GLOBAL FORUM ON TRANSPARENCY AND EXCHANGE OF INFORMATION FOR TAX PURPOSES

Peer Review Report
Phase 1
Legal and Regulatory Framework

CAMEROON

OECD

Global Forum on Transparency and Exchange of Information for Tax Purposes Peer Reviews: Cameroon 2015

PHASE 1: LEGAL AND REGULATORY FRAMEWORK

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About the Global Forum

The Global Forum on Transparency and Exchange of Information for Tax Purposes is the multilateral framework within which work in the area of tax transparency and exchange of information is carried out by over 120 jurisdictions, which participate in the Global Forum on an equal footing.

The Global Forum is charged with in-depth monitoring and peer review of the implementation of the international standards of transparency and exchange of information for tax purposes. These standards are primarily reflected in the 2002 OECD Model Agreement on Exchange of Information on Tax Matters and its commentary, and in Article 26 of the OECD Model Tax Convention on Income and on Capital and its commentary as updated in 2004. The standards have also been incorporated into the UN Model Tax Convention.

The standards provide for international exchange on request of foreseeably relevant information for the administration or enforcement of the domestic tax laws of a requesting party. Fishing expeditions are not authorised but all foreseeably relevant information must be provided, including bank information and information held by fiduciaries, regardless of the existence of a domestic tax interest or the application of a dual criminality standard.

All members of the Global Forum, as well as jurisdictions identified by the Global Forum as relevant to its work, are being reviewed. This process is undertaken in two phases. Phase 1 reviews assess the quality of a jurisdiction's legal and regulatory framework for the exchange of information, while Phase 2 reviews look at the practical implementation of that framework. Some Global Forum members are undergoing combined – Phase 1 and Phase 2 – reviews. The Global Forum has also put in place a process for supplementary reports to follow-up on recommendations, as well as for the ongoing monitoring of jurisdictions following the conclusion of a review. The ultimate goal is to help jurisdictions to effectively implement the international standards of transparency and exchange of information for tax purposes.

All review reports are published once approved by the Global Forum and they thus represent agreed Global Forum reports.

For more information on the work of the Global Forum on Transparency and Exchange of Information for Tax Purposes, and for copies of the published review reports, please refer to www.oecd.org/tax/transparency and www.eoi-tax.org.

Executive summary

1. This report summarises Cameroon's legal and regulatory framework for transparency and exchange of information for tax purposes. The international standard, which is set out in the Global Forum's Terms of Reference to Monitor and Review Progress Towards Transparency and Exchange of Information, is concerned with the availability of relevant information within a jurisdiction, the competent authority's ability to gain timely access to that information and, in turn, whether that information can be effectively exchanged with its exchange-of-information partners.

2. Cameroon is a Central African country with an area of 475 442 km² and a population of almost 22.5 million (in 2013). The national economy is dominated by agriculture, particularly cocoa, coffee and cotton growing, and the exploitation of natural resources, foremost among which are forestry resources, mined minerals (bauxite, iron, cobalt, nickel, manganese, diamonds and marble) and hydrocarbons. Cameroon has a fiscal system that taxes personal and corporate income. It is committed to applying the international transparency standard by virtue of its accession to membership of the Global Forum on Transparency and Exchange of Information for Tax Purposes in 2012.

3. The legal and regulatory framework in Cameroon allows for information to be made available on the identity and ownership of companies and other entities. Companies and other corporate entities are required to register with the public authorities, including the tax administration. OHADA (Organisation for the Harmonisation of Business Law in Africa) law, which is directly applicable in Cameroon, permits the issue of bearer shares in companies with share capital. OHADA law also provides since November 2014 for the paperless administration, or dematerialisation of all shares, including bearer shares. In application of OHADA law, the domestic legislation provides for the dematerialisation of bearer shares as of that date, which means that the owners of those shares can be identified at any time. The measures for the practical implementation of dematerialisation, especially with regard to bearer shares, will be assessed in Phase 2.

4. The banking regulations and the rules designed to combat money laundering in Cameroon guarantee the availability of bank details. Accounting law and tax legislation contain provisions making it compulsory to maintain accounting records and to preserve them and the supporting documentation for a period of at least ten years.

5. The Cameroon General Tax Code gives the tax administration, which is the competent authority, extensive powers to gather information, including bank information that can be used for the purpose of exchanging information and does not impose any restriction associated with the concept of national fiscal interests. There is no right of notification in Cameroon, nor can pending tax litigation prevent or delay the response to a request for information that is made on the basis of an international agreement which is in force in Cameroon.

6. Since 25 June 2014, Cameroon has had a substantial network of mechanisms for exchanging information, adopted in the form of bilateral or multilateral agreements. That was the date on which Cameroon signed the Convention on Mutual Administrative Assistance in Tax Matters (Multilateral Convention), as amended, meaning that it has an agreement compliant with the standard with 79 jurisdictions with which it did not previously have an information-exchange agreement. The ratification law was adopted by the Parliament of Cameroon on 20 April 2015 and signed by the President on 28 April 2015. The Multilateral Convention will enter into force on 1 October 2015 in Cameroon. In total, Cameroon has one or more agreements on information exchange with 88 jurisdictions. In addition, several more draft tax agreements are in the process of negotiation or ratification.

7. Cameroon's response to the conclusions and recommendations of the present report, as well as the practical implementation of its legal and regulatory framework, will be assessed in detail during the Phase 2 peer review scheduled for the second half of 2015. In the course of the six months following the adoption of this report, the Peer Review Group must present a follow-up report on the measures taken by Cameroon in response to the recommendations made in the present report.

Introduction

Information and methodology used for the Peer Review of Cameroon

8. The assessment of Cameroon's legal and regulatory framework was based on the international standards for transparency and exchange of information as described in the Global Forum's *Terms of Reference* and was prepared using the Global Forum's *Methodology for Peer Reviews and Non-Member Reviews*. The assessment was based on the prevailing laws, regulations and exchange-of-information mechanisms in force as at 22 May 2015, other material provided by Cameroon and information supplied by partner jurisdictions.

9. The Terms of Reference break down the standards of transparency and exchange of information into 10 essential elements and 31 enumerated aspects under three broad categories: (A) availability of information, (B) access to information and (C) exchanging information. This review assesses Cameroon's legal and regulatory framework against these elements and each of the enumerated aspects. In respect of each essential element, the review concludes whether *(i)* the element is in place, *(ii)* the element is in place but certain aspects of its legal implementation need improvement, or *(iii)* the element is not in place. These determinations are accompanied by recommendations on the ways in which particular aspects of the Cameroon system could be improved.

10. The assessment was conducted by a team consisting of two expert assessors and a representative of the Global Forum Secretariat: Matthieu Boillat of the Swiss Department of Finance, Oana Ciurea of the Romanian Tax Administration and Séverine Baranger for the Global Forum Secretariat. The team evaluated the legal and regulatory framework for transparency and exchange of information and Cameroon's relevant information-exchange mechanisms.

Overview of Cameroon

11. Cameroon is a country on the west coast of Africa, facing the Gulf of Guinea. It borders on Nigeria and the Atlantic Ocean to the west, Equatorial Guinea, Gabon and the Republic of the Congo to the south, the Central African Republic and Chad to the east and Lake Chad to the north. Cameroon is an average-sized African country and had a population of about 22.5 million in 2013[1].

12. Cameroon has two official languages – French (about 60% of the population are French-speaking) and English, which is spoken in two administrative subdivisions bordering on English-speaking Nigeria. The currency is the CFA franc, with the currency code XOF (EUR 1 is worth XOF 655 957). The mainsprings of the Cameroonian economy are agriculture and the exploitation of natural resources in the form of forestry, mined minerals and hydrocarbons. In 2013, its gross domestic product (GDP) amounted to USD 29.27 billion, with an annual growth rate of 4.8%[2].

13. The Constitution enshrines the separation of executive, legislative and judicial powers. The system of government is presidential, the executive branch being headed by the President of the Republic, who is the Head of State, and a government led by the Prime Minister. In terms of its administrative structure, Cameroon has been divided since 2008 into 10 regions, which are subdivided into 58 departments. These are broken down into districts (*arrondissements*). In 1972, Cameroon changed from a federation to a unitary state, although some powers were decentralised in 1996. Accordingly, legislative power is exercised by the National Assembly and the Senate. There has thus been a single legislature since the parliaments of the federal states were abolished in 1972. The decentralised territorial authorities – communes and regions – do not possess legislative powers.

14. Cameroon is part of the Central African Economic and Monetary Community (CEMAC). CEMAC is a subregional international organisation born of the process of forming a community of states in Central Africa, a process initiated by the N'Djamena Treaty of 16 March 1994, which entered into force in 1999. CEMAC has six member states, namely Cameroon, the Republic of the Congo, Gabon, Equatorial Guinea, the Central African Republic and Chad. It is the fruit of a historical process that began in June 1959. Today, its activities revolve round the Regional Economic Programme, the aim of which is to "make CEMAC an integrated emerging economic area, where security, solidarity and good governance prevail, in the service of human development".

1. World Bank (2013).
2. *Ibid*.

15. Cameroon is also a member of the Organisation for the Harmonisation of Business Law in Africa (OHADA), which was created by the Treaty on the Harmonisation of Business Law in Africa, signed on 17 October 1993 and revised on 17 October 2008.

General information on the legal and tax system

Legal system

16. The Cameroonian legal system is based on a hierarchy of norms. The Constitution, enshrined in the Constitution Act of 18 January 1996, as amended, is the top tier of this hierarchy. The international conventions and treaties that have been ratified in good and due form by Cameroon rank immediately below the Constitution. If there is a conflict between the Constitution and an international treaty, the Constitution must be amended at the time of ratification of the international treaty. National laws and equivalent statutory instruments, i.e. ordinances ratified by Parliament, rank below international conventions and treaties. In the hierarchy of norms, regulations are one tier below national laws. This category covers decrees, which the President of the Republic and the Prime Minister are empowered to enact, ministerial orders, prefectoral orders, which apply to a department, and municipal orders, which apply to a commune.

17. The legality of statutory provisions is ensured by the administrative courts of first instance, of appeal (the Administrative Chamber of the Supreme Court) and of cassation (the Supreme Court in full session)[3].

18. The Cameroonian legal system is a somewhat hybrid system, influenced by both civil and common law. This twofold influence stems from the country's history. After the end of German colonial rule in 1916, the country became a protectorate and then a mandated territory, the eastern part being mandated to France and the western part to the United Kingdom. This was followed by the adoption of legal systems based on civil law in the French Cameroons and on common law in the British Cameroons.

19. When the country became independent on 1 January 1960, both legal systems continued to coexist. The advent of the unitary state – the United Republic of Cameroon – in 1972 put an end to that duality, and from that date the legal system was predominantly based on the Napoleonic tradition. Indeed, the Civil Code and Commercial Code that applied in the newly

3. Law No. 2006/022 of 29 December 2006 on the organisation and functioning of administrative courts and Decree No. 2012/119 of 5 March 2012 on the opening of administrative courts.

independent Cameroon were the Napoleonic civil and commercial codes of 1805 and 1807 respectively.

20. In spite of this predominance of a legal system inspired by the civil-law tradition, the provisions of common law still wield an influence, especially in criminal matters. It should be emphasised that commercial law, company law and all of the rules governing economic activity are based solely on civil law.

Commercial law

21. In the realm of commercial law, Cameroon's ratification of the Treaty on the Harmonisation of Business Law in Africa in 1998 reinforced the predominance of the system rooted in the civil-law tradition. The OHADA Uniform Acts, which replace the Commercial Code inherited from France, are still heavily based on French law.

22. The aim of the OHADA Treaty is to harmonise business law in States Parties by formulating and adopting common rules that are simple, up-to-date and suited to their economic circumstances, instituting appropriate judicial procedures and encouraging recourse to arbitration for the settlement of contractual disputes. To this end, the Treaty provides for the enactment of a body of legislation in the field of business law comprising instruments known as Uniform Acts. These Acts ensure that the OHADA member countries share the same rules in the spheres of commercial, company and accountancy law.

23. The regime of criminal sanctions for which the various Uniform Acts provide, however, leaves it to each national penal jurisdiction to set the applicable penalties. Article 5 of the OHADA Treaty stipulates that "Uniform Acts may include penal provisions. The States Parties undertake to determine the penal sanctions incurred." This means that each State Party must adopt internal laws to penalise improper behaviour as defined in the Uniform Acts.

24. Under Article 10 of the OHADA Treaty, "Uniform Acts are directly applicable and binding in States Parties, notwithstanding any conflicting provision of national law, whether previous or subsequent." There is therefore no need to transpose Uniform Acts into domestic law.

Tax system

25. The Cameroonian tax system is based on the legality principle. Article 26 of the Cameroonian Constitution specifies that a tax may be instituted only on the basis of a law. The Constitution also guarantees the fiscal equality of all citizens and requires everyone to contribute to the public expenses in accordance with his or her ability to pay. The tax rules apply to all taxpayers on the basis of legal provisions that are general in scope. In

spite of the preponderance of the legislative form, a significant role in the Cameroonian tax system is played by administrative case law, which primarily takes the form of circulars and instructions issued by the Minister for Finance and the Director-General of Taxation.

26. Provision for the imposition of taxes and duties is made in the General Tax Code (*Code Général des Impôts*, CGI), which was established by Law No. 2002/003 of 19 April 2002 on the General Tax Code and comprises three Books. Book One relates to the tax and duty base. Book Two covers all fiscal procedures. Book Three concerns local taxation. The CGI contains the tax provisions relating to all economic activities, including the extractive industries, to investment incentives, to taxes and duties credited to the national budget and to local taxation. This means that tax law is applied uniformly throughout the territory of Cameroon.

27. The procedures for tax inspection, tax litigation and enforced recovery of tax debts are regulated in part by the Tax Procedure Book (*Livre des Procédures Fiscales* (LPF)) of the CGI, which lays down specific measures for inspection, litigation and enforcement, and in part by the OHADA Uniform Act concerning simplified recovery procedures and enforcement channels (common litigation measures).

28. By virtue of the hierarchy of norms, tax provisions must be in conformity with the Constitution as well as with the international conventions and treaties signed and ratified by Cameroon. Almost 80% of the Cameroonian tax system is aligned with CEMAC instruments, which are modelled on the system of treaties, directives, regulations and decisions. The same applies to VAT, income tax and stamp duty. Under the Treaty establishing CEMAC, tax legislation falls within the competence of the Member States, which are simply required to achieve the goals set by the Community directives.

29. The collection of taxes and duty is the sole responsibility of the tax administration, the Directorate-General for Taxation (DGI). The latter body is divided into central departments and decentralised departments. The central departments, structured around the Director-General of Taxation, deal primarily with conceptual planning, co-ordination and auditing. They comprise ten directorates, including the Directorate for Legislation and International Tax Relations, which is the focal point for international exchanges of information. The decentralised departments are formed on the basis of the country's administrative divisions, especially the regions and departments, but also on the basis of taxpayer categories.

30. The Cameroonian tax system distinguishes between direct taxes and indirect taxes. The main direct taxes are business taxes and personal income tax. The system is based on taxation of the global income of individuals who,

for taxation purposes, are residents of Cameroon. Companies are taxed on their receipts on the basis of a territorial regime. Non-residents are subject to the same rules as residents with regard to the basis of assessment and taxation rates for income originating in Cameroon. The rate of business tax is 30%, rising to 33% when a 10% additional local surcharge is added, while individuals receiving employment income are taxed on a graduated scale of income tax with a top marginal rate of 35%, to which is added the additional local surcharge amounting to 10% of the individual's tax liability.

31. Indirect taxes comprise value-added tax (VAT), excise duties, various specific duties (gaming and entertainment tax, armaments tax and special duty on oil products) and stamp duty. VAT is levied at a rate of 17.5%; the local 10% surcharge brings the total VAT rate to 19.25%.

32. Cameroon has a network of tax treaties covering 88 jurisdictions. It acceded to the Global Forum in 2012 and is committed to applying the international transparency standards. On 25 June 2014, Cameroon signed the Multilateral Convention, thereby sharply increasing the number of jurisdictions with which it has tax agreements from 9 to 88. Cameroon ratified the Multilateral Convention by way of Decree No. 2015/210 of 28 April 2015. The Multilateral Convention will enter into force on 1 October 2015 in Cameroon.

33. The competent authority in Cameroon is the Ministry of Finance, which has delegated that power to the Director-General of Taxation by virtue of Decree N° 2013/006 of 26 February 2013 on the organisation of the Ministry of Finance.

Overview of the financial sector and the relevant professions

34. The Cameroonian financial sector chiefly comprises credit institutions, financial institutions, microfinance institutions, insurance companies and providers of monetary exchange and transfer services. Fourteen authorised credit institutions conduct business in Cameroon, four of them being local companies and ten being subsidiaries of foreign banking groups. As of 1st June 2015, the total net asset value of the banks in Cameroon amounted to XOF 3 324 584 777 965 (EUR 5 067 964 600). The Bank of Central African States (BEAC), which is the central bank in the CEMAC framework, is responsible for bank regulation. The banking sector coexists with more than 480 microfinance institutions, which operate a total of more than 1 000 outlets across the country, and with 15 authorised general insurance agents and 60 independent insurance brokers.

35. Savings and credit facilities provided by banks and microfinance institutions are subject to Community supervision by the Central African Banking Commission (COBAC), which is responsible for overseeing credit

activity in the CEMAC subregion. COBAC grants operating licences for these activities and verifies that operations are being properly conducted. The Ministry of Finance, in its role as a monetary authority, also oversees banking activity and intermediate exchange transactions. Monetary transfers, for their part, remain governed primarily by postal legislation as enshrined in Law No. 2006/019 of 29 December 2006 governing postal activities in Cameroon.

36. The insurance market is structured around regulators, market operators and associated professions. The market regulators are the Inter-African Conference on Insurance Markets (CIMA) and the Ministry of Finance.

37. Two stock markets operate in Cameroon: the Douala Stock Exchange, which is the national market and which comprises three listed companies, and the Libreville Stock Exchange, which covers the CEMAC countries. Two stock-exchange authorities coexist for the regulation of exchange transactions, namely the Financial Markets Commission (CMF) for the Douala Stock Exchange and the Supervisory Commission for the Central African Financial Markets (COSUMAF), which oversees the Libreville Stock Exchange. With regard to stock-exchange transactions within Cameroon, only authorised banks conducting their business in Cameroon may act as investment service providers, with the Société Générale de Banques au Cameroun performing the role of settlement bank, while the Autonomous Sinking Fund, a state body, plays the role of central depositary. Exchange transactions are governed by the provisions of Regulation No. 02/00/CEMAC/UMAC/CM of 29 April 2000, while money transfers are regulated by Law No. 2006/019 of 29 December 2006 governing postal activities.

38. The mechanism for combating money laundering and the funding of terrorism within CEMAC came into being in 2002 with the adoption of the statutes of GABAC, the Action Group against Money Laundering in Central Africa, the purpose of which is to drive and co-ordinate the formulation of anti-laundering provisions. Major advances have been observed in recent times, especially in 2012, when the first round of reciprocal assessments was launched, beginning with reviews of the mechanisms in Gabon, Cameroon and the Central African Republic, which had previously been assessed by the World Bank in 2008 and 2010, and a manual of procedures for reciprocal assessments was adopted by the Central African Monetary Union (UMAC) and published in the CEMAC Official Journal on 2 October 2012. These advances enabled GABAC to obtain observer status in the Financial Action Task Force on Money Laundering (FATF) in February 2012.

39. The agency responsible for combating money laundering is the National Agency for Financial Investigation (NAFI), which has the right to investigate financial matters and cases of unjustified enrichment. The Cameroonian NAFI is operational and has been admitted to membership of the Egmont Group of Financial Intelligence Units.

Recent developments

40. Cameroon signed the Multilateral Convention on 25 June 2014. The ratification law was adopted by the Parliament of Cameroon and signed by the President on 20 April 2015. The Multilateral Convention will enter into force on 1 October 2015 in Cameroon.

Compliance with the Standards

A. Availability of information

Overview

41. Effective exchange of information requires the availability of reliable information. In particular, it requires information on the identity of owners and other stakeholders in an entity or arrangement as well as information on the transactions carried out by entities and other organisational structures. Such information may be kept for tax, regulatory, commercial or other reasons. If such information is not kept or the information is not retained for a reasonable period of time, a jurisdiction's competent authority may not be able to obtain and provide it when requested. This section of the report assesses the adequacy of Cameroon's legal and regulatory framework on availability of information.

42. Cameroon possesses a developed legal and regulatory framework as regards the obligation to keep information available on the members of partnerships and the holders of registered shares in companies with share capital.

43. All companies must be entered in the RCCM (*Registre du Commerce et du Crédit Mobilier,* RCCM), maintained by the registry of the court of local jurisdiction, in the month following the date of their establishment and must deposit a copy of their articles of association with the court registry. Up-to-date information regarding the identity of members of partnerships (*sociétés de personne*) and of private limited companies (*sociétés à responsabilité limitée*) is available in the RCCM. As far as public limited companies (*sociétés anonymes, SA*) and simplified joint-stock companies (*sociétés par*

actions simplifies, SAS) are concerned, information on the identity of shareholders in the RCCM relates only to the time of establishment. There is no obligation to communicate subsequent changes in the list of shareholders to the RCCM. However, information on the identity of the owners of registered shares in public limited companies and simplified joint-stock companies is available in those companies through the registers which they are required to maintain at their head office. Cameroon recently introduced provisions requiring public limited companies to submit ownership declarations, and these provisions contain enforcement measures designed to guarantee that these registers are maintained.

44. Cameroonian law allows public limited companies to issue bearer shares. Under the terms of an amendment to company law dating from January 2014, all shares, including bearer shares, must be registered in paperless form (dematerialisation), which now makes it possible to obtain information on bearer shares and, more generally, on all registered shares. Cameroon has also established penalties for failure to comply with obligations relating to paperless administration, but the detailed rules for the application of these penalties have not been established as yet. It is recommended that Cameroon puts in place expeditiously rules for the application of the penalties to be imposed for non-fulfilment of obligations relating to the dematerialisation of securities.

45. With regard to information regarding trusts, there is no provision for the constitution of trusts in Cameroonian law, and Cameroon is not a signatory of the Hague Convention of 1 July 1985 on the Law Applicable to Trusts and on their Recognition. There is, however, nothing in Cameroonian law to prevent the Cameroon-based administration of a trust or the ownership by a foreign trust of assets located in Cameroon. Persons acting as trustees on a professional basis are bound by tax legislation and by AML/CTF laws to retain all information concerning the settlors and beneficiaries of foreign trusts. The disclosure obligations for tax purposes also apply to any trustees who are not professionals.

46. Information on the ownership of other relevant entities, such as partnerships, co-operatives, non-trading partnerships and foundations, is available in Cameroon.

47. All natural persons and corporate entities subject to business taxes and to taxes on earnings from industrial, commercial and agricultural occupations or on earnings from non-commercial occupations are required to maintain and retain for a period of at least ten years accounting data and the accompanying supporting documentation. Associations, foundations and other entities that are not liable to taxes and duties are also required, under tax legislation and the laws targeting money laundering and the funding of terrorism, to keep accounts and retain the related documentation. This ensures the availability of such information.

48. Banks and financial institutions, for their part, are bound to identify their customers and to retain information on transactions carried out by their customers for the same period that applies to all accounting documentation.

A.1. Ownership and identity information

Jurisdictions should ensure that ownership and identity information for all relevant entities and arrangements is available to their competent authorities.

49. The OHADA Uniform Act on Commercial Companies and Economic Interest Groups (AUSCGIE) provides for seven types of entities:

- three types of company with share capital, described in section A.1.1 – ***Companies with share capital***: the *société anonyme* (SA) or public limited company, the *société à responsabilité limitée* (SARL) or private limited company and the *société par actions simplifiée* (SAS) or simplified joint-stock company; and
- three types of partnership, described in section A.1.3 – ***Partnerships***: the *société en commandite simple* (SCS) or limited partnership, the *société en nom collectif* (SNC) or general partnership and the *société en participation* (SP) or joint venture; and
- the *groupement d'intérêt économique* (GIE) or economic interest group.

*Companies with share capital (ToR **A.1.1.**)*

50. Companies with share capital are subject to publication and registration formalities when they are first constituted, particularly to the obligation to retain and update information and to make tax declarations, so as to guarantee the availability of identity and ownership information on companies with share capital.

Company types

51. Company legislation is essentially governed by OHADA law, particularly the Uniform Act on Commercial Companies and Economic Interest Groups (*Acte Uniforme relative au droit des sociétés commerciales et du groupement d'intérêt économique*, AUSCGIE). AUSCGIE was adopted in 1997 and revised in 2014, partly for the purpose of including a new category of company, the simplified joint-stock company as well as to provide for the dematerialisation of all securities.

52. OHADA law allows the creation of the following three types of company with share capital:

- **Public limited company (*société anonyme* – SA)**. SAs are companies in which shareholders' liability for corporate debts is limited to the amount of their stake and in which the rights of shareholders are represented by shares. An SA may have only one shareholder (AUSCGIE, Article 386). As of 1 March 2015, there were 624 SAs registered with the RCCM.
- Private limited company (*société à responsabilité limitée* – SARL). An SARL is a company in which the shareholders' liability is limited to the amount of their stake and in which the rights of shareholders are represented by shares. Some of the organisation rules of SARLs are of public order to protect the strong *intuitu personae*, which is prevalent for this type of company. An SARL may be established by one or more natural and/or legal persons (AUSCGIE, Article 309). As of 1st March 2015, there were 7 892 SARL registered with the RCCM.
- Simplified joint-stock company (*société par actions simplifiée* – SAS). This form of company with share capital was introduced by the revised version of AUSCGIE, which entered into force on 5 May 2014. The SAS is a company established by one or more shareholders; its statutes provide for the free organisation and operation of the company, subject to compliance with the binding provisions of AUSCGIE. The liability of the shareholders or sole shareholder of an SAS for corporate debts is limited to their stake in the company, and their rights are represented by shares (AUSCGIE, Article 863-1). As of 1st March 2015, there was no SAS registered with the RCCM.

Publication and registration formalities

53. The creation of companies with share capital is governed by the Uniform Act on General Commercial Law (AUDGC). The creation of a company is dependent on its being entered in the RCCM no later than one month after the date of its establishment (AUDCG, Article 46). The RCCM receives applications for the registration of corporate entities and for the amendment and cancellation of existing registrations.

54. The identity of the founding shareholders of SAs, SASs and SARLs are available in the company statutes at the time of initial registration. Only SARLs, however, are required to notify the RCCM of changes in shareholders. Every change in the status of corporate entities subject to registration must be the subject of a request to the Registrar of Companies and Liens for a rectification or addition within 30 days following the date of that change (AUDCG, Article 52).

55. A national database collates the information deposited in each RCCM database. A regional database is maintained by the Common OHADA Court of Justice and Arbitration, which collates the information stored in all of the national databases (AUDCG, Article 36). The RCCM established in Cameroon and its component parts are forwarded to the OHADA Secretariat for publication in the Official Journal of that organisation or in a newspaper authorised to publish legal notices (national daily newspapers).

Information available from companies

Obligation in commercial law

56. The identity of the SARL shareholder must be recorded in its articles of association, and kept at the registered office of the SARL. The transfer of SARL must be made in writing and recorded with the RCCM (article 317 AUSCGIE). Unlike SARLs, SAs and SASs are under no obligation to publish the identity of shareholders in the RCCM. On the other hand, this information must feature in the registers of shareholders that SAs and SASs are required to keep, but only for shareholders owning registered shares (AUSCGIE, Article 746-1). Registers are maintained by each company, or by a person authorised by it, showing the registered shares issued by that company. The details recorded in the registers include transactions for the transfer, conversion, pledging and sequestration of shares, among other things, the transaction date and, in the case of a transfer, the full name and address of the former and new shareholders or, in the case of a conversion of bearer shares into registered shares, the full name and address of the shareholder.

57. In the case of a transfer, the name of the former shareholder may be replaced by a serial number from which that name can be found in registers. All entries made in registers must be signed by the company's legal representative or his or her delegate. The company has an obligation to keep the share registers updated. The auditor's report, which is mandatory for SAs and SASs and which is submitted to the annual general meeting, notes the existence of the registers and contains the auditor's opinion as to whether they have been properly maintained. A declaration made by the management team certifying that the registers have been kept in due form is annexed to the said report (AUSCGIE, Article 476-2, new version).

58. The new Article 748-1 of AUSCGIE provides for the dematerialisation of all securities, whatever their form, with effect from January 2014, which serves to make information available on the identity of all owners of shares and, in particular, of holders of bearer shares. The rules for dematerialisation are described and analysed in section A.1.2 – *Bearer shares*.

Tax requirements regarding the maintenance of registers

59. Since 1 January 2015, tax legislation has required public limited companies (SAs) to maintain a register showing the registered shares they have issued and to keep it updated[4] subject to tax penalties. This obligation supplements the existing requirement in commercial law, although the latter is not backed by sanctions (see section A.1.6 – *Enforcement provisions to ensure availability of information*). The register must be classified and initialled by the registrar of the court with jurisdiction for the place where the company is located and must list the following details:

- transactions relating to the transfer, conversion, pledging and sequestration of shares;
- the date of each transaction;
- in the case of transfers, the full name and address of the former owner and new owner of the shares;
- in the case of conversions of bearer shares into registered shares, the full name and address of the owner of the shares.

60. This obligation, however, does not clearly apply to simplified joint-stock companies (SASs); nevertheless, commercial law requires these companies to maintain a register of shareholders, although the requirement is not enforced by sanctions (see section A.1.6).

Conclusion

61. Company law ensures the availability of information that makes it possible to identify the owners of registered shares in companies with share capital. In the case of private limited companies (SARLs), this information is available in the RCCM both when the SARL is created and when shareholdings in the SARL are transferred. In the cases of SAs and SASs, only the identity of founding shareholders is available in the RCCM. Information on shareholders in SAs and SASs is available in the registers of shareholders that these companies are required to keep.

Foreign companies

62. Information on the ownership of foreign companies carrying out business activities in Cameroon is available through their compulsory trade and tax declarations.

4. Article 18*bis* of Law No. 2014/026 of 23 December 2014 on the finance law of the Republic of Cameroon for the 2015 financial year.

Requirements in commercial law

63. In implementation of Articles 119 and 120(4) of AUSCGIE, offices or branches of a foreign company located in Cameroon must be registered in the RCCM.

Tax requirements

64. The new Article 5bis of the CGI sets out the criteria that determine whether foreign companies are considered as operating in Cameroon and therefore have a connection with Cameroon for tax purposes:

- companies whose head office or *de facto* place of management is located in Cameroon,
- companies which have a permanent establishment in Cameroon, and
- companies which have a dependent representative in Cameroon.

65. Foreign companies, subject to tax in Cameroon, must provide to the tax authorities of Cameroon the identity information on shareholders holding more than 5% of the company's capital. The provisions of Article L1 of the CGI impose a general obligation on companies to register and to declare any material changes affecting their operation, such as changes of management, takeovers, cessation of business and changes in the structure of the company's capital or shareholdings. This declaration requirement also applies to "foreign taxpayers engaging in economic activities in Cameroon without having a seat there". These foreign taxpayers are required to appoint a solvent representative who is accredited to the tax administration. A unique identification number is allocated on a permanent basis by the Directorate-General for Taxation once the taxpayer's actual location has been certified. Failure to fulfil the obligations imposed by these provisions gives rise to the penalties defined in Article L100 of the CGI (see section A.1.6 – *Enforcement provisions to ensure availability of information*).

66. Any material change affecting the operation of a company, such as a change of management, a takeover, cessation of business or a change in the structure of the company's capital or shareholdings, must be declared to the tax authorities within 15 days following the date on which the change took effect. The registration requirement applies to the foreign company itself as well as to its chief executive and to shareholders holding more than 5% of the company's capital[5].

5. Article L1*ter* of the LPF.

67. To conclude, information on the ownership of foreign companies considered as operating in Cameroon is available through their compulsory trade and tax declarations.

Information held by nominees

68. Cameroonian law has no specific provisions pertaining to the concept of nominees that exists in Common law jurisdictions. Instead, OHADA legislation defines the role of a *mandataire* or agent, which is a concept in civil law. OHADA legislation stipulates that, in certain specific cases, a company's shareholders may be represented in various formal acts by agents (AUSCGIE, article 126). Nevertheless, even though the concept of nominees is not enshrined in the commercial law of Cameroon, persons who act as nominees on a professional basis are covered by the provisions of the AML/CTF legislation and must identify their clients.

Commercial law

69. OHADA legislation provides for the possibility of any shareholder being represented by an agent of his or her choice at the time when the company is established (AUSCGIE, Article 315) or at a general meeting. In such cases, however, the agent acts expressly and publicly on behalf of a shareholder and does not have the status of a shareholder in dealings with third parties.

70. Agents must obtain a proxy from their clients. This proxy contains information on the identity of the client or clients, in other words each client's full name and address and his or her number of shares and voting rights, specification of the general meeting for which the proxy is issued and, lastly, the signature of the client preceded by the words *bon pour pouvoirs* ("good for proxy") and the date of the proxy (AUSCGIE, Article 538). Accordingly, in spite of the agent's intervention, the identity of the real owner remains known.

AML/CFT Legislation

71. Although the common-law concept of a nominee does not exist in Cameroonian law, the customer due diligence requirements applicable for AML/CFT purposes may be useful in determining the identity of any real shareholder who uses a nominee acting on a professional basis to conceal his or her own identity. These identification requirements apply only to nominees who act as such in the practice of their profession, as in the case of a lawyer or notary public. These obligations are contained in CEMAC Regulation 01/03 on combating money laundering and the funding of terrorism. These professional agents or nominees are required to identify their clients. Nominees acting as such on a professional basis are subject to the obligation by virtue of the fact that it applies to "notaries public and other

members of independent legal professions", but also certified auditors and accountants, external auditors and tax advisors. The official forms associated with this obligation – the form for identifying clients and the form for reporting suspicions – contain boxes for the surnames, forenames, addresses and residence status of the persons to whom the declarations relate. The practical requirement for the members of these professions is to know the identity of the persons to whom or entities to which they provide their services.

72. Under the terms of Article 10 of CEMAC Regulation 01/03, members of professions subject to client-identification requirements must establish "the true identity of persons for whose benefit an account is opened or a transaction effected if it appears to them that the persons asking for the account to be opened or the transaction to be effected may not be acting on their own behalf". Moreover, if the client himself or herself is a lawyer, accountant or agent acting as a financial intermediary, that client will not be able to invoke professional secrecy to avoid disclosing the identity of the real operator.

73. Since these obligations apply only to persons acting on a professional basis, there is no means of obtaining the identity of a shareholder using a nominee who performs that role in a non-professional capacity. However, since the common-law concept of a nominee is not enshrined in Cameroonian law, such a situation is very unlikely to occur in practice.

Conclusion

74. Since Cameroonian law is based on the civil tradition, the common-law concept of a nominee does not exist in the law of Cameroon, which enshrines the civil-law concept of the *mandataire*, or agent. In these specific cases, the identity of the shareholder is known, and the agent acts publicly on behalf of that shareholder. Nevertheless, AML/CTF legislation imposes an obligation on all notaries public and other members of independent professions to identify their clients. This obligation therefore applies in cases where members of these professions act as nominees, even though the common-law concept itself does not feature in the commercial law of Cameroon.

Bearer shares *(ToR A.1.2)*

75. Article 745 of AUSCGIE provides that securities take the form of bearer shares or registered shares, whether they are issued for cash or for a consideration in kind. The law also specifies that the provisions of the Uniform Act or company statutes may prescribe registered shares as the only permissible form. This is why only SAs and SASs can issue bearer shares, while SARLs can issue only registered shares. As of 1st March 2015, there were 624 SAs and no SAs registered with the RCCM. In addition, since 2014, new article 748-1 AUSCGIE reduces the possibility to issue bearer shares: only shares

admitted to trade on a stock exchange or those under the custody of a depository can be in bearer form.

76. Before January 2014, Cameroon had no mechanism for identifying shares or bearer shares. The securities regime in the OHADA area depended on the form taken by securities, that is to say registered or bearer shares (former Article 764(1)).

- In the case of registered shares, the rights of the shareholder were derived solely from their entry in the company's register, and the share certificate that was provided in practice by the issuing company was not in itself valid evidence of ownership.
- In the case of bearer shares, the bearer was deemed to be the owner of the shares. A bearer could transfer such a share by handing over the certificate.

77. Companies issuing public offerings had the option of paperless administration of their shares, in other words of entering shares, whether they were registered or bearer shares, in an account opened in the name of their owner and administered either by the issuing company or by a financial intermediary approved by the Minister for Economic and Financial Affairs. In this case, shares changed hands by means of a transfer from one account to another (former Article 764(2)).

78. Since January 2014, the new Article 744-1 of AUSCGIE has provided for the dematerialisation of all transferable securities, whatever their form, which serves, among other things, to make information available on the shareholders who own bearer shares. The implementation of this article in Cameroon gave rise to the adoption of Law No. 2014/007 of 23 April 2014 laying down detailed rules for paperless registration of all securities, whether listed or not, issued by public or private entities subject to Cameroonian law and the promulgation of Decree No. 2014/3763 of 17 November 2014 laying down conditions for the application of Law No. 2014/007.

Scope of the new mechanism

79. The new mechanism applies to shares and bonds issued by public or private corporate entities, whether listed or not, where such shares and bonds are transferable by entry in an account and where they directly or indirectly give access to a percentage of the capital of the issuing corporate entity or to a general lien on its assets or to associated rights[6]. Accordingly, the scope of the dematerialisation mechanism also covers bearer shares, whether the issuers are public or private entities.

6. Article 3 of Decree No. 2014/3763.

Dematerialisation procedures

80. Registered or bearer shares must be registered in an account opened in their owner's name. This account must be administered either by the company issuing the securities or by a custodian approved by the Financial Markets Commission. All data recorded in accounts opened by issuing companies and custodians are held under one roof by central depositary. The central depositary is the Autonomous Sinking Fund of Cameroon[7] (*Caisse Autonome d'Amortissement*, CAA), which oversees operations for the dematerialisation of securities and regularly monitors custodians by ensuring that securities are entered in accounts and that current accounts are open to scrutiny so that their ownership remains traceable.

81. The new Article 748-1 of AUSCGIE, moreover, stipulates that bearer shares must be dematerialised, which is the responsibility of security issuers. Dematerialisation is effected by booking securities into an account in the name of their owners against issuance of a certificate in their favour. This certificate specifies the characteristics of the shares they hold, subject to fulfilment of the obligation to register the shares and then enter the registered securities in the records of the central depositary. The purpose of this registration is to make all transactions relating to bearer shares secure and traceable.

82. Responsibility for dematerialisation rests with the issuing company and/or the custodians.

83. Where securities are issued in the form of registered shares, the accounts must be held by the issuing company, which must provide the CAA with all the information that a custodian is required to communicate. It may, however, entrust the maintenance of the register to an agent who is duly appointed from among the custodians and must inform the CAA of the delegation and publicise it in the Official Journal or in a newspaper authorised to publish legal notices. These obligations are additional to the commercial and tax obligations described in section A.1.1 – *Companies with share capital*.

84. Where securities take the form of bearer shares, on the other hand, the accounts must be held by custodians. The latter administer the shares entrusted to them by the shareholders or by the issuing company. The custodian ensures that the shares are registered electronically and conducts every transaction relating to them on the orders and instructions of the shareholders or their successors in title. The role of custodians is performed by authorised investment service providers, who are subject to AML/CTF legislation and who must receive a certification from the Financial Markets Commission (article 7 Law 2014/007).

7. The CAA was approved by the Financial Markets Commission by virtue of Decision No. 08/006/CMF of 6 August 2003.

85. Under Article 10 of Decree No. 2014/3763, securities accounts must contain the following information:

- the identification details of natural or legal persons who own securities and, where appropriate, identification of the usufructuary, as well as the associated rights and the identity of any person to whom those rights accrue;
- the restrictions that may be placed on these shares, such as pledging, seizure and sequestration;
- the number and name of the account, which must provide precise identification of the account and its nationality as well as the characteristics of the securities belonging to it.

86. The certificate of ownership assigned to the owner by the issuing company or custodian must include the code of the shareholding member, the shareholder's identification details and address, the International Securities Identification Number (ISIN) and the date of the last amendment.

Transitional measures

87. AUSCGIE has set a two-year transitional period for the dematerialisation of securities issued before the introduction of this mechanism (Article 919 of the new AUSCGIE). However, the transitional measures adopted by Cameroon in Law No. 2014/007, being a four-year period, and those in its implementing decree, being a one-year period, are mutually contradictory. While Article 10 of Law No. 2014/007 gives holders of bearer shares issued before the promulgation of the Law a four-year transitional period for the dematerialisation of their shares, that is to say until the end of April 2018, the implementing decree provides for a far shorter period (see below). The implementation of these provisions will have to be studied in detail during the Phase 2 review.

88. In spite of the contradictions between Law No. 2014/007 and its implementing decree, the Cameroonian authorities have confirmed that the time limits defined in Article 22(1) of Decree No. 2014/3763 of 17 November 2014 are the ones that Cameroon applies. They have also indicated that, since the decree relates directly to the AUSCGIE instrument, the decree takes precedence over Law No. 2014/007 of 23 April 2014. The applicable time limits are as follows:

- For bearer shares that existed on 17 November 2014, the securities must be dematerialised within one year following the date on which the decree was signed, that is to say by 17 November 2015. To this end, issuers, notaries and the RCCM are required to communicate to the central depositary (the CAA) by 17 November 2015 all information relating to the securities entered in their registers. This one-year

time limit is consistent with the OHADA provision, which stipulates a maximum period of two years following the publication of the AUSCGIE (that is to say before end of January 2016). The fact is that there is always scope for national law to prescribe more restrictive measures than those laid down by OHADA legislation.

- In the case of securities issued after 17 November 2014, Article 22(2) of Decree No. 2014/3763 stipulates that notice of securities issued must be sent to the central depositary within 30 days of their registration in the RCCM.

89. Cameroon has provided for penalties in the event of failure to adhere to the time limits for the dematerialisation of bearer shares defined in section A.1.6 – *Enforcement provisions to ensure availability of information*. These are the ineligibility to exercise the rights attached to the bearer shares and their sale by the issuing entity within an additional time limit of one year. Detailed rules governing these penalties, however, have yet to be enshrined in law. The authorities of Cameroon have clarified have a draft decree is being prepared and should be approved before the end of the year 2015. It is recommended that Cameroon establishes rules for the compulsory sale of securities in the event of failure to fulfil the legal obligations with regard to dematerialisation.

Conclusion

90. Since 2014, Cameroon has had a mechanism that serves to identify the owners of bearer shares, a mechanism that will become fully operational on 17 December 2015. Since this is a recent instrument, some of the practicalities of dematerialisation remain to be determined by means of decrees. Notably, Cameroon has provided for penalties in the event of failure to meet the dematerialisation deadlines for bearer shares. Non-compliance with these deadlines results in ineligibility to exercise the rights attaching to those securities and in their sale by the issuing entity. Detailed rules for such sales, however, have not been established. It is recommended that the Cameroonian authorities establish detailed rules for the compulsory sale of securities in the event of failure to fulfil the statutory dematerialisation requirements. Generally, the practical arrangements for dematerialisation will be analysed during the Phase 2 review.

Partnerships *(ToR A.1.3)*

91. The Uniform Act on General Commercial Law (AUDCG) distinguishes between the following types of partnership:

- *société en commandite simple* (limited partnership – SCS): this is a partnership in which one or more partners with unlimited joint and

several liability for the indefinite and joint liability for company debts (general partners) coexist with one or more partners whose liability for company debts is limited to their stake (limited partners or sleeping partners); the capital of an SCS is divided into shares (AUDCG, Article 293);

- *société en nom collectif* (general partnership): this is a partnership in which all partners are traders with unlimited joint and several liability for company debts (AUDCG, Article 270). As of 1st March 2015, there were 166 SNCs registered with the RCCM;
- *société en participation* (joint venture – SP): this is a partnership whose partners come to an agreement that it will not be entered in the Register of Companies and Liens and that it will not possess legal personality: it is not subject to publication requirements.

92. Information on partners in partnerships is available in the RCCM and with the tax authorities.

Obligations in commercial law

93. With the exception of joint ventures, partnerships are required – like companies with share capital – to enrol in the RCCM. The following information is stored in that Register (Articles 46 and 52 AUDCG):

- the full names and private addresses of partners held to have unlimited personal liability for company debts, plus their date and place of birth and their nationality;
- the full names, dates and places of birth and addresses of managers, directors, administrators or partners with general authority to act on behalf of the corporate entity or group;
- stakeholdings in the corporate capital;
- the address of the partnership's head office and, where appropriate, the address of its main establishment and of each of its other establishments;
- indications of amendments or additions to the entry and secondary information.

94. Changes of partners must be communicated to the RCCM. In this way, the identity of the partners in partnerships is stored and regularly updated in the Register. This information, moreover, is also available within the company under the particular provisions that apply to each type of partnership.

95. Precisely because of their lack of separate legal personality, joint ventures are not registered with the RCCM. Their managers, however, are required to register in the RCCM if they carry out a business activity. Similarly, information on the identity of the partners should be available within the joint venture. In practice, relations between partners in joint ventures are governed, unless otherwise provided, by the rules that apply to general partnerships (AUSCGIE, Article 856).

Tax requirements

96. Partnerships must register with the tax administration and provide the identity of their founders. Subsequently, partnerships must declare any material changes affecting their operation, such as changes of management, takeovers, cessation of business and changes in the structure of the company's capital or shareholdings. This declaration requirement also applies to "foreign taxpayers engaging in economic activities in Cameroon without having a seat there", that is to say foreign partnerships with business operations in Cameroon.

97. Any material changes affecting operations, such as changes of management, takeovers, cessation of business and changes in the structure of the company's capital or shareholdings, must be declared to the tax authorities within 15 days of the date on which the said change occurred. This declaration requirement applies to the company itself, to its chief executive and to partners and shareholders holding more than 5% of the company's capital.

98. Lastly, information on the ownership of partnerships is available through their obligations under commercial and tax laws.

Trusts *(ToR* ***A.1.4.)***

99. There is no provision for the constitution of trusts in Cameroonian law at the present time, and Cameroon is not a signatory of the Hague Convention of 1 July 1985 on the Law Applicable to Trusts and on their Recognition. Accordingly, there is no scope in Cameroonian law for the creation of a trust or any similar structure. However, there is nothing to prevent a trust created in another country from being administered in Cameroon or to prevent assets located in Cameroon from being part of a foreign trust. In these cases, a tax requirement to make a declaration to the tax administration applies, which means that managers of foreign trusts who are resident in Cameroon must disclose the identity of the settlor or beneficiary of the trust (see below).

Tax requirements

100. Besides the obligations laid down in AML/CTF legislation (see below), Cameroonian tax law imposes a general requirement to declare all commercial activity. Under Cameroonian tax law, income from a foreign trust administered by a Cameroonian trustee is taxable in the hands of the trustee, acting as the representative of the foreign trust with the tax authorities.

101. Since 1 January 2015, there has been a specific requirement to maintain the identity of settlors, beneficiaries and assets of trusts and similar arrangements at the place where the service providers and trustees are established. Before 15 March of each year, managers of foreign trusts who are resident in Cameroon must submit all information concerning the identity of the persons associated with the said trusts as mentioned above and concerning the assets of the trusts. This obligation applies regardless of whether the person managing the trust does so on a professional basis. Failure to comply with this obligation results in a fixed-rate fine (see section A.1.6.).

Obligations in commercial law

102. Where a trust governed by the law of another country is administered in Cameroon, there is no specific requirement to register with the public authorities. However, the declaration requirement imposed by current legislation on all natural and legal persons, whether Cameroonian or foreign, engaging in business activities in the territory of Cameroon is applicable to foreign trusts. Accordingly, persons or entities acting as trustees in Cameroon must register with the RCCM if they engage in business activities. In such cases, the same information that is required of any persons (being individuals carrying on a business or an entity) on registration must be submitted to the Register.

Anti-money laundering legislation

103. Article 5 of CEMAC-UMAC Regulation No. 01-03 covers "notaries and other independent legal professions" when they establish, administer or direct "trusts or similar structures". In such cases, the members of these professions, acting as trustees, must comply with the rules regarding the identification of their clients.

104. Regulation No. 0004/CIMA/PCMA/PCE/SG/08, which applies to insurance and reinsurance companies and to insurance and reinsurance brokers operating in the CIMA area, contains identical provisions to the legislation on anti-money laundering and combating the financing of terrorism, provisions that guarantee the availability of information on the identity of members of a trust involved in insurance operations in the role of trustees.

Failure to fulfil the obligations imposed by those provisions may result in the disciplinary and pecuniary sanctions defined in Articles 534-2 and 545 of the Insurance Code.

Conclusion

105. Although Cameroonian law does not permit the creation of trusts in Cameroon, it does not prevent the administration in Cameroon of a trust created on the basis of another country's legislation. In such a case, the trade, tax and anti-money laundering laws allow information on the identity of the members of the trust – trustees, settlors or beneficiaries – if they are acting in a professional capacity. If the trustee neither belongs to a legal profession nor engages in commercial activity in Cameroon, a declaration requirement applies by virtue of tax legislation.

Foundations *(ToR A.1.5)*

106. Cameroonian legislation permits the creation of foundations pursuing an objective of general interest if a decree enacted by the President of the Republic confirms the recognition of their public-benefit status. Foundations recognised as being of public interest must function in accordance with Decree No. 77/495 of 7 December 1977 laying down the conditions for the establishment and operation of private welfare agencies. The duration of their existence is unlimited, and the assignment of assets to the foundation is irrevocable. The founders surrender ownership of the resources with which they endow the foundation, which ensures the financial future of the recognised public-benefit institution.

107. Law No. 2003/013 of 22 December 2003 on patronage and sponsorship also permits the creation of foundations dedicated to the aim of business patronage. A business foundation is defined as a voluntary non-profit activity conducted by one or more enterprises which irrevocably assign assets to it for the purpose of performing work of general interest on a non-profit basis. Business foundations are characterised by the creation of a pool of special-purpose assets in pursuit of a non-commercial goal. These foundations have a limited lifetime of six years, although they are renewable. If they are dissolved, the liquidator assigns the unused resources and the endowment to one or more public institutions or to recognised associations of public benefit whose activity is analogous to that of the dissolved foundation.

Legal requirements

108. Under Law No. 90/053 of 19 December 1990 on freedom of association, foundations must be registered with the prefecture of the place where

their head office is located, where a register is kept. This register records the identity, the addresses and the functions of the members. These register entries are compulsory for both Cameroonian and foreign foundations. Foundations are also required to inform the prefecture of the place where the head office of the association or foundation is located of any changes relating to the administrators within two months of the changes relating to the administrators. The foundation must provide an annual report to the Prefecture which includes certified account and in principle any change regarding the governance of the foundation. In addition, at any time, the prefect may ask the management team of any group (including foundations) to provide, within a time limit of 15 days, any information that will serve to ascertain their purpose and the nationalities of their members, their administrators or their *de facto* managers (Article 18 of the 1990 Law on freedom of association).

Tax requirements

109. In terms of tax, foundations must be registered with the tax authorities if they are liable for a tax, duty or other charge. This means that they are subject to declaration requirements like those that apply to companies. In general terms, however, all foundations are legally required to register with the tax authorities by virtue of their legal liability for employers' and employees' welfare contributions. In contrast, the identity of the foundation's members does not have to be registered with the tax authorities.

110. With regard to sanctions, under the provisions of Article 6 of the aforementioned Law, all associations, including foundations, which are subject to the declaration requirement and which do not make their declaration and submit it together with two copies of their statutes are, under the provisions of Article 6 of the aforementioned Law, automatically devoid of legal personality.

Conclusion

111. By their nature, Cameroonian foundations are not relevant to the exchange of information for tax purposes. Cameroonian law does ensure, however, that information on their ownership is available to both the administrative and the tax authorities.

Other entities

112. Besides the entities and arrangements described above, other pertinent structures exist, namely non-trading partnerships (*sociétés civiles*), non-governmental organisations and co-operatives. However, the issues associated with the availability of information on their ownership, identity and accounts are similar to those that are encountered for companies with share capital and partnerships.

Non-trading partnerships (Sociétés civiles)

113. Non-trading partnerships (*Sociétés civiles*) generally fall into a category of businesses which the law does not distinguish from commercial companies and which engage in non-trading activities such as intellectual, professional or property-related activities. A distinction may be made between non-trading property partnerships and non-trading professional partnerships:

- Non-trading property partnerships (*sociétés civiles immobilières*) are companies with a property focus, whose purpose is to take ownership of real estate acquired or passed on by partners, thereby facilitating the management and transfer of immovable assets or even the maximisation of returns on such assets. As of 1st March 2015, there were 452 non-trading property partnerships in Cameroon.
- The purpose of non-trading professional partnerships (*sociétés civiles professionelles*) is to enable natural persons or legal entities to engage jointly in a professional activity that is subject to a legal or regulatory code of practice. As of 1st March 2015, there were 53 non-trading professional partnerships in Cameroon.

114. In each case, under Article 45 of the AUDCG, non-trading partnerships of every kind are subject to the same rules that govern the constitution of other types of company and absolutely must be registered with the RCCM (see section A.1.1. – *Companies with share capital*).

115. From a taxation point of view, non-trading partnerships are deemed to be transparent. Nevertheless, they may opt for corporation tax to be levied on the basis of the provisions of Article 3(2) of the CGI. They are also subject to declaration and payment requirements similar to those for companies with share capital and partnerships. The system of sanctions is also the same.

Co-operatives

116. Cooperatives (*Sociétés Cooperatives*) are organised and governed by the OHADA Uniform Act on Cooperatives (*Acte uniforme OHADA sur les sociétés cooperatives.* AUSC), concluded on 15 December 2010, and Law No. 92/006 of 14 August 1992 relating to co-operatives and common initiative groups and its implementing decree, Decree No. 92/445/PM of 23 November 1992 laying down detailed rules for the implementation of Law No. 92/006. As of 1st March 2015, there were 196 co-operatives registered with the register of co-operatives

117. As defined in Article 4 of AUSC, a co-operative is an autonomous group of persons voluntarily joined together to fulfil their common economic, social and cultural aspirations and needs through an enterprise that is collectively owned and managed and in which power is exercised democratically

and in accordance with co-operative principles. It is formed by members and must maintain its own register, showing the membership number, full name and identity document references of each member as well as his or her address, occupation and number of subscribed and of paid-up shares (Article 9).

118. A co-operative is created by the formulation of a constitution by private deed in lieu of a partnership agreement and must be subject to compulsory registration, within one month of its creation, in the register of co-operatives held by the prefecture for the place in which the co-operative has its head office (Articles 70 *et seq.*). For tax purposes, co-operatives are, in principle, liable to corporation tax, although some – production, processing, storage and sales co-operatives for agricultural produce and breeders' co-operatives – are exempted in respect of some specific activities.

119. Their declaration requirements are similar to those for companies with share capital, as is the regime of tax penalties.

*Enforcement provisions to ensure availability of information (ToR **A.1.6.**)*

120. Cameroonian law has a combination of appropriate penalties in commercial law, tax legislation and the AML/CFT law to ensure that information is available on the identity and ownership of the various entities that exist in Cameroon. Penalties designed to enforce the dematerialisation requirement for securities, however, are yet to be defined.

Penalties for failure to register

121. Under Articles 114 and 115 of AUSCGIE, failure to register a company in the RCCM results in that company being treated as a joint venture or *de facto* partnership with no legal personality and so being governed by the provisions of Articles 864 *et seq.* of AUSCGIE.

Obligations to retain ownership information

Retention period for information

122. With specific regard to the information contained in the RCCM, the Uniform Act on General Commercial Law has not set time limits for its retention. Article 20 of the Uniform Act merely provides for the creation of a national data file in the RCCM, which is computerised. The Cameroonian authorities have confirmed that information concerning registered natural and legal persons is retained for at least a hundred years from the date on which the said file was created; this retention is prescribed by Law No. 2000/10 of 19 December 2000 governing archives in Cameroon.

123. Documents on the ownership of companies – company statutes and shares – are commercial documents, not accounting documents. Nevertheless, the tax administration requires all documents that are subject to its scrutiny to be retained for at least ten years from the date of the last transaction or from the date on which the documents were drawn up (Article L5 of the CGI). In particular, these documents include registers of share transfers as well as attendance lists and minutes of general meetings. No company may impede the communication of an item of information requested by the tax administration on the grounds that such information is held outside national territory.

Tax penalties for failing to meet information-retention requirements

124. Under tax legislation, non-compliance with the following obligations after receiving formal notice gives rise to a fixed penalty of XOF 1 000 000 (EUR 1 524) per month:

- the tax requirement whereby public limited companies (SAs) must maintain an updated register of the registered shares they issue,
- the declaration requirement for non-resident companies, that is to say companies which conduct business in Cameroon without having a registered office there, and
- the specific declaration requirement that applies to the identification of settlors, beneficiaries and assets of foreign trusts and similar arrangements at the location of service providers and trustees.

125. The practical implementation of the new tax provisions introducing a penalty for non-fulfilment of the foregoing obligations will be examined in the course of the Phase 2 review.

126. It should be noted that the penalties for failing to keep a register of shareholders applies only to SAs and not to simplified joint-stock companies (SASs). Although the SAS is an entirely new type of company instituted by the AUSCGIE amendment of 30 January 2014 (Article 863-1), it is not covered by the obligations which the new Article 18*bis* of the CGI imposes. Pending the completion of the dematerialisation of shares in Cameroon (see section A.1.2. – *Bearer shares*), the register of shareholders is the only mechanism providing exhaustive information on the identity of owners of registered shares. However, it is not clear that SASs incur penalties if they do not keep a register.

127. The authorities of Cameroon clarified that although this tax requirement applies only to SAs, it should be interpreted as being applicable to all companies that can issue nominative shares, like SAS, to maintain a shareholder register, subject to tax penalties. The authorities also noted that

considering the recent introduction of this form of company in Cameroonian law, the legal risk in respect of the availability of ownership information appears minor. It is however recommended that Cameroon clarifies that the tax sanctions applicable to SAs which do not keep a register of their registered shares also apply to SASs.

Penalties for non-compliance with legislation on anti-money laundering and combating the financing of terrorism

128. Even though the common-law concept of nominees does not exist in Cameroonian law, the client-identification requirements enshrined in the AML/CTF may be useful in identifying the real shareholders who have used a nominee to conceal their own identity. These identification requirements apply only to nominees who act as such in the practice of their profession, for example as lawyers or notaries public. Failure to meet the client-identification requirements in the forms prescribed by CEMAC Regulation 01/03 results in either a report to the Prosecutor-General of the Republic or in the institution of the disciplinary proceedings laid down in the instruments governing the exercise of the relevant professions at the behest of the authority with disciplinary power over the socio-occupational category in question, which comprises lawyers, notaries public and accountants (Article 18 of CEMAC Regulation 01/03).

Penalties relating to the mechanism for dematerialisation of bearer shares

129. The revised version of AUSCGIE does not provide for any specific penalties against companies or holders of bearer shares predating its entry into force if such shares are not entered in an account by the end of the transitional period. Similarly, no implementing rules for dematerialisation are set out, because that power is reserved for the Member States.

130. Cameroon has prescribed penalties for non-compliance with the one-year dematerialisation deadlines for bearer shares issued before 17 November 2014 and the 30-day deadlines for bearer shares issued after that date. Failure to meet these deadlines results in ineligibility to exercise the rights attached to the said securities and in their sale by the issuing entity within an additional time limit of one year (Article 11 of Law No. 2014/007). At the end of the transitional period, the owners of the non-dematerialised securities (including bearer shares) will lose the rights attached to the securities, and will have 30 years to claim the proceeds of the forced sale. These proceeds will be blocked on an individual bank account. Hence, the shareholders will lose the rights attached to the bearer shares, but will be able to obtain compensation for the loss of their rights, in line with the property right enshrined

in the Constitution. Detailed rules for such compulsory sales are not yet available, and an implementing decree is being prepared. It is recommended that Cameroon act quickly to draw up detailed rules for the compulsory sale of securities in the event of non-fulfilment of the statutory dematerialisation requirements. The practical rules governing the loss of the entitlements attaching to such securities and their sale by the issuing entity will be analysed in Phase 2.

Conclusion

131. In conclusion, Cameroon possesses enforcement provisions in its tax and commercial legislation and in the AML/CTF laws, except with regard to the dematerialisation of bearer shares, the implementing rules for which are yet to be defined.

Conclusion and factors underlying recommendations

Conclusion	
The element is in place	
Factors underlying the recommendations	**Recommendations**
Cameroon has provided for penalties in the event of failure to meet the dematerialisation deadlines for bearer shares. Non-compliance with these deadlines results in ineligibility to exercise the rights attaching to those securities and in their sale by the issuing entity. Detailed rules for such sales, however, have not been established.	The Cameroonian authorities should establish detailed rules for the compulsory sale of securities in the event of failure to fulfil the statutory dematerialisation requirements.

A.2. Accounting records

Jurisdictions should ensure that reliable accounting records are kept for all relevant entities and arrangements.

132. The Terms of Reference define the standards for the maintenance of reliable accounting records and the retention period for such documents. They recommend that reliable accounting records be kept for all relevant entities and arrangements. To be deemed reliable, these accounting records must *(i)* correctly record all transactions, *(ii)* be such that the financial situation of the entity or arrangement may be determined with reasonable precision at

any time, and *(iii)* enable the preparation of financial statements. Accounting records must also be supported by underlying documentation, such as invoices and contracts, and be retained for at least five years.

133. As regards the retention of accounting records, Cameroonian legislation requires legal persons and other entities to adhere to transparency requirements that are consistent with international standards in terms of accounting formalities, of the documents to be retained and of the retention period.

*General requirements (ToR **A.2.1.**)*

134. Companies whose registered office is in Cameroon are required to keep accounts. This obligation derives from company law (AUSGIE, Articles 137 *et seq.*), tax legislation (Article 73 of the CGI) and accountancy law (Article 1 of the Uniform Act on Accounting Law).

Accounting requirements and penalties deriving from OHADA law

135. OHADA legislation lays down accounting requirements that apply to all Cameroonian entities, which are liable to penalties if they do not fulfil those requirements.

Accounting requirements in OHADA law

136. Article 13 of the OHADA Uniform Act on General Commercial Law (AUSGIE) imposes an accounting requirement for every trader, specifying that every trader, whether a natural person or corporate entity, must keep an accounting journal in which its day-to-day commercial transactions are recorded. A trader is defined as the person who carries out commercial acts by reason of his profession. These commercial acts include amongst others the purchase of movable and immovable property for resale, banking operations, trading, foreign exchange, brokerage, insurance and transit; contracts between traders for the purpose of trade; the industrial exploitation of mines, quarries and any natural resource deposit; furniture rental operations; manufacturing, transport and telecommunications; intermediary commercial operations, such as commission, brokerage, agency, and the intermediate operations for the purchase, subscription, sale or lease of immovable property, business assets, of shares or commercial or real estate company shares; and the acts carried out by commercial companies (Articles 2 and 3 of AUDCG).

137. Each trader must also keep a general ledger, showing a general summary balance, as well as a stock ledger. These books must be kept in accordance with the provisions of the Uniform Act on the Organisation and Harmonisation of Business Accounting.

138. Article 1 of the Uniform Act on the Organisation and Harmonisation of Business Accounting (AUHCE) provides that every enterprise must establish an accounting system designed to provide information to external parties as well as for its own use. To this end, the enterprise must:

- log, classify and register in its accounts all transactions involving economic flows that are concluded with third parties or are observed or effected within the scope of its internal management;
- provide, after appropriate processing of these transactions, the presentations of accounts prescribed by law or by its statutes as well as the information required to meet the needs of various users.

139. Under Article 2, the following are bound to draw up accounts:

- enterprises subject to the provisions of commercial law,
- public, quasi-public and semi-public undertakings,
- co-operatives and, in more general terms, entities producing commercial or non-commercial goods and services, in so far as they engage primarily or secondarily, whether or not for profit, in economic activities based on repetitive acts.

140. Companies and natural persons acting in a professional capacity as trustees of foreign trusts are subject, as traders, to the aforementioned obligations imposed by OHADA accountancy legislation.

141. AUHCE provides for an accounting system based on exhaustive recording, on a daily basis and without delay, of basic information, for timely processing of the recorded data and for the availability to users of the documents they need within the legal time limits for their delivery (AUHCE, Article 15). Article 3 of the Uniform Act on General Commercial Law is clear about the role of accounting, stipulating that it must meet the criteria of regularity, truthfulness and transparency.

142. The accounting records to be held must fulfil this requirement, even though they vary in accordance with the applicable accounting system:

- In the case of the minimum cash-accounting system, companies must keep their statement of income and expenditure.
- In the case of the simplified system, companies must keep their balance sheet, their profit-and-loss account and the notes on those statements.
- In the normal system, companies must keep the following records: their balance sheet, showing assets and liabilities separately and in detail, their profit-and-loss account, with clearly separate posting

of income and expenses, their financial supply and use table, which charts investment and funding flows, the notes on those statements, which outline significant factors that do not come to light in the other financial statements, and, where appropriate, a statistical report.

143. Banks, credit institutions and insurers, for their part, are subject to additional accounting requirements, derived from COBAC regulations in the case of banks and credit institutions and from CIMA in the case of insurance companies.

Penalties for non-compliance with accounting requirements

144. Article 111 of the Uniform Act on the Organisation and Harmonisation of Business Accounting prescribes penalties for failure to keep accounting records. Senior company executives and managers are liable to criminal sanctions if they:

- have not prepared and produced, for each accounting year, annual financial statements and, where required, a management report and social-audit report for every accounting year;
- have knowingly produced and communicated financial statements which do not present an accurate picture of their company's assets, its financial situation and its annual profit or loss.

145. Article 38 of Law No. 2003/008 of 10 July 2003 on the punishment of offences referred to in certain OHADA Uniform Acts specifies the penalties that apply in the event of a violation of Article 111 of the Uniform Act of 24 March 2000 for the Organisation and Harmonisation of Business Accounting. Failure to meet the requirements of Article 111 is punishable by a prison term of three months to three years and/or a fine of XOF 500 000 to 5 000 000 (EUR 762 to 7 620).

146. Article 890 of the Uniform Act on Commercial Companies and Economic Interest Groups also provides for criminal sanctions for senior company executives who have knowingly published or presented to shareholders or partners, with a view to concealing the real situation of the company, summary financial statements that do not provide an accurate picture of operations in each financial year and the state of the company's finances and assets at the end of that period. Failure to meet the requirements of Article 890 is punishable by a prison term of one to five years and a fine of XOF 1 000 000 to 10 000 000[8] (EUR 1 524 to 15 244).

8. Article 8 of Law No. 2003/008 of 10 July 2003 on the punishment of offences referred to in certain OHADA Uniform Acts.

Tax requirements and penalties

147. Supplementing the commercial accounting requirements, Article 73 of the CGI imposes accounting requirements on taxpayers, distinguishing between turnover brackets as follows:

- for turnover between XOF 10 million (EUR 15 244) and XOF 30 million (EUR 45 734), the minimum cash-accounting system applies,
- for turnover above XOF 30 million (EUR 45 734) but not exceeding XOF 50 million (EUR 76 220), the simplified accounting system applies, and
- for turnover above XOF 50 million (EUR 76 220), the normal system applies.

148. Every entity (including foreign entities carrying on business in Cameroon) that is liable to tax is bound to declare its income with the aid of the accounting documents that are needed to establish the amount of taxable earnings. In the absence of a declaration, the taxable entity is given notice to declare its income and has 15 days to rectify this omission (Article L3 of the LPF). If it does not do so, the amount of taxation may be set automatically by the tax administration. This automatic taxation applies in the event of failure to present all or part of the accounts or of the requisite supporting documentation where such failure is established in an official report. Automatic taxation is a special procedure which, even though it is not arbitrary, reverses the burden of proof; this means that the taxable entity must prove that the adjustments made by the tax administration are unfounded, in contrast to normal verification procedures, in which the burden of proof lies with the tax administration.

149. Moreover, any inadequacies, omissions or inaccuracies which affect the tax base or the taxable items and which have prompted the administration to make adjustments give rise to the imposition of interest on arrears at a rate of 1.5% per month, capped at 50%, applied to the tax owed by the taxable entity. In addition, the amount of tax to be paid is subject to a surcharge, which is assessed as follows[9]:

- 30% if the taxable entity acted in good faith,
- 100% if it did not act in good faith, and
- 150% in the event of fraudulent operations, without prejudice to any criminal proceedings for which the LPF may provide.

9. Article 96 of the LPF.

150. In cases where no declaration has been made, the penalties are more severe, the surcharge amounting to 100% and, for repeat offences, 150%. In addition, various fines can be levied, up to a maximum of XOF 1 000 000 (EUR 1 524).

Underlying documentation *(ToR A.2.2)*

151. Article 19 of AUHCE specifies that the accounting records and other documentation that must be kept are an accounting journal, a general ledger, a trial balance of accounts and a stock ledger. The underlying documentation must be kept, particularly invoices, estimates, sales slips and delivery notes. Article 17 of AUHCE provides the general principles applicable to regular accounts. It provides in particular that. Accounting entries must be justified by dated underlying documents, classified in a defined order describing the accounting procedures and organisation, such that such documents can serve as evidence. The underlying documents must also include the references of their registration in the accounts.

152. Accordingly, the accounting data that must be kept in Cameroon (see *ToR A.2.1.* for the commercial and fiscal accounting requirements and the related penalties) are accompanied by adequate documentation to verify that the transactions have taken place.

Document retention *(ToR A.2.3)*

153. Under Article L5 of the CGI, companies as well as public administrative bodies, including the tax administration, are required to retain accounting records and supporting documents for ten years.

154. Accountancy Law (Article 24 of the AUDC) requires that accounting books or documents and documentation verifying their written entries be retained for the same period of at least ten years from the end of the financial year to which they relate.

155. The present mechanism allows the accounting information to be retained on the premises of entities located in Cameroon. The tax and accounting requirements deriving from the various legislative instruments that are applicable in Cameroon ensure that accounting information is retained for at least five years.

Conclusion

156. The requirements concerning the retention of accounting records, including the underlying documentation, are set out in the current commercial and tax legislation of Cameroon. Cameroon has an appropriate legal

framework, which also includes sanctions to enforce the applicable accounting obligations. The effectiveness and application of these penalties in practice will be assessed as part of the Phase 2 review.

Conclusion and factors underlying the recommendations

Conclusion
The element is in place.

A.3. Banking information

Banking information should be available for all account-holders.

157. Access to banking information is of interest to the tax authorities if the bank has useful and reliable information on its customers' identity and the nature and amount of financial transactions.

Record-keeping requirements (ToR A.3.1)

158. The Cameroonian financial sector comprises credit institutions, financial institutions, microfinance institutions, insurance companies, forex traders and money-transfer operators. Savings and credit activities on the part of banks and microfinance institutions are supervised in the Community framework by COBAC, the Central African Banking Commission, which is responsible for overseeing credit activity in the CEMAC subregion. CEMAC Regulations, and notably all AML/CFT regulations, have direct effect into the domestic law of the CEMAC Member States as soon as these regulations enter into force, without any other formal requirements (article 21 of the CEMAC Treaty). COBAC grants licences to practise professions in the financial sector and ensures that their operations are monitored and properly conducted. The Ministry of Finance also oversees banking activity in its capacity as a monetary authority as well as overseeing intermediary exchange activities. Banking activities are governed by the Convention Harmonising Banking Regulation in the States of Central Africa. Money transfers, on the other hand, are primarily subject to Cameroonian postal legislation as set out in Law No. 2006/019 of 29 December 2006 governing postal activities in Cameroon.

159. Banks and financial institutions are subject to the same accounting requirements as companies. These requirements are reinforced by the Community rules governing this particular sector. Article 32 of the Annex to the Convention Harmonising Banking Regulation in the States of Central Africa, for example, stipulates that banks and financial institutions are bound

by the rules on consolidation of accounts and public disclosure of accounting documents intended for both the competent authorities and the public. Article 36 expands on this provision by specifying that banks and financial institutions are required to forward any information, clarification or justification that will help the authorities to exercise supervision and technical oversight.

Anti-money laundering regulations

160. The anti-money laundering legislation of the Community applies to financial institutions. These are defined as credit institutions (banks and other financial establishments), including branches, intermediaries involved in banking transactions, Post Office financial services, microfinance institutions, insurance and reinsurance companies and brokers, stock exchanges, bodies performing the functions of a central depositary or settlement bank, asset-management companies, companies offering investment services, undertakings for collective investment in transferable securities (UCITS) and their management companies[10].

161. CEMAC-UMAC Regulation No. 01-03 on the prevention and combating of money laundering and terrorism financing in Central Africa imposes a twofold identification requirement, prescribing identification of the client (Article 9) and of the beneficial owner (Article 10). Entities failing to fulfil these requirements are liable to the penalties laid down in Article 46 of the said Regulation. This means, for example, that any attempt to commit such a crime or aiding and abetting those who commit such a crime is punishable by imprisonment of five to ten years along with a fine of up to five times the amount of the laundered funds, subject to a minimum of XOF 10 000 000(EUR 10 524).

162. Article 13 of CEMAC-UMAC Regulation No. 01-03 provides that documents relating to the identity of regular or occasional clients or to transactions conducted by such clients must be retained for at least five years from the date of closure of their account, from the date on which relations with the client ended or the date on which the last transaction was conducted. Non-compliance with this obligation attracts the penalties defined in Article 46 of CEMAC-UMAC Regulation No. 01-03. This means, for example, that any attempt to commit such a crime or aiding and abetting those who commit such a crime is punishable by a custodial sentence of five to ten years along with a fine of up to five times the amount of the laundered funds, subject to a minimum of XOF 10 000 000 (EUR 10 524).

10. Article 6 of CEMAC-UMAC Regulation No. 01-03 on the prevention and combating of money laundering and terrorism financing in Central Africa.

Conclusions

163. The body of legislative instruments that are in force ensure the availability of information about the identity of holders of bank accounts in Cameroon and the transactions relating to those accounts.

Conclusion and factors underlying the recommendations

Conclusion
The element is in place.

B. Access to information

Overview

164. A variety of information may be needed in a tax inquiry, and jurisdictions should have the authority to obtain all such information. This includes information held by banks and other financial institutions as well as information concerning the ownership of companies or identity of interest holders in other persons or entities, such as partnerships or trusts, as well as accounting information in respect of all such entities. This section of the report examines whether Cameroon's legal and regulatory framework gives the authorities access powers that cover the relevant people and information and whether taxpayers' rights and safeguards are compatible with effective exchange of information.

165. Pursuant to the General Tax Code (CGI), Cameroon's tax authorities have extensive powers of access to information in connection with assessing, auditing and collecting taxes. In particular, those powers enable it to request information from any taxpayer or third party who is likely to be in possession of the requested information in order to determine the amount of a person's income or collect a tax.

166. Banks, financial institutions, insurance companies and any natural or legal persons acting as the depositary or holder of monies or assets on behalf of third parties are also required, under those provisions, to provide, at the request of the tax administration, any information required in connection with operations to assess, audit or collect taxes and duties.

167. Cameroon does not have any instrument which grants specific powers of collection to the tax authorities to enable them to gather information solely for the purpose of international information exchange. However, for the purpose of administrative co-operation, the CGI allows Cameroon's tax authorities to avail themselves of the domestic information-gathering powers afforded to tax officials under the CGI. Cameroon's authorities use these powers for the purpose of international information exchange.

168. There is no limitation in any of the various information exchange instruments signed by Cameroon concerning the exchange of banking information. Likewise, professional secrecy is not a barrier to information exchange.

169. The rights and safeguards applicable to people in Cameroon are compatible with effective exchange of information. Cameroon's legislation does not place any obligation on the tax authorities to notify the taxpayers concerned of any information requests from foreign administrations.

170. The penalties for failing to provide information or documents appear to act as a sufficient deterrent to allow Cameroon's tax authorities to obtain the information concerned. The Cameroon authorities are therefore able to access all types of information which people situated in Cameroonian territory are required to retain.

B.1. Competent authority's ability to obtain and provide information

Competent authorities should have the power to obtain and provide information that is the subject of a request under an exchange of information arrangement from any person within their territorial jurisdiction who is in possession or control of such information (irrespective of any legal obligation on such person to maintain the secrecy of the information).

171. Under the tax conventions signed by Cameroon, the competent authority for exchange of information is the Finance Minister or his duly appointed deputy. The head of the tax administration (the Director-General of Taxation) has received delegated powers from the Finance Minister, which cover information exchange. This delegation of powers follows from Decree N° 2013/006 of 26 February 2013 regarding the organisation of the Minister of Finance. The tax administration is directly answerable to the Minister for Finance.

172. The power of Cameroon's tax administration to obtain information derives principally from Articles 375 to 381 of the CGI and Articles L42 *et. seq.* of the LPF (*Livre des Procédures Fiscales*, LPF) which establishes a right to information on the part of the tax authorities. This right to information may be used to respond to information requests from foreign jurisdictions. The article requires taxpayers, banks, financial institutions, insurance companies and, in general, any natural or legal person acting as a depositary for or holding monies or assets on behalf of third parties to provide the tax authorities, on request, with the records they are required to keep under the commercial law of the Organisation for the Harmonisation of Business Law in Africa (OHADA) in addition to any other accounting documents, income and expenditure records which an undertaking is required to keep under the legislation in force.

173. The Cameroon tax administration can also obtain information by using its power of audit under Articles L11 to L20 LPF.

Ownership and identity information *(ToR B.1.1)/****Accounting records*** *(ToR B.1.2)*

174. The competent Cameroon authorities possess three different rights that enable them to access ownership and identity information and accounting or fiscal information, except where it concerns medical records or national security: *(i)* the right to information, which is the most important, *(ii)* the right of audit and *(iii)* the right of investigation.

Powers of investigation and of access to information

175. The principal means whereby the tax administration can respond to information requests is to use its right to information, the essence of which is to allow the administration to obtain on request the documents and information that it requires for tax purposes. Alongside this right to information, the Cameroon tax administration also has two other legal means at its disposal which can, as appropriate, assist in the search for information for exchange purposes. These are the right of audit and the right of investigation; however, these rights are little used for the purpose of information exchange. Except for the right of investigation which only applies to indirect taxes, all access powers can be used concurrently for domestic or EOI purposes. For example, in order to gather information regarding a taxpayer, it could be considered to carry out a tax audit in the premises of the taxpayer and to exercise the right to information to obtain information held by third parties regarding the taxpayer.

176. Article L4 of the LPF provides that taxpayers are required to provide, at the request of the tax administration, all statutory accounting documents and records, supplemented, as necessary, by any specific accounting items peculiar to the type of operation in question which can corroborate the accuracy of particulars given in their declarations. That obligation applies to all taxpayers, but also to the accredited representatives of foreign companies pursuing an economic activity in Cameroon and to managers of trusts or similar structures domiciled in Cameroon.

Right to information

177. The right to information is a legal means of seeking information, an investigative tool for corroborating, planning and collecting tax information in order to compile a passive inventory without any critical scrutiny of the information provided or any copying of documents. Therefore, there is

no particular guarantee for the person against whom that right is exercised because the right is neutral with respect to the person concerned and cannot of itself give rise to any notice of rectification. It is not possible to audit any person required to produce information following a request under the right to information. Thus, the right to information is usually applied with respect to third parties.

178. Tax officials who have attained at least the grade of inspector are entitled to exercise the right to information, which appears to give a degree of flexibility. Article L42 of the LPF stipulates that this right to information also applies to obtaining information on behalf of a foreign administration.

179. Under Article L43 of the LPF, the tax authorities' right to information is very extensive and is exercised in relation to natural or legal persons, public administrations, persons engaging in insurance transactions, banks, depositaries of public documents and companies required to keep shareholder registers, among others. The right may be exercised by correspondence or on site. In all cases, the administration may, at its own expense, take copies of actual or paperless documents.

180. The only limit to the exercise of the right to information is professional secrecy. However, professional secrecy covers only information relating to patients' medical records or information classified as "defence secrets" (Article 47(2) LPF). Records, registers, documents or files of any kind over which the administration may exercise its right to information must be kept for a period of ten years from the date of the last transaction entered in the relevant records or registers or from the date on which the documents or files were created. That period is the same as the period laid down in the Uniform Act on the Organisation and Harmonisation of Business Accounting.

181. Exercise of the right to information is enforceable, as described above (see section B.1.4. – *Enforcement powers*). Therefore, any refusal to provide information may entail the imposition of a fixed penalty of up to XOF 5 000 000 (EUR 7 620). The penalty will be applied to anyone who has provided false information or who has attempted to evade or dispute the right to information. In addition, any attempt to delay complying with the right to information is punishable by a fine of XOF 100 000 (EUR 152) for each day's delay beyond the period stipulated in the request[11].

Right of audit

182. Article 9 LPF affords the tax authorities full powers in terms of assessing and auditing the taxes and duties payable by a taxpayer. They audit statements and the various instruments or documents used to establish taxes,

11. Article L104 LPF.

duties, contributions or payments of any kind. The aim of audits is to verify the accuracy and truth of the declarations made by taxpayers and, if necessary, to rectify them. The right of audit is exercised where a taxpayer from whom information has been requested is in the process of being inspected or where the administration considers that the content of the information requested during an inspection requires more detailed investigation. The right of audit is exercised in two ways: audit on the basis of documents or auditing of accounts.

183. Auditing on the basis of documents enables the administration to check statements submitted by taxpayers at its own offices, without giving prior notice to the taxpayer. In that case, the administration is empowered to request in writing any information, explanation or clarification deemed to be necessary. It hears the persons concerned if this seems useful or where the latter ask for oral explanations. However, the usefulness of the operation is limited by the fact that the administration cannot, during a document-based audit, have access to accounting documents such as accounting books and invoices[12].

184. The auditing of accounts enables tax officials with at least the grade of inspector to check, at a taxpayer's premises, the accounting records and/or documents kept by the latter. The principal constraint in terms of accounts-based auditing (which distinguishes it from auditing on the basis of documents) is the administration's duty to give advance warning (15 days) by means of a notice of inspection. However, the administration may carry out unannounced inspections. In that case, it gives the notice of inspection to the taxpayer at the beginning of the on-site audit. An inspection performed on the day of giving notice concerns only findings of fact. Where accounts are held in digital form, the administration may be assisted by an expert appointed by the administration and the rules relating to professional secrecy are not applicable.

185. Thus, the search for information may lead the administration to audit accounts in order to obtain the information requested by a foreign partner. This means of investigation is particularly effective in that it does not apply purely to taxpayers. The tax administration may exercise its right of audit in relation to people who are not traders and who pay salaries, fees or remuneration of some kind, or who receive, manage or distribute funds on behalf of their members. To that end, the persons and entities concerned, in particular NGOs, partnerships and all not-for-profit organisations must provide the administration, on request, with any accounting records and associated documents retained by them in addition to any documents relating to their activity. Taxes already audited may not be re-audited in respect

12. Article L21 LPF.

of the same period. The audit may not take more than three months (Article L40 LPF). Time-barring or the impossibility of performing re-audits do not hamper information exchange either in that the tax authorities can always perform a document-based check which enables them to seek information from a taxpayer, or they can have recourse to other powers (such as the right to information) in order to obtain information, even from third parties.

Right of investigation

186. The right of investigation applies solely to the search for infringements of invoicing rules and accounting procedures and failure by persons liable to indirect taxes and duties to submit the statutory declarations. It enables the tax authorities to access premises used for business purposes, land and warehouses, means of transport used for business purposes and their loading, and to verify the physical aspects of an operation[13]. This particular means of investigation may be used only in order to check indirect taxation. Cameroon's tax authorities may exercise this right for the purpose of information exchange only if the information requested relates to indirect taxation, pursuant to the convention or agreement which allows such information to be exchanged.

Use of information-gathering measures in the absence of domestic tax interest (ToR B.1.3)

187. The concept of "domestic tax interest" describes situations in which a contracting party may provide information to another contracting party only if it has an interest in gathering such information for its own needs.

188. Law No. 2014/026 of 23 December 2014 amended Article L42 LPF by clarifying that the right to information also applies for the purpose of "obtaining information on behalf of a foreign administration", thereby removing all ambiguity regarding the information-gathering powers of Cameroon's tax authorities. In terms of the right of audit and the right of investigation, the law does not indicate clearly whether these rights may be used to gather information on behalf of a foreign administration. The Cameroon authorities have confirmed that they interpret the law as allowing them to exercise the right of investigation and the right of audit for the purpose of obtaining information on behalf of a foreign administration, without having an interest in that information for their own needs. These powers have been used in practice to answer requests for information.

189. Furthermore, duly ratified or approved treaties or agreements take precedence, once they have been published, over laws (Article 45 of the

13. Article L49 LPF.

Constitution). This means that the competent authority is required to apply the provisions of taxation conventions or information exchange agreements which require them to provide the information requested by another contracting state. To that end, it is required to use all means at its disposal under tax legislation, notwithstanding any other conflicting provision of domestic law.

190. To conclude, Cameroon legislation contains no restriction whereby the use of domestic information-gathering powers is limited to the needs of the Cameroon administration itself. The practical application of the use of the information gather powers of the tax authorities for the purpose of exchange of information will be assessed in the Phase 2 of the review.

*Enforcement powers (ToR **B.1.4.**)*

191. The tax authorities have powers to punish failure to respond or an inadequate response to a request for information. The 2009 Finance Law laid down detailed rules governing the imposition of penalties for evading, attempting to evade or opposing the right to information. Previously, a penalty was applicable to any person evading, attempting to evade or opposing the right to information, without any enforcement rules being laid down. People (such as taxpayers, banks and third parties) against whom the right to information has been asserted have a statutory period of fifteen (15) days in which to reply. The current period runs from the date of receipt of the advice note, the postmark or delivery note acting as proof.

192. A refusal to provide information may be punished by a fixed fine of up to XOF 5 000 000 (EUR 152). This will apply to any person who has provided false information or tried to evade or to oppose the right to information. Moreover, a fine of XOF 100 000 (EUR 152) for each day's delay beyond the period indicated in the request applies to any attempt to delay enforcement of the right to information (Article L104 LPF).

193. The pecuniary penalties referred to above can be applied only after official notice has been served, setting a 15-day deadline[14]. If no reply to the administration's request has been received by the relevant deadline, penalties may be applied.

194. In addition to these penalties, banks may not deduct the cost of managing the bank accounts concerned. Such penalties may be supplemented by those applicable under other regimes, such as that of the National Financial Investigation Agency, ANIF (Article 18 of CEMAC Regulation No. 01/03).

195. In terms of the right of audit, failure to provide the information required to enable the audit to be performed is liable to a discretionary fine

14. Article L44 LPF.

(Articles L29 to L33*bis* LPF). In terms of the right of investigation, any person evading or opposing application of the right of investigation is served with formal notice (Article L50 LPF). Failure to comply incurs the penalties laid down in Article L104 LPF as mentioned above.

Secrecy provisions *(ToR B.1.5)*

196. Jurisdictions should not refuse, on the basis of secrecy provisions (e.g. banking secrecy, business secrecy), to reply to a request for information made pursuant to an information exchange arrangement. Cameroon legislation contains several provisions concerning secrecy and confidentiality.

Banking secrecy

197. Banking secrecy is governed by the 1992 Convention harmonising banking legislation in Central African States. Article 42 of the Annex to that Convention stipulates that "any member of the management or supervisory board of a credit institution and any person who is involved in the management of a credit institution or is employed by the latter shall be required to maintain business secrecy subject to the conditions and penalties laid down in the Penal Code".

198. Furthermore, a specific provision on the protection of banking secrecy has been adopted at domestic level. This is Law No. 2003/004 of 21 April 2003 on banking secrecy. Pursuant to Article 3 of that law, banking secrecy is defined as the duty of confidentiality incumbent upon credit institutions in relation to the documents, facts or information concerning their customers which come to their knowledge in connection with the performance of their duties.

199. In addition to the staff of credit institutions holding such information, banking secrecy also applies to any person who participates directly in the management, auditing or liquidation of a credit institution, and to any people who, although not members of staff, have been privy to banking information by virtue of their intellectual or technical skills or their position. Such people must refrain from disclosing, revealing or communicating in any way the information which came to their knowledge in the pursuit of their duties. It therefore indicates specific cases of infringement of banking secrecy (Articles 5 and 6) and those persons against whom it may not be asserted.

200. Article 10 of Law No. 2003/004 of 21 April 2003 provides that banking secrecy may not be relied on against tax officials acting in the context of a written information procedure as laid down in the CGI. The tax authorities have the right to obtain any accounting or banking records that they require for the purpose of assessing and collecting a tax. Article L42 LPF, introduced by Law No. 2014/026 clarified the fact that this right to information can also be exercised in order "to obtain information on behalf of a foreign tax administration,

without the provisions of the law concerning banking secrecy or business secrecy being asserted against them as a ground for withholding information, subject to Article L47 of the LPF". The limits contained in Article L47 LPF apply only to information that relates exclusively to patients' medical records or to national security information classified as "defence secrets".

201. For the tax authorities, the particulars required in order to obtain banking information are generally, but variously:

- name or company name of account holder (in the case of legal entities),
- date of birth for natural persons, or of incorporation for legal persons,
- name of account holder (in case of individuals),
- bank account number,
- address,
- registration number in the trade and personal property credit register,
- unique identifier (tax authority registration No.).

202. The authorities in Cameroon have clarified that, notwithstanding the above mentioned list of examples, any document providing for an element to identify the bank account holder (e.g. credit card number) is sufficient for the competent authority to obtain banking information. To conclude, in the current state of Cameroon fiscal legislation, there is no statutory limit on the ability of the administration to obtain and communicate the tax information held by a bank or financial institution.

Other professional secrecy

203. Cameroon legislation protects attorney-client privilege[15] and, more generally, the professional secrecy of persons acting as legal representatives (especially ministerial officials). However, the tax authorities have an extensive right to obtain information against which professional secrecy may not be asserted (Article L42 LPF), subject to Article L47 LPF of the LPF.

204. The limitations contained in Article L47 LPF cover only information that relates exclusively to patients' medical records, or national security information classified as "defence secrets". Article L43 LPF indicates that this right to information may be asserted against any natural or legal person "pursuing a profession, persons performing insurance transactions, banks, stockbrokers, depositaries of public documents and companies that are required, among other things, to keep registers of transfers of shares or bonds".

15. Article 20 of Law No. 90/059 of 19 December 1990 organising the legal profession.

205. Under Article 375 of the CGI, persons responsible for civil status registers, lists of tax payments and any other persons responsible for archiving or storing official documents are required to provide them to tax officials on request and to allow the latter, free of charge, to obtain any information, take extracts or make copies as needed for the purposes of the Treasury. These provisions also apply to notaries, bailiffs, registrars and public secretaries in relation to the documents with which they are entrusted, subject to the restrictions in the following paragraph and in Article 377 CGI.

Conclusion

206. The Cameroon tax authorities have extensive powers to collect and access information, which are not hampered by banking secrecy or other professional secrecy constraints.

Determination and factors underlying the recommendations

Determination
The element is in place.

B.2. Notification requirements and rights and safeguards

The rights and safeguards (e.g. notification, appeal rights) that apply to persons in the requested jurisdiction should be compatible with effective exchange of information.

Rights and safeguards should not unduly prevent or delay effective exchange of information. *(ToR B.2.1)*

207. Cameroon legislation guarantees respect for the rights of taxpayers in their relations with the tax authorities, particularly in connection with procedures for the auditing and collection of taxes. However, the protection of those rights may not hamper the effectiveness of information exchange and, more particularly, Cameroon has no procedures for advance notification of taxpayers.

208. In terms of exercising the right to information, the information contained in medical records or in files classified as "defence secrets" is not covered by the right to information. The tax authorities are therefore unable to access that information and certainly cannot exchange it with a partner under an agreement or convention (Article L47 LPF). Likewise, the tax authorities may not supply any information to a foreign requester that could reveal a trade, industrial or professional secret or whose disclosure could threaten security or public policy (Article 63 LPF).

209. The right of audit is tightly regulated by the LPF, especially in terms of auditing accounts. The administration must give advance notice of its visit to the taxpayer, and the notice itself is subject to specific rules: eight days' notice, details of the taxes to be audited and the period concerned. Taxes already audited may not be re-audited in respect of the same period. The audit may not take more than three months (Article L40 LPF). These different safeguards for taxpayers do not in any way hamper information exchange.

210. Even the period of three months given to the administration, by law, for terminating an audit is favourable to information exchange in that the rule requires the information to be provided within a reasonable timescale, or at least that it be updated within 90 days. A tax audit undertaken solely for the purpose of information exchange can normally be undertaken and the information provided in less than three months. Furthermore, that time is extended to six months in the case of a transfer price audit or in the case of information exchange procedures under taxation conventions (Article L40 LPF). Time-barring or the impossibility of performing re-audits do not hamper information exchange either in that the tax authorities can always perform a document-based check which enables them to seek information from a taxpayer, or they can have recourse to other powers (such as the right to information) in order to obtain information, even from third parties.

211. The safeguards afforded to taxpayers in relation to the right of investigation (which can be exercised only with respect to indirect taxes) may not hinder or unduly delay the effective exchange of information. The safeguards afforded to taxpayers in practice under these particular procedures will be examined in Phase 2 of the peer review.

212. Finally, Cameroon legislation does not require the tax administration to notify a person in Cameroon who is the subject of a request for information received from a foreign administration under an international convention. No prior or subsequent notification is therefore possible in Cameroon.

Conclusion

213. Cameroon legislation guarantees that the rights of taxpayers in their relations with the tax authorities are respected, particularly in connection with the auditing and collection of taxes, but those rights do not unduly prevent or delay the exchange of information.

Determination and factors underlying the recommendations

Determination
The element is in place.

C. Exchanging information

Overview

214. Jurisdictions generally cannot exchange information for tax purposes unless they have a legal basis or mechanisms for doing so. In Cameroon, the legal authority to exchange information is derived from bilateral mechanisms (double taxation conventions) and multilateral mechanisms (CEMAC Convention on Mutual Administrative Assistance in Tax Matters[16] (CEMAC Convention) and the Convention on Mutual Administrative Assistance in Tax Matters (Multilateral Convention)), in addition to domestic legislation. This section of the report examines whether Cameroon has an information exchange network that enables it to achieve effective exchange of information in practice.

215. Until June 2014, Cameroon had a modest network of three bilateral tax conventions[17] and the regional multilateral CEMAC Convention, which contains provisions on information exchange for tax purposes. This enables it to exchange information with a total of eight jurisdictions. On 25 June 2014, Cameroon signed the Multilateral Convention adding information exchange relations compliant with the standard with 79 jurisdictions. The Law ratifying the Multilateral Convention was promulgated on 20 April 2015. The Multilateral Convention will enter into force on 1 October 2015 in Cameroon. Furthermore, the Double Taxation Convention (DTC) with Morocco was ratified by Cameroon on 31 December 2014, and several draft DTCs are in the process of negotiation or ratification.

216. So far, Cameroon has not rejected any request to conclude an exchange-of-information agreement. All mechanisms for exchanging information include provisions relating to confidentiality, and Cameroon domestic legislation also contains provisions on this subject. Such provisions apply

16. Convention on Mutual Administrative Assistance in Tax Matters, Act No. 17/65-UDEAC-38 of 14 December 1965.
17. Tax Conventions with Canada, France and Tunisia.

equally to the information and documents concerned by the request received by the competent Cameroon authority and to the responses provided to the treaty partner.

217. All treaties concluded by Cameroon provide that the parties concerned will not be required to disclose information covered by industrial, business or professional secrecy or information covered by attorney-client privilege or to disclose information which would contravene public policy.

218. Finally, although this is an aspect that will be assessed in Phase 2, there is no restriction in the domestic legislation of Cameroon which limits the latter's ability to exchange information within the 90-day period laid down in international standards or which prevents the competent authority of Cameroon from informing its partners of the progress made in handling their requests.

C.1. Exchange-of-information mechanisms

Exchange of information mechanisms should allow for effective exchange of information.

219. Under the Cameroon Constitution, the President of the Republic has the power to sign and ratify treaties (Article 43). However, that power may be delegated to the Prime Minister or other ministers.

220. Until June 2014, Cameroon had a modest network of three bilateral tax conventions. In addition, Cameroon was a party to the CEMAC Convention, which was signed on 14 December 1965 by Cameroon, the Central African Republic, Chad, the Republic of the Congo, Equatorial Guinea and Gabon. As these conventions contain provisions regarding exchange of information for tax purposes, Cameroon has been able to exchange information with seven jurisdictions. These conventions do not contain the latest version of Article 26 of the OECD Model Tax Convention.

221. Since 25 June 2014, Cameroon has had an extensive network of information exchange mechanisms, concluded in the form of bilateral or multilateral conventions. As of that date, Cameroon has been a party to the Multilateral Convention, meaning that it is now able to have an agreement compliant with the standard with 79 jurisdictions with which it previously had no information exchange arrangement. Furthermore, the DTC with Morocco, signed on 7 September 2012, was ratified by Cameroon on 31 December 2014. Several draft tax conventions are currently being negotiated or ratified. No jurisdiction has yet indicated that it has approached Cameroon with a view to negotiating an information exchange mechanism.

Foreseeably relevant standard (ToR C.1.1)

222. The international standard for exchange of information envisages information exchange upon request to the widest possible extent. However, it does not allow "fishing expeditions", meaning speculative requests for information that have no apparent nexus to an open inquiry or investigation. The balance between these two competing considerations is captured in the standard of "foreseeable relevance" contained in Article 26(1) of the OECD Model Tax Convention, which provides as follows:

> "The competent authorities of the Contracting States shall exchange such information as is foreseeably relevant for carrying out the provisions of this Convention or to the administration or enforcement of the domestic laws concerning taxes of every kind and description imposed on behalf of the Contracting States, or of their political subdivisions or local authorities, insofar as the taxation thereunder is not contrary to the Convention. The exchange of information is not restricted by Articles 1 and 2."

223. The three bilateral conventions in force in Cameroon (the conventions with Canada, France and Tunisia) use the terms "necessary" or "useful". The same applies to the DTC signed with Morocco on 27 September 2012, which uses the term "necessary". The term "necessary" used in the conventions with Canada, Tunisia and Morocco is considered in the commentary on Article 26 of the OECD Model Tax Convention as being equivalent in effect to the expression "foreseeably relevant" with regard to the exchange of information. The convention with France mentions information of a tax nature "which is in their [the tax authorities'] possession and is useful".

224. The CEMAC Convention also provides for exchange of the tax information held by the Contracting States "which is useful for assessing or collecting taxes of all kinds and for preventing tax evasion". According to Cameroon, the expression "information which is in the tax authorities' possession" is to be interpreted broadly. The expression covers information which is directly available to them and any information which they can access by using their statutory powers. Cameroon also points out that the term "useful" is interpreted as equating to "foreseeably relevant". As regards the convention between France and Cameroon, France confirmed, on the occasion of its own peer review[18], that it also adopted that interpretation.

225. Therefore, the treaties concluded by Cameroon and in force can be regarded as compliant with the standard of foreseeable relevance. Furthermore, it should be noted that the Multilateral Convention, which complies

18. Paragraph 214, Peer Review Report: Combined: Phase 1 + Phase 2 – France © OECD 2011.

with the international standard, covers Canada, France, Gabon and Tunisia. Accordingly, all exchanges of information on the part of Cameroon are compliant with the standard regarding foreseeable relevance and the scope of the taxes covered by provisions on exchange of information.

In respect of all persons (ToR C.1.2)

226. For exchange of information to be effective, it is necessary that a jurisdiction's obligation to provide information is not restricted by the residence or nationality of the person to whom the information relates or by the residence or nationality of the person in possession or control of the information requested. For this reason, the international standard for exchange of information envisages that exchange-of-information mechanisms will provide for exchange of information in respect of all persons.

227. The bilateral tax conventions in force in Cameroon, and the CEMAC Convention, do not contain any express provision that extends the scope of information exchange to persons who are not residents of the contracting states. However, all these treaties permit the exchange of information which is necessary or useful for the purpose of applying the provisions of the treaties or the domestic provisions of the contracting states.

228. Since the domestic tax legislation of each contracting state applies to residents and non-residents, Cameroon confirmed that the information referred to in the conventions also concerns non-residents. Thus, none of the exchange-of-information mechanisms concluded by Cameroon restricts the scope of exchange of information to a particular category of persons to the exclusion of other categories, such as persons who are not treated as residents of one of the contracting states.

229. It should be noted, moreover, that Canada, France, Gabon, Morocco and Tunisia are covered by the Multilateral Convention. Therefore, almost all exchange-of-information relations are specifically compliant with the standard concerning the subjective scope of the conventions, with the exception of those concluded with the Central African Republic, Chad, the Republic of the Congo and Equatorial Guinea. The Cameroon authorities have confirmed that a draft update of the CEMAC Convention is currently under way.

Obligation to exchange all types of information (ToR C.1.3)

230. Jurisdictions cannot engage in effective exchange of information if they cannot exchange information held by financial institutions, nominees or persons acting in an agency or fiduciary capacity. Both the OECD Model Tax Convention and the OECD Model TIEA (Tax Information Exchange Agreement), which are primary authoritative sources of the standards, stipulate

that banking secrecy cannot form the basis for declining to provide information and that a request for information cannot be declined solely because the information is held by nominees or persons acting in an agency or fiduciary capacity or because the information relates to an ownership interest.

231. Article 26(5) of the OECD Model Tax Convention provides that a contracting state may not decline to supply information solely because the information is held by a bank, other financial institution, nominee or persons acting in an agency or a fiduciary capacity or because it relates to an ownership interest. Apart from the Multilateral Convention and the DTC concluded with Morocco, no convention signed by Cameroon contains such a provision.

232. These conventions concluded by Cameroon were signed prior to the amendment of Article 26 of the OECD Model Tax Convention. However, the lack of such a paragraph in the conventions does not systematically restrict the exchange of information. Commentary on the Model Convention points out that, although paragraph 5 represents an alteration of the structure of Article 26, is should not be interpreted as meaning that the previous version of that article did not cover the exchange of information held by banks, financial institutions, nominees or persons acting in an agency or fiduciary capacity.

233. The domestic law of Cameroon does not contain any restriction on the exchange of information, and the statutory powers conferred on the tax authorities under the CGI enable them to access and to exchange all kinds of information, including banking information or information held by nominees or persons acting in an agency or fiduciary capacity.

Absence of domestic tax interest *(ToR C.1.4)*

234. The concept of "domestic tax interest" describes situations where a contracting party may provide information to another contracting party only if it has an interest in obtaining the requested information for its own tax purposes. An inability to provide information based on a domestic tax interest requirement is not consistent with the international standard. Contracting parties must be able to use their domestic information-gathering powers, even if they are invoked solely to obtain and provide information to the other contracting party.

235. Apart from the Multilateral Convention signed on 25 June 2014 and the DTC signed with Morocco in 2012, none of the tax conventions concluded by Cameroon contains paragraph 4 of Article 26 of the OECD Model Tax Convention which requires contracting states to use their information-gathering measures to obtain the requested information even though they may not need it for their own tax purposes. However, the absence of such a clause does not mean that the conventions allow a domestic tax interest to prevail. In this case, it is necessary to refer to the domestic law of the contracting states in order to

see whether it prevents the competent authority from using its information-gathering powers solely for exchange of information purposes.

236. In Cameroon, there is no domestic provision that creates a domestic tax interest (see section B.1.3. above). Pursuant to the provisions of the CGI, the Cameroon tax authorities use the same powers to gather and exchange information with foreign partners as those conferred on them for the purpose of assessing and inspecting taxes and duties. Cameroon can therefore exchange information with its partners even if it has no interest in doing so for domestic tax purposes and without any explicit reference to the concept of domestic tax interest in its exchange mechanisms.

Absence of dual criminality principles (ToR C.1.5)

237. The dual criminality principle provides that assistance may be provided only if the conduct being investigated (and prompting the request for information) would constitute a crime under the laws of the requested country if it had occurred in that country. In order to be effective, information exchange should not be constrained by the application of the dual criminality principle.

238. None of the information exchange mechanisms concluded by Cameroon provide for the application of a dual criminality principle.

Exchange of information in both civil and criminal tax matters (ToR C.1.6)

239. Information exchange may be necessary both for tax administration and tax prosecution purposes. The international standard is not limited to information exchange in criminal tax matters but extends to information exchange for tax administration purposes.

240. All information exchange mechanisms concluded by Cameroon provide for the exchange of information for both criminal and civil purposes.

Provide information in the specific form requested (ToR C.1.7)

241. In some cases, a contracting party may need to receive information in a specific form in order to satisfy its evidentiary or other legal requirements. Such forms may include witness statements and authenticated copies of original documents. Contracting parties should endeavour to meet such requests as far as possible. The requested party may decline to provide the information in the specific form requested if, for instance, the requested form is unknown or not permitted under its administrative practice. Declining to provide information in the form requested does not affect the obligation to provide the information.

242. The tax conventions concluded by Cameroon do not contain any provision concerning the provision of information in the specific form requested by a contracting party in order to satisfy its evidentiary standards or other legal requirements, to the extent that this is permissible under the law of the requested party. However, there are no restrictions which prevent the Cameroon authorities from providing the information in the requested form, as long as it complies with their administrative practice.

In force (ToR C.1.8)

243. Exchange of information cannot take place unless a jurisdiction has exchange-of-information arrangements in force. Where exchange-of-information agreements have been signed, the international standard requires that jurisdictions must take all steps necessary to bring them into force expeditiously.

244. Articles 43 et seq. of the Cameroon Constitution provide that treaties can be ratified only by means of a law. The procedure for ratifying the international conventions signed by Cameroon entail seeking the backing of the Government for the signed text, as a first step, and then submitting it to Parliament for approval (both chambers, the National Assembly and the Senate). If the Constitutional Council, when approached by the President of the National Assembly or the President of the Senate or one-third (1/3) of the members of the Assembly or of the senators, declares that an international agreement includes a clause which contravenes the Constitution, authorisation to ratify or approve the undertaking will be withheld until the Constitution has been amended (Article 63 of the Constitution).

245. Once parliamentary approval has been obtained by a simple majority, the President of the Republic promulgates the ratification law. A date of entry into force is then decided jointly with the signatory country by means of an exchange of the ratification instruments of the two countries (a procedure which is undertaken by the respective Foreign Ministries). The convention then enters into force on the agreed date. According to the Cameroon authorities, it is difficult to predict an average timescale for ratifying conventions in that the procedure varies from one country to another and also depends on the level of commitment on the part of the other party to the convention and the state of its relations with Cameroon (strong, medium or weak co-operation).

246. All conventions signed by Cameroon are in force, with the exception of the Multilateral Convention signed on 25 June 2014, but ratified by Parliament on 20 April 2015. The President of Cameroon ratified the Multilateral Convention by way of Decree N° 2015/210 of 28 April 2015. The Multilateral Convention will enter into force on 1 October 2015 in Cameroon. In addition, the DTC with Morocco signed on 7 September 2012 was ratified by Cameroon on 31 December 2014.

In effect (ToR C.1.9)

247. For information exchange to be effective, the parties must take the necessary measures to comply with their commitments.

248. Article 43 of the Constitution provides that treaties may not take effect until they have been ratified. Before they can be ratified, tax conventions are submitted for parliamentary approval in legislative form. Article 45 provides that, following ratification, international treaties and conventions take precedence over laws. Thus, a convention which has entered into force has no need of a supplementary measure in order to become effective. Therefore, the Cameroon tax authorities use the same powers for exchanging information as for assessing and auditing Cameroon taxes. These powers allow the authorities to obtain information of all kinds, including banking information, except in a few exhaustively listed cases (medical secrecy and defence secrecy).

Determination and factors underlying the recommendations

Determination
The element is in place.

C.2. Exchange-of-information mechanisms with all relevant partners

The jurisdictions' network of information exchange mechanisms should cover all relevant partners.

249. Ultimately, the international standard requires jurisdictions to be able to exchange information with all relevant partners, meaning those partners who are interested in entering into an information exchange arrangement. Agreements cannot be concluded only with counterparties of no economic significance. If it appears that a jurisdiction is refusing to enter into agreements or negotiations with partners, in particular ones that have a reasonable expectation of requiring information from that jurisdiction in order to administer properly and enforce its tax laws, it may indicate a lack of commitment to implement the standards.

250. Cameroon has three bilateral tax conventions in force, all of which contain information exchange provisions, and one regional convention (the CEMAC Convention). These conventions cover eight jurisdictions in all (Canada, the Central African Republic, Chad, Congo, Equatorial Guinea, France, Gabon and Tunisia). However, Cameroon signed the DTC with Morocco on 7 September 2012 and the Multilateral Convention on 25 June 2014, thus covering another 79 additional relations. The Multilateral Convention was ratified by Cameroon by way of Decree No. 2015/210 of 28 April 2015. It will enter into force on 1 October 2015 in Cameroon.

251. Cameroon's main trading partners are still the EU, Nigeria and the People's Republic of China (China). These main trading partners are generally signatory to the Multilateral Convention. Trade flows with countries in the CEMAC area account for only a small proportion of trade (3.6% on average since the establishment of the CEMAC free trade area in 1999) Cameroon alone accounts for 70% of CEMAC intra-community trade in agricultural products.

252. To date, Cameroon has not concluded any tax information exchange agreements (TIEA), but it has signed the Multilateral Convention, meaning that it now has a mechanism for exchanging information with all its economic partners.

253. The Convention with Morocco was ratified by Cameroon on 31 December 2014. Cameroon is currently negotiating agreements on the avoidance of double taxation which incorporates provisions on exchange of information, in line with updated OECD and United Nations models, with the following countries: China, the Czech Republic, Egypt, Nigeria, Portugal, Qatar, Romania, the Seychelles, South Africa, Turkey and the United Arab Emirates.

254. So far, Cameroon has not declined to conclude an information exchange mechanism with any other country.

Determination and factors underlying the recommendations

Determination	
The element is in place.	
Elements underlying the recommendations	**Recommendations**
	Cameroon should continue to extend its information exchange network with all relevant partners.

C.3. Confidentiality

The jurisdictions' mechanisms for exchange of information should have adequate provisions to ensure the confidentiality of information received.

Information received: disclosure, use and safeguards *(ToR C.3.1)*

255. Governments would not engage in information exchange without the assurance that the information provided would be used only for the purposes permitted under the relevant information exchange agreement and that its confidentiality would be preserved. Information exchange mechanisms must

therefore contain provisions that spell out specifically to whom the information may be disclosed. Furthermore, the domestic legislation in force in the countries concerned usually contains strict regulations on protecting the confidentiality of information gathered for tax purposes.

International mechanisms

256. All the treaties concluded by Cameroon contain confidentiality clauses, although they are not all worded like Article 26(2) of the OECD Model Tax Convention.

257. Generally speaking, the conventions concluded by Cameroon contain two different forms of wording with regard to confidentiality. The conventions with France and Tunisia and the CEMAC Convention provide that "the information thus exchanged, which is confidential, shall not be communicated to persons other than those responsible for assessing and collecting the taxes referred to in this Convention". According to Cameroon, it is not just tax officials who are responsible for assessing and collecting taxes but also judicial authorities (public prosecutors' offices, court registries) because these two conventions stipulate that information exchange also covers "the application of legal provisions relating to the prevention of tax fraud".

258. The Convention with Canada provides that the information exchanged "shall only be disclosed to persons or authorities (including courts and administrative bodies) concerned with the assessment or collection of the taxes referred to in the Convention, by the enforcement of those taxes or by determinations of appeals in relation to such taxes. Such persons or authorities shall use the information only for such purposes. They may disclose the information in public court proceedings or in judicial decisions". That wording is even more precise and ensures the confidentiality of information to the extent required by the standard.

National legislation of Cameroon

259. Information obtained in connection with the implementation of clauses in administrative assistance conventions are kept confidential on the same basis as information obtained pursuant to domestic legislation. In this connection, Article L47 of the CGI clearly indicates that tax officials are required to maintain professional secrecy and may not communicate information obtained in the course of their duties; that duty also applies in relation to information obtained from a foreign tax administration, in the context of the mutual administrative assistance in tax matters laid down in international conventions.

260. However, this information may be disclosed to those persons with whom tax officials are dispensed from maintaining professional secrecy (e.g. officials of the Contrôle Supérieur de l'Etat (Supreme State Audit Office), the Treasury, Customs, the Economic and Financial Unit acting in the course of their duties, and the officials of foreign tax administrations acting in the context of mutual administrative assistance in tax matters under an international convention).

261. Likewise, communications between the competent authorities of partner jurisdictions acting in the context of information exchange (other than the requested information itself) are also covered by professional secrecy.

262. Any infringement of the obligation to respect professional secrecy is liable to a prison term of between three months and three years plus a fine of XOF 20 000 to 100 000 (EUR 30 to 152).

Other information exchanged (ToR C.3.2)

263. The provisions concerning confidentiality which are included both in the relevant agreements and in Cameroon domestic legislation do not distinguish between information received in reply to a request or information that forms part of the request. These provisions apply in the same manner to requests, attached documents, and all communications between the jurisdictions involved in the exchange.

Determination and factors underlying the recommendations

Determination
The element is in place.

C.4. Rights and safeguards of taxpayers and third parties

The exchange of information mechanisms should respect the rights and safeguards of taxpayers and third parties.

264. The international standard allows the requested jurisdiction not to supply information in response to a request in certain very specific situations where an issue of commercial, industrial or other form of secrecy may arise.

Exceptions to the requirement to provide information (ToR C.4.1)

265. The majority of information exchange mechanisms concluded by Cameroon provide that the parties concerned are not required to provide information which would disclose an industrial, trade or professional secret or whose disclosure would be contrary to public policy.

266. Information relating to medical records or to national security may not be disclosed under exchange-of-information arrangements, pursuant to Article L47 of the CGI. Similarly, under conventions relating to the exchange of information for tax purposes, information covering industrial, trade or professional secrecy, and information whose disclosure would be contrary to public policy, is excluded from the scope of administrative assistance and thus exchange may be refused in the context of a request to exchange information.

267. In terms of attorney-client privilege, whilst it is clear that Article L47 of the CGI does not state that it may be relied upon against the tax authorities acting under their right to information, that article cannot be interpreted as allowing the administration to obtain, in the context of information exchange, information that is covered by attorney-client privilege or that relates to judicial proceedings. If necessary, the tax authorities can obtain information relating to judicial proceedings directly from the courts, since the right to information under Article L43 of the CGI covers the latter.

Determination and factors underlying the recommendations

Determination
The element is in place.

C.5. Speed of response to requests for information

The jurisdiction should provide information under its network of agreements in a timely manner.

Response within 90 days (ToR C.5.1)

268. There is no provision in the legislation of Cameroon or in its information exchange mechanisms relating to responses or to the timeframe in which a response is to be given. Thus, there is no restriction as regards the ability of the competent Cameroon authorities to respond to requests within 90 days of receipt, either by providing the relevant information, or by indicating the progress made in dealing with the request.

Organisational process and resources (ToR C.5.2)

269. The competent authority in terms of the tax conventions signed by Cameroon is the Finance Minister or his authorised deputy. In practice, the Directorate-General for Taxation, which comes under the aegis of the Finance Ministry, assumes the mantle of competent authority as regards dealing with requests for information from other jurisdictions. A detailed examination of the practical organisation of the Directorate-General for Taxation will be carried out in the Phase 2 review.

Absence of restrictive conditions on exchange of information (ToR C.5.3)

270. There is no provision in the legislation of Cameroon or in its EOI agreements which contains specific conditions governing the exchange of information, other than those included in Article 26 of the OECD Model Convention or the OECD Model TIEA.

Determination and factors underlying the recommendations

Determination
The assessment team is not in a position to evaluate whether this element is in place, as it involves issues of practice that are dealt with in the Phase 2 review.

Summary of determinations and factors underlying recommendations

Determination	Factors underlying the recommendations	Recommendations
Jurisdictions should ensure that ownership and identity information for all relevant entities and arrangements is available to their competent authorities. *(ToR A.1)*		
The element is in place.	Cameroon has provided for penalties in the event of failure to meet the dematerialisation deadlines for bearer shares. Non-compliance with these deadlines results in ineligibility to exercise the rights attaching to those securities and in their sale by the issuing entity. Detailed rules for such sales, however, have not been established.	The Cameroonian authorities should establish detailed rules for the compulsory sale of securities in the event of failure to fulfil the statutory dematerialisation requirements.
Jurisdictions should ensure that reliable accounting records are kept for all relevant entities and arrangements. *(ToR A.2)*		
The element is in place.		
Banking information should be available for all account-holders. *(ToR A.3)*		
The element is in place.		
Competent authorities should have the power to obtain and provide information that is the subject of a request under an exchange-of-information arrangement from any person within their territorial jurisdiction who is in possession or control of such information (irrespective of any legal obligation on such person to maintain the secrecy of the information). *(ToR B.1)*		
The element is in place.		
The rights and safeguards (e.g. notification, appeal rights) that apply to persons in the requested jurisdiction should be compatible with effective exchange of information. *(ToR B.2)*		
The element is in place.		

Determination	Factors underlying the recommendations	Recommendations
Exchange-of-information mechanisms should provide for effective exchange of information. *(ToR C.1)*		
The element is in place.		
The jurisdictions' network of information exchange mechanisms should cover all relevant partners. *(ToR C.2)*		
The element is in place.		Cameroon should continue to develop in EOI network with all relevant partners.
The jurisdictions' mechanisms for exchange of information should have adequate provisions to ensure the confidentiality of information received. *(ToR C.3)*		
The element is in place.		
The exchange-of-information mechanisms should respect the rights and safeguards of taxpayers and third parties. *(ToR C.4)*		
The element is in place.		
The jurisdiction should provide information under its network of agreements in a timely manner. *(ToR C.5)*		
The assessment team is not in a position to evaluate whether this element is in place, as it involves issues of practice that are dealt with in the Phase 2 review.		

Annex 1: Jurisdiction's response to the review report[19]

The Republic of Cameroon would like to thank the assessment team for the tremendous work it has performed, as well as members of the Peer Review Group and other exchange of information partners for their numerous and valuable contributions to the review.

Cameroon has taken note of the conclusions and recommendations contained in the peer review report and commits to finalise the clarification process of its legal framework in respect of sanctions pertaining to the forced sale of bearer shares, not dematerialised within the required period.

19. This Annex presents the jurisdiction's response to the review report and shall not be deemed to represent the Global Forum's views.

Annex 2: List of exchange-of-information mechanisms in Cameroon

The list of exchange-of-information agreements signed by Cameroon as at 22 May 2015, in alphabetical order, is given below. It should be noted that Cameroon signed the Convention on Mutual Administrative Assistance in Tax Matters (the Multilateral Convention), as amended, on 25 June 2014. Cameroon ratified the Multilateral Convention by way of Decree No. 2015/210 of 28 April 2015. The Multilateral Convention will enter into force on 1 October 2015 in Cameroon.

	Jurisdiction	Type of agreement	Signature[a]/ Territorial scope	Date of entry into force/ Status
1	Albania	Multilateral Convention	Signed	In force in Albania
2	Andorra	Multilateral Convention	Signed	
3	Anguilla[d]	Multilateral Convention	Extended	In force in Anguilla
4	Argentina	Multilateral Convention	Signed	In force in Argentina
5	Aruba[c]	Multilateral Convention	Extended	In force in Aruba
6	Australia	Multilateral Convention	Signed	In force in Australia
7	Austria	Multilateral Convention	Signed	In force in Austria
8	Azerbaijan	Multilateral Convention	Signed	
9	Belgium	Multilateral Convention	Signed	In force in Belgium
10	Belize	Multilateral Convention	Signed	In force in Belize
11	Bermuda[d]	Multilateral Convention	Extended	In force in Bermuda

	Jurisdiction	Type of agreement	Signature[a]/ Territorial scope	Date of entry into force/ Status
12	Brazil	Multilateral Convention	Signed	
13	British Virgin Islands	Multilateral Convention	Extended	In force in the British Virgin Islands
14	Canada	Double Taxation Convention	26 May 1982	16 June 1988
		Multilateral Convention	Signed	In force in Canada
15	Cayman Islands	Multilateral Convention	Extended	In force in the Cayman Islands
16	Central African Republic	CEMAC Tax Convention (Act No. 17/65-UDEAC-38)	14 December 1965	14 December 1965
17	Chad	CEMAC Tax Convention (Act No. 17/65-UDEAC-38)	14 December 1965	14 December 1965
18	Chile	Multilateral Convention	Signed	
19	China (People's Republic of)	Multilateral Convention	Signed	
20	Colombia	Multilateral Convention	Signed	In force in Colombia
21	Congo	CEMAC Tax Convention (Act No. 17/65-UDEAC-38)	14 December 1965	14 December 1965
22	Costa Rica	Multilateral Convention	Signed	In force in Costa Rica
23	Croatia	Multilateral Convention	Signed	1 June 2014
24	Curacao[c]	Multilateral Convention	Extended	In force in Curacao
25	Cyprus[b]	Multilateral Convention	Signed	In force in Cyprus
26	Czech Republic	Multilateral Convention	Signed	In force in Czech Republic
27	Denmark	Multilateral Convention	Signed	In force in Denmark

	Jurisdiction	Type of agreement	Signature[a]/ Territorial scope	Date of entry into force/ Status
28	Estonia	Multilateral Convention	Signed	In force in Estonia
29	Equatorial Guinea	CEMAC Tax Convention (Act No. 17/65-UDEAC-38)	14 December 1965	14 December 1965
30	Faroe Islands[e]	Multilateral Convention	Extended	In force in the Faroe Islands
31	Finland	Multilateral Convention	Signed	In force in Finland
32	France	Double Taxation Convention	29 October 1976	19 July 1978
		Amendment	31 March 1994	1 February 1974
		Amendment	28 October 1999	1 January 2003
		Multilateral Convention	Signed	In force in France
33	Gabon	CEMAC Tax Convention (Act No. 17/65-UDEAC-38)	14 December 1965	14 December 1965
		Multilateral Convention	Signed	
34	Georgia	Multilateral Convention	Signed	In force in Georgia
35	Germany	Multilateral Convention	Signed	In force in Germany
36	Ghana	Multilateral Convention	Signed	In force in Ghana
37	Gibraltar[d]	Multilateral Convention	Extended	In force in Gibraltar
38	Greece	Multilateral Convention	Signed	In force in Greece
39	Greenland[e]	Multilateral Convention	Extended	In force in Greenland
40	Guatemala	Multilateral Convention	Signed	
41	Guernsey[d]	Multilateral Convention	Extended	

	Jurisdiction	Type of agreement	Signature[a]/ Territorial scope	Date of entry into force/ Status
42	Hungary	Multilateral Convention	Signed	In force in Hungary
43	Iceland	Multilateral Convention	Signed	In force in Iceland
44	India	Multilateral Convention	Signed	In force in India
45	Indonesia	Multilateral Convention	Signed	In force in Indonesia
46	Ireland	Multilateral Convention	Signed	In force in Ireland
47	Isle of Man[d]	Multilateral Convention	Extended	In force in the Isle of Man
48	Italy	Multilateral Convention	Signed	In force in Italy
49	Japan	Multilateral Convention	Signed	In force in Japan
50	Jersey[d]	Multilateral Convention	Extended	In force in Jersey
51	Kazakhstan[f]	Multilateral Convention	Signed	
52	Korea (Republic of)	Multilateral Convention	Signed	In force in Republic of Korea
53	Latvia	Multilateral Convention	Signed	In force in Latvia
54	Liechtenstein	Multilateral Convention	Signed	
55	Lithuania	Multilateral Convention	Signed	In force in Lithuania
56	Luxembourg	Multilateral Convention	Signed	In force in Luxembourg
57	Malta	Multilateral Convention	Signed	In force in Malta
58	Mexico	Multilateral Convention	Signed	In force in Mexico
59	Moldova	Multilateral Convention	Signed	In force in Moldova
60	Monaco	Multilateral Convention	signed	
61	Montserrat[d]	Multilateral Convention	Extended	In force in Montserrat

	Jurisdiction	Type of agreement	Signature[a]/ Territorial scope	Date of entry into force/ Status
62	Morocco	Double Taxation Convention	Signed	
		Multilateral Convention	Signed	
63	Netherlands	Multilateral Convention	Signed	In force in Netherlands
64	New Zealand	Multilateral Convention	Signed	In force in New Zealand
65	Nigeria[g]	Multilateral Convention	Signed	
66	Norway	Multilateral Convention	Signed	In force in Norway
67	Philippines	Multilateral Convention	Signed	
68	Poland	Multilateral Convention	Signed	In force in Poland
69	Portugal	Multilateral Convention	Signed	In force in Portugal
70	Romania	Multilateral Convention	Signed	In force in Romania
71	Russia	Multilateral Convention	Signed	
72	San Marino	Multilateral Convention	Signed	
73	Saudi Arabia	Multilateral Convention	Signed	
74	Seychelles	Multilateral Convention	Signed	
75	Singapore	Multilateral Convention	Signed	
76	Sint Maarten[c]	Multilateral Convention	Extended	In force in Saint Maarten
77	Slovak Republic	Multilateral Convention	Signed	In force in Slovak Republic
78	Slovenia	Multilateral Convention	Signed	In force in Slovenia
79	South Africa	Multilateral Convention	Signed	In force in South Africa
80	Spain	Multilateral Convention	Signed	In force in Spain
81	Sweden	Multilateral Convention	Signed	In force in Sweden
82	Switzerland	Multilateral Convention	Signed	

	Jurisdiction	Type of agreement	Signature[a]/ Territorial scope	Date of entry into force/ Status
83	Tunisia	Double Taxation Convention	26 March 1999	1 January 2008
		Multilateral Convention	Signed	In force in Tunisia
84	Turkey	Multilateral Convention	Signed	
85	Turks and Caicos Islands[e]	Multilateral Convention	Extended	In force in the Turks and Caicos Islands
86	Ukraine	Multilateral Convention	Signed	In force in Ukraine
87	United Kingdom	Multilateral Convention	Signed	In force in the United Kingdom
88	United States	Multilateral Convention	Signed	In force in the United States

Notes: a. For signature dates of the Multilateral Convention, see: www.oecd.org/ctp/exchange-of-tax-information/Status_of_convention.pdf.

b. Note by Turkey: The information in this document with reference to "Cyprus" relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people living on the Island. Turkey recognises the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of the United Nations, Turkey shall preserve its position concerning the "Cyprus issue".

Note by all the European Union Member States of the OECD and the European Commission: The Republic of Cyprus is recognised by all members of the United Nations with the exception of Turkey. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus.

c. Extension by the United Kingdom.

d. Extension by the Kingdom of the Netherlands.

e. Extension by the Kingdom of Denmark.

f. Kazakhstan has ratified the Multilateral Convention. It will enter into force in Kazakhstan on 1 August 2015.

g. Nigeria has ratified the Multilateral Convention. It will enter into force in Nigeria on 1 September 2015.

Annex 3: List of all laws, regulations and other material received

Constitution: Law No. 96/06 of 18 January 1996 revising the Constitution of 2 June 1972, as amended by Law No. 2008/001 of 14 April 2008.

Taxation conventions signed by Cameroon

DTC with France, signed on 21 October 1976, entered into force on 19 July 1978 (modified pursuant to the amendments of 31 March 1994 and 29 October 1999, the latter of which entered into force on 1 January 2003).

DTC with Tunisia, signed on 26 March 1999, entered into force on 1 January 2008.

DTC with Canada, signed on 26 May 1982, entered into force on 16 June 1988.

DTC with Morocco, signed on 7 December 2012, ratified by Cameroon on 31 December 2014 (not yet in force).

CEMAC Tax Convention. Act No. 5/66 UDEAC-49 of 13 December 1966. CEMAC Tax Convention on Mutual Administrative Assistance in Tax Matters of 14 December 1965.

Multilateral Convention on Mutual Administrative Assistance in Tax Matters signed on 25 June 2014

Commercial legislation

OHADA Uniform Act on General Commercial Law

OHADA Uniform Act on Commercial Companies and Economic Interest Groups

Revised OHADA Uniform Act on the Organisation and Harmonisation of Business Accounting

OHADA Uniform Act on the Organisation and Harmonisation of Business Accounting

OHADA Uniform Act on Cooperatives

Tax legislation

Finance Law 2015 No. 2014/026 of 23 December 2014.

Law No. 2002/003 of 19 April 2002 on the General Tax Code

Finance Law 2014

Anti-money laundering and anti-financing of terrorism instruments

COBAC Regulation R-2005/01 of 1 April 2005 relating to due diligence of institutions subject to money laundering and terrorism financing constraints in Central Africa

Regulation No. 02/10 of 2 October 2010 revising Regulation No. 01/03 CEMAC/UMAC/CM of 4 April 2003 on the prevention and combating of money laundering and financing of terrorism in Central Africa

Supplementary Act No. 9/00/CEMAC-086/CCE 02 of 14 December 2012 establishing GABAC

COBAC Directive I-2006/01 of 31 July 2006 on information concerning the anti-money laundering and financing of terrorism mechanism

Instruments relating to banking, financial and commercial regulation

Regulation 03/08/UMAC/CM relating to free-subscription Government securities issued by CEMAC member States

Regulation 02/00/CEMAC/UMAC/CM of 29 April 2000 harmonising foreign exchange regulations in the CEMAC member States

1992 Convention harmonising banking regulations in the Central African States

Law No. 99/015 of 22 December 1999 creating and organising the financial market of Cameroon

Law No. 2003/004 of 21 April 2003 on banking secrecy

Law No. 2014/007 of 23 April 2014 laying down detailed rules for paperless registration of transferable securities in Cameroon

Law No. 2006/019 of 29 December 2006 governing postal activities in Cameroon

Decree No. 2006/088 of 11 March 2006 relating to the setting up, organisation and functioning of the National Anti-Corruption Commission

Decree No. 2005/187 of 31 May 2005 relating to the organisation and functioning of the National Financial Investigation Agency (ANIF)

Order No. 06/403/CF/MINEFI of 28 December 2006 organising the services of ANIF

Order No. 0000144/CF/MINFI of 26 March 2009 setting the threshold for declaring cash or bearer share transactions to ANIF

Instruction No. 03/CRCT/2010 on account holder securities accounting

Law No. 90/031 of 10 August 1990 governing commercial activity in Cameroon

Law No. 2010/021 of 21 December 2010 governing e-commerce in Cameroon

Insurance legislation

Treaty establishing an integrated organisation of the insurance industry in the African States (CIMA Treaty)

Regulation No. 0004/CIMA/PCMA/PCE/SG/08 of 4 October 2008 defining the procedures applicable by insurers in CIMA member States in the context of AML/CTF activities

CIMA Code

Domestic laws governing associations

Law No. 90/053 of 19 December 1990 on freedom of association

Law No. 99/011 of 20 July 1999 amending and supplementing certain provisions of Law No. 90/053

Law No. 2003/013 of 22 December 2003 on patronage and sponsorship

Law No. 99/014 of 22 December 1999 governing NGOs

Decree No. 77/495 of 7 December 1977 laying down the conditions for the establishment and operation of private welfare agencies

Law No. 67-LF-1 of 12 June 1967 establishing the Penal Code

Instruments governing professional bodies

Law No. 2011/009 of 6 May 2011 on pursuit of the profession of accountant and the functioning of the National Association of Certified Public Accountants and Auditors

Law No. 90/059 of 19 December 1990 organising the legal profession

Decree No. 95/34 of 24 February 1995 laying down the rules and regulations governing the profession of notary

Instruments relating to the organisation of the judiciary

Law No. 2006/015 of 29 December 2006 organising the judiciary

Law No. 2006/022 of 29 December 2006 on the organisation and functioning of administrative courts

Decree No. 2012/119 of 15 March 2012 on the opening of administrative courts

Other legislation

Law No. 2000/10 of 19 December 2000 governing archives in Cameroon

Law No. 2003/008 of 10 July 2003 on the punishment of offences referred to in certain OHADA Uniform Acts

Law No. 99/016 of 22 December 1999 laying down the general rules and regulations governing public institutions and enterprises in the public and quasi-public sector

Law No. 92/007 of 14 August 1992 on the Labour Code

Law No. 92/006 of 14 August 1992 relating to co-operatives and common initiative groups

Decree No. 2001/958/PM of 1 November 2001 laying down detailed rules for the implementation of Law No. 2000/10 of 19 December 2000 governing archives

Decree No. 92/455/PM of 23 November 1992 laying down detailed rules for the implementation of Law No. 92/006

Decree No. 2006/0762/PM of 9 June 2006 amending and supplementing certain provisions of Decree No. 92/455/PM of 23 November 1992 laying down detailed rules for the implementation of Law No. 92/006 of 14 August 1992 relating to co-operatives and common initiative groups

Decision No. 08/006/CMF of 6 August 2003 approving the Caisse Autonome d'Amortissement as the central depositary

Decision No. 01/022/CMF of 29 December 2003 approving the Caisse Autonome d'Amortissement as the national agency for codifying transferable securities

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PEER REVIEWS, PHASE 1: CAMEROON

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