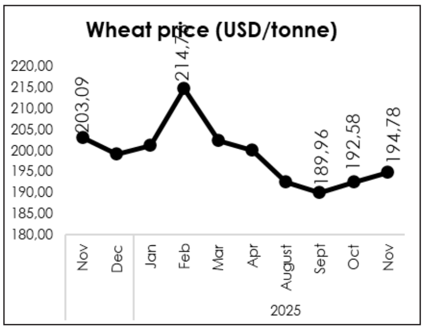
Monthly Economic Review

No. 005 November 2025

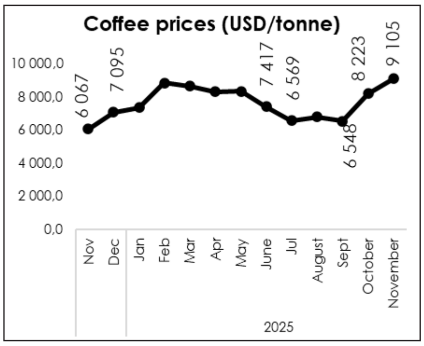
By GECAM

1. PRICES OF MAJOR COMMODITIES

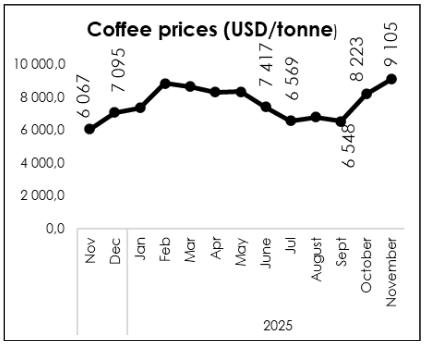
Wheat. In November, wheat prices rose after a sharp decline between February and September. The price per tonne was $194.78, up 1.14% from October. While the forecast for increased production explains the downward trend since September 2025, the slight upturn at the end of November appears to be the result of concerns about the timing of the availability of new production in certain countries (notably France). Geopolitical factors also played a role, such as occasional tensions in the Black Sea due to the Russian-Ukrainian conflict.



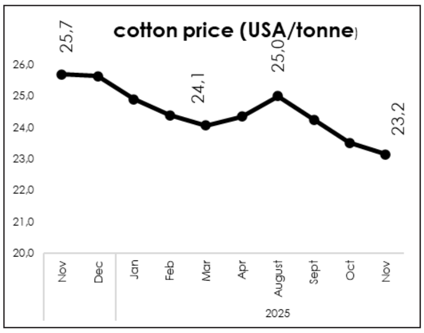
Cocoa. Cocoa prices have been on a downward trend since June 2025. While the decline was the result of positive production prospects, the rise in September reflects a resurgence of fears about production, due in particular to the inability of the «interim season» (April to September) to replenish global stocks.



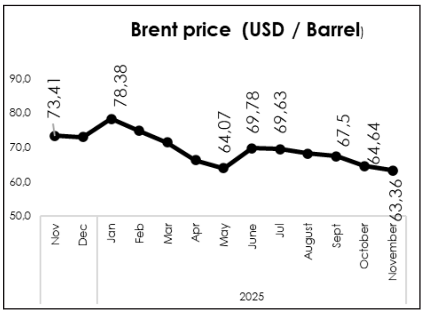
Coffee. Tensions in this market remain high, with prices continuing their upward trend over the last 12 months. The price is now $9,105 per tonne, compared with $6,067 per tonne 12 months earlier.



Cotton. Cotton prices have shown a general downward trend, with moderate fluctuations since January 2025. From August 2025 onwards, prices continued to fall, reaching $23.2 in November. This downward fluctuation may be influenced by increased production, which can be explained by Chinese investment in agricultural technologies and improved practices boosting their production capacity, and Brazil's adoption of new varieties and modern agricultural techniques. It may also be influenced by the adoption of advanced agricultural practices and subsidies for American production.



Oil. Daily quotations reveal that the price of Brent crude oil is showing significant fluctuations, with a general downward trend from £73.41 to £63.36 after peaking at £78.38 in January 2025. This downward trend is the result of a combination of economic, geopolitical and seasonal factors, the most recent of which is the fear of a recession in the United States following the current trade war and the geopolitical crisis in the Middle East.



2. SUB-REGIONAL ECONOMIC NEWS

The BDEAC obtains its first international financial rating of «Ba3» with a stable outlook from Moody's

On 21 November 2025, the Development Bank of Central African States (BDEAC) received its first»**Ba3**» rating. This rating places the BDEAC in the upper tier of the «speculative» category. This assessment is a strategic step towards accessing international markets to finance its 2023-2027 «Azobé» Strategic Plan, valued at 1,700 billion CFA francs. This represents major advantages for the BDEAC:

- A central role in financing CEMAC's structural projects;
- Strong shareholder support, as illustrated in particular by the recent successful capital increase in 2023;
- The continuous strengthening of its governance and risk management thanks to the reforms undertaken as part of the «Azobé» Plan, which aim to align the institution's operational and financial practices with the best international standards.

The award of this first international rating is recognition of the profound transformation and modernisation work that BDEAC has been undertaking for the past three years. This rating elevates BDEAC to the highest credit rating , relative to sovereign and private entities in the CEMAC zone, affirming its role as a hub of financial stability and an anchor for investor confidence in the region.

Bank liquidity: launch of liquidity injection operations on the money market

The BEAC (Bank of Central African States), under reference AON/OPIL No. 45/E7/2025-BEAC dated 11 November 2025, has launched a liquidity injection operation on the money market in the amount of CFAF 800 billion. This operation will take place with a value date set for Thursday 13 November 2025 and a maturity date of Thursday 20 November 2025. The minimum interest rate applied (TIAO) is 4.50%. This is a variable rate tender, where each bidder submits a maximum of five bids. The collateral eligible for this operation is assets accepted as collateral for BEAC refinancing operations, in accordance with Decision No. 04/CPM/2013 of 31 October 2013. This injection underscores the BEAC's ongoing commitment to an expansionary monetary policy aimed at controlling inflation and supporting the pegging of the CFA franc.

Although liquidity has been eased in the short term, market participants must prepare for a sustained environment of high financing costs. This alert presents the operational details, strategic implications and recommended actions for financial institutions and corporate treasuries.

On 18 November 2025, the BEAC carried out a new liquidity injection operation into the banking system of 700 billion CFA francs. The level of demand from credit institutions was 591 billion CFA francs, the lowest level since the second half of September 2025. Since that period, commercial banks' needs had remained close to CFAF 650 billion, before soaring in October to CFAF 700 billion and then CFAF 800 billion, prompting the central bank to gradually increase its supply to absorb this appetite.

44th UEAC session: CEMAC budget set at CFAF 85.9 billion for 2026.

At the end of its 44thordinary budget session held in Brazzaville from 27 to 31 October 2025, the CEMAC community budget for the 2026 financial year was set at 85,923,690,256 CFA francs, marking an increase of 2.42% compared to that of 2025. *This increase reflects the Member States' desire to consolidate regional integration while maintaining rigorous management of public expenditure.* This increase compared to 2025 reflects the common desire to rationalise expenditure while preserving the resources necessary to carry out priority integration projects.

In addition, the Council of Ministers recommends that the Commission take the necessary measures to produce a consolidated report of the Community's financial controllers, a multilateral surveillance report for the year 2024, and approve the broad economic policy guidelines for 2026. This optimistic and pragmatic draft budget takes into account the actual TCI recovery rates for the 2025 financial year, as well as the rationalisation measures taken by the EUAC Council of Ministers at its 43rd ordinary session held in Bangui to improve the situation.

Alert on the banking system: COBAC refers CDEC's actions to the government

The Cameroonian banking sector is undergoing a major crisis, according to a confidential letter from the Central African Banking Commission (COBAC) addressed to the Minister of Finance. Dated late October 2025, the letter warns of the «high risks of crisis» due to the actions of the Caisse des Dépôts et Consignations du Cameroun (CDEC). The latter has filed numerous complaints of «misappropriation of public funds» against bank executives and has seized several billion CFA francs in bank assets, while sending threatening letters to the parent companies of international institutions. The CDEC's apparent objectives include the transfer of inactive accounts.

COBAC denounces these actions as threatening public confidence and points out that a framework governing such actions has been established by the UMAC Ministerial Committee, with regulations in force since September 2025. Despite this, the CDEC appears to be acting unilaterally, in violation of Community law. COBAC is calling for urgent intervention by the minister to put an end to these proceedings and is warning of new CDEC requirements that could disrupt banks' cash flow, exacerbating tensions around the control of dormant savings.

Adoption of the ISO 20022 payment messaging standard in CEMAC payment systems

CEMAC, via BEAC, adopted the ISO 20022 standard for its payment systems in November 2025, making its adoption mandatory for financial institutions before 22 November 2025. This major technical transition aims to align systems with international standards in order to improve financial governance, traceability, transaction security, and interoperability with the global financial community. The benefits of this standard include enriched transactional information thanks to the XML format, reduced manual intervention, increased compliance, and better fraud prevention. The implementation concerns systems connected to SYGMA and SYSTAC2, which will use a proprietary version of ISO 20022, with the provision of a portal called «My Standard». However, this development comes with challenges, such as the high costs of infrastructure modernisation, the need to train staff, and the need to support small institutions. Nevertheless, it offers opportunities for a profound modernisation of the banking sector, thereby strengthening innovation and financial inclusion.

The adoption and implementation of this international standard within the SYGMA real-time gross settlement (RTGS) system was carried out through Instruction No. 00VGV2025 of 17 November 2025, emphasising that the BEAC is committed to modernising its domestic environment. Version 10 of SYGMA, currently in the deployment phase, introduces a proprietary format compliant with ISO 20022, enabling participants' information systems to adapt to ensure compatibility of exchanges. To facilitate this implementation and ensure smooth compliance, the BEAC provides participants with message specifications via the SWIFT MyStandard portal. This portal aims to facilitate access to ISO 20022 formats, thereby contributing to the modernisation and harmonisation of financial data exchanges within the BEAC and potentially the CEMAC. This initiative is part of a process to improve processes and ensure compliance with international standards.

3. MAJOR ECONOMIC DEVELOPMENTS AT THE NATIONAL LEVEL

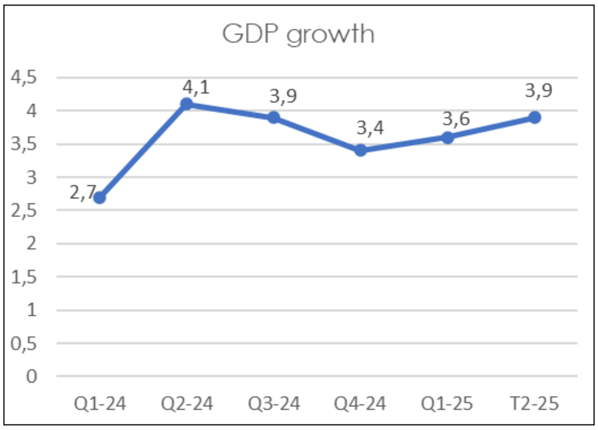
GLOBAL MACROECONOMIC OUTLOOK

The economy remained resilient overall in November. It was marked by moderate growth despite persistent challenges such as declining oil production and post-election tensions. This month was marked by a dose of instability following the presidential election on 12 October 2025, with demonstrations and calls for «dead cities» that partially paralysed economic activity, resulting in estimated but not officially quantified losses. However, macroeconomic indicators remain positive, supported by diversification into non-oil sectors (agriculture, services and mining) and an IMF-backed programme. Inflation continues to decline, and projections for 2026 point to an acceleration in growth, well below the target of the National Development Strategy 2030 (SND30).

Economic growth

GDP growth is accelerating to 3.9% from 3.6% in the first quarter of 2025 and could reach 4%, mainly thanks to the performance of the non-oil sector, which is expected to grow by 4.2% (MINFI, 2025). This favourable development is the result of the consolidation of activities in the secondary and tertiary sectors, whose growth rates stand at 3.1% and 5.4% respectively (INS, 2025). The primary sector (0.4%) appears to be slowing down, as a result of the decline in export agriculture and the slowdown in forestry activities, despite sustained performance in food crops, livestock, hunting and fishing.

Inflation, meanwhile, is expected to average between 3.9% and 4.1% for the year, close to the 3% threshold set by CEMAC, with an anticipated acceleration, mainly due to rising food prices and transport costs.



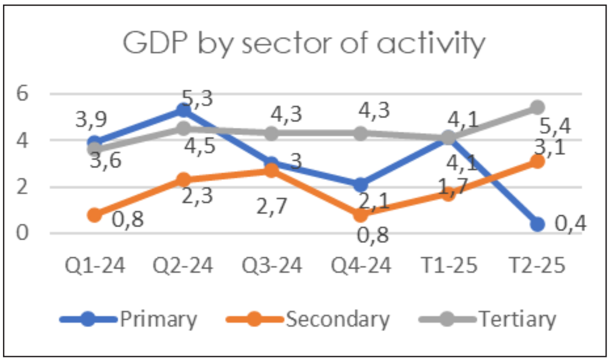
Source: based on INS data, 2025

GDP growth by sector

The general trend in the sector is marked by a contraction in primary sector activities, which are recording moderate growth of 0.4%, confirming a loss of momentum. This reflects an economic slowdown after sustained performance of 4.1% at the beginning of the year. According to the INS (2025), this trend is supported by food crops (3.8%), livestock, hunting and fishing (4.2%) and forestry (1.8%). On the other hand, industrial and export agriculture contracted by 2.4%, weighing negatively on overall performance.

The value added of the secondary sector grew by 3.1%, up 2.4% compared to the first quarter of 2025, after 0.7% in the previous quarter. According to the INS, this performance was driven by the strength of the agri-food industries (3.2%), the gradual recovery of the extractive industries (−0.1% after several quarters of more pronounced decline), and the positive performance of other manufacturing industries (2.3%). Construction activities posted a significant increase of 5.6%, reflecting continued investment in infrastructure.

The growth momentum in the tertiary sector was less impressive (5.4%) after 4.1% at the beginning of 2025. Year-on-year, all tertiary sectors performed very well, particularly non-market services provided by public administrations (8.3%), financial services (9.8%), information and telecommunications services (8.3%) and transport services (5.4%) (INS, 2025).



Source: based on INS data, 2025

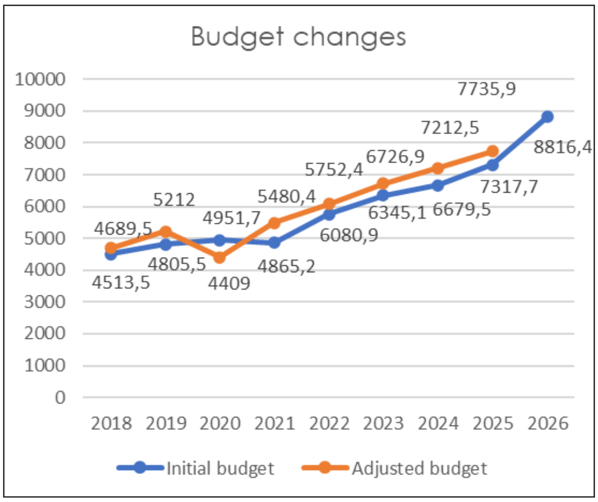
2026 FINANCE BILL

Provisional budget of 8,816.4 billion CFA francs for 2026

Parliament approved the draft Finance Bill for the 2026 financial year, setting the budget at approximately CFAF 8,816.4 billion, representing a historic increase of CFAF 1,080.5 billion in absolute terms (14.0% in relative terms) compared to the 2025 financial year, initially set at CFAF 7,335.7 billion and revised to CFAF 7,735.9 billion in July 2025. The general budget is projected at 8,683.9 billion in 2026. This represents an increase of 1,014.9 billion (+13%) ly compared to 2025, when it stood at 7,669.0 billion. This increase reflects a sustained ambition for growth and an increased capacity to mobilise resources, while confirming the desire to consolidate financial stability and boost the economy in order to achieve the targets set for 2026.

To finance this budget, Cameroon plans to borrow nearly 3,104.2 billion CFA francs, which will increase the volume of public debt and put further pressure on budgetary resources to service the debt. This requires prudent and rigorous management in order not to exceed the tolerance threshold of 70% of GDP set by the CEMAC's multilateral surveillance criteria and to maintain creditor confidence. The 2026 Finance Act introduces several key fiscal measures, including the taxation of digital multinationals in 2026, aimed at increasing non-tax revenues.

In addition, tax relief measures of up to 20% are planned for companies that hire and train young people. These initiatives aim to broaden the tax base while encouraging investment in crucial sectors, particularly youth employment, which remains a national priority. The budget has gradually increased from CFAF 4,513.5 billion in 2018 to CFAF 8,816.4 billion in 2026, representing a total increase of CFAF 4,302.9 billion over this period.



Source: based on information from finance laws

Projected increase in domestic revenue of 8.3%

Regarding the structure of the general budget for 2026, domestic revenue is estimated at 5,887.0 billion CFA francs, marking an increase of 452.2 billion CFA francs, or 8.3% compared to 2025. These revenues are broken down as follows: 523.7 billion CFA francs from oil and gas resources, 4,889.5 billion CFA francs from tax and customs revenues, 400.0 billion CFA francs from non-tax revenues, and 73.8 billion CFA francs from donations. Budget expenditure, excluding debt principal, will reach CFAF 6,210.5 billion in 2026, an increase of CFAF 564.2 billion, or 10.0% compared to 2025. This expenditure is broken down into the following main categories: personnel expenditure amounts to CFAF 1,625.4 billion, goods and services to CFAF 1,206.0 billion, transfers and subsidies to CFAF 820.3 billion, debt interest to CFAF 532.5 billion, and investment expenditure to CFAF 2,026.3 billion.

Decrease in investment budget forecasts from 24.2% to 22.8%.

The relative decline in the share of the Public Investment Budget (PIB) in Cameroon's State Budget for 2026, from 24.2% in 2025 to 22.8%, despite stability at 35.7% of primary expenditure compared to 35.5% in the previous year. This reflects structural budgetary compression in a context of an overall budget increase of 14% (to 8,816.4 billion CFA francs), driven by security, social and operational needs. This BIP, set at 2,026.3 billion CFA francs, prioritises structural infrastructure (roads, energy, agriculture), but its reduced share due to a more marked increase in current expenditure (wage bill at 1,625.4 billion CFA francs, goods and services at 1,206 billion) may have several negative consequences, amplified by a budget deficit exploding to CFAF 631 billion (+103.61% compared to 2025) and a financing requirement of CFAF 3,104.2 billion, mainly through external debt (drawdowns on project loans at CFAF 826.7 billion).

Overall deficit in the 2026 provisional budget

The 2026 budget forecast shows an overall deficit of 631.0 billion, up from 309.9 billion in 2025. This increase in the deficit, which stands at 327.1 billion, highlights a growing need for budgetary financing. In addition to this deficit, the Government will also have to deal with other financing costs, including:

- The amortisation of domestic and external debt, estimated at 1,870.6 billion;
- The repayment of value added tax (VAT) credits, amounting to 84.0 billion;
- The settlement of domestic arrears amounting to 498.8 billion;
- Net cash outflows, estimated at 20.0 billion.

These factors highlight the financial challenges that the Government will have to overcome in the coming years. Taking into account the expenses mentioned above, the State's financing requirements for the 2026 financial year amount to a total of CFAF 3,104.2 billion, compared with CFAF 2,326.5 billion in 2025, representing an increase of CFAF 777.5 billion. To meet its financing needs, the State will have to use the following sources of financing, in particular:

- Drawdowns on project loans (826.7 billion);
- Issues of government securities (400.0 billion);
- Bank financing (589.7 billion);
- Budgetary support (120.0 billion);
- Exceptional financing (167.8 billion); and finally;
- External borrowing (1,000 billion).

FINANCING THE ECONOMY

Public finances

96 billion CFA francs for additional financing of the project to electrify 200 localities in Cameroon using solar photovoltaic systems.

The Cameroonian Head of State signed a decree authorising the Minister of Economy to take out a loan of 36.4 billion CFA francs from the African Export-Import Bank (Afreximbank) for the solar photovoltaic electrification project in 200 localities in Cameroon. This is the third loan for this project from the same lender, bringing the total amount of financing mobilised to just over 96 billion CFA francs over three years. Following an enabling decree signed on 24 November 2024, Afreximbank had already made 24.8 billion CFA francs available to the government for this project. This second loan followed the first, taken out on 7 March 2023 for a total amount of 35 billion CFA francs. This institution, which has become one of the Cameroonian government's main partners alongside the World Bank and the African Development Bank, had already provided a guarantee during the current year that enabled the Cameroonian Treasury to raise 159 billion CFA francs from local banks (CAA, 2025).

16.3 billion to finance SMEs

On 1 November 2025, the African Development Bank (AfDB) approved a trade finance facility of 16.3 billion CFA francs for Crédit Communautaire d'Afrique-Bank (CCA Bank). This envelope will enable the Cameroonian bank to improve its trade finance offering to small and medium-sized enterprises (SMEs). According to the lender, this facility will support the Cameroonian economy by facilitating imports of equipment related to the industrial, agro-industrial and telecommunications sectors. It will also enable the AfDB to provide up to 100% guarantees to confirming banks, in order to facilitate the confirmation of letters of credit and other similar trade finance instruments issued by CCA Bank to SMEs.

In addition to contributing to the financing of SMEs, this support will secure foreign trade operations, encourage CCA-Bank to provide greater support for SME projects and cover the risk of non-payment associated with the commercial transactions of beneficiary companies. This is a trade finance instrument set up in 2021 by the AfDB (transaction guarantee) to support commercial banks in Africa in granting credit (commercial loans, irrevocable repayment commitments, endorsed drafts and promissory notes, among others).

Public finances: customs revenues reach CFAF 830.1 billion at the end of September

Recently adopted by Parliament, the 2026 Finance Act raises the specific additional excise duties applicable to wines, spirits, whiskies and champagnes, whether locally produced or imported. The measure tightens taxation on a growing consumer segment, with a differentiated scale according to the origin and range of products. For local products, the text now sets an amount of 5 CFA francs per centilitre for wines, 15 CFA francs per centilitre for whiskies and 35 CFA francs per centilitre for champagnes. For the same categories of lower-end imported products, the tax will be 5 CFA francs per centilitre for *mixed* spirits, 10 CFA francs for wines, 20 CFA francs for whiskies and 40 CFA francs for champagnes. For imported products in the higher range, the additional specific excise duty is increased to 10 CFA francs per centilitre for *mixed alcohol* spirits, 15 CFA francs for wines, 30 CFA francs for whiskies and 100 CFA francs for champagnes.

In concrete terms, a 75 cl bottle of locally produced wine will now be subject to 375 CFA francs in excise duty, compared with 225 CFA francs previously, an increase of 150 CFA francs (+66.6%). For imported wines, the same 75 cl bottle will be taxed at 750 CFA francs, compared to 300 CFA francs previously, an increase of 450 CFA francs, corresponding to more than double (+150%) the previous tax. These differences are likely to be reflected in retail prices, resulting in a decrease in the purchasing power of consumers of alcoholic beverages.

Payment arrears, a factor of economic vulnerability

The Supreme Court's Chamber of Accounts recently warned of persistent budgetary drift in its report on the 2024 budget execution, published on 19 November 2025. It highlights the continued accumulation of outstanding payments, which, as of 31 December 2024, amounted to 926.49 billion CFA francs, mainly in current expenditure such as goods and services (281.6 billion), subsidies and transfers (334.7 billion), and capital expenditure (373.6 billion). These arrears, representing expenditure committed but not paid, pose a serious risk to Cameroon's national economy and financial credibility.

This accumulation of outstanding payments, in violation of Community principles, makes the country's budget management a «poor performer» in regulatory terms. The Chamber of Accounts points out that, according to public regulations, any payment not made within 90 days of settlement becomes an arrear, and that unpaid expenditure must be reclassified as financial debt.

Late payments complicate budget execution, directly impacting the economy. They deprive businesses of cash flow, disrupt their access to credit and slow down economic activity, forcing suppliers to raise their prices due to the risk of late payment. This undermines the effectiveness of public spending and could force administrations to reduce their purchases or lower the quality of services provided.

In addition, these delays encourage circumvention practices, exposing the country to corruption and collusion between public and private actors. Thus, economic operators, in order to compensate for the lack of liquidity, turn to banks, which increases pressure on debt and leads to higher interest rates. Suppliers, losing confidence in the state's solvency, are reluctant to meet their tax obligations until they have been paid, further weakening the budget balance.

The Chamber of Accounts proposes to anticipate these tensions by including outstanding payments in the initial finance bill. It also recommends isolating them at the end of the financial year in order to seek specific financing, thus ensuring smoother and more transparent budget execution.

Finally, the Minister of Finance acknowledged the relevance of the Chamber's observations. He stated that monitoring of outstanding payments of more than three months was underway, although at the end of September 2025, arrears had fallen to CFAF 485.4 billion, a stable level compared to previous months. However, this remains provisional and will require validation by the Treasury at the end of the financial year. These measures aim to strengthen the reliability and efficiency of budget management in Cameroon.

PUBLIC DEBT

Fitch Ratings maintains Cameroon's sovereign rating at 'B'

Despite resilient economic growth and public debt deemed sustainable, Fitch Ratings maintained Cameroon's sovereign rating at «B» on 7 November 2025, with a negative outlook. This decision reflects a fragile balance between relatively strong economic fundamentals and structural vulnerabilities deemed to be deep-seated.

This rating is supported by resilient GDP growth estimated at 3.9% in 2025 and 4.1% in 2026, a moderate level of debt (around 40% of GDP) and a debt repayment schedule that remains manageable. Fitch anticipates that the government's fiscal discipline and mobilisation of non-oil revenues will continue to support macroeconomic stability. It highlights several persistent weaknesses:

- Weak governance indicators and persistent tensions in public finances;
- Domestic arrears remain high, although they are expected to fall to CFAF 388 billion by mid-2025;
- Public cash management suffers from external payment delays
- Quasi-fiscal interventions by the National Hydrocarbons Corporation (SNH), representing 0.7% of GDP;
- Political risk linked to uncertainties over political succession or transition of power and internal divisions within the ruling party;
- The risk of potential instability in the English-speaking regions and the north of the country, which faces the threat of Islamist extremism.

The agency welcomes the efforts to control the budget and mobilise non-oil revenues, but the confirmation of the 'B' rating reflects the resilience of the economy and the negative outlook, which serves as a reminder that stability remains fragile. According to Fitch Ratings, the country has strengths: robust growth, moderate debt and solid multilateral support - but it must transform these achievements into sustainable structural reforms to restore confidence and ensure a peaceful political transition.

Cameroon remains below the CEMAC tolerance threshold despite outstanding debt of 14,591 billion CFA francs

According to the Caisse Autonome d'Amortissement (CAA), Cameroon's outstanding public debt reached 14,591 billion CFA francs in the third quarter of 2025. This debt is concentrated at the central government level, which holds 93.3% of it, compared with 6.5% for public enterprises and institutions and 0.2% for decentralised local authorities (CTD). Although the outstanding amount increased by 2.6% year-on-year and represents 43.9% of GDP, the debt level remains well below the 70% of GDP tolerance threshold set by the CEMAC's multilateral surveillance criteria.

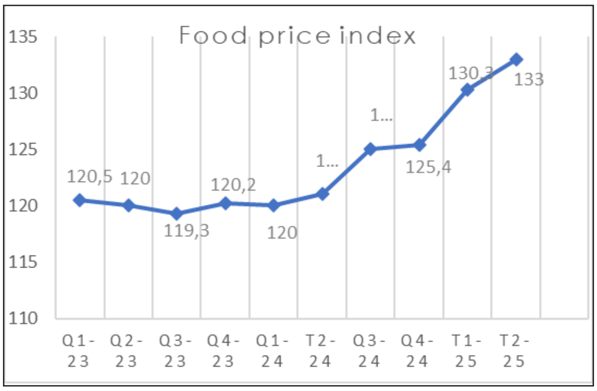
Admittedly, this debt-to-GDP ratio reflects what is considered to be prudent management of public debt, but the African Development Bank (AfDB) and the International Monetary Fund (IMF) continue to classify Cameroon's risk of over-indebtedness as high. These institutions base their assessment not only on the acceleration of debt accumulation in recent years, but also on debt service/revenue and debt service/export ratios that exceed the IMF's tolerance thresholds, signalling growing pressure on public finances.

In addition to these factors, there is the preponderance of non-concessional loans or loans contracted at market interest rates, which are higher than those of concessional loans. Between January and September 2025, Cameroon repaid more than 1,030 billion CFA francs, including 226.2 billion in interest and commissions, or 22% of the total (CAA, 2025). This amount is close to the 265.3 billion CFA francs in customs revenue collected in the first quarter of 2025, according to the Ministry of Finance, illustrating the growing burden of debt servicing on budgetary resources.

PRODUCTIVE SECTORS

Industrial production

The Industrial Producer Price Index (IPPI) for the second quarter of 2025 recorded a slight increase of 0.6% compared to the first quarter of 2025, reflecting a 3.3% year-on-year increase. This increase is mainly due to higher prices in the manufacturing industry, particularly in the agri-food (+1.8%) and wood, cardboard and printing (+3.4%) sectors (INS, 2025). According to the INS, some sectors experienced significant declines, notably the metallurgical industry and metal product manufacturing, which fell by 3.3%, and the chemical, pharmaceutical and plastics industry, which fell by 0.9%. In the case of metallurgy, producer prices fell by 3.3% in the second quarter of 2025, largely due to a 7% decline in aluminium products between the first and second quarters. This price dynamic highlights the disparities within the industrial sector and poses challenges for certain sectors in the face of market fluctuations.



Source: based on INS data, 2025

Petroleum products

1.8 million metric tonnes imported in ten months

In the absence of an operational refinery, Cameroon imported nearly 1.8 million metric tonnes (MT) of finished petroleum products between January and October 2025 (MINEE, 2025). This includes nearly 1.6 million MT of petrol, diesel and kerosene, and 208,210 MT of domestic gas, costing several billion CFA francs and further weakening Cameroon's foreign exchange reserves. These massive imports highlight the need to rehabilitate SONARA, Cameroon's only oil refinery, which has been ravaged by fire since May 2019.

Minerals

Acceleration of rare earth exploration in Minta

Australian mining company Lion Rock Minerals has launched a major programme of more than 1,000 drill holes over an initial area of 250 km² of its Minta-East licence in the Central Region. This programme targets a mineral assemblage considered to be one of the most «highly valued» on the market: rutile, zircon, monazite and xenotime, rich in strategic rare earth elements. Minta East is emerging as a target for very high-value rutile and rare earths, enriched in high-value heavy rare earth elements such as dysprosium (Dy) and terbium (Tb), as well as high samarium (Sm).

This acceleration of work is a direct result of the arrival of Tronox Holdings plc, a global giant in titanium and industrial minerals, in the project. Thanks to its strong strategic partnership with Tronox, the world leader in rare earths and titanium, Lion Rock is fully funded for this exploration phase and well positioned to continue making major discoveries within the Minta Project. With its potential for heavy rare earths (dysprosium, terbium and samarium) and high value-added industrial minerals, the Minta East Project is one of the most promising in the country at a time when Cameroon is seeking to attract more investment in critical minerals, a rapidly expanding segment worldwide.

Energy

Electricity: the State buys Actis' shares in Eneo for 78 billion CFA francs

On Wednesday 19 November 2025, the Cameroonian government signed an agreement to buy back 51% of the shares in ENEO, Cameroon's energy supplier, held by the British fund Actis, for 78 billion CFA francs. This transaction, the result of more than two years of negotiations, will increase the government's stake to 95% of Eneo's capital, with 5% reserved for employees, thus bringing about a significant change in the company's governance towards public control.

The signing of the agreement, in the presence of the Ministers of Finance and Energy and a delegation from Actis, was followed by an extraordinary board meeting which approved the fund's definitive exit. The financing of the operation would be included in the 2026 finance bill, with a three-month deadline for settling Actis. Actis and the Cameroonian government have reportedly agreed on the amount to be paid and the terms of payment. The payment will be made net of tax directly in foreign currency to a bank account in Europe. This buyout comes at a time when Cameroon's electricity sector has been weakened by underinvestment, financial conflicts and recurring power cuts.

This takeover comes at a time when Cameroon's electricity sector is in crisis (underinvestment, financial conflicts and recurring power cuts), with debts of 800 billion CFA francs at the end of 2024, a substantial part of which is owed to suppliers and unpaid receivables. This phenomenon, which had already peaked at 700 billion two years earlier, highlights the underinvestment and infrastructural deterioration in the sector.

To remedy these difficulties, the government is implementing an ambitious recovery plan. The purchase of Actis' shares represents the first phase of this strategy, which includes a comprehensive assessment of the operator, debt restructuring and the strengthening of collection mechanisms. The aim is to restore balance to the sector by 2028 by modernising distribution and improving the financial performance of the electricity system. This initiative marks a crucial step towards stabilising a sector that is essential to Cameroon.

National Energy Compact

The acquisition of ENEO comes as the State has just signed the Energy Compact, a roadmap developed by the government and its international partners with a view to developing sustainable energy infrastructure by 2030. Through this «Energy Compact», the government is reaffirming its ambition to become an electricity-exporting country by 2030 by strengthening electricity interconnections, facilitating energy transit and increasing exports to other countries.

To achieve this goal, in addition to its CEMAC peers, Cameroon is looking to Nigeria, which shares a long border with the northern and southern parts of the country. In the National Energy Compact, Cameroon also plans to commission the interconnection line with Chad in 2028. As part of this interconnection project, which is currently underway, Yaoundé is expected to supply 100 MW of electricity to its neighbour from 2027 onwards, from the Nachtigal dam (420 MW). The framework agreement on electricity interconnection between Cameroon and Nigeria was signed 14 years ago, on 18 February 2011.

However, beyond formalising its interconnection projects with various countries, Cameroon's ambition to become an electricity exporter by 2030 faces structural obstacles. Indeed, the country is already struggling to meet its own electricity needs. Although the commissioning of the 420 MW Nachtigal dam has increased the country's installed capacity by 30%, businesses and households continue to suffer from power cuts.

Kikot-Mbebe: KHPC shortlists candidates for 500 MW hydroelectric power plant

Kikot-Mbebe Hydro Power Company (KHPC) has unveiled the results of the initial selection of candidate companies for the various technical aspects of the 500 MW hydroelectric project planned on the Sanaga River. This power plant aims to sustainably strengthen the national electricity production capacity and support industrial growth while securing the supply to the grid.

Three technical areas were subject to pre-selection: civil engineering, electromechanics, and power lines and substations. KHPC has selected several candidates for each of these areas, including leading international groups already involved in major projects in Central Africa.

In the civil engineering component, the companies selected include Italy's WeBuild, Egypt's The Arab Contractors, and consortia led by Razel-Bec/Vinci Construction Grands Projets and Sinohydro Corporation & Elsewedy Electric Power System, all of which are active in major infrastructure projects in the region.

For the electromechanical component, the selected companies include the consortium of Andritz Hydro GmbH of Germany and Andritz Hydro of Austria, Elecnor Servicios y Proyectos S.A.U., and Dongfang Electric International Corporation. Consortia involving Elsewedy Electric, Sinohydro and Dongfang Electric Machinery, which specialise in supplying equipment for large power plants, are also among the shortlisted companies.

Finally, for the Lines and Substations component, KHPC has selected specialist operators such as Kalpataru Projects International Limited, Cegelec Cameroon/ Vinci Energies, and several consortia, including Elsewedy Electric and Sinohydro, to construct the transmission lines and substations.

The pre-selected companies are now invited to prepare a full proposal following the release of the tender documents. This phase will initiate a more competitive stage for the project, combining technical, financial and contractual issues.

Textiles

A 180 billion CFA franc project to relocate the cotton industry value chain

A consortium comprising Panafritex, Sodecoton, CNPS and Marlo Properties Fincorp is preparing to create Camtext SA, an integrated company aimed at processing Cameroonian cotton locally. With technical and administrative maturity now complete, the 180 billion CFA franc project is awaiting financial mobilisation for its launch. The factory will be located in the Dibamba industrial port zone and will include spinning, weaving, knitting and finishing units, generating around 12,000 jobs. At the same time, a centre of excellence in Garoua will train technicians and workers, creating an additional 3,000 jobs.

Camtext SA plans to process 12,000 tonnes of cotton from Sodecoton and aims to strengthen the local market first before expanding to the CEMAC. The preparatory phase will begin in the first half of 2026, with recruitment supported by the Ministry of Employment. The ramp-up is planned over four years, with a target of profitability in 11 years. Inspired by the Arise complexes in Benin, the project will aim to compete with Asian players through targeted exemptions to reduce costs. It also aims to modernise local processing and boost the national textile industry. The roadmap targets specific segments, such as clothing for the defence forces and the production of sportswear. Finally, the initiative aims to reposition Cameroon as a major textile hub in Central Africa, while relying on rapid financing and efficient logistics.

SERVICE SECTORS

Taxation

Cameroon Postal Services (Campost) was subject to a tax adjustment following an audit covering the 2018 to 2020 financial years. Initially estimated at 1.4 billion CFA francs, this adjustment was reduced to 306.25 million CFA francs after negotiations with the tax authorities (MINPOST, 2025).

ACRONYMS AND ABBREVIATIONS

BDEAC	: Development Bank of Central African States
BVMAC	: Central African Stock Exchange
CAA	: Autonomous Redemption Fund
CCA Bank	: Community Credit Bank of Africa
CDEC	: Cameroon Deposit and Consignment Fund
CEMAC	: Central African Economic and Monetary Community
COBAC	: Banking Commission of Central Africa
CTD	: Decentralised Local Authorities
DGD	: Directorate-General of Customs
IMF	: International Monetary Fund
GDP	: Gross Domestic Product
SND30	: National Development Strategy 2020-2030
SNH	: National Hydrocarbons Company
VAT	: Value Added Tax