b>	<b>6.6</b>	<b>100.0</b>

Source : BEAC

In terms of market share, out of 19 banks operating in the Cameroonian market, Afriland First Bank maintains the first place with 18.4% of deposits. It is followed by SGC (15.3%), BAC (9.4%), SCB (8.9%), UBA (7.9%), BICEC (7.3%), CCA (6.7%), CITI BANK (6.3%), ECOBANK (5.0%), CBC (4.9%) and BGFI BANK (3.9%). Year-on-year, deposits rose by 6.6%, driven by public companies, private companies and Central Government.

**Graph 13 : Breakdown of deposits in the banking market at the end of December 2023 (%)**



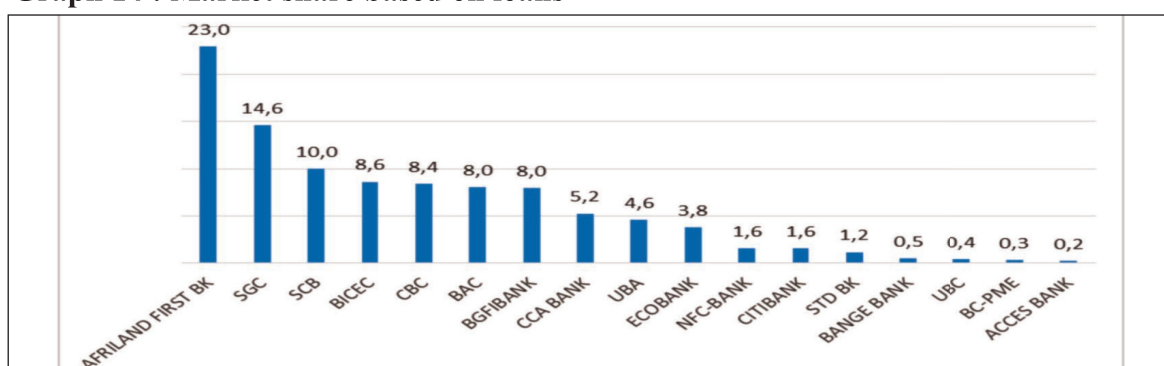
Source : MINFI

### Outstanding loans

At the end of December 2023, bank loans were 2.4% higher than at the end of September, at 5 404.3 billion. This increase is mainly due to the increase in loans to individuals and sole proprietorships. The refinancing percentage is 6.2% at BEAC and 2.3% on the interbank market.

In terms of market share, Afriland First Bank remains in first place with 23.0% of loans. It is followed, among others, by SGC (14.6%), SCB (10.0%), BICEC (8.6%), CBC (8.4%), BAC (8.0%), BGFI BANK (8.0%), CCA BANK (5.2%) and UBA (4.6%).

**Graph 14 : Market share based on loans**



Source : MINFI/DF



By maturity, short-term loans represent 28.7% of total outstanding loans, medium-term loans 46.3% and long-term loans 2.6%. Gross overdue loans represent on average 13.4% of outstanding loans and customer accounts receivable 8.2%. However, BC-PME, SGC, ECO-BANK, BICEC and BAC have higher rates of overdue loans than all the banks.

The rate of coverage of overdue loans by provisions was 87.4% at the end of December 2023, compared to 72.2% at the end of September 2023.

The total number of bank accounts was 4 022 438, an increase of 50 430 compared to September 2023.

**Year-on-year** outstanding loans increased by 14.9%. This growth is attributable to loans granted to individuals, public and private enterprises and the public sector.

The rate of gross overdue loans improved slightly, from 13.7% at the end of December 2022 to 13.4% at the end of December 2023. The total number of bank accounts is on the rise by 2 64 015 accounts compared to the end of December 2022. The banking rate in the strict sense of the term for the active population is stabilised at 28.4%.

The level of financial intermediation, measured as the ratio of loans to deposits, increases from 65% in December 2022 to 70% in December 2023. Similarly, the ratio of deposits to long- and medium-term loans rises from 33.5% to 34.8%.

**Table 22 : Breakdown of loans by type of customer (in billion)**

Headings	Dec.	Sept. 2023	Dec.	Variations in (%)		Weight in Dec.
	a	b	c	c/b	c/ a	
Central Public	302.8	202.9	182.5	-10.1	-39.7	3.4
Local Public Administration	2.3	10.4	9.4	-9.8	307.8	0.2
Public bodies	0.0	0.0	0.7	3435.0	-	0.0
Private Administrations	33.8	42.2	42.3	0.2	25.0	0.8
Public enterprises	541.7	667.1	670.4	0.5	23.8	12.4
Private enterprises	2 691.7	3 037.7	3 066.4	0.9	13.9	56.7
Insurance and Capital	6.9	2.1	2.6	25.7	-61.6	0.0
Individual companies	166.1	179.4	239.3	33.4	44.1	4.4
Individuals	964.4	1 121.2	1 162.6	3.7	20.5	21.5
Miscellaneous	5.2	12.8	28.2	120.6	442.2	0.5
<b>Total</b>	<b>4 715.0</b>	<b>5 275.9</b>	<b>5 404.3</b>	<b>2.4</b>	<b>14.6</b>	<b>100</b>

Source : BEAC

Out of the 19 banks operating in the Cameroonian market, the situation of prudential ratios concerns 15 and is as follows at the end of December 2023:

- 13 banks respect the minimum capital and net equity ratio;
- 13 banks respect the risk coverage ratio;
- 13 banks comply with the capital adequacy ratio ;
- 14 banks meet the liquidity ratio;
- 12 banks comply with the minimum required long-term transformation ratio.

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