

DGT CAMEROON TEN-YEAR REPORT 2010 -2020



SPOTLIGHT ON CHANGES



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H.E. PAUL BIYA
President of the Republic of Cameroon



Chief Dr. JOSEPH DION NGUTE
Prime Minister
Head of Government



Mr. LOUIS PAUL MOTAZE
Minister of Finance



Mr. YAOUBA ABDOULAYE
Minister Delegate at the
Ministry of Finance



Mr. GILBERT DIDIER EDOA
Permanent Secretary at the Ministry of Finance



Presentation of the Support Unit to the National Authorising Officer of the European Development Fund (CAON-FED)



Framework

CAON, which is a technical and operational structure placed under the direct authority of the EDF National Authorising Officer, in this case the Minister of Economy, Planning and Regional Development (MINEPAT), plays the role of institutional facilitation and interface between the European Union Delegation and the Government of Cameroon. Its objective is to improve the effectiveness of the foreign aid received by Cameroon in its contribution to poverty alleviation, and specifically to improve the quality of the management and use of European aid in Cameroon (relevance, effectiveness, efficiency, sustainability, impact).

To this end, CAON's main missions include:

- ensuring consistency with Cameroon's development policy (strategy);
- supporting (interface, facilitation ...) the stakeholders to comply with the EDF project cycle;
- Ensuring quality and ownership during the identification, formulation, implementation, monitoring and evaluation of interventions within the framework of the partnership strategy with the EU;
- ensuring proper visibility of the partnership to the satisfaction of donors and beneficiaries.

Vision of CAON

A cohesive and well-trained team that fulfils its missions by ensuring that:

- 100% of the funds provided are committed and paid;
- The projects are properly implemented without any ineligible expenses;
- a 100% satisfaction rate of beneficiaries is achieved in terms of quality, impact and sustainability;
- a supportive counselling structure, a privileged reference for stakeholders involved in the management cycle of EDF-financed projects;
- effective mobilisation of additional funding at the initiative of CAON.

Values of CAON

CAON has adopted values as being fundamental to achieving the vision. These values include:

- professional excellence;
- solidarity ;
- team spirit.



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Within the framework of the lessons drawn from the implementation of the Strategy Document for Growth and Employment (DSCE), this activity report of the Directorate General of Taxation (DGT) takes stock of the performance achieved and the reforms carried out by the Tax Administration during the last decade (2010-2020).

This report also outlines the paths of priority tax reforms, in line with the National Development Strategy 2020-2030 (SND 30), a new frame of reference defined by the Authorities, for Cameroon's development action during the next decade.

FOREWORD BY THE MINISTER OF FINANCE

The DGT, at the heart of revenue mobilisation, at the service of all



The Directorate General of Taxation (DGT) is an administration whose main role is to collect the revenue needed to finance the State's missions. During the 2010-2019 time-frame, it has positioned itself as the leading institution for the mobilisation of financial resources for the State, the Regional and Local Authorities (RLA) and certain Public Entities (PE) by successfully doubling total tax revenues from **FCFA 1,006.8 billion** in 2010 to **FCFA 2,261.8 billion** in 2019.

Concerning the State's budget revenues (excluding grants and loans), they were **FCFA 1,937.0 billion** in 2010 and stand at **FCFA 3,517.7 billion** in 2019, an increase in ten (10) years of **FCFA 1,580.7 billion** in absolute terms and **+81.6%** in relative terms. At the same time, the contribution of the DGT increased from **FCFA 939.7 billion** in 2010 to **FCFA 2,060.7 billion** in 2019, an increase of **FCFA 1,121.0 billion** in absolute terms and **+119.3%** in relative terms. The DGT's contribution to the State's

own resources, which stood at **48.5%** in 2010, rose to **58.6%** in 2019 with a peak of **60.7%** in 2017.

As far as revenues earmarked for RLAs and PEs are concerned, the amounts collected tripled from **FCFA 67.1 billion** in 2010 to **FCFA 201.1 billion** in 2019, mainly due to significant increases in revenues earmarked for Regional and Local Authorities.

These results are all the more commendable as they were achieved in an unfavourable environment, marked by the fall in oil prices from 2014, the attacks by the Boko Haram terrorist sect in the Far North in the same year, the incursions of Central African armed groups into the East since 2015, the security and socio-political crises in the North-West and South-West regions from 2017 and the fire at the National Refining Company (SONARA) in 2019. The DGT owes its high level of performance to the successful implementation of major tax administration and policy reforms.

The modernisation of the tax administration has

consequently been based on the definition of an up-to-the-minute tax governance system that takes into account the digitalisation and simplification of tax procedures such as:

- The reform of the taxpayer registration system, which has made it possible to better follow-up the taxpayer index, its publication and daily updating on the DGT's website;
- The reduction of compliance cost with filing obligations for taxpayers by implementing the e-filing of taxes and annual Statistical and Tax Returns (STR), the electronic submission of procedural documents as well as the implementation of an e-payment system for large companies;
- The paradigm shift in the execution of tax audits with the implementation of the principle of at most one intervention within a company per year and the automation of procedures;
- The improvement of tax payment procedures, in particular by reforming the collection procedures for the Special Tax on Petroleum Products (STPP), Automobile Stamp Duty, Airport Stamp Duty, the complete digitisation of stamps, the introduction of a new system for the collection of taxes and duties on the execution of the State budget, the automated issuance of the Tax Clearance Certificate (TCC) and solidarity of payment in the forestry sector, etc.
- Facilitating access for taxpayers to appeals while streamlining the procedures governing litigation in tax matters by capitalising on the benefits of digitalisation.

These tax administration reforms were completed by the following tax policy implementation:

- The readjustment of the rates of the Special Tax on Petroleum Products (STPP);
- The introduction of specific excise duties on several goods and services;
- The simplification of the methods for calculating taxable income with regard to Personal Income Tax (PIT) and the reduction in the rate of Corporate Income Tax (CIT) and the increase in the rate of advance payment of CIT;
- The rationalisation of tax expenditures for improved budgetary transparency;

- The adjustment of promotion schemes for certain sectors of the economy (agriculture, real estate, transport, research and innovation) and social activities (health and education);
- The fight against international tax fraud and evasion through the strengthening of international tax cooperation, both at bilateral and multilateral levels.

This dynamic of transformation have been driven by more committed and dedicated staff as well as the special attention from the authorities. Firstly, in terms of strengthening their capacities through the multiplication of training programmes and the creation of a Professional Training and Development Centre. Secondly, through the regular provision of bonuses and performance-based incentives. Finally, with regard to the improvement of working conditions through the construction of a new building for the central services and the construction/rehabilitation of buildings housing operational services.

Furthermore, the creation of a National Mutual Assistance Fund for Taxation Staff (MUNDI), whose main mission is to provide additional coverage for the social needs of its members, has gone a long-way to consolidate the reinforcement of employee welfare.

The coming decade will provide the tax administration with the opportunity to go even further in the reforms of tax administration and policy. These future reforms, which will continue to focus on improving the quality of service offered to users and strengthening the performance of services, should give greater prominence both to broadening the tax base and to consolidating the partnership with the private sector, which is considered to be the main driving force behind economic growth in our country.

The present report summarises the DGT's progress over the last ten years and outlines the prospects for an administration that will face even more challenges in the future.

LOUIS PAUL MOTAZE
Minister of Finance



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A WORD FROM THE DIRECTOR GENERAL



This report sets out the achievements of the past decade and outlines the way forward for the Directorate General of Taxation. It thus renders an account of the different actions undertaken in the accomplishment of the missions assigned to the tax administration which is the secular arm of the State in the mobilisation of resources.

In this light, the 2010-2020 report retraces the key elements of this period. This is the case with:

- The organization and missions of the DGT, in a bid to aligned with the economic changes and the needs expressed by taxpayers;
- The trends in the execution of the main mission of the DGT, the collection of revenue for the State, Local Authorities and some public entities;
- The different reforms carried out in the various areas of taxation (compliance, management, audit, disputes and collection);
- The digitalisation of tax procedures, a guarantee of the modernisation of the action of the administration;
- Improving the quality of service and reducing the cost of tax compliance;
- The development of the partnership with the private sector without the tax administration giving up its role of collecting State revenue and guaranteeing equity;
- International cooperation in tax matters.

Finally, the report presents the central role played by the human resource component in the realisation of the objectives assigned to the DGT during the last ten years.

The human resource element is at the heart of the revenue mobilisation strategy of the DGT. The organization quickly understood that in order to meet the challenges of optimal revenue mobilisation and the improvement in the quality of service, it had to rely on a highly motivated human resource. During this period, Cameroonian authorities continued relentlessly in building the capacities of the staff of the tax administration as well as consolidating the motivation arrangements. The working environment has thus improved though other challenges still linger in the area of operational services.

Let me avail myself of this opportunity to pay glowing tribute to the entire staff of the DGT for the collective results produced in the last ten years. Thanks to them, the revenue and reform targets have been met under a difficult socio-economic context.

I equally wish to extend my gratitude to all taxpayers individually and in their various groupings who in their quest for profit produced through their civic contributions the indispensable resources necessary for our collective action. This gratitude equally concerns their acceptance to adapt to the different reforms that pushed them to change their methods and interaction with tax services.

This vote of thanks equally goes to the different national authorities and technical partners who have not spared their efforts in accompanying the DGT in the face of numerous challenges.

All in all, the 2010-2020 decade will certainly go down as a key stage in the quest for modernity by the Cameroon tax administration. The achievements of this period will have to be preserved and improved upon in an irreversible manner.

MOPA FATOING MODESTE
Director General of Taxation

LIST OF ACRONYMS

AFR	Annual Forestry Royalty
AEOI	Automatic Exchange of Information
AIT	Advance Income Tax
AMC	Approved Management Centers
ATAF	African Tax Administration Forum
BPW	Building Public Works
CN	Collection Notice
DIPMTA	Department for Investigations, Programming and Monitoring of Tax Audits
DGB	Directorate General of Budget
DGT	Directorate General of Taxation
DGTCFM	Directorate General of Treasury, Financial and Monetary Cooperation
DICT	Division of Information and Communication Technology
DSSR	Division of Statistics, Simulations and Registration
DTO	Divisional Tax Offices
DTL	Division of Tax Litigations
DTPITA	Division of Tax Policy and International Tax Affairs
ED	Excise Duty
FAA	Full Audit of Accounts
FL	Finance Law
GA	General Audit
GDP	Gross Domestic Product
GTC	General Tax Code
ICT	Information and Communication Technologies
IPC	Industrial and Commercial Profits
KfW	Kreditanstalt für Wiederaufbau (Credit Institute for Reconstruction)
LA	Local Authorities
LTO	Large Taxpayers Office
MTO	Medium Size Taxpayer Office
NCP	Non-Commercial Profits
NHC	National Hydrocarbons Corporation
OECD	Organization for Economic Cooperation and Development
PA	Partial Audit
PE	Public Establishment
PIT	Personal Income Tax
PSREP	Livestock and Fishery Revenue Enhancement Programme
PSRMEE	Mines, Water and Energy Revenue Enhancement Programme



RDF	Revenue Development Foundation
RF	Registration Fees
RTO	Regional Taxation Office
RTO A	Regional Taxation Office Adamawa
RTO C1	Regional Taxation Office Centre 1
RTO C2	Regional Taxation Office Centre 2
RTO E	Regional Taxation Office East
RTO FN	Regional Taxation Office Far North
RTO L1	Regional Taxation Office Littoral 1
RTO L2	Regional Taxation Office Littoral 2
RTO N	Regional Taxation Office North
RTO NW	Regional Taxation Office North West
RTO W	Regional Taxation Office West
RTO S	Regional Taxation Office South
RTO SW	Regional Taxation Office South West
SCDP	Cameroon Petroleum Depots Company
SONARA	National Refinery Company
STC	Specialized Taxation Centre
STCPELAO	Specialised Taxation Centre for Public Establishments, Local Authorities and other Organisations
STPP	Special Tax on Petroleum Products
SIT	Special Income Tax
TCC	Tax Clearance Certificate
TO	Turnover
TIN	Taxpayer Identification Number
TISS	Tax on Income from Stocks and Shares
TEC	Common External Tariff
TPF	Tax on Real Estate Ownership
VAT	Value Added Tax

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KEY FIGURES

REVENUE MOBILISED

For the State's budget (less grants and loans):

- They increased from **1 937.0 billion** in 2010 to **3 517.0 billion** in 2019;
- This amounts to an increase of **1 580.0 billion** (+81.6% in relative terms).

The DGT's contribution to the State's budget:

- Increased from **939.7 billion** in 2010 to **2,060.7 billion** in 2019;
- This amounts to a **1,121.0 billion** increase (+119.3% in relative terms).

The DGT's contribution to the State budget:

- Stood at **48.5%** in 2010 and now stands at **58.6%** in 2019;
- It peaked at **60.7%** in 2017.

Total tax revenues collected by the DGT for the State, RLA's and certain Public Entities (PEs):

- Rose from **1,006.8 billion** in 2010 to **2,261.8 billion** in 2019, i.e.
- This amounts to a **1,255.0 billion** increase (+124.7% in relative terms).

STATE BUDGET REVENUE

In 2010 : **939.7 billion** collected

- Non-oil tax revenue: **855.7 billion FCFA**
- Oil company Corporate Income Tax: **84.0 Billion FCFA**

In 2019 : **2,060.7 billion** collected

- Non-oil tax revenue: **1,947.7 billion FCFA**
- Oil company Corporate Income Tax: **113.0 billion FCFA**

REVENUE ASSIGNED TO LA AND PE

In 2010 : **67.1 billion** collected

- Revenue for RLA: **52.4 billion FCFA**
- Revenue for Public Establishments: **14.7 billion FCFA**

In 2019 : **201.1 billion** collected

- Revenue for RLA: **168.5 billion FCFA**
- Revenue for Public Establishments: **32.6 billion FCFA**

OF THE DECADE

MAIN TAXES

2010		Taxes	2019	
Weight	Output		Output	Weight
34%	286.8	VAT	739.6	38%
20%	172.4	Company tax for non oil companies	344.4	18%
8%	68.5	Excise duties	207.3	11%
10%	84.3	Taxes withheld at source on salaries	164.4	8%
10%	83.0	STPP	128.7	7%

OPERATIONAL STRUCTURES OF DGT

Number 2014	Structures	Number 2019
01	Large Taxpayers Office (LTO)	01
12	Regional Taxation Offices (RTO)	14
18	MTO/STC/STCLP	30
89	Divisional Taxation Offices (DTO)	81
120	TOTAL	126

SEGMENTATION OF THE DGT'S TAXPAYER INDEX

2014		Taxpayers	2019	
Weight	Number		Number	Weight
0.5%	404	Large Taxpayers Office (LTO)	505	0.4%
15.1%	12 204	Medium size taxpayers	13 126	10.8%
84.4%	68 189	Small and micro taxpayers	107 935	88.8%
100.0%	80 797	TOTAL	121 566	100.0%

HUMAN RESSOURCES OF THE DGT

2014		Staff	2019	
Weight	Number		Number	Weight
60%	2 336	Male	1 979	60%
40%	1 557	Female	1 338	40%
100%	3 893	TOTAL	3 317	100%

TESTIMONY OF

MR. GÉRARD CHAMBAS

*Senior Fellow,
Foundation for Studies and Research on International
Development (FERDI).*



*A COHERENT STRATEGIC VISION
FOR TAXATION AT THE SERVICE
OF DEVELOPMENT*

Honored by the request of the Director General of Taxation of Cameroon, I am very willing to share my perception of the evolution of the Cameroonian tax administration. The latter has on numerous occasions given me a warm welcome be it during my teaching or technical assistance missions.

Results over the past decade

Steady increase in tax revenue. Although Cameroon has been confronted with various shocks, the latest of which is the COVID-19 pandemic, the achievements of the DGT are outstanding: from 939.7 billion FCFA in 2010, the DGT revenue mobilization increased in 2019 to 2,060.7 billion (a progression of 119.3% in 10 years). In 2019, the DGT contributed 58.6% of the State resources, compared with 48.5% in 2010.

A tax system favourable to economic competitiveness. The introduction of a modern VAT refund mechanism with an interactive online follow-up of the process is the most emblematic example to illustrate the economic competitiveness objective. Henceforth, subject to continuing the effort to shorten refund deadlines, the prospect for companies liable to VAT to purchase intermediate consumption tax-free under the ordinary law

regime is true. Thus, taking a decisive step, Cameroon should quickly join the small group of the most advanced countries on the African continent, which mobilize substantial VAT revenues while preserving the competitiveness of their economic activities.

An administration at the service of the taxpayer and the national community. Depending on their size, large companies, medium companies and finally small and micro-enterprises benefit from a differentiated service offer through dedicated structures (Large Taxpayers Office, Medium-size Taxpayers Office) and Divisional Tax Office (DTO) for small businesses. Likewise, with regard to the national community, through the contribution of its expertise and by seeking complementarities, the DGT is helping to reform the financial autonomy of local authorities.

Digitalization and modernization of taxes. With other pioneering tax administrations on the African continent, the DGT of Cameroon has developed in recent years the offer of online procedures. The latter are at the origin of a radical change in the relationship between the tax administration and taxpayers. For both taxpayers and the tax administration, in a “win-win” approach, online procedures put an end to time-consuming and costly procedures while securing transactions (filing tax returns, paying taxes in taxation offices).

Some clues to the performance of the DGT

Embracing international standards. The DGT's policy of openness to the outside world and to innovations has been the source of a remarkable collective dynamic. This dynamic has helped to adapt the tax administration to a difficult and rapidly changing environment. Thus, the DGT has hosted numerous international events (conferences, seminars, workshops); it called on numerous international technical assistance missions. Likewise, the DGT has enabled outstanding executive staffs to contribute their technical skills to various international institutions. The comparison with a great diversity of experiences and strategies certainly helped the DGT to identify the most relevant strategy to implement.

Human resources driven by a collective dynamic. The DGT has been able to compensate for the recent decline in its workforce (3,893 in 2014; 3,317 in 2019) by a reorganization reform, adopting best tax practices, digitalization and improving the qualifications of its staff. The remarkable col-

lective dynamic of the DGT's services is evident from discussions at the close-out meetings with technical assistance missions: open exchanges between a large number of members of the DGT claim ownership of the reforms and of staff commitments.

Search for internal synergies. Strategic vision. International openness, careful management of human resources, investments in material resources would not be even effective if they were not accompanied by the search for complementarities with other State services and if they were not driven by a strategic vision. Thus, the DGT is strongly involved in exemplary collaboration and effective sharing of information with the Customs. This orientation was a contributing factor for the progress noticed at the DGT and the Customs. The progress made is also driven by a coherent strategic vision of the necessary evolution of the DGT's missions. The choice to publish a ten-year activity report is indicative of the concern to avoid short-term traps and to include the future of the DGT of Cameroon in a coherent long-term strategy.



1 AN ORGANISATION BETTER TAILORED TO THE DGT'S MISSIONS





The optimal mobilisation of the State's revenue, to which the Directorate General of Taxation (DGT) contributes 60%, requires an organisation (b) that fits the missions (a) in a constantly changing environment.

AN ORGANISATION BETTER TAILORED TO THE DGT'S MISSIONS

A. MISSIONS OF THE DIRECTORATE GENERAL OF TAXATION (DGT)

The Directorate General of Taxation is one of the four general directorates of the Ministry of Finance. Its missions, which are essentially aimed at mobilising State revenue, were defined in Decree No. 2005/119 of 15 April 2005 on the organisation of the Ministry of Economy and Finance, and reorganised under Decree No. 2013/066 of 28 February 2013 on the organisation of the current Ministry of Finance.

Generally speaking, the DGT's missions consist of designing a fiscal policy that is conducive to better mobilization of budgetary resources and are broken down as follows:

- **The coordination and follow-up of services:**

Coordinate and animate the services to facilitate the steering and monitoring of the performance of the DGT's operational structures.

- **Conception:**

This revolves around the definition of tax policy such as:

- the elaboration, implementation and monitoring of the application of legislative and regulatory texts governing the various taxes and duties;
- participation in the determination of State re-



venues and the monitoring of decisions relating thereto.

- **Tax assessment:**

In order to carry out this mission, the Directorate General of Taxation proceeds with:

- the identification, location and registration of taxpayers;
- the collection, centralisation, monitoring and use of information for tax purposes;
- issuing the various taxes, duties and levies within its jurisdiction, in particular all direct and indirect taxes, registration, stamp and trusteeship duties, oil, mining, cadastral, pastoral, land, forestry, agricultural, road and fisheries royalties and taxes;
- the management of trusteeship..

- **Tax Collection:**

The Directorate General of Taxation mainly ensures the collection of taxes issued by its departments by means of tax notices or collection notices.

- **Tax Investigation and Audit:**

These missions, which are based on the collection, centralisation, provision and monitoring of information for tax purposes, consist of the auditing the returns filed by tax payers.

- **Protecting taxpayers rights:**

This is carried out in particular through the investigation of taxpayers' claims and disputes and the processing of files for tax refunds, under the conditions provided for by law.

- **Fight against tax fraud:**

This involves monitoring the implementation of tax and administrative measures favourable to the fight against fraud and the enforcement of tax offences

- **International Cooperation:**

Within this framework, the DGT participates in the negotiation and monitoring of the implementation of international conventions and agreements in tax matters. It also fulfils a mission of international tax cooperation that covers bilateral and multilateral aspects.



B. ORGANISATION OF THE DGT



The DGT has improved on the organisation of both its central services and its production units by improving on the segmentation of its taxpayers according to their size (turnover) and activity.

i) Central services

The central services of the DGT are responsible for coordinating activities, designing steering tools and assessing tax performance. They have gone through several organisational changes.

Between Decree No. 2008/365 of 8 November 2008 applicable in 2010 and Decree No. 2013/066 of 28 February 2013 on the organisation of the Ministry of Finance (MINFI) in force, the central services of the DGT have undergone a major overhaul. This text enshrines:

• The reconfiguration of old structures and the creation of new Divisions:

- Division of Research, Planning and Tax Reforms (DEPRF) ;
- Dispute Division (DC);
- Information Technology Division (DI);

• The creation of new departments:

- Department of General Affairs (DAG)
- Department of Collection, Tax Values and Trusteeship (DRVFC) ;
- Large Taxpayers Office (LTO);

• The increase in the number of Sub-Directorates:

- Sub-direction of the Budget, Material and Equipment for Securing Revenue (SDBM/DAG);
- Sub-Directorate for Monitoring Allocated Revenues (SDSRA/DRVFC);

• The creation of new Units:

- Operations Unit (CE/DI);
- Communication Networks Unit (CRC/DI);
- Tax Information Research and Analysis Unit (CRAIF/DEPSCF);
- Unit for the Monitoring of Derogatory and Special Tax Regimes (CSRFDS/DLRFI);
- Unit for Monitoring, Analysis and Ex Gratia Appeals (CSARG/DC).
- Data Processing and Statistics Unit (CIS/DGE) ;
- Training unit (CPFC/DAG) ;
- Information and Communication Unit (CIC);

• The creation of the positions of Deputy Director (Coordinator of Management Units, Coordinator of Large Business Audit Brigades, Tax Collector), at the LTO.

● **The Large Taxpayers Office (LTO):**

Created in 2004 under the name of «Large taxpayers unit», the LTO is part of the central services of the DGT. In 2014, it saw its competence re-focused on genuine large companies with the raising of the threshold for membership from 1 to 3 billion CFA francs of annual turnover.

This reform reduced the number of taxpayers managed by the LTO from 569 in 2013 to 408 in 2014, then 378 in 2015 to 505 in 2019. Thanks to this reform, the efficiency of LTO's services has been enhanced and the complex operations of large companies have been better followed up.

ii) Devolved Services

● **Regional Taxation Offices (RTO)**

In charge of the coordination of the devolved tax services, the Regional Taxation Offices are responsible for determining the tax base, managing compliance, tax audits, collection and handling of disputes for the various taxes, duties and levies within their jurisdiction.

From twelve (12) Provincial Tax Offices as established by the aforementioned decree N°2008/365 of 08 November 2008, the number of Regional Taxation Offices (RTO), created by decree N°2013/066 of 28 February 2013, increased to fourteen (14) in 2019.

● **Medium size Taxpayers Offices (MTO)**

The first two (02) MTO's were set up in 2006 in Douala and Yaoundé. They administered taxpayers whose turnover ranged from FCFA 100 million to FCFA 01 billion. Until 2013, the DGT had only 02 MTOs with a cumulative taxpayers index of 2,861 taxpayers.

From 2014, the tax administration decided to revitalise these structures through the following initiatives:

- the redefinition of their attachment criteria: VAT becomes the eligibility criterion for these units, lowering the threshold from FCFA 100 million to FCFA 50 million. Based on this, all taxpayers whose turnover is between 50 million and 03 billion FCFA are managed by MTOs
- their increase from two (02) to five (05) in 2014 with the creation of three new MTO including two (02) additional in Douala and one (01) in

Yaounde; then to seven (07) in 2015 with one (01) in Limbe and one (01) in Bafoussam; then to eight (08) with one (01) in Bamenda in 2016. With the seven (07) new MTOs created in 2017, we now boasts of fifteen (15) MTOs with over 9,266 taxpayers enrolled on their tax index;

- their reorganization based is henceforth on risk management.

● **Special Registration Units (SRU)**

Created in 2008 by a decision of the Minister of Finance in order to secure revenue from the registration of public contracts, the SRUs were enshrined in the aforementioned Decree No. 2013/066 of 18 February 2013, which also assigns them missions to follow-up and control estate and vacant property in connection with the competent unit of the Directorate in charge of debt collection.

Operational in all tax regions since 2019, the SRUs have improved the level of performance, particularly in terms of the organisation of services, procedures and revenue from the management of vacant properties and estates.

In order to offer a better quality service while enhancing revenue security, SRUs have been restructured by introducing an organisation that complies with the standards of modern administrations, in order to facilitate the reception and information of taxpayers (front office), while improving the quality of file processing (back office).

● **Specialised Center for Public Establishments**

It is in charge of monitoring compliance, audit and collection of taxes, duties and fees from public institutions, RLAs and other Public Bodies in the Centre Region. Its competence is extended to include tax managers, ticketing agents and all managers of public funds.

Diplomatic representations (diplomatic missions, consular posts and other international organisations) accredited in Cameroon are also registered in this center for the remittance of the income tax of their staff.

Its performance has led the public authorities, through Order N°040337/MINFI of 24 March 2017, to extend its sphere of competence throughout the Centre region.

The creation of this structure is in line with the re-

forms aimed at modernising and improving the quality of service provided to users. It is a Cameroonian specificity in terms of tax administration insofar as our country is the very first to set up a specialised structure in charge of the monitoring and management of Public Establishments and RLAs.

- **Specialised Centers for Liberal Professionals and Real Estate (CSIPLI)**

Set up in 2006 in Douala and Yaounde, the Specialised Tax Centres for Liberal Professions and Real Estate (CSIPLI) administers taxpayers who are liberal professions and/or involved in the real estate sector.

Initially created in the cities of Yaounde and Douala to manage taxpayers falling under their material competences and attached only to the administrative districts of Wouri and Mfoundi, these structures have, by virtue of Order n°00336/MINFI of 24th March 2017, seen their territorial competences extended respectively to the Littoral and Centre Regions.

- **Divisional Tax Offices (DTO)**

No longer administering VAT since 2014, the missions of DTO's have been shifted to broadening the tax base and taxing private individuals. These local structures, which form the base of the DGT's pyramid of devolved structures, are intended to benefit in the medium term from the progress recently made in the administration of the real estate tax (TPF) and the taxation of non-professional individuals, which is currently being implemented.

The DGT's potential for growth in tax yield in the years to come lies in the proper administration of taxes due by non-professionals. For this, the DTOs have been reorganised by an order of the MINFI of 2015 and, as a key feature, a network of renovated DTOs has been set up around each MTO (Yaoundé and Douala cities) to supply them, with information to better broaden the tax base.

As such, the completion of this segmentation of the tax population will be realised by the forthcoming creation of the Local Tax Centres envisaged in the framework of the reform of local taxation.

- **Revenue enhancement programs**

The Revenue enhancement Programmes have been set up with competences in the management and collection of taxes, duties and levies in their respective areas.

Due to their mitigated success in securing tax revenues in the sectors concerned and in interfacing with technical ministries (control of the sectors concerned, framework for collaboration between the intervening administrations), their missions have been reoriented towards conceptual and monitoring tasks, to the detriment of tax base operations which have been transferred back to the traditional taxpayer management structures.

In this regard, an adaptation of the SRP implementation framework to the new missions was carried out, with the implementation of lighter design and monitoring structures instead of sections, and by modernising their budgetary and accounting procedures in accordance with the State Financial Regime.

BOX 1: ORGANISATION OF THE DGT OF CAMEROON, MOROCCO, CÔTE D'IVOIRE, SENEGAL AND THE REVENUE AUTHORITIES OF GHANA (GRA) AND KENYA (KRA)



	Central services	Devolved services
Directorate General of Taxation (DGT) Cameroon	The Central Services include ten (10) Central Departments, a mails office and an Information and Communication Unit	Fourteen (14) Regional Taxation offices (RTO)
	The Internal Audit Service (ISI) which comprises fifteen (15) Service Inspectors and twenty-five (25) Assistant Service Inspectors.	
	The General Affairs Department (DAG) made up of three (3) Sub-departments: (a) Training Unit; (b) the Personnel sub- Department; (c) the Sub-department of the budget, material and equipment for securing revenue.	
	The Large Taxpayers Office (LTO) made up of the Mail and Archives desk, the Business Information Department, the Information Technology and Statistics Unit, the Litigation Unit, Tax Collectors Office, the Management and Monitoring Units and the Audit Brigades.	
	The Department of Collection, Fiscal Values and Trusteeship (DRVFC) made up of four (4) Sub-departments: (a) the Collection Department; (b) Sub-Department of Fiscal Values; (c) the Trusteeship sub-Department; (d) the Sub-department in charge of follow-up of Earmarked revenue.	<ul style="list-style-type: none"> - Adamawa Regional Taxation Office; - Centre 1 Regional Taxation Office; - Centre 2 Regional Taxation Office; - Centre External Regional Taxation Office;
	The Division in charge of Research, Planning and Tax Reforms (DEPRF) comprises four (04) Research Officers and twelve (12) Assistant Research Officers.	<ul style="list-style-type: none"> - East Regional Taxation Office; - Far North Regional Taxation Office
	The Division of Investigations, Programming and Monitoring of Tax Audits (DEPSCF) composed of three (3) Sub-directorates: (a) Unit for research and analysis of tax information; (b) the Programming and Monitoring Unit; (c) the Investigations Brigade.	<ul style="list-style-type: none"> - Littoral 1 Regional Taxation Office; - Littoral 2 Regional Taxation Office; - Littoral External Regional Taxation Office;
	The Statistics, Simulations and Registration Division (DSSI) composed of two (2) Units: (a) the Statistics and Tax Simulations Unit; (b) the Registration Unit.	<ul style="list-style-type: none"> - North Regional Taxation Office - North-West Regional Taxation Office; - West Regional Taxation Office; - Southern Regional Taxation Office;
	The IT Division (DI) composed of a Maintenance Service and two (2) Units: (a) the Operations Unit; (b) the Communication Networks Unit.	<ul style="list-style-type: none"> - South-West Regional Taxation Office.
	The Division of Legislation and International Fiscal Relations (DLRFI) composed of three (3) Units: (a) the Unit of Tax Legislation; (b) the Unit for the Monitoring of Exceptional and Special Tax Regimes; (c) the International Fiscal Relations Unit.	
	The Litigation Division (DC) made up of four (4) Units: (a) Tax Litigation Unit; (b) the Monitoring, Analysis and ex gratia Appeals Unit; (c) the Unit for Refunds of VAT and Taxes, (d) the Unit for Prosecution.	

	Central services	Devolved services
Directorate General of Taxation (DGT) of Morocco	Five (05) Central Directorates	Nine (9) Regional Directorates (DRI)
	The Department of Legislation, Studies and International Cooperation made up of three (3) Divisions: (a) the Division of Taxation and International Cooperation; (b) the Legislative and Regulatory Studies Division; (c) the Statistical Studies and Fiscal Forecasts Division.	<ul style="list-style-type: none"> • The Regional Directorate of Taxation for Casablanca comprising three (3) Divisional Directorates of Taxation (DPI): El Jadida, Settat and Mohammedia; • The Regional Directorate of Taxation of Rabat which covers the divisional Directorate of Taxation (DPI) of Kénitra; • The Regional Directorate of Taxation of Tangier which supervises the Divisional Directorate of Taxes (DPI) of Tetouan; • The Regional Directorate of Taxation of Agadir; • The Regional Directorate of Taxation of Marrakech; • The Regional Directorate of Taxation of Fes which covers the Divisional Directorate of Taxation (DPI) of Meknes; • The Regional Directorate of Taxes of Oujda which supervises the Prefectural Directorate of Taxes (DPI) of Nador; • The Regional Directorate of Taxation of Béni Mellal; • The Regional Directorate of Taxation of Er-Rachidia.
	The Audit Department made up of three (3) Divisions: (a) the National Control Division of Large Enterprises; (b) the Verifications and Appeals Follow-up Division; (c) the Programming and Risk Analysis Division.	
	The Network Animation Department made up of three (3) Divisions: (a) the Tax Management Division; (b) the Accounting and Collection Monitoring Division; (c) the Litigation Division.	
	The Directorate of Facilitation, Information System and Strategy composed of four (4) Divisions: (a) the Information System Development Division; (b) the IT Infrastructure and Production Division; (c) the Facilitation of Procedures and Partnership Division; (d) the Programming and Communication Division	
	The Resources and Audit Department made up of three (3) Divisions: (a) the Human Resources Division; (b) the Budget and Equipment Division; (c) the Audit and Inspection Division	



	Central services	Devolved services
Directorate General of Taxation (DGT) of Côte d'Ivoire	The organisation of the Central Services includes, besides the Office of the DGT, two (2) Deputy Directors General, one (1) Inspector General of Tax Services (IGSF), fourteen (14) Central Directorates, forty-seven (47) Sub-Directorates, six (6) Divisions of the IGSF, four (4) Medium-size Enterprise Centres and two (2) Specialised Revenue Centres.	The External Services of the DGT of Côte d'Ivoire include eleven (11) Regional Inspectorates of Tax Services, twenty-three (23) Regional Directorates, eight (8) of which are in Abidjan and fifteen (15) in the interior of the country, and fifteen (15) Main Tax Revenue Offices, seven (7) of which are in Abidjan.
	The Directorate of Legislation, Litigation and Documentation composed of four (4) Sub-Directorates (Litigation; Publications and Documentation; International Fiscal Cooperation; Legislation);	
	The Directorate of Communication, Quality and Promotion of Compliance with three (3) Sub-Directorates (Public Relations and Communication; Quality; Promotion of Fiscal Citizenship);	
	The Directorate of Investigations, Intelligence and Risk Analysis subdivided into four (4) Sub-Directorates (Risk Analysis and Strategic Intelligence; Investigations, Cross-checking and Intelligence; Monitoring and Evaluation; Infocentre);	
	The National Audits Department with three (3) Sub-Departments (General Audits; Specific Audits; Control Policies and Pooling of Experiences) and a Tax Control Revenue;	
	The Tax Collection Department organized in three (3) Sub-Directorates (Studies; Coordination and Action in Collection; Centralization of Accounting and Treasury Operations);	
	The Estate, Land Conservation, Registration and Stamp Duty Department , made up of three (3) Sub-Departments (Registration and Stamp; Estate; Land Conservation) and a Central Electronic Land Registry;	
	The Surveys Department having three (3) Sub-Departments (Real Estate Assessment and Cadastral Information; Land Tax Base and Control; Production; Land and Cadastral Works);	
	The tax Operations Department structured around four (4) Sub-Directorates (Coordination of Miscellaneous Tax Base Operations; Exemptions and Special Regimes; Local Taxation; Major Sectors);	
	The Large Enterprises Department comprising five (5) Sub-Departments (Management in charge of Industry; Management in charge of Trade; Management in charge of Natural Resources; Management in charge of Services; In charge of Control) and a LTO Revenue;	
	The Medium-sized Enterprises Department comprising two (2) Sub-Directorates (Supervision and Monitoring of Basis and Control Operations; Coordination of Recovery Operations and Statistics) and four (4) Medium-sized Enterprises Centers (CME) in Abidjan (CME Plateau, CME Djibi, CME Port Bouet, CME Marcory);	
	The IT Department made up of four (4) Sub-Departments (Organization and Methods; Application Development; Production; Networks, Equipment and technology watch);	
	The Department of Planning , Studies and Statistics with three (3) Sub-Departments (Fiscal Studies and Assessments; Forecasting and Statistics; Single Window for the submission of Financial Statements);	
	The General Affairs Department organized around two (2) Sub-Directorates (Material and Equipment; Budget);	
	The Human Resources and Training Department with three (3) Sub-Departments (Personnel; Vocational Training and Internships; Social Action).	

	Central services	Devolved services
Directorate General of Taxation (DGT) du Senegal	One (01) Cabinet and eleven (11) Central Directorates	<p>The external services of the Directorate General of Taxation and Lands are made up of :</p> <ul style="list-style-type: none"> - The Tax Offices in charge of Medium-sized Enterprises and the Tax Office in charge of accredited professions in the Dakar region under the responsibility of the Directorate of Medium-sized Enterprises; - Tax Offices covering the entire national territory under the responsibility of the Tax Services Directorate. <ul style="list-style-type: none"> • The Centres for Medium-sized Enterprises and the Centre for accredited Professions are structured as follows: <ol style="list-style-type: none"> 1. A Management, Taxpayer Services and Litigation Office; 2. An Office of Tax Audit; 3. An Office of Collection; 4. A Mail and Resources Monitoring Unit. • The Tax Services Centres are organised according to the standard organisation chart below: <ol style="list-style-type: none"> 1. An Office of Management, Audit and Taxpayer Services, structured into management units; 2. An Office of Collection ; 3. An Office of Lands in charge of the management of affairs on lands; 4. An Office for the Conservation of Property and Land Tenure; 5. A Cadastral Office responsible for all surveys and the technical control of the conformity of the rents applied in relation to the regulations in force; 6. A Unit, in charge of the follow-up of mail and resources, attached to the Head of Centre.
	The DGT's Cabinet is composed of Technical Advisers and four Offices (Strategy and Modernisation, Monitoring and Synthesis, Communication and Quality, Regional authorities).	
	The Internal Audit Department, which comprises three (3) Offices (Control; Evaluation and Audit; Monitoring) and a "Resources" Unit;	
	The Department of Legislation and International Cooperation headed by a Director and a Deputy Director and comprising five (5) Offices (Tax Legislation; Land, State and Cadastral Legislation; Tax Litigation; Studies; International Cooperation) and three (3) Units (Monitoring; "Archives and Documentation"; "Resources");	
	The Administration and Personnel Department under the authority of a Director and a Deputy Director and composed of four (4) Offices (Material and Financial Resources; Human Resources; Training; Archives and Documentation) and two (2) Units (Monitoring; Protocol and Reception);	
	The Department of Intelligence and Tax Control Structures, headed by a Director and a Deputy Director and structured around three (3) Offices (Tax Control Steering; Intelligence, Investigations and Monographic Studies; Specific Tax Regimes) and two (2) Units (Monitoring, "Resources");	
	The Information Systems Department has three (3) Offices (Tax Audit Steering, Intelligence, Investigations and Monographic Studies, Specific Tax Regimes) and three (3) Units (Security, Control and Planning; Monitoring; "Resources");	
	The Department of Lands managed by a Director and a Deputy Director and structured around two (2) Offices (Land, State and Litigation Affairs; Studies, Projects and Reforms) and three (3) Units (Monitoring; "Archives and Documentation"; "Resources");	
	The Directorate of Debt Collection, headed by a Director and a Deputy Director and composed of two (2) Offices (Support for Debt Collection and Litigation Management; Centralisation of Revenue and Statistics) and two (2) Units (Monitoring; "Resources");	
	The Surveys Department is headed by a Director and a Deputy Director and has three (3) Offices (Studies and Technical Works; Modernisation and Documentation; Land Affairs and Subdivisions) and two (2) Units (Monitoring; "Resources");	
	The Large Companies Department, led by a Director and a Deputy Director and structured around three (3) Divisions: (a) the Management and Litigation Division; (b) the Control Division; (c) the Collections Division; and two (2) Units (Monitoring; "Resources");	
	The Department of Medium-sized Enterprises managed by a Director and a Deputy Director and composed of the Management and Litigation Office, two (2) Units (Monitoring; "Resources") and two (2) Centres for Medium-sized Enterprises (CME 1; CME 2);	
	The Tax Services Department headed by a Director and a Deputy Director and structured around three (3) Offices (Litigation Management; Control and Intelligence; Local Taxation) and two (2) Units (Monitoring, "Resources").	

	Services
Kenya Revenue Authority (KRA)	<p>The Kenya Revenue Authority (KRA) has a Board of Directors which sets the main guidelines, the implementation of which is ensured by a Commissioner General.</p> <p>It is supported in its missions by two (2) Deputy Commissioners General, eight (8) Commissioners and seven (7) Assistant Commissioners.</p> <p>The two (2) Deputy Auditors General are in charge, one of the Internal Audit Department and the other of Transformation and Operations for the General Auditor.</p> <p>As for the eight (8) Commissioners, they are in charge of the various aspects of the activity of a Revenue Agency, namely:</p> <ul style="list-style-type: none"> - The Commissioner of the Internal Taxation Department; - The Commissioner of the Customs and Border Control Department; - The Commissioner of the Department of Institutional Support Services; - The Commissioner for Strategy, Innovation and Risk Management; - The Commissioner for Intelligence Operations and Strategy; - The Commissioner for Legal Affairs and Coordination of the Boards of Directors; - The Commissioner for Investigations and Regulatory Enforcement; - The Director of the Kenya School of Tax Administration. <p>The seven (7) Assistant Commissioners are specialized in :</p> <ul style="list-style-type: none"> - Marketing and Communication; - Corporate Account Management Function; - the five (5) Regional Coordinators of the Kenya Revenue Agency.

	Services
Ghana Revenue Authority (GRA)	<p>To carry out his duties, the Commissioner General is assisted by three (3) Commissioners, eight (8) Deputy Commissioners and six (6) Assistant Commissioners.</p> <p>The three (3) Commissioners are as follows:</p> <ul style="list-style-type: none"> - The Commissioner of the Internal Taxation Division, assisted by four (4) Assistant Commissioners in charge respectively of: (a) Large Enterprises; (b) Medium-sized Enterprises; (c) Small Enterprises; (d) Tax Policy and Programmes; - The Commissioner for Support Services, supported by five (5) Assistant Commissioners in charge of : (a) Human Resources; (b) Finance; (c) Administration; (d) Information Systems; (e) Training and Development; - The Commissioner of the Customs Division who has four (4) Assistant Commissioners specialised in : (a) Post-Clearance Verification; (b) Operations; (c) Prevention; (d) Customs Policy and Programmes; - The eight (8) Assistant Commissioners directly attached to the Commissioner General are in charge of : <ul style="list-style-type: none"> - The Secretariat of the Board of Directors and the Management of Services; - Research, Planning and Surveillance; - Legal Affairs and Treaties; - Monitoring Modernisation Programmes; - Internal Control; - The E-Gov Project; - Communication and Public Relations; - Internal Affairs. <p>The six (6) Assistant Commissioners directly attached to the Commissioner General are specialised in :</p> <ul style="list-style-type: none"> - Monitoring of Recovery, Compliance and Enforcement; - Risk Management; - Information; - Investigations; - The fight against money laundering; - Tax registration.

TESTIMONY OF

MR. JUSTIN NJOMATCHOUA

*Director of Cabinet - President of the Senate,
Former Secretary General of the Ministry of Economy
and Finance.*



“ THE PROMISE OF FUNDING THE
GROWING NEEDS OF THE STATE

The creation and establishment of a Directorate General of Taxation (DGT) in 2005 was no small challenge. In all aspects, we were not far from a «Copernican revolution» within the State Administrations in general and the former Ministry of Economy and Finance in particular because it was necessary to bring in tax policy in another paradigm.

Some African countries of smaller scale than ours had already taken this path with very significant results in the mobilization tax revenues. It was fashionable that our country also take this path, despite the reluctance and resistance so numerous at the time.

More than a decade after its creation, I am delighted to note that, the first provider of State revenue, the DGT is working hard to keep the commitment of mobilizing of tax revenue necessary to finance the constantly growing needs of the State and Local Authorities.

The DGT has succeeded, thanks to a constant adaptation of the legislation and the permanent upgrading of its structures, with the aim, of finding suitable responses to most difficulties encountered. Three key elements seem to me essential in this dynamic, namely: (i) a restructuring of its services with a result driven objective, (ii) a quality approach in operational tasks and (iii) a greater recognition of the importance of capacity building.

I. The restructuring of services oriented towards the search for better results

Today, «results-based management» (RBM) is widely used in our public services. The DGT got down to it very early in the 2000s, with an awareness of the need for an organization that helps broaden the tax base by best targeting taxpayers by nature of their activities.

The consequent reorganization of the tax services, at the level of the central administration of the DGT, allowed the creation of new directorates, new units and an increase in the number of divisions and sub-directorates. All these structures had as vocation to strengthen the efficiency of the DGT in its monitoring and tax audit missions.

This reorganization also impacted the operational services where several transformations were noticed. The most remarkable of these was in particular the restructuring of the Large Taxpayers Office (LTO), where the production functions were on a parallel lane with the change of its name.

In the same vein, we should mention the transformation of the Provincial Tax Centers (PTC) into Regional Taxation Offices (RTO), followed by the creation of additional new Regional Offices, the restructuring and creation of the Medium-size Taxpayers Offices (MTOs), the restructuring of the Divisional Tax Offices (DTO) and the establishment of renovated DTOs and, finally, the creation of Special Registration Units (SRU) and a Specialized Center for Public Establishments, Local Authorities and Other Organizations.

II. The quality approach in operational tasks

The General Tax Code now places emphasis on the quality approach. Thus, all the main tax provisions applicable in Cameroon are at the disposal of the Tax Administration in a single document.

This codification approach has as ultimate goal the unification and simplification of tax law, which gives room for a friendly interaction between the tax administration and taxpayers.

To be complete on the current quality approach, I will also mention the online tax administration, «e-services», thanks to which many services and procedures have been dematerialized.

This digitalisation has worked to improve internal services and the services provided to users/customers. It also allows the DGT to better communicate thanks to the relays offered by its active presence on social networks.

III. Capacity building

It is also worthy to note that the modernization process initiated by the DGT takes into account the building of multifaceted capacities.

I look forward to the completion of the construction of the new DGT headquarters building and hope that this real estate program which will improve the working conditions and environment for staff, shall be gradually extended to the front line Services.

I also appreciated the emphasis placed on improving the quantity and quality of human resources.

In fact, the Directorate General of Taxation has been strengthened in recent years by dedicated,

high-quality staff, as well as staff assigned to specific and new functions, in particular IT specialists, economists-statisticians and journalists.

Difficult not to mention the interest given to extra-professional activities, like the new multipurpose complex recently inaugurated by Mr. Louis Paul MOTAZE, Minister of Finance, and many other activities supported by the National Mutual Assistance Fund of Taxation Personnel. I am delighted, especially since they are in a continuation of the socio-charitable activities which allowed Impôts Football Club (Impôts FC) to play in the 2005 Cameroon Cup final in front of the Head of State, H.E. Paul BIYA.

To conclude, the Directorate General of Taxation is expected to see the governance thus displayed develop, grow and constantly adapt to the contexts and other rapid changes of our time, which have been entangled by new technologies and driven by an increased need for transparency, accountability, efficiency and fairness.

It is at this price that the tax administration will be able, to significantly and effectively contribute to making the funding of the economic and financial policy of the State sustainable. It is in this positive dynamic that it will continue to be a leading player in the policy of improving the business climate by making our country competitive and attractive from a fiscal point of view, by supporting national and foreign investments and by generally encouraging the private sector.

Justin NJOMATCHOUA

Statut

Le Fonds Spécial d'Équipement et d'Intervention Intercommunale, en abrégé FEICOM, a été créé en 1974 par la loi portant organisation communale. Il a été réorganisé plusieurs fois. La dernière réorganisation est intervenue le 31 octobre 2018, suite au décret présidentiel n°2018/635 qui en fait un Etablissement Public à caractère économique et financier. Le Fonds est administré par un Conseil d'Administration composé de 12 membres dont 04 représentants des Collectivités Territoriales Décentralisées (CTD), et une Direction Générale.

Le FEICOM est placé sous la tutelle technique du Ministère chargé des Collectivités Territoriales Décentralisées et la tutelle financière du Ministère en charge des Finances.

Missions

Le FEICOM a pour mission de contribuer au développement harmonieux de toutes les CTD, sur la base de la solidarité nationale et de l'équilibre inter-régional et intercommunal, en liaison avec les administrations concernées. A ce titre, il :

- ✓ Centralise et procède à la redistribution des impôts et taxes régionaux soumis à péréquation, ainsi que des centimes additionnels communaux et autres impôts communaux et régionaux soumis à péréquation, conformément à la réglementation en vigueur ;
- ✓ Met à la disposition des Régions, des Communes, des syndicats de Communes et des Communautés Urbaines bénéficiaires, les quotes-parts correspondantes de la Dotation Générale de la Décentralisation arrêtable par le gouvernement ;
- ✓ Procède au paiement de la rémunération des présidents et membres des bureaux des Conseils Régionaux, ainsi que des Magistrats Municipaux ;
- ✓ Participe aux opérations financières visant à promouvoir le développement économique local, en liaison avec les autres administrations et structures concernées, notamment : la mobilisation des ressources nationales et internationales, ainsi que l'intermédiation financière dans la recherche et la gestion des ressources provenant de la coopération décentralisée, en faveur des Collectivités Territoriales Décentralisées.

Certifié à la norme ISO 9001 version 2008 depuis 2009, puis à la version 2015 depuis 2017, le FEICOM est lauréat 2012 du « UN-HABITAT Scroll of Honour », la plus prestigieuse distinction du système des Nations Unies dans le domaine des Etablissements humains.

Cette entreprise s'est résolument engagée dans le processus de mise en place d'un Système de Management Intégré Qualité-Environnement, pour mieux gérer l'impact de ses activités sur l'environnement et se conformer à la norme ISO 14001.

Vision : « contribuer à faire des CTD un endroit où il fait bon vivre ».

Valeurs : le Travail, la Qualité de service et l'Ecoute-clients.

Ressources

Elles proviennent :

- ✓ Des contributions des Communes et des Régions prélevées sur les impôts, droits et taxes qui leur sont affectés, à hauteur des quotités définies par les textes législatifs et réglementaires ;
- ✓ Des subventions de l'État ;
- ✓ Du produit issu des dépôts à terme, des placements de fonds et des prises de participation dans les entreprises et les sociétés ;
- ✓ Des emprunts ;
- ✓ Des ressources provenant de la coopération nationale et internationale ;
- ✓ Des ressources issues de la valorisation de son patrimoine ;
- ✓ Des dons et legs ;
- ✓ Des ressources propres générées par ses activités et services ;
- ✓ Du produit issu des remboursements des dettes des Collectivités Territoriales Décentralisées ;
- ✓ De toutes autres ressources dont la gestion lui est confiée au regard de ses missions.

Outils/mécanismes de financement

Le financement du développement local est le credo du FEICOM. A cet effet, l'organisme dispose d'instances d'attribution des concours financiers et d'une variété d'outils de financement.

Il existe deux instances d'attribution des financements: **le Comité des Concours Financiers (CCFF)** compétent pour les demandes de financement d'un montant supérieur ou égal à 30 millions FCFA, et le Directeur Général qui accorde des financements d'un montant inférieur à 30 millions FCFA.

Le FEICOM a diversifié ses outils de financement afin d'une part, de garantir l'équité dans l'accès à ses interventions, et d'autre part, d'être en phase avec les besoins des CTD et les stratégies gouvernementales.

Les outils de financement du FEICOM sont :

- ✓ **Le Code d'Intervention du FEICOM (CIF)** : cadre général régissant les concours financiers de l'organisme ;
- ✓ **Le Programme d'Assistance aux Communes à Revenus Faibles (PACARF)** : dispositif permettant d'assurer la solidarité intercommunale ;
- ✓ **Le Cadre d'Appui du FEICOM aux Actions Internationales des Communes (CAFAIC)** : outil de promotion de la coopération décentralisée ;
- ✓ **Le Cadre Particulier d'Investissement pour les Communautés Urbaines et les Communes à fort potentiel (CAPIC)** : Instrument de promotion des projets générateurs de revenus, de croissance et d'emplois au niveau local.
- ✓ **METROPOLE** : guichet spécifiquement destiné au financement des projets des grandes agglomérations urbaines et les Communes à grande surface financière. Les ressources y sont accordées sous forme de facilité de caisse.
- ✓ **INTERCOM** : outil spécifique destiné au financement de projets intercommunaux ou portés par des syndicats de Communes.



Le FEICOM en chiffres (2010 – 2020)

- ✓ **En matière de la mobilisation des ressources financières**
 - Montant des recettes fiscales globalement mobilisées : **FCFA 1 342 600 860 784**
 - Montant des recettes non fiscales (hors ressources de coopération) mobilisées : **FCFA 105 910 471 388**
- ✓ **En matière de redistribution des ressources aux CTD**
 - Ressources de péréquation redistribuées aux CTD : **FCFA 845 937 381 978**
- ✓ **En matière de financements des projets communaux et intercommunaux**
 - Nombre de concours financiers accordés aux **374 CTD** : **3 576**
 - Montant des financements accordés : **FCFA 225 334 040 762 FCFA**
- ✓ **Autres financements obtenus des bailleurs de fonds nationaux et internationaux**
 - Le FEICOM a signé 04 conventions de partenariat avec des bailleurs de fonds internationaux et organismes nationaux, pour le financement de plusieurs programmes et projets évalués à un montant global de **70 957 562 235 FCFA**.
- ✓ **Quelques Programmes/projets en cours d'exécution dans le cadre du partenariat avec les bailleurs de fonds nationaux et internationaux**

• **Projets d'Alimentation en Eau Potable et Assainissement en Milieux Semi Urbain et Rural (PAEPA-MSU/ PAEPA-MRU)** : Ces projets sont mis en place pour la période allant de 2010 à 2013 sur financement conjoint Banque Africaine de Développement (BAD)/Etat du Cameroun, pour des contributions respectives de **12,1 milliards FCFA** et **32,1 milliards FCFA**. La gestion d'une partie des ressources (**3,5 milliards FCFA**), a été confiée au FEICOM pour la gestion des volets assainissement et renforcement des capacités des acteurs à la gestion des infrastructures du PAEPA-MRU ;

• **Programme de Construction des Cités Municipales (PCCM)** : Ce Programme est mis en place en 2013 à la suite d'un accord de partenariat conclu entre le FEICOM, le Crédit Foncier du Cameroun et les Communes et Villes Unies du Cameroun (CVUC). Cet accord visait l'ouverture d'une ligne de crédit de **10 milliards FCFA** destinée au financement des logements dans les CTD ;

• **Programme de Décentralisation-FEICOM-Villes-Moyennes (PDFVM)** : Ce programme, d'un coût total de **FCFA 10 495 312 000 FCFA** destiné au financement des investissements communaux et à l'appui au fonctionnement, est mis en place grâce à l'appui financier de la République Fédérale d'Allemagne sous forme de don de la KfW et une participation des Communes bénéficiaires ainsi que du FEICOM ;

• **Programme de Développement Économique et Social des Villes secondaires exposées à des facteurs d'instabilité (PRODES)** : Ce Programme qui s'exécute en plusieurs phases, est financé par la République Fédérale d'Allemagne, à travers un don de la KfW et l'Union Européenne pour un montant de **FCFA 13 119 140 000**. Il est destiné au financement des investissements communaux et à l'appui au fonctionnement des villes secondaires exposées aux facteurs d'instabilité.

Perspectives

Les prochaines actions du FEICOM sont imposées par l'évolution du contexte d'exécution de ses missions, notamment sur le plan politique (avec l'adoption de la Stratégie Nationale de Développement 2020-2030, nouveau cadre de référence de l'action gouvernementale), sur le plan juridique (avec la promulgation du Code Général des CTD) et sur le plan institutionnel (avec l'opérationnalisation imminente des Conseils Régionaux).

Il s'agira pour cette institution de procéder à la révision de ses outils de financements, pour les adapter à sa nouvelle clientèle que sont les Régions, de diversifier ses sources de financement pour renforcer ses capacités d'intervention, et de s'aligner sur les priorités nationales (contenues dans la Stratégie Nationale de Développement) et internationales (Nouvel Agenda Urbain, ODD, Accords de Paris sur le climat, Plan d'Actions de SENDAI).

Direction Générale

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Le Logo comporte trois éléments graphiques importants à savoir :

L'immeuble siège en dessin artistique :

Identité architecturale remarquable propre à l'institution et sur laquelle sont profilés tous les immeubles abritant les Agences régionales et Antennes de l'entreprise, l'immeuble siège du FEICOM a été Inauguré le 06 octobre 2018 pour traduire significativement les grandes mutations qui accompagnent son développement. Il occupe la partie supérieure du logo et se présente sous la forme d'un dessin artistique simplifié dont les lignes fines et les formes géométriques originales évoquent la solidité de l'institution et la sécurité de son patrimoine.



Le trait incurvé vers le haut sous la forme d'un arc de cercle :

Il vient soutenir la structure architecturale du logo pour apporter équilibre et harmonie à l'ensemble des éléments du logo tout en traduisant la souplesse et la flexibilité qui permettent au FEICOM de s'adapter aux différentes mutations qui interviennent dans son environnement institutionnel et son écosystème professionnel.



La lettre « M » en dessin stylisé :

Elle traduit le volontarisme de l'équipe dirigeante à faire du FEICOM une institution moderne, dynamique et performante au service des CTD. La forme ondulée du "M" et son effet artistique expriment cette volonté de croissance et de développement asymptotique. Cette lettre « M » se termine par une feuille stylée verte qui renvoie à l'engagement environnemental de l'organisme.



La feuille - goutte d'eau en dessin stylisé

Il s'agit d'un rappel à l'écosystème aquatique et végétale faisant référence à l'environnement. C'est à la fois une feuille et une goutte d'eau, un symbole qui traduit l'engagement du FEICOM dans l'atteinte des Objectifs du Développement Durable (ODD).





2 ACCELERATION IN REVENUE MOBILISATION



During the period 2010-2019, the DGT positioned itself as the first source of revenue mobilization for, both for the State, Regional and Local Authorities (RLA) and Public Entities (PE). Total tax revenue collected by the administration increased from FCFA 1,006.8 billion in 2010 to FCFA 2,261.8 billion in 2019.

ACCELERATION IN REVENUE MOBILISATION

A. THE DGT, FIRST REVENUE MOBILISATION CENTER FOR THE STATE

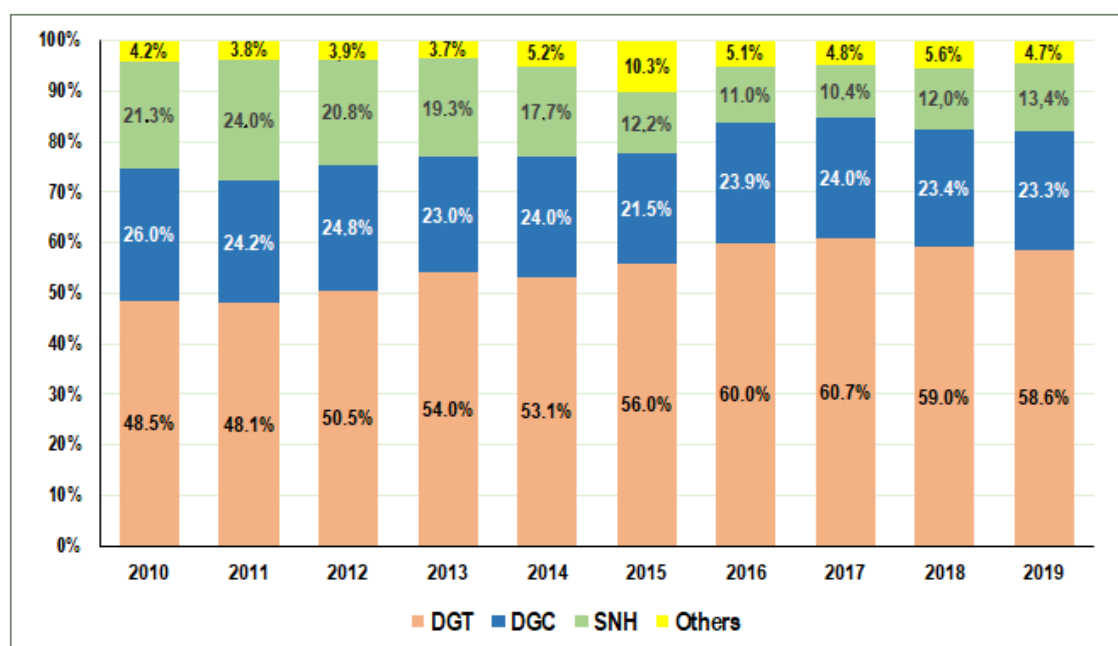
During this decade, the State's budgetary revenues (excluding grants and loans) rose from FCFA 1,937.0 billion in 2010 to FCFA 3,517.0 billion in 2019, an increase of FCFA 1,580.0 billion in absolute terms and + 81.6% in relative terms. Over the same period, the contribution of the DGT rose from FCFA 939.7 billion in 2010 to FCFA 2,060.7 billion in 2019, an increase of FCFA 1,121.0 billion in ab-

solute terms and + 119.3% in relative terms. The contribution of the DGT to the State's resources, which stood at 48.5% in 2010, amounted to 58.6% in 2019 with the peak of 60.7% attained in 2017. The table and the graph below detail the different sources of contribution to the State budget.

Table 1: Evolution of the state's budget (less grants and loans) from 2010 to 2019 (in FCFA billion)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
DGT	939.7	1 084.7	1 213.6	1 400.1	1 548.8	1 760.8	1 724.6	1 856.9	2 027.9	2 060.7
DGC	503.5	545.3	595.6	597.3	700.1	678.0	685.9	732.7	803.2	820.4
SNH	413.0	541.2	498.8	500.8	517.0	384.6	316.0	319.4	413.3	471.5
Others	80.8	86.0	94.0	95.4	152.1	322.9	148.0	148.1	191.5	164.4
Total	1 937.0	2 257.2	2 402.0	2 593.6	2 918.0	3 146.3	2 874.5	3 057.1	3 435.9	3 517.0

Source: MINFI/DGT and Treasury Accounts



B. EVOLUTION OF NON OIL TAX REVENUES

1) Total tax revenues

The evolution of non oil tax revenues from 2007-2019 is presented in the table below:

Table 2: Evolution of Cameroon's non-oil tax revenues from 2007 to 2019
(in FCFA billion)

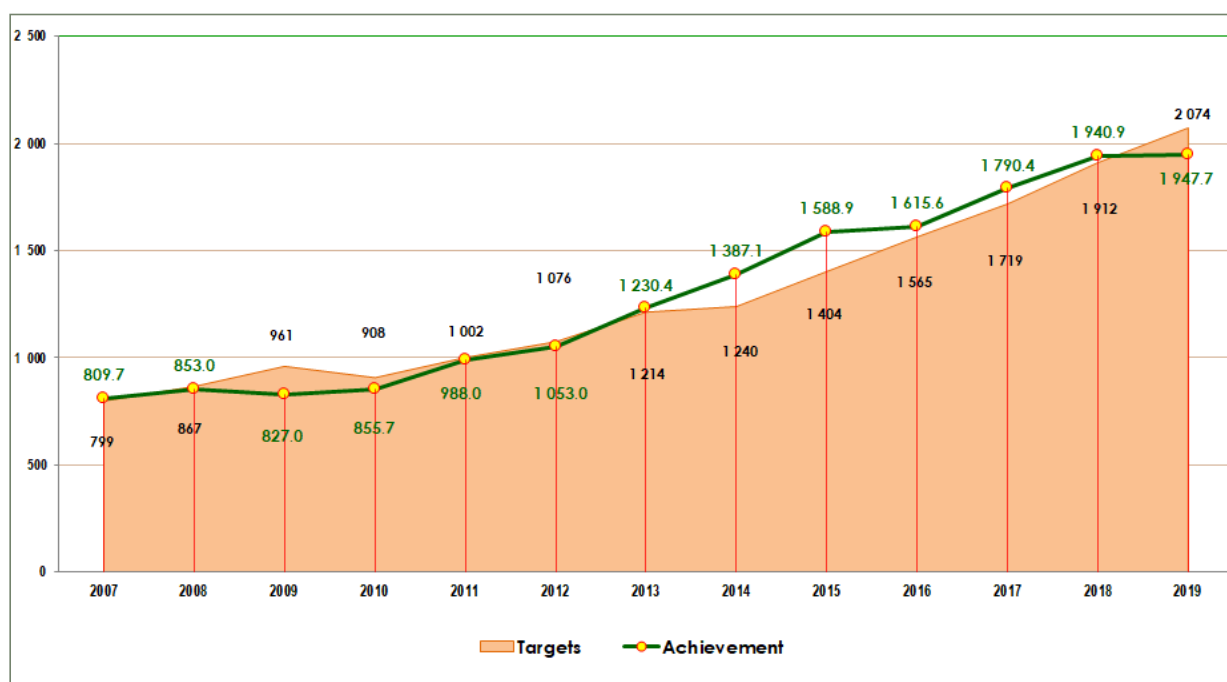
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Targets (FL)	799,0	867,0	961,0	908,0	1 002,0	1 076,0	1 214,0	1 240,0	1 403,8	1 565,0	1 719,0	1 912,0	2 074,0
Achievement	809,7	853,0	827,0	855,7	988,0	1 053,0	1 230,4	1 387,1	1 588,9	1 615,6	1 790,4	1 940,9	1 947,7
Achievement rate	101,3%	98,4%	86,1%	94,2%	98,6%	97,9%	101,4%	111,9%	113,2%	103,2%	104,2%	101,5%	93,9%
Growth rate	-	+5,3%	-3,0%	+3,5%	+15,5%	+6,6%	+16,8%	+12,7%	+14,5%	+1,7%	+10,4%	+8,4%	+0,4%

Source: MINFI/DGT and Treasury Accounts

The 2008-2012 period (i.e. 05 years) was marked by achievements below the targets set by the Finance Law. From the 2013 financial year, the DGT began to turn around its non-oil tax revenue mobilisation curve. The period from 2013 to 2018 (i.e. 06 years) was marked by achievements above the targets set in the respective finance laws. The annual non-oil tax revenue mobilised went from

FCFA 1 230.4 billion in 2013 to FCFA 1 940.9 billion in 2019, i.e. an average annual growth rate of 8.8%. However, the year 2019 marks a turning point in this trend with FCFA 1,947.7 billion in revenue mobilised, i.e. a 93.9% rate of achievement of the objective. The graph below shows the trend in non-oil tax revenue mobilised by the DGT for the period 2007-2019:

Figure: Evolution of non-oil revenue in Cameroon from 2007 to 2019



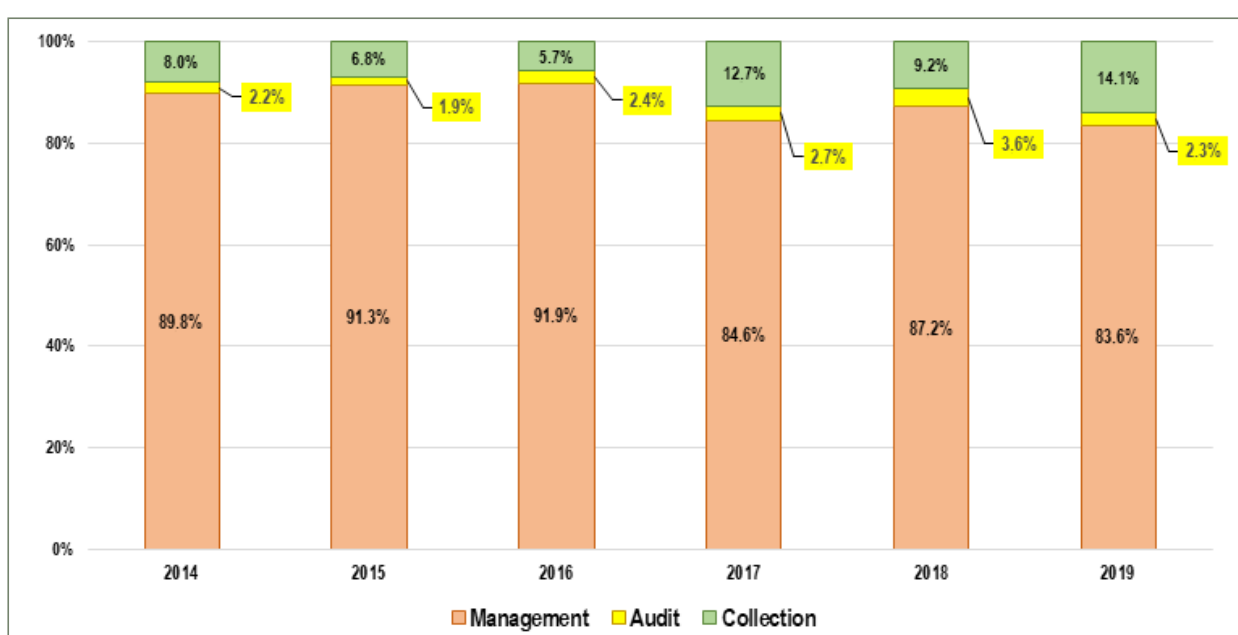
2) Tax revenue of the DGT per fiscal function

Three fiscal functions contribute to the mobilisation of resources within the DGT, namely «management», «audit» and «collection». The table below illustrates the trend in revenue per fiscal function:

Table: Evolution of revenue per core tax function (in FCFA billion)

	2014	2015	2016	2017	2018	2019
Management	1 244.9	1 451.2	1 484.0	1 514.5	1 693.3	1 627.5
Audit (GA)	30.7	29.6	39.2	48.7	69.5	45.4
Collection	111.5	108.1	92.3	227.2	178.1	274.8
Total	1 387.1	1 588.9	1 615.5	1 790.4	1 940.9	1 947.7

Source: DGT



The management function enables the collection of taxes and duties filed and paid voluntarily by taxpayers, notably taxes and duties levied on monthly and annual returns. Revenue derived from this function is considerable given that the Cameroonian tax system is based on self-assessment⁽¹⁾. From 2014 to 2019, the management function contributed, on average, about **88.1%** of the total revenue collected by the DGT.

The audit function, for its part, enabled the collection of extra revenue derived from tax adjustments, subsequent to flaws in the tax returns of taxpayers.

The audit function contribution represent **2.5%** of the total amount of revenue collected.

As for the collection function, it handles accrued taxes generally derived from returns that are not accompanied by means of payment or arrears resulting from tax disputes filed by taxpayers at the conclusion of which the tax is considered due by the competent structures. The collection function contributed **9.4%** of the total amount of revenue collected from 2014 to 2019.

⁽¹⁾ The taxpayer freely files his turnover and pays the corresponding taxes. Later, the tax administration simply exercises the right to audit the taxpayer's declaration in order to determine its sincerity.

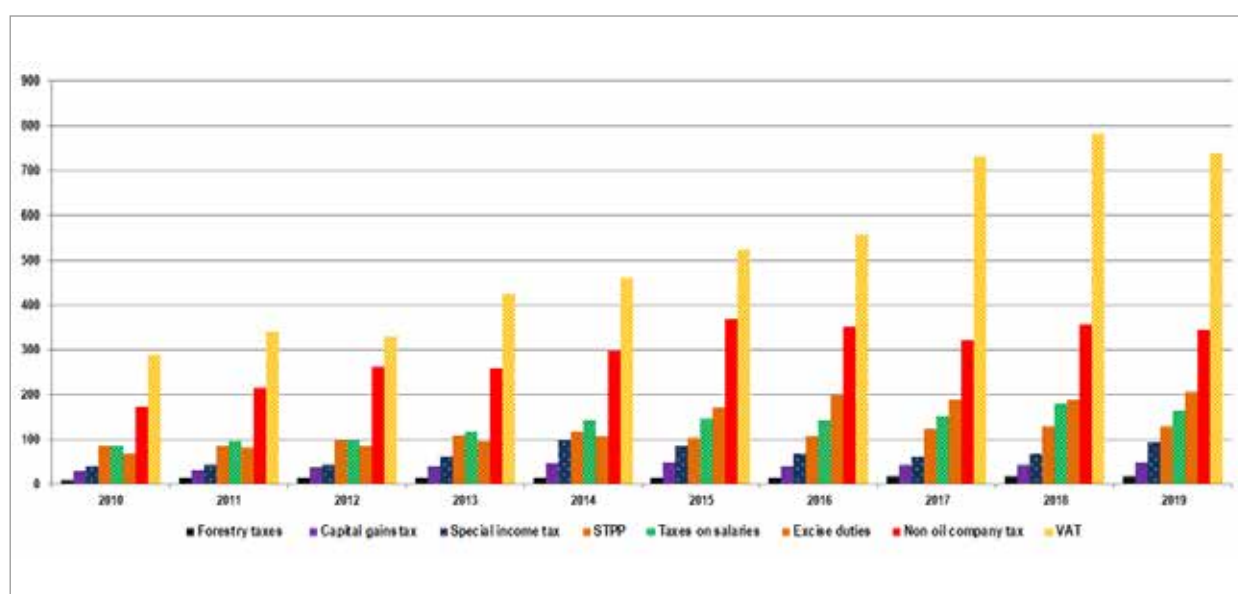
2) Major taxes

The evolution of major taxes is detailed in the table below:

Table 3: Evolution of major taxes from 2010 to 2019 (in FCFA billion)

Taxes	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
VAT	286.8	340.0	329.4	423.2	457.9	523.7	557.0	731.8	780.4	739.6
Non oil company tax	172.4	214.7	261.3	258.4	298.0	367.1	351.8	319.5	354.9	344.4
Excise duties	68.5	81.2	84.1	95.8	106.4	170.2	198.3	186.6	185.6	207.3
Taxes on salaries	84.3	94.3	98.9	118.0	141.2	144.8	143.6	150.4	177.5	164.4
STPP	83.0	84.6	97.4	109.6	118.5	103.8	105.6	122.0	127.5	128.7
Special income tax	38.9	42.6	43.6	61.6	97.6	84.4	68.7	62.4	67.8	91.9
Capital gains tax	27.7	32.5	38.3	39.0	44.5	48.8	39.3	42.2	42.7	47.6
Forestry taxes	9.0	14.1	13.5	15.1	14.0	15.5	15.7	16.7	17.7	18.5

Source: MINFI/DGT and Treasury Accounts



The modernisation of the Cameroonian tax administration is reflected in efforts to mobilise and secure revenue. This modernisation is also reflected in the evolution of major taxes. Over a period of 10 years (2010-2019), the following conclusions can be drawn:

- VAT has been multiplied by 2.6;
- the non-oil company tax has doubled;
- excise duties have tripled;
- the STPP has doubled;
- the tax

4) Operational structures

Revenue collected by operational structures witnessed important increase during the last ten (10) years. Globally, non-oil and gas tax revenue more than doubled (multiplied by 2.3) during the period 2010 through 2019. This trend is also observed at the level of the main operational structures such as the Large Taxpayers' Office (LTO) (revenue multiplied by 2.2), the RTC Centre 1 (revenue multiplied by 3.0) and RTC Littoral 1 (revenue multiplied by 2.0)

Equally, the improvement of the mechanism of withholding taxes on public procurement and on allowances paid to personnel of the state, administrative public establishment, decentralized bodies and other public organism whose output are accounted for in the column "other revenue" resulted in the multiplication of revenue by 3.

Table 4: Evolution of performance of operational structures (in FCFA billion)

Structures	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
DGE	640 521.6	765 315.7	824 400.4	972 606.8	1 054 576.3	1 245 996.9	1 235 084.3	1 315 693.4	1 356 129.8	1 423 334.6
AD	4 268.7	2 870.4	3 595.1	3 506.9	3 697.7	4 993.3	5 398.7	5 763.0	6 865.3	7 597.0
CE 1	50 002.7	59 179.1	65 918.5	74 589.2	83 510.4	103 271.1	121 091.9	151 723.4	177 010.5	147 937.0
CE 2	5 158.6	2 972.0	2 487.6	3 703.3	4 437.1	6 095.5	4 880.0	5 156.7	7 184.9	7 610.8
EST	3 523.4	2 169.4	2 603.3	3 022.2	3 799.2	5 842.9	5 398.9	5 586.1	6 832.0	7 236.0
EN	4 763.1	4 484.9	3 986.3	4 036.7	5 212.6	5 849.4	6 243.0	6 324.2	7 615.4	8 668.6
LT 1	58 966.3	49 432.4	51 884.4	66 856.2	91 631.7	108 311.4	111 235.5	113 299.6	117 878.0	117 053.5
LT 2	3 426.3	3 367.0	3 274.8	2 669.1	2 982.5	3 595.1	3 982.2	4 702.3	8 526.8	9 583.2
NORD	4 939.5	3 898.3	3 826.4	3 546.5	4 761.6	5 347.4	5 797.8	6 483.2	7 258.5	7 702.1
NW	5 193.2	4 741.9	4 545.3	4 802.9	6 758.5	7 600.4	8 014.0	7 558.8	7 204.5	6 649.8
OU	10 424.2	6 872.5	7 812.2	6 215.4	6 458.7	8 340.9	9 178.7	9 143.0	9 898.5	10 273.0
SUD	4 208.9	2 832.4	2 486.1	2 157.8	3 517.0	4 711.2	4 900.6	5 504.0	6 659.3	7 407.2
SW	6 660.7	5 639.3	5 297.9	6 352.3	7 347.8	9 173.6	10 344.6	8 868.8	8 185.5	6 980.0
Autres	53 642.8	74 224.7	70 881.7	76 334.7	108 388.9	69 770.9	84 026.5	144 613.5	213 676.9	179 705.6
DGI	855 700.0	988 000.0	1 053 000.0	1 230 400.0	1 387 080.0	1 588 900.0	1 615 576.7	1 790 420.0	1 940 926.0	1 947 738.4

5) Tax revenue per sector of activity

Evolution of non-oil tax revenue of the DGT per sector of activity trends are presented as follows:

Table 6: evolution in the output per taxpayer segment between 2016 and 2019 (in FCFA billion)

Sector/branch of activity	2016	2017	2018	2019
Primary	18 324.5	19 082.6	17 857.0	18 255.9
- Agriculture	6 801.7	7 726.5	6 750.7	6 989.6
- Silviculture and Forestry	11 522.8	11 356.1	11 106.3	11 266.3
Secondary	887 213.2	1 005 679.7	1 041 371.0	1 077 979.9
- Extractive Industries	238 426.8	325 184.0	359 941.7	299 082.2
Petroleum refining and coking	199 894.9	292 653.3	318 370.7	236 618.9
Other extractive industries	38 531.9	32 530.7	41 571.0	62 463.3
- Agro-food industries	460 333.9	421 155.0	424 370.7	449 555.6
Drinks Industry	399 818.8	359 033.1	356 418.6	378 283.3
Oilseeds and animal feed industry	22 357.1	21 608.9	27 431.7	26 343.5
Cocoa, coffee, tea and sugar industry	18 135.4	19 537.9	17 005.8	21 867.2
Other food products industry	20 022.6	20 975.2	23 514.5	23 061.6
- Other manufacturing industries	101 161.5	114 544.3	111 215.3	128 254.1
- Water supply, waste management	11 280.5	10 113.7	14 894.3	32 987.6
- Supply of electricity, gas...	36 099.6	82 220.0	52 367.0	88 520.4
- Construction	39 911.0	52 462.8	78 582.0	79 579.8
Tertiary	710 038.6	765 657.9	881 698.0	851 502.7
- Wholesale and retail	137 422.1	132 461.5	132 494.3	142 465.9
- Information and communications	113 162.3	110 429.2	110 518.4	116 365.0
- Financial and insurance services	97 548.6	98 164.3	99 002.7	129 388.6
- Transport and Storage	81 588.0	92 237.4	92 877.0	110 148.3
- Accommodation and Food Service	8 117.6	12 886.3	9 981.1	10 835.1
- Other services	126 367.6	109 146.7	147 087.7	161 767.7
- Public Administration	145 832.4	210 332.4	289 736.8	180 532.1
Total	1 615 576.3	1 790 420.2	1 940 926.0	1 947 738.4

Source : DGT

From 2016 to 2019, the mobilisation of non-oil tax revenue was driven by the secondary sector (55%), followed by the tertiary sector (44%) and to a lesser extent by the primary sector (1%).

The predominance of the secondary sector results from the strong added value generated by the agro-food industry (24%, especially the brewery industry), the extractive industries (17%, especially the petroleum refining company) and other manufacturing industries (% , especially the cement and wood industries).

The tertiary sector is driven by wholesale and retail (7%, especially the marketers), information and communications (6%), Financial services (6%) and transport and storage (5% the petroleum depots company especially).

TESTIMONY OF MR. CHARLES NDONGO

Director General of the Cameroon Radio Television (CRTV)



“ FEEDBACK FROM A FRIEND

The butcher thinks about meat, the lamb about the knife. The past ten years of Directorate General of Taxation (DGT) gives me the opportunity to salute the action of this administration in favour of Cameroon Radio Television (CRTV). For, I can imagine that this sequence which is coming to an end will not have left only memories of unanimous satisfaction. But, why should I deprive myself from acknowledging that this period has ensured a good harvest for this prestigious House which I have the privilege of running?

However, before giving my opinion as a companion on this journey, my testimony is first and simply that of the observant citizen. In this regard, I am pleased to salute the formidable odyssey of the Cameroonian DGT which, in about ten years, has quietly doubled the rate of mobilization of non-oil revenues in Cameroon, increasing them from FCFA 855.7 billion in 2010, to FCFA 1947.4 billion in 2019.

This feat has enabled the State of Cameroon to sail through troubled waters over this decade, including the storms ushered in by the current infamous pandemic in progress. It is an understatement to say that many forecasts have been upset, development plans put aside, at the risk of making our economic strategists question their abilities.

Cameroon, certain of the resources mobilised by the DGT and those of the related administrations, has continued to plan and project itself, while preserving the fundamentals. Better yet, to dream and


act. Dreams and actions that, day after day, emerge like mushrooms from the ground all over the territory, through the Great Achievements programme. Bridges, roads, ports, dams! Programmes for electrification and water supply, urban sanitation, construction of schools, colleges, hospitals and what else do I know about the national construction site that is our Cameroon?

If citizens pay more and better taxes, isn't it also because they recognize themselves in this State that collects to redistribute well?

Is it not because they see every day blooming and materializing before their eyes the fruit of their contributions to the national construction effort? This is the share that the CRTV presents, modestly, by participating in spreading the idea of a just and equitable society, the basis of our living together as a nation.

Also, at the CRTV, we have particularly worked over the last five years to legitimize the principle and activity of tax collection, by ensuring the promotion of major state investments among the public of citizens, and by demonstrating their positive impact on the lives of all persons and communities in Cameroon. We do not intend to give up on this for the next few years.

In doing so, it also in our duty to inform the public, in the name of the sacrosanct principle of accountability that every modern state must assume. We are all the more assiduously ensuring this service of accountability to the public of Cameroonian taxpayers, as we consider ourselves as a privileged daughter of the Nation. It is in fact thanks to the



direct contribution of citizens through the Audio-visual Royalties (RAV), that the CRTV receives a large part of its operating resources.

In this regard, the public radio and television channel can be proud of the positive evolution of its revenues, which have increased from nearly 6.5 billion in 2013 to a little over 17 billion in 2019. This performance in the collection of the audiovisual duty is, of course, due to the dedication of the tax administration staff, who work closely with those of the CRTV, within the framework of the CRTV-MIN-FI joint commission. This commission has made it possible to address several sources of problems with the loss of our RAV revenue.

However, the improvement of the offer of radio, TV and Web contents for the benefit of Cameroonian audiences required the creation of new radio, TV and Web channels over the past four years. This sustained effort calls for more financial resources devoted in particular to the setting up of additional logistics, and more and better qualified production staff.

Also, we cannot overlook the limitations linked to the absence of certain stakeholders during the issuance of the RAV, the distribution of business licence proceeds to the various beneficiaries, and the management and follow-up of partial tax payments.

However, we know that we can count on automatic accounting, a project that is currently being finalised in the specialised services of the DGT, and which will make it possible overall to improve the keeping of accounts by type of tax in the various centres. The CRTV, partner and beneficiary of the DGT in this fight, hopes that its completion will provide real time visibility of RAV assessments in the different tax offices in order to guarantee a better monitoring of the process of remittance of RAV to the General Treasury of Yaounde. In relation with the tax authorities, we will ensure the fair and equitable clearance of the Remaining Amounts to be Recovered for the benefit of the CRTV.

It is the challenge of legibility that the Directorate General of Taxation seems to be taking up. A bet that I hope it will win, just as it has managed to win the bet of visibility by positioning itself today in an indisputable manner in public opinion as a modern and efficient public administration, while remaining close to its citizens. Good luck to you, friends and partners !!!

C. EVOLUTION OF OIL AND GAS REVENUE

The performance of oil and Gas revenue witnessed an erratic behavior during the period 2010 through 2019. It stood at **84 billion** in 2010 and then witnessed sustained increase to arrive at **171.9 billion** in 2015. This, due notably to the increase in the production of oil and gas and the stability of the US dollar. The fall of the price of the barrel of

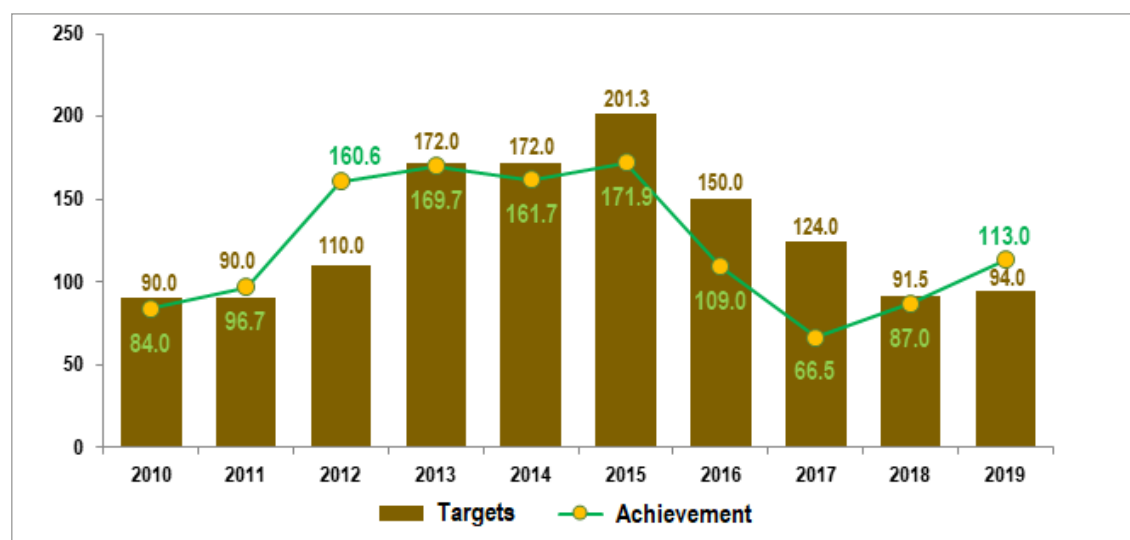
petrol from the second semester of 2014 impacted negatively the results of upstream oil and gas companies and consequently their oil and gas income tax payments for the period 2016-2018. In 2019, we witnessed an improvement of this tax.

The following table present the oil and gas income tax revenue since 2010.

Table 5: Evolution of oil and gas tax revenue (in FCFA billion)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Targets (FL)	90.0	90.0	110.0	172.0	172.0	201.3	150.0	124.0	91.5	94.0
Achievement	84.0	96.7	160.6	169.7	161.7	171.9	109.0	66.5	87.0	113.0
Achievement rate	93.3%	107.4%	146.0%	98.7%	94.0%	85.4%	72.7%	53.6%	95.1%	120.2%

Source: MINFI/DGT and Treasury Accounts



D. EVOLUTION OF ASSIGNED REVENUE

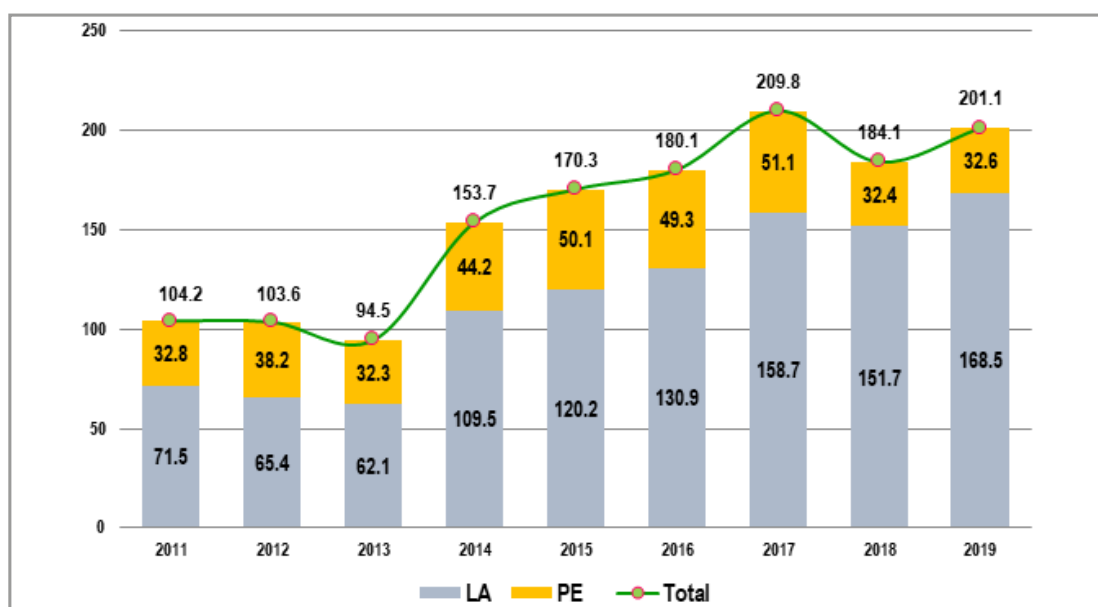
Apart from collecting revenue within the scope of the state budget, the DGT equally collects assigned revenue to Local authorities (LA) as well as to Public Entities (PE).

Revenue assigned to LA and to PE witnessed a stable (sustained) evolution from 2010 through 2019. Revenue assigned to LA moved from **52.4 billion** in 2010 to **168.5 billion** in 2019, an increase in absolute value of **116.1 billion** and a percentile increase of **+321.7%**. This makes DGT the number

one contributor in the financing of decentralization in Cameroon. On the contrary, revenue assigned to some public entities (PE) stagnated as from 2018 due to the ceiling of revenue assigned to the Land Bank and to the National Employment Fund (NEF). The table and graph below presents the evolution of assigned revenue:

Table 6: Evolution of assigned revenue (in FCFA billion)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
LA	52.4	71.5	65.4	62.1	109.5	120.2	130.9	158.7	151.7	168.5
PE	14.7	32.8	38.2	32.3	44.2	50.1	49.3	51.1	32.4	32.6
Total	67.1	104.2	103.6	94.5	153.7	170.3	180.1	209.8	184.1	201.1



Source: DGT

E. EVOLUTION OF THE TOTAL TAX TO GDP RATIO

Tax to GDP ratio defines the relative importance that compulsory collections have on the national economy. It is a macroeconomic indicator whose rate is defined in relationship to GDP (Gross Domestic Product) and translates public revenue recovery efforts needed to finance state intervention.

The tax to GDP ratio calculated on the basis of total (global) revenue moved from 12.1% in 2010 to 14.6% in 2019 with a peak of 14.7% in 2015.

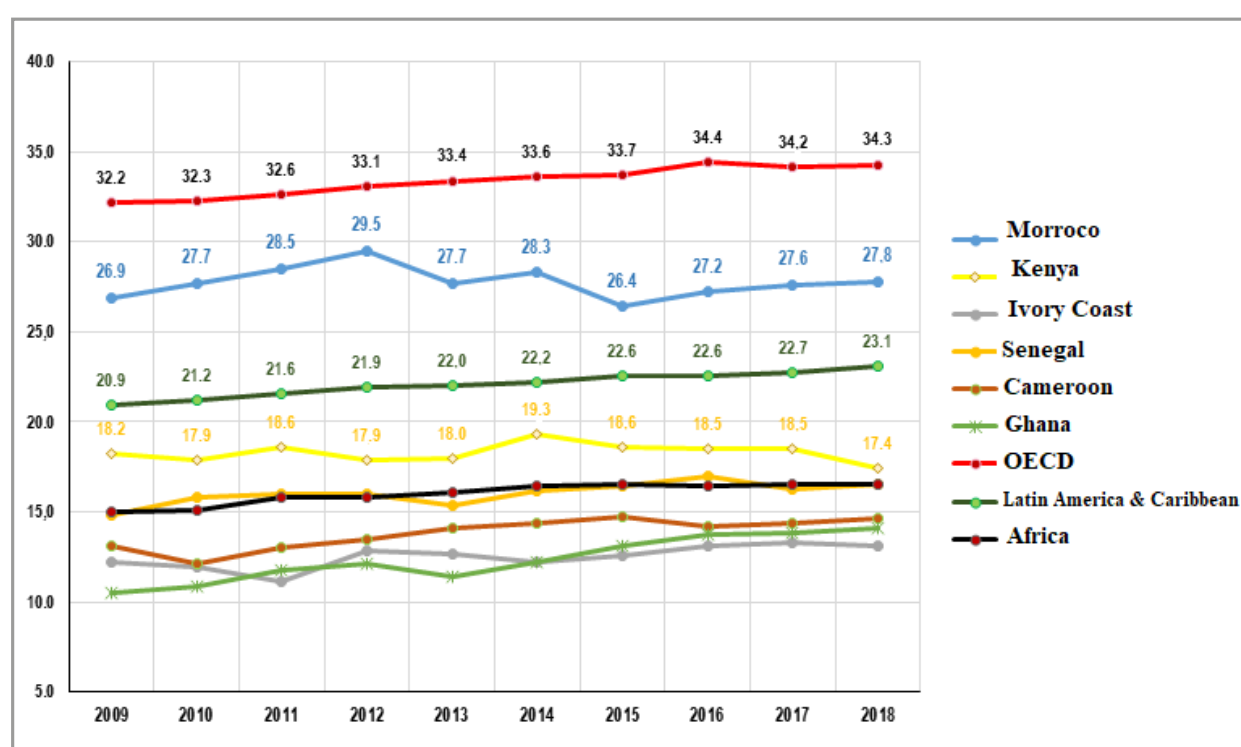
Box 2: Comparison of the tax/GDP ratio with other countries

On the basis of data published by the OECD, which allows comparability between countries, the table and the graph below present the changes in the tax/GDP ratio of certain African countries:

Table 7: Evolution of the tax to GDP ratio

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Morocco	26.9	27.7	28.5	29.5	27.7	28.3	26.4	27.2	27.6	27.8
Kenya	18.2	17.9	18.6	17.9	18.0	19.3	18.6	18.5	18.5	17.4
Ivory Coast	12.2	11.9	11.1	12.8	12.7	12.2	12.6	13.1	13.3	13.1
Senegal	14.8	15.8	16.0	16.0	15.4	16.2	16.4	17.0	16.3	16.5
Cameroon	13.1	12.1	13.0	13.5	14.1	14.4	14.7	14.2	14.4	14.6
Ghana	10.5	10.9	11.8	12.1	11.4	12.2	13.1	13.7	13.8	14.1
OECD	32.2	32.3	32.6	33.1	33.4	33.6	33.7	34.4	34.2	34.3
Latin America and the Caribbean	20.9	21.2	21.6	21.9	22.0	22.2	22.6	22.6	22.7	23.1
Africa	15.0	15.1	15.8	15.8	16.1	16.4	16.5	16.4	16.5	16.5

Source : OECD



TESTIMONY OF

MR. EDOU ALO'O CYRILL

Director General of Budget (DGB)

“THE DIRECTORATE GENERAL OF TAXATION IN THE CLOTHES OF EMERGENCE”



D

During the last ten years, the image of the Directorate General of Taxation (DGT) has fundamentally changed in the public eye. It changed from a tax empire to an administration at the service of the citizen and the public.

This administration which once proudly carried the image of tax man and maintained a relationship of master and slave with the taxpayer, has succeeded in 10 years to change this image and become a service provided to the public having as customer the taxpayer.

This change of perception stems from frequent and regular communication with the taxpayer, putting in place of partnerships and modernisation of the working tools and framework of the work environment within the spirit of dialogue and mutual respect.

In fact, we have witnessed the increase of communication towards the taxpayers, partner administrations and the general public. This obviously permitted the tax administration to bring to the notice of all stakeholders the major reforms put in place for the modernization of the tax system and to explain to taxpayers the goal of paying a particular tax and the necessity for them to pay. It favoured the acceptance of taxes by those who are subjected thereto and thereby reinforcing the tax contract with the state.

Moreover, the DGT established many partnerships with other administrations of the Ministry of Finance: Directorate General of Customs, Directorate General of Treasury and Financial and Monetary Cooperation and also with the Directorate General of Budget (DGB). For DGB for which I can talk about, the partnership is a complete success. In a few years, the two administrations have been able to overcome many challenges and each has ameliorated her performance within the framework of the process of execution, control and follow up of the budget. The following can be cited as achievements:

- Reinforced collaboration in the elaboration of the finance bill leading to reduction in delays;

- The putting in place of a new system for the collection of taxes and duties during the execution of the state budget through the mechanism of calculating taxes in advance and withholding same at source within the framework of the exceptional procedure of the execution of public expenditure;
- Ensuring online access to the national index of taxpayers and the institution of tax clearance certificate (TCC) as the only document which attests to the tax situation of the taxpayer resulting to a more rigorous selection of State service providers and the amelioration of the execution of public procurement.

The last step to this paradigm shift is the dematerialization of almost all the tax procedures. From e-filing to audit and passing through property tax, tax clearance certificate and the Statistical and Tax Return online, the DGT conquered digitalization and put it at the disposal of the taxpayer. For the taxpayer, it was a source of simplification of procedures, quality of service and the amelioration of the business climate.

All these changes helped to reinforce the legitimacy of the DGT in the role which is hers and increased output in the collection of the State's budgetary revenue.

As such, revenue collected by the DGT which stood at 939.7 billion in 2010 more than double, getting to 2 060.7 billion in 2019, witnessing an increase of 1 121.0 billion (+119.3%). During the same period, the contribution of tax revenue to self-generated revenue moved from 48.5% in 2010 to 58.6% in 2019 attaining a pic of 60.7% in 2017.

The trajectory of collection of internal tax revenue taken by the DGT is proof of a promising future not only for the State but equally for Local Administrative Authorities. As a reminder, revenue collected for Local Authorities was 52.4 billion in 2010 and stood at 168.5 billion in 2019. The acceleration of the decentralization process which necessitate supplementary revenue will be made possible without any doubt with a more efficient Directorate General of Taxation.

EDOU ALO'O Cyrill

DECRET NO. 2020/016 DU 09 JANVIER 2020 PORTANT ORGANISATION ET FONCTIONNEMENT DE LA SRC

Le Président de la République du Cameroun a assigné de nouvelles missions à la SRC et lui a conféré des prérogatives de puissance publique, renforcé le Privilège du Trésor et la protection des porteurs de contraintes pour leur permettre d'améliorer les ressources des finances publiques.

1 LES MISSIONS NOUVELLES DE LA SRC

Ce décret conforte la SRC dans sa mission traditionnelle de recouvrement des créances et la liquidation des établissements financiers. La sphère de compétence de la SRC est élargie à de nouvelles missions.

LE RECOUVREMENT

→ Le recouvrement des créances douteuses et litigieuses et/ou contentieuses **détenues par les administrations publiques**, les entreprises non financières du secteur public et éventuellement par **des établissements de microfinance**.

→ Le recouvrement des créances issues des condam-

nations pécuniaires au profit de l'Etat dans le cadre des actions en justice, tant au plan national qu'à l'étranger en liaison avec le Ministre en Charge de la Justice.

→ La liquidation des établissements financiers

→ La gestion des portefeuilles des créances douteuses ou compromises des Banques en restructuration.

LA GESTION DU PATRIMOINE IMMOBILIER ISSU DES ACTIVITÉS DE RECOUVREMENT APPUI-CONSEIL

La SRC est chargée de l'appui conseil au profit de l'Etat et de ses démembrements et toute autre institution qui pourrait la solliciter en matière financière et/ou bancaire.

→ Evaluation des créances douteuses

→ Renforcement des capacités en matière de recouvrement

Cette mission s'étend par l'appui au Ministère des Finances en matière de restructuration bancaire, par le biais de l'évaluation des créances compromises des banques, des consultations juridiques et de manières générale l'accompagnement de l'Etat dans le processus de rachat ou de cessions de créances de quelques natures que ce soit.

2 NOUVELLES PRÉROGATIVES DE LA SRC

La SRC dispose pour le recouvrement des créances qui lui sont confiées par l'Etat et/ou ses démembrements des prérogatives de puissance publique et du Privilèges du Trésor conformément à la législation en vigueur.

La SRC dispose d'un pouvoir de réquisition et d'investigation.

C'est le pouvoir donné à la SRC de procéder aux enquêtes et d'obtenir toutes les informations nécessaires sur le débiteur et son patrimoine dans le cadre d'une opération de recouvrement.

Le porteur de contrainte de la SRC peut :

→ Requérir la force publique

→ Accéder à toute base de données

→ Accéder aux immeubles

→ Demander et se faire délivrer tout document nécessaire à l'accomplissement de leur mission.

3 LE PRIVILEGE DU TRÉSOR

Les créances relevant des personnes morales de Droit Public confiées à la SRC quelle que soit leur nature ou origine sont des **créances souveraines de l'Etat inaliénables et imprescriptibles**.

Il s'agit d'un régime juridique plus avantageux que consacre l'imprescriptibilité des créances gérées par la SRC pour le compte de l'Etat.

Ces créances sont des créances de l'Etat et pérennisent l'activité de recouvrement des créances bancaires issues des liquidations et restructurations bancaires.

L'abandon de tout ou partie d'une créance est subordonnée à **l'autorisation préalable du Président de la République**.

4 MODALITÉS D'APPLICATION PRIVILEGE DU TRÉSOR

1. La requête en contestation de créances à peine d'irrecevabilité doit être appuyée des justificatifs de paiement de la partie non contestée et d'un acompte de 10% de la partie contestée.

2. Les juridictions administratives sont compétentes pour connaître des différends nés de l'exécution des contraintes.

Ces dispositions consacrent la contrainte délivrée par le Directeur Général de la SRC comme un acte administratif et visent à mettre la procédure de recouvrement par voie du Privilège du Trésor à l'abri des procédures dilatoires de reddition des comptes.

5 LA PROTECTION DES DIRIGEANTS ET DES PORTEURS DE CONTRAINTE

Le personnel préposé au recouvrement des créances est porteur de contrainte et assermenté

Le serment leur confère la qualité et les fonctions d'huissier du trésor. Les actes posés en cette qualité sont réputés authentiques jusqu'à inscription de faux.

Les dirigeants et porteurs de contrainte ne peuvent sauf cas de flagrant délit dument constaté subir au cours de l'exécution de leur mandat aucune poursuite, ni mesure privative de liberté sans accord préalable du Chef de l'Etat.

6 LES OBLIGATIONS DU PORTEUR DE CONTRAINTE

Le personnel SRC est tenu d'exercer ses fonctions dans le strict respect des règles de déontologie en la matière.

→ Obligation de probité, de compétence et de courtoisie.

→ Le personnel SRC est astreint à l'obligation de réserve et au respect du secret professionnel

Le personnel de la SRC qui se rend coupable de manquements graves aux règles de déontologie ou aux obligations légales dans l'exécution de ses fonctions peut être traduit devant les instances disciplinaires compétentes et le cas échéant passible de poursuites judiciaires.

7 L'ASEMBLEE GÉNÉRALE

PRÉSIDENT
Ministre des Finances

04 MEMBRES

- Un représentant de la Présidence de la République
- Un représentant des Services du Premier Ministère
- Un représentant du Ministère en Charge de la Justice
- Un représentant des Services en Charge du Contrôle Supérieur de l'Etat

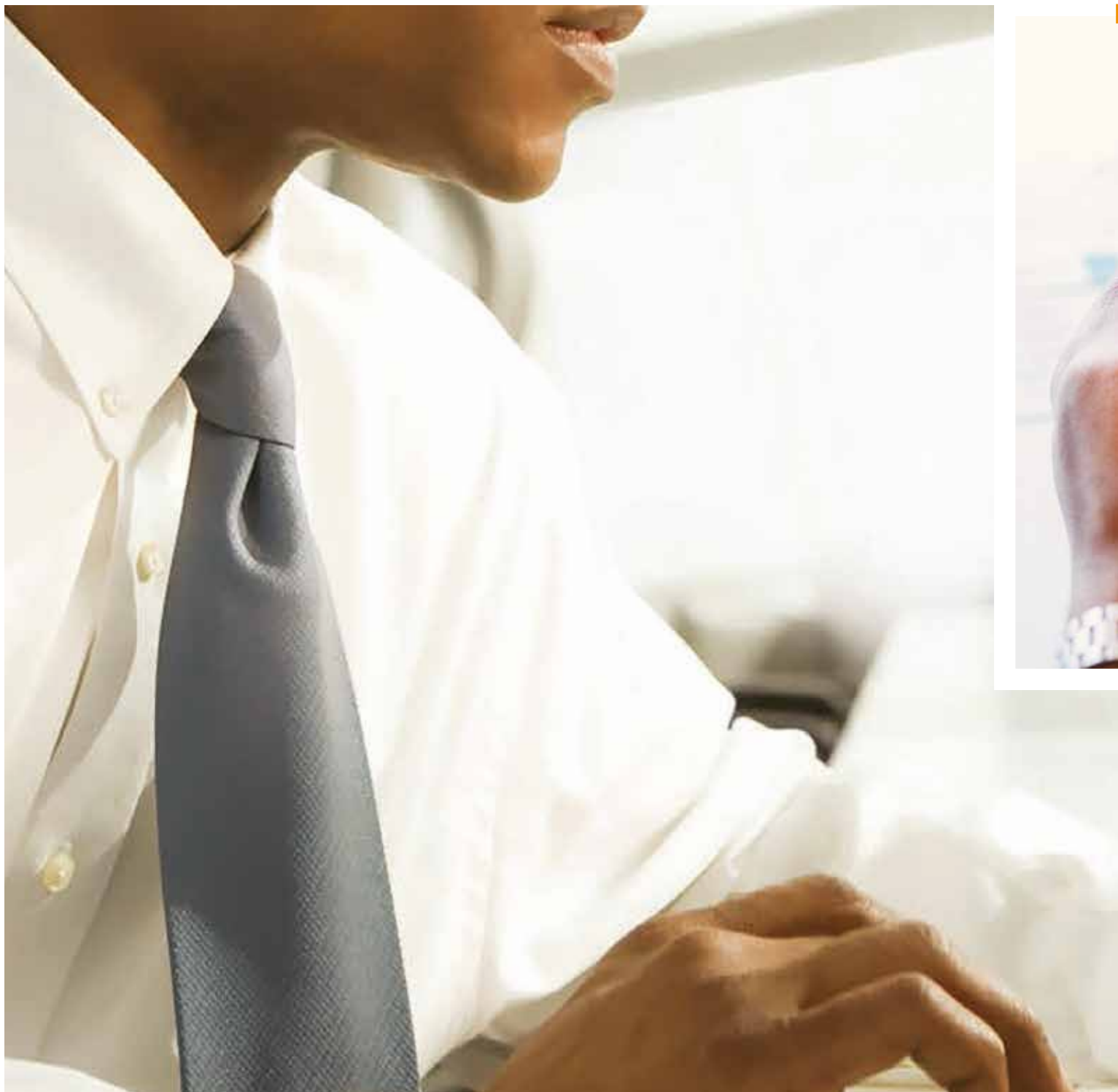
8 LE CONSEIL D'ADMINISTRATION

- Une personnalité désignée par le Président de la République
- Un représentant de la Présidence de la République
- Un représentant des Services du Premier Ministère
- Un représentant du Ministère des Finances
- Un représentant du Ministère en Charge de la Justice
- Un représentant des Services en Charge du Contrôle Supérieur de l'Etat

- Un représentant du Ministère en Charge des Domaines
- Le Directeur de l'Agence Nationale d'Investigation Financière (ANIF)
- Un représentant de l'Association Professionnelle des Etablissements de Crédit du Cameroun
- Un représentant du personnel de la SRC élu par ses pairs.

9 PERFORMANCES DE LA SRC AU 31.12.2019

Nombre d'Entités	19
Volume des Créances compromises	807.745.384.138 FCFA
Recouvrements au 31 Décembre 2019	267.335.203.977 FCFA
Indemnisations des créanciers des Banques au 31 Décembre 2019	373.021.789.257 FCFA



3 A TRANSFORMED TAX ADMINISTRATION





In a context warranting more transparency towards the authorities and the society, the tax administration should undergo transformation to improve in efficiency and performance. "Make the DGT a modern administration which uses ICT as a spring board to increase the mobilization of resources and ameliorate the business climate", this is the visions supported by the modernization plan adopted in 2016. For about ten years now, this transformation has become perceptible thanks to a clear strategy aligned with the modernization of the tax functions [A] and reforms tending to ameliorate the business climate [B].

A TRANSFORMED TAX ADMINISTRATION

A. MODERNIZATION OF THE TAX FUNCTION

The modernization of the tax administration is backed by a forward looking definition of governance, amelioration of tax processes and their piloting. In total, it takes into consideration both the primary or business functions (1) and the support or subsidiary functions (2).

1. Transforming the business functions

The last ten years witnessed a heavy deployment of measures intended to reinforce and increase the productivity of business functions such as registration/matriculation, management, audit/control, recovery/collection and litigation.

a) Reforms in the domain of index and registration of taxpayers

The reform of taxpayers' index started in 2014, led to the creation of a service dedicated to the follow-up and publication of the index by operational services. It revealed the importance that this instrument has as far as mastering the widening of the tax base is concerned. On the 1st of December 2014, the DGT published for the first time the national index of professional taxpayers of the real/actual and simplified regime on the official website of the DGT www.impots.cm. This was meant to ameliorate the awareness and mastering of the portfolio of taxpayers of every tax office nationwide.

The electronic index provides information on the status of every taxpayer précisant the centre of attachment, business name, the single identification number (TIN), main business activity, tax regime and address. These measures replaced the taxpayer's card which is no longer the document which attests to the fact that a taxpayer (moral or natural person) is known and regularly followed up by the tax administration.

It is a precious instrument which informs on the tax situation of all Cameroonian taxpayers. The tax administration, the users and other interested persons can use information from this national index to determine the level of conformity to tax rules of

the taxpayer with whom they are bound to interact.

This approach obliges enterprises trying to remain in the informal sector to regularize their situation because absence from the national index supposes the automatic exclusion of taxpayer from the economic and administrative circuit.

Example, Financial administrations such as the Directorate General of Customs, of the Budget and of the Treasury have access to this index and consult to ensure that the taxpayer who wants to benefit from any service is regularly registered and is active in the index of their various tax centres.

The taxpayer registered in the index of a given tax centre is visible on the website of the DGT as long as the said taxpayer meets her fiscal obligations. The downloadable national tax index is accessible to the general public and is regularly updated.

For a more rigorous follow-up of declassification and classification of taxpayers in the index, the DGT has instituted since 2019 yearly meetings to ensure transfers of taxpayers from one centre to another. This method has as an objective to ensure traceability of movements of taxpayers in the index and to ensure the respect of legal deadlines in the transfer of files. In the same vein, the DGT has put in place the index of taxpayers registered with Approved Management Centres (AMC) to render public, taxpayers who benefit from the derogations granted by this tax regime. This way, taxpayers registered with AMC are materialized by registration in the index published in the DGT website. Production companies and their wholesale distributors are obliged to check the status of their customers during any transaction.

Table 8: Number of taxpayers per structure of production (2014-2019)

Structures	2014	2015	2016	2017	2018	2019
LTO	404	380	407	431	455	505
RTC ADAMAOUA	3 877	2 107	2 803	2 372	2 806	2 845
RTC CENTRE 1	19 080	20 460	21 233	19 646	23 483	26 256
RTC CENTRE 2	5 438	6 320	6 900	6 978	7 294	7 188
RCT EAST	6 262	7 928	7 991	7 085	7 354	7 672
RTC EXTREME-NORTH	1 158	2 857	2 721	2 745	2 951	3 057
RTC LITTORAL 1	10 772	20 800	23 262	22 924	24 129	24 988
RTC LITTORAL 2	6 327	6 605	7 986	8 499	9 334	10 077
RTC NORTH	2 704	3 906	3 939	4 097	4 285	4 406
RTC NORTH WEST	5 353	11 778	11 542	9 571	9 270	8 725
RTC WEST	10 306	9 078	12 576	13 505	14 752	15 342
RTC SOUTH WEST	5 999	8 580	9 430	8 612	5 923	5 429
RTC SOUTH	3 117	4 937	4 279	4 374	4 612	5 076
Total	80 797	105 736	115 069	110 839	116 648	121 566

Source: DGT

In spite of the fall in numbers in 2017, due to the cleaning of the tax index to rid it of double and multiple entries, the active tax population of the DGT registered a structural increase from **80 797** in 2014 to **121 566** in 2019, registering an increase

of **40 769** taxpayers in absolute terms and **+50%** in relative terms. This upturn is noticeable in all the segments of the tax population during the same period.

b) Management: digitalization of procedures

The management function has witnessed a huge change during the last ten years. Its new organization is based on tools adapted to ensure efficiency and to support the strategic objective of mobilizing resources. In this light, significant evolutions have occurred notably e-filing and prefilled declarations.

i) E-procedures

E-filing is a simplified procedure which enables taxpayers file their tax returns without making use of paper forms and without moving to the tax offices. It is meant to facilitate the accomplishment the obligation to file returns and so reduce tax compliance cost. E-filing increases the productivity of the tax administration by enabling tax agents to concentrate on other more productive tasks (risk analysis, follow up of tax returns risk, management dialogue, etc), following the suppression of manual tasks which have become obsolete (reception of physical tax returns, typing and archiving).

Since 2014, a radical option for electronic switchover is ongoing within the tax administration. Thus, in an effort to reduce the cost of accomplishing tax return obligations and to ameliorate

compliance, the DGT implemented the e-filing of ordinary taxes (a) e-filing of public procurement (b), e-filing of registration and stamp duties on the sales of immovable property (c), dematerialization of business license (d), e-filing of Statistical and Tax Return (STR) for companies which belong to specialized units (e) and the possibility for the tax administration to transmit procedural correspondences via electronic medium.

a) E-filing for standard tax regimes

The e-filing of standard taxes was put in place in 2014 for taxpayers of the LTO, this in order to reduce the number of movements (On the average, 12 journeys/movements per year) carried out by promoters of companies to accomplish their tax returns obligations.



In 2016, it was equally extended to the 08 MTO existing at that time, the major specialized management centres in Cameroon's tax scheme. In terms of numerical assessment, e-filing is operation in all 15 MTO and 100% of taxpayers use this modern tool to carry out their filing. This high rate is made easy by adoption of tax notice (avis d'imposition) as a precondition for any bank transfers which are the only means of paying taxes.

The pilot divisional tax centres of Yaoundé and Douala also uses e-filing and this should extend to other divisional tax centres in 2020.

b) E-filing of public procurement

The formalities of tax registration of public procurement has for long been characterized by excessive bottle necks decried by users. As such, there existed many forms to fill, many steps to follow and multiple displacements to accomplish the formalities. In 2016, the procedure for registering public procurement was profoundly reformed thanks to the introduction of e-filing.

Updated statistics in this domain show that the deadlines for accomplishing formalities in this domain have drastically reduced. Moving from 11 days to just 2 days (48 hours for the greater majority (95%), some exceptional situation can take up to three (03) Days.

c) E-filing of sale/transfers of immovable property

The e-filing of sale/transfer of immovable property launched on the 1st of June 2016 was hinged on two prerequisites:

- The putting in place of administrative values in matters of immovable property;
- The consecration of the payment of registration and stamp duties of sales/transfers of immovable exclusively by bank transfers.

The reform of the digitalization and dematerialization of procedures touched on the densification of e-filing, dematerialization and simplification of tax audits and litigations, but equally the launching of work on the integrated system of management of tax and duties. Furthermore, the website and network and communication infrastructures were restructured and secured.

d) Dematerialization of the business license

The 2017 finance law simplified and modernized the calculation, filing and payment of the business license through the putting in place of a scheme which enables automatic calculation of the amount online and thereby suppressing the hard copy. The tax clearance certificate henceforth justifies in a global manner the regularity of the taxpayer's situation vis à vis her obligation to file and pay taxes. With the introduction of this reform from 2017 fiscal year, business license is calculated just by the application of the rate to the turnover of the previous fiscal year as defined below:

- 0,159% on the turnover of large taxpayers with

a minimum of 5 million and a ceiling of 2.5 billion;

- 0,283 on the turnover of medium enterprises with a minimum of 141 500 and a ceiling of 4 500 000;
- 0,494 on the turnover of small enterprises with a minimum of 50 000 and a ceiling of 140 000.

e) Institution of e-filing of Statistical and Tax Returns for enterprises of the specialized management centres

In its continuous quest for solutions aimed at simplifying procedures and reducing the cost of tax compliance, the DGT within the framework of the 2019 finance bill instituted the obligation to transmit by electronic means the Statistical and Tax Return for enterprises belonging to specialized centres. To put in place this facility, a firm; Revenue Development Foundation (RDF) in association with the German cooperation GIZ was retained to develop an e-filing application for STR. The e-filing is done online through the computer system of the Directorate general of Taxation accessible through the web portal address www.impots.cm.

f) Institution of the possibility for the tax administration to transmit procedural documents through electronic means

ments through electronic means

To enhance the successes of the reforms started in 2014, the 2019 finance law gives the possibility for the tax administration to transmit tax procedural documents through electronic means.

The progressive putting in place of this reform started with the implementation of electronic transmission/communication of certain procedural documents such as AMR, Audit notice, notice to file, etc.

a) Other E-procedures

2019 was a determinant year in the procedure of e-reforms notably the interfacing with the Douala port's One Stop Shop's (Guichet Unique) e-GUCE platform for e-payments of taxes on the importation of vehicles, online generation of payment slip for withholding taxes for public procurement.

The development of e-procedures is consistent with the objectives of the tax administration which is aimed at providing better services to companies through more fluid circulation of information and more simplified administrative procedures.



TESTIMONY OF

MR. PHILIPPE CAMILLE AKOA

General Manager of Special Council Support Fund for Mutual Assistance (FEICOM)



“COLLABORATION FOR EFFICIENCY”

he efficiency of the tax administration in the mobilization of resources

The indicator for measuring the efficiency of the tax administration in the mobilization of resources at the level of the local authorities (CTDs) and Special Council Support Fund for Mutual Assistance (FEICOM) is the evolution curve of tax revenues assigned to the said entities, since the revenues transferred to them are collected on state budget revenue. That is the case with Additional Council Taxes (CAC) which represent more than 80% of these resources and which are pegged onto VAT, CIT and PIT.

The tax revenue mobilized by the DGT for the benefit of FEICOM rose from FCFA 50.7 billion in 2010 to FCFA 135.6 billion in 2019, noticing an increase of FCFA 84.9 billion (+ 67.4%). From 2010 to 2020, the overall tax revenue mobilized for the benefit of FEICOM stands at FCFA 1,342.6 billion (CAC/VAT including customs). This important resource was redistributed in part to the Local authorities (CTD), by the equalization mechanism for an amount of FCFA 845.9 billion,

and made it possible to grant 3,576 financial assistance to these same entities, for an amount of FCFA 225.3 billion intended for funding council and inter-council projects and various cash facilities. The structural reforms of the frontline tax services which focused on effectiveness and efficiency, have strongly contributed to this good performance. The other positive point to note is the participation of FEICOM in the reflection on certain reforms undertaken at the level of the Directorate General of Taxation (DGT).

This envelope of resources allocated to CTDs and FEICOM would have been higher, had it not been for certain persistent difficulties linked to the allocation of revenue, such as IT malfunctions and the problem of administering certain high-potential taxes, but which unfortunately is still witnessing a timid performance. This is case with property tax for land ownership and the automobile stamp duty which, despite multifaceted reforms, show returns below the real potential. We believe that the reforms aimed at optimizing these two taxes in a specific way yet to be completed.

Improving the relationship between tax services and taxpayers

The dematerialization of filing and payment procedures has contributed to improving the relationship between the tax administration and taxpayers. FEICOM as a taxpayer has subscribed to this digital approach and fully fulfills its filing obligations and the payment of taxes and duties. The digitalization of procedures is undoubtedly a major step forward to better secure revenue and limit the risk of corruption. As a legal taxpayer, FEICOM, in managing the payments from various service providers, regularly consults the online taxpayers index as well as verify the authenticity of their Tax Clearance Certificates. It is worthwhile to note that this institution was consecrated in 2019 by the Directorate General of Taxation as one of the best taxpayers of the year. But this reform could only be complete with the successful interfacing of tax management and accounting applications, which is highly desired by all stakeholders.

Cooperation with other administrations

Collaboration with the tax administration in a specific manner and with partners of financial administrations in general, has been built over a long period. Today, we can say that it is relatively healthy. Initially this was not the case. I think that almost all the actors already understand the issues and challenges of decentralization and local development, as well as the role of the CTDs and FEICOM in this public policy mechanism. Indeed, each citizen lives on the territory of a council and aspires for basic social services.

This good collaboration has resulted in the establishment of consultation frameworks at the central level and in the Regions, for the monitoring and assessment of the revenue mobilized by the tax administration. These platforms make it possible to solve both operational problems and to lead reflections on strategic questions in the area of resource mobilization, accompanied by proposals for improvement.

authorities and thereby increase their capacity to finance local development projects. It also helps the State to raise extra revenue and equally help the tax administration to better apprehend through localization, immovable properties, revenue from rents and other activities carried out by the taxpayer.

The putting in place of this reform has enabled:

- The implementation of important organizational changes which occurred in 2014 to reinforce the capacities in the management of property tax in tax centres in order to counterbalance the suppression of VAT and other taxes managed by divisional centres;
 - Adopted the pre-filled returns procedure within the framework of the 2014 finance law;
 - Obtained from the electricity company (ENEO) an index of 1 025 000 subscribers;
 - To give value to property tax through a simple equation and taking into consideration history of payment of a representative sample of taxpayers and electricity consumption;
 - Put in place a property tax payment service using mobile phones (mobile tax);
 - Put in place a pre-filled returns inter-ministerial (MINFI- MINATD-MINCAF) follow-up committee;
- Enforced in 2016, a mechanism meant to incite taxpayers to file returns through tax amnesty for previous years unpaid taxes;
 - Put in place a framework for collaboration between ENEO and DGT to envisage practical modalities of monthly installment payments and the inclusions of property tax in electricity bills;
 - To extend to sub divisional headquarters the pre-filled returns and to prepare the implementation of the property tax reform (reform relating to modalities of collection) since 2018;
 - Put in place a joint team DGT/ARSEL/ENEO to implement the property tax reform;
 - Deploy French technical assistance missions to elaborate à " cahier de charges" and a conceptual map for the project and clean up the database;
 - Constitute a database for property owners;
 - To launch in 2019 the 5th pre-filled campaign, to develop a module of e-filing of property tax and to print pre-filled returns online, equally develop a platform of mobile Tax 2.



3. Balance sheet of the PTR and PT

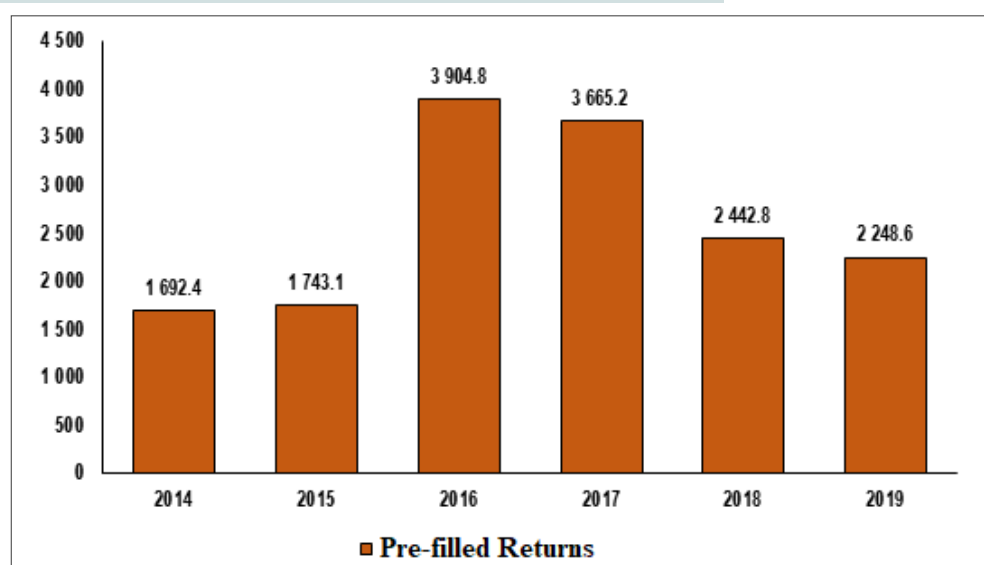
On the qualitative plan

Two essential elements can permit us to appreciate the balance sheet of the property tax pre-filled returns reform: Broadening of the tax base and increasing the notoriety of this tax. The table below shows the evolution of this tax:

Fiscal year	Property tax index	Evolution
2014	20 000	-
2015	170 518	753%
2016	660 469	287%
2017	780 000	18%
2018	788 203	1%
2019	788 203	0%

On the quantitative plan

During the period of the putting in place of the reforms relating to Pre-filled returns, the output for property tax witnessed a pic in 2016 due to the tax amnesty measure put in place. However, a downturn has been observed since 2018 because of the absence of incentive measures and the security crises in the North West, South West, East and Extreme North regions of the country. Below is an output table of property tax.



b) Tax Audit: A redefinition of the tax audit strategy

The year 2016 witnessed a major paradigm shift as regards the execution of tax audits at the Directorate General of Taxation. Thus, the principle of one audit per taxpayer per year was introduced (i) as well as the digitalization of procedures (ii).

i) Rationalization of interventions on the field

In order to address the worries of taxpayers, regarding the superposition of different forms of audit, that gave rise to the awkward perception of tax harassment on one hand, as well as ensure coherence, circumscribe modalities of implementation of tax audits, follow up and evaluation of the actions of the tax authority, the Directorate General of Taxation issued a Circular on the 3rd of June 2016 that stated the modalities of all types of intervention by tax services in the enterprise.

Circular no 011/MINFI/DGI/DEPSCF of 3rd June 2016 to state the modalities of intervention of tax services marks a turning point in the execution of tax audits in the DGT. The circular consecrated the principle of a single intervention by tax services for the same taxpayer within a fiscal year.

This rationalization rests on the principle that not more than one intervention, whatever the nature can be executed in an enterprise in a fiscal year. In application of this principle, interventions in enterprises would not overlap.

However, this principle has three exceptions. These include audits in view of ascertaining Value Added Tax Credits, the implementation of the Administration's Right of Access and audits expressly authorized by the General Manager of Taxes under certain conditions.

Thanks to the annual and centralized programming materialized by a single validation number

regardless of the type of audit, which is put in all procedural documents until the extinction of the tax debt, each taxpayer knows in advance the type of audit he will be subject to, within the fiscal year (on-site audit, desk audit, right of inquiry).

Ultimately, it is a real paradigm shift that has produced qualitative as well as quantitative results. On the qualitative aspect, the business tax environment has improved, with a reduction of the number of audits, suppression of multiple interventions as well as the execution of abusive and non-programmed audits. As such, there has been an appeasement in the relations between the tax authority and the business community, especially at the level large taxpayers.

With regards to quantitative results, the circular has permitted a significant increase in output from tax audit. This enhanced output translates through more issues and collections emanating from tax audits, though the number of audits has dropped.

These good results are explained by two key factors; audit case selection based on risk analysis of tax files and better preparation of interventions with prior inquiry and research on one hand, and the provision of tax related information for both on-site audits and desk audits on the other hand.

This trend can be seen in the tables below, which lay out for the period 2016-2019, the types of audits per year and their respective results.

Table 9: Number of file programmed by type of audit

Type of audit	2016	2017*	2018	2019
VGC	1 291	545	2 624	2 547
CP	2 015	391	1 312	1 390
CSP	3 488	595	4 226	4 102
DEC	473	40	310	267
TOTAL	7 267	1 571	8 472	8 306

*Only the Large Taxpayers' Unit had an audit program in 2017, while the other structures were concluding 2016 files.

Tableau 10 : Gross output of controls by type of audit (million of FCFA)

Type of audit	2016		2017		2018		2019	
	Issued	Collected	Issued	Collected	Issued	Collected	Issued	Collected
VGC	56 711.3	41 495.7	67 369.3	46 466.1	118 057.5	65 249.6	172 488.2	52 342.2
CP	2 777.0	2 363.9	1 335.9	863.3	304.5	91.0	1 202.1	531.9
CSP	4 653.5	4 301.1	28 292.9	3 254.6	9 782.7	2 190.9	13 310.8	1 997.6
TOTAL	64 141.8	48 160.7	96 998.1	50 584.0	128 458.3	67 622.6	187 001.1	54 871.8

Source: DGT

Despite these encouraging results, this reform alone has not permitted our administration to make the much desired qualitative leap with respect to tax audit. That is, attain an output from audits that is situated between 4 and 5 % of total output. This explains why in follow up of recommendations of different technical assistance missions, notably of the IMF and the United States Treasury, the DGT has engaged a more global reform of the entire tax audit process in 2020, through the appeal to development partners like GIZ, the Office of Technical Assistance (OTA) of the U.S. Treasury, to assist her in the efficient implementation of this reform.

This reform shall focus on professionalization and modernization of the audit function, in a global approach, in a bid to making it simple and less worrying for the taxpayer, and more effective and transparent for the administration.

ii) Automation of tax audit

The dematerialization of tax audit aims at ensuring a stricter follow up and better readability on one hand, and to lessen the cost of tax compliance, reinforce efficiency and coherence of actions and ameliorate the quality of services rendered to taxpayers on the other hand. It touches on all the stages of the tax audit process, from case selection, through execution as well follow up and evaluation, in close connection with the other fiscal functions. These stages take into account the prior introduction of dedicated actors, in order to ensure the quality of those entrusted with the execution of the approved program. The automated tasks of the tax audit procedure include among others;

- The bi-annual sharing of files per auditor and in accordance with the detailed action plan;
- The automatic generation of tax audit notices;
- The input of focus points and adjustments points;
- The input of commencement and end of audit reports;
- The input of collection sheets on information regarding the heritage of audited enterprises;
- The automatic generation of bases for adjustment and final notifications to taxpayers accompanied by Tax Collection Deeds (AMR).

The respect of procedures contained in the Manual of Tax Procedures was consecrated by a system of alerts, as well as the obligation to abide by procedural steps, with the risk of stumbling on blocking factors.

The follow up and evaluation of tax audit both at the intermediate and central management was also automated in order to permit an automatic transmission of statistical data, a greater readability of the activity of tax audit within each production unit, and the reliability of information produced.

Thus, issues and collections are automatically generated by Tax Collection Deeds edited by control actors, made executory by the heads of the services, enrolled and cleared by the collection agents, in order to avoid differences in statistics produced by the Tax Collection Offices and Audit Brigades. Much more, this information is immediately made available via the MESURE software, to the entire chain of command empowered to follow up tax audits.

c) Collection

For a long time, collection of taxes and duties were proven complex. The interventions were not only numerous but emanated from two different administrations (Taxation and Treasury), depending on the tax in question. Then, the payments were made mainly in cash or by cheque. The inconveniences of this system were numerous:

- With regards to the taxpayer, the multiplication of interlocutors entailed risk of fanciful issuance from tax services which bore no responsibility in the collection. As such, there was a multiplication of tax litigation;
- With respect to the Tax Authority, the length of the chain from issuance to collection involved risk of insolvency, evasion, non-localization of taxpayers and consequently, accumulation of tax arrears. In addition, the tax proceeds from this mode of payment were not secured.

The institution of the single fiscal interlocutor in the year 2000 was the first major reform in the procedures for collection of taxes and duties. From this moment, the DGT became the only administration charged with the issuance as well as the collection of taxes. The advantages induced by this new orientation are observable from the deadlines for issuance, the enrolment and notification of tax debts to taxpayers and most importantly, the effective collection of the taxes and duties in question.

Also, the quality of tax issuance by tax agents has improved noticeably, since the Tax Administration is henceforth charged with the collection of taxes she issues. In addition, the difficulties in localizing

taxpayers have been solved as the services are in permanent contact with them and have no difficulty finding them on the ground.

Since the creation of the Large Taxpayers' Office in 2004, bank transfer was made the sole mode of payment of taxes by taxpayers of this new structure. This method of payment has now been extended to the Medium-size Taxpayers' Offices (MTO) and generalized throughout the national territory since 2017.

Recently, information and communication technology have improved the modalities of payment of taxes, adding security, while simplifying and modernizing procedures to the betterment of the business climate. This is the case of the new modalities of issuing receipts (i), the reactivation of the write-off Commission (ANV) (ii), the new method of payment of the airport stamp duty (iii), the reform of modalities for the collection of the Windscreen License (iv), the introduction of a mechanism for the collection of taxes on the execution of the state budget (v) the automated issuance of the tax clearance certificate and the solidarity of payment in the forestry sector (vi) etc.



i) New modalities for the issuance of receipts

Delays and other dysfunctions in the issuance of receipts after the payment of taxes and duties have always been a thorn in the flesh of both taxpayers and the administration.

The process of dematerialization and simplification of tax procedures registered a significant stride in 2016. Substantial changes to the modalities for the issuance of receipts after payment of taxes by bank transfer were made.

To simplify the issuance of receipts after taxes have been paid, upfront changes were made to the procedure of payment and downstream changes made to issuance of receipts. This reform clarified the system of computation of payment deadlines.

a. Changes to the procedure of payment

The 2016 Finance law consecrated bank transfer as the mode of payment of tax debts. Thus, since January 1st 2016, all payments of taxes and duties by bank transfer shall precise:

- The complete identity of the taxpayer. That is, name or business name, single identifier and postal address;
- The nature of taxes paid (VAT, AIT, Excise Duty, Registration Duty...) and the corresponding amounts;
- The reason for payment (cash payments or clearing of an AMR).

This is a requirement for precision to be made by the taxpayer, with the aim of aligning accounting requirements with the electronic facilities put in place by the Tax Administration.

b. New procedure for the issuance of receipts

Once the transfer order has been executed by the bank, the latter issues an attestation of bank transfer duly stamped and handed to the taxpayer. The taxpayer then deposits the attestation at the Tax Collection Office of his tax centre or attaches it as a file to his e-returns. The attestation of bank transfer justifies the automatic issuance of a payment receipt to the taxpayer by the Tax Collector. As such, the administration ensures a quasi-automaticity between the payment of taxes and the issuance of receipts, thereby honouring her engagement vis-à-vis socio-professional groups.

c. Computation of payment deadlines

The date on the attestation of bank transfer is the same date that appears on the receipt issued to the taxpayer. The deadlines for the payment of taxes and dues are computed and appreciated from the said date. Equally, late payments are computed from this date, which gives rise to the calculation of penalties and interests.

Within the framework of the implementation of the recommendations of the 8th Session of the Cameroon Business Forum (CBF) held in 2017, the Directorate General of Taxation put in place a system of electronic transmission of receipts to taxpayers, within that same year.

This consists in digitising and transmitting receipts through an electronic means. A messaging system was developed to permit the instantaneous transmission of scanned receipts to taxpayers. The transmission is done through the electronic





address of the taxpayer and the e-filing platform of the Tax Administration found on the address www.impots.cm.

ii) The reactivation of the write-off Commission (ANV)

Besides forceful collection actions often put in place to clear tax debts, the law obliges the administration to regularly examine the applications of Tax Revenue Collectors (charged with the collection of tax debts) aimed at writing off, debts that have become irrecoverable due to various reasons amongst which the disappearance of the debtor or his insolvency. A commission is put in place to examine these applications. After several years of dormancy, the Minister of Finance in Decision n° 00000355/MINFI/SG/DGI of 23rd May 2014 reactivated this commission.

The principal mission of the commission is to examine applications for write-off of debts that have become uncollectible. That is, carry out prior studies of these applications and formulate an opinion on each file.

The commission is made up of four (04) representatives of the Tax Administration, including the Director General of Taxation, who is chairman; a representative of the Audit Bench of the Supreme Court, who is vice president; two (02) representatives of the Directorate General of Treasury (DGTC-FM); one (01) representative of the Department of Judicial Affairs of the Ministry of Finance and One (01) representative of socio-professional groups. Tax debts are written-off by a decision of the Minister of Finance.

These acts as well as supporting documents relieve the Tax Collector of responsibility to collect the tax debt concerned.

iii) A new method for the collection of Airport Stamp Duty

Since 2015, the collection of airport stamp duty is carried out by airline companies. This reform has cured the bottlenecks and inconveniences inherent to the old methods of payment that affected both passengers and airline companies.

Before the 2015 Finance Law, the airport stamp duty was paid by the passenger, in person, before boarding his flight, at the tax revenue services created in all of Cameroon's airports. This mode of collection proved cumbersome and inconvenient for the passengers and airline companies, as passengers are bound to queue up to pay the tax while the airline companies wasted useful time, waiting for the passengers to finish paying before boarding.

In order to simplify the mechanism for collecting this tax and to improve the business climate, the 2015 finance law made airline companies the legal taxpayers of the airport stamp duty, by giving them the responsibility to collect the tax at the time of sales of the flight ticket.

Thus, from March 1st 2015, the date of effective entry into force of the reform, airport stamp duty is collected by airline companies during the sale of flight tickets to passengers. The proceeds thereof are then remitted to the competent Tax Collector latest the 15th of the following month. Given that the act constitute liability of the tax is boarding, tickets issued free of charge remain liable to the tax.

However, crew members, flight attendants and persons in direct transit in Cameroon are exonerated from this tax.

The rate of the airport stamp duty remained fixed at ten thousand (10.000) FCFA for international flights and one thousand (1.000) FCFA for national flights, as in the past.



v) The dematerialization of fiscal stamps

The first generation unconnected franking machines IJ25 were introduced in the network in 2002. The reform of the dematerialization of fiscal stamps was effectively launched in 2011, with the suppression of mobile stamps in the cities of Yaoundé and Douala as from July 1st 2011. This reform was extended to the other eight (08) regional headquarters from the 1st of January 2016. In 2018, the measure was extended to all treasury stations abroad and all the sub divisions of the South West, West and Centre Regions. 2019 marked the extension of the reform to the South, Littoral, East and Adamawa Regions.

The 2018 finance law increased the rate of airport stamp duty from 10.000 FCFA to 20.000 CFA for international flights.

These measures that broadened the tax base as well as secured the proceeds of the airport stamp duty have led to an increase in output of this tax. In 2019, the DGT mobilized 13.2 billion FCFA as against 4.2 billion in 2015, representing a variation of 9.1 billion in absolute terms and +221.4% in relative terms.

iv) Reform of the modalities of collection of Windscreen License

Since the 1st of January 2017, the method of collection of the Windscreen License changed radically. Before this date the Windscreen License was paid directly by the real taxpayer (vehicle owner) at the Public Treasury against the issuance of a sticker (vignette). The reform puts the Windscreen License in the category of taxes that are withheld at source, and making insurance companies the legal taxpayers.

As such, the Windscreen License is included in the premium of obligatory civil liability insurance payable by all motorists. Administrative vehicles are henceforth exempt.

The proceeds of Windscreen License increased from 6.045 billion in 2016, before the reform, to 7.894 billion in 2016 and up to 9.319 billion in 2019.

Since January 1st 2020, the DGT completed the process with the implementation of the reform in North, Extreme North and North West Regions.

The output of fiscal stamps has risen from 14.5 billion FCFA in 2010 to 21.2 billion in 2011 when the reform was launched and up to 41.2 billion in 2019.

vi) Introduction of a new mechanism for the collection of taxes and duties on the execution of the state budget

A study carried out by the Tax Administration in 2017 revealed significant differences between taxes and duties accounted for by the DGT relating to the execution of the public procurement and the potential recoverable taxes and duties capable of emanating from the execution of the state budget. This observation permitted the definition of new orientations to optimize the tax output from the execution of the state budget.

In this vein, the reinforcement of the principle of «tax inclusive» in the determination of amounts relating to the execution of the state budget permitted the prior calculation and withholding at source of taxes and duties by assigned accountants, within the framework of exceptional procedures, notably cash advances, release or provision of funds and other treasury advances.

Otherwise, imprest accountants and other managers of public funds are obliged to declare their existence to the tax administration and to pay all

taxes withheld at source during operations relating to the execution of the state budget to the competent tax services. This reform also institutes a control of the payment made by these actors to Tax Collection Services and brings precision to the tax regime of public contracts executed by groups of enterprises.

This measure for the securing of tax revenue has led to the supplementary mobilization of taxes and duties on the execution of the state budget of more than 40 billion for the third quarter of 2017 only. In 2018, this reform led to the mobilization of a supplementary output of 68.4 billion FCFA.

vii) Replacement of the 'quitus fiscal' (tax clearance) with the Tax Clearance Certificate in the forestry and mining sectors

In order to reinforce tax compliance and the management of the informal sector, the 2018 finance law replaced the tax clearance with the Tax Clearance Certificate (TCC) which is issued online to taxpayers who are up-to-date with their tax obligations.

viii) Automation of the issuance of the tax clearance certificate and the solidarity of payment in the forestry sector

Computerized management is an essential element in the effective implementation of TCC as it permits the updating of outstanding taxes and thus a mastery of the stock of tax arrears of the DGT. Solidarity of payment targets a better understanding of the mechanisms of management and payment of specific taxes in the forestry sector.

1) Automation of the Tax Clearance Certificate (TCC)

The dematerialization of the issuance of the TCC has permitted the enhancement of the level of tax citizenship which is manifested by a significant decrease in the level of post filing defaults in payment and an improvement of the level of filing by taxpayers of the Large Taxpayers' Office and the Medium-size Taxpayers' Offices.

This dematerialization has permitted a more efficient recovery of tax arrears. In fact, the DGT registers 285 applications, with total stakes of 111.2

billion since the enactment of the reform on payment by installments. 90.3 million of which has been accorded, with recorded recoveries of 82.5 billion FCFA.

RÉPUBLIQUE DU CAMEROUN
République du Cameroun

DGI
Direction Générale des Impôts

ATTESTATION D'IMMATRICULATION
ATTESTATION OF TAXPAYERS REGISTRATION

Nom et prénom : [REDACTED]
Name and first name: [REDACTED]

Numéro d'identification fiscale (NIF) : [REDACTED]
Taxpayer Identification number (TIN): [REDACTED]

Centre des impôts de rattachement : [REDACTED]
Tax center: [REDACTED]

Signature : [REDACTED]
Tax officer: [REDACTED]

Sans préjudice de poursuites pénales pour fraude fiscale, donne lieu à une amende d'un million (1' 000 000) de francs CFA par opération. Utilisation frauduleuse d'un numéro d'identification fiscal ou comportant des indications erronées. Décret N° 2012/031 du 10 novembre 2012.
Without prejudice to criminal prosecution for tax fraud, gives rise to a fine of CFA F one million (1,000,000) per transaction, the fraudulent use of a tax identifier number or one containing incorrect information. Décret N° 2012/031 of 10 November 2012.

Cette attestation a été générée par le système d'information de la Direction Générale des Impôts le 1^{er} juin 2020 à 20:03.
This attestation has been generated by the information system of the Directorate General of Taxation on June 01, 2020 at 8:03 PM.

2) Solidarity of payment

Cognizant of the accumulation of tax arrears by taxpayers of the forestry sector, especially the Annual Forestry Royalty (RFA) to which holders of exploitation licenses are liable on one hand, and the recrudescence of the opaque practice of subletting of these licenses, the 2018 finance law instituted the principle of solidarity of payment of taxes and dues in this sector.

The solidarity of payment in the forestry sector has permitted not only an improvement in the level of filing by taxpayers of the sector, but also contri-

buted in the efficient recovery of arrears owed by these taxpayers. Concretely, the sum of 2.3 billion was recovered in 2019 compared to the 0.7 billion collected in 2018.

Otherwise, a total of 2.0 billion debt was enrolled in 2019, a significant drop from the total of 9.1 billion registered for 2018. This is a visible improvement of tax compliance on the part of this category of taxpayers. This improvement is also noticeable from the reducing trend of total outstanding taxes which stand at 13.3 billion as at December 31st 2019 compared to 15.1 billion in 2018 (drop of 1.8 billion).

ix) Extension of the external writ to the Customs Revenue Collector

In order to reinforce the efficiency of forceful recovery measures, the scope of the external writ

was extended to the Customs Revenue Collector in 2018. Since then, the latter can take action with respect to the recovery of internal taxes and duties, especially by withholding goods imported by taxpayer.

In this regard, the assigned Customs Revenue collector who receives an external writ suspends all Customs clearing procedures and issues a formal notice representing an order to the importer to pay his tax debt otherwise his goods are retained.

x) Cash payment of taxes and dues on bank counters

In order to secure tax revenue, by avoiding the handling of cash with the inherent risks of loss of revenue, a possibility was developed for a defined type of taxpayers to make payment of taxes and dues in cash at bank tellers.



d) Litigation

To ease the access of taxpayers to the court system by lessening the procedures governing judicial appeals in tax matters, the 2014 finance law profoundly reformed this tax function (i) which subsequently benefitted from dematerialization (ii).

i) The reform of tax litigation

The protection of the rights and guarantees of taxpayers in their relationship with tax service led the legislator to give to any person who thinks he has been wrongfully taxed the right to contest these taxes.

Tax litigation relates to all the rules surrounding the right to contest in tax matters, through recourse to the contentious jurisdiction.

There are two (02) phases of the litigation: the administrative phase and the jurisdictional phase.

Since the 2014 finance law, the administrative phase has passed from three (03) to two (02) levels:

- At the first level and depending on the contested amounts, the taxpayer seizes the Chief of the Regional Taxation Centre, The Director of the Large Taxpayers' Office, or the Director General of Taxes. The Chief of the Regional Taxation Centre is competent to receive claims whose amounts are less than 50 million FCFA. The Director of the Large Taxpayer's Office receives claims which do not exceed 100 million FCFA and the Director General of Taxes is competent for claims which exceed the thresholds of the Chief of the Regional Taxation Centre and the Director of the Large Taxpayers' Office;
- At the second level, the taxpayer seizes the Minister of Finance and his claim at this level amounts to a prior complaint (recours gracieux préalable).

The jurisdictional phase takes place before the administrative court at first instance and the Administrative Bench of the Supreme Court on appeal.

Referral deadlines have passed from 90 to 30 days, at the first level of the administrative phase; from

03 months to 30 days at the level of the Minister of Finance and from 03 months to 60 days for what concerns the judge.

Finally, the deadline for response is 30 days for authorities of the first level and two (02) months for the Minister of Finance.

ii) The dematerialization of tax litigation: introduction of online litigation request and generation of respite of payment

The success realized through the dematerialization of the tax functions: Management function (e-filing), audit and recovery functions (TCC) has prompted the DGT to simplify the litigation function by introducing online litigation requests and the generation of respite of payments. The objective of dematerialization of these procedures is not just to limit contacts with the taxpayers but equally reduce movements related to the follow up of files and the deliverance of deferment of payment.

Thus, it is henceforth possible for a taxpayer to make online litigation request at all the levels of his claim.

As from the 1st of January 2019, the respite of payment is issued in a computerized form, and online for taxpayers of specialized management units, who fulfill the conditions regarding content and form, that grant access to this guarantee.

The implementation of this reform has permitted taxpayers who have tax debts to instantly obtain online, respite of payment, thus, giving them the right to acquire a tax clearance certificate (TCC).

This system which is implemented at the Large Taxpayers' Office shall be extended to all taxpayers in 2020.

2. Support Functions

The use of technology is an indispensable tool in the transformation of the Tax Administration. Technology can also contribute significantly to performance as well as reduce risk. In effect, the appropriation of different technological tools by various

teams will save time devoted to less value adding tasks, and to concentrate on the analyses and exploitation of tax data. The just ending decade has witnessed, at the level of modernization of support functions, the reinforcements of computer system (a) and the sophistication of tools for the follow up of operational structures (b).

a) Strengthening of the computer system

i) Connected business applications

1) MESURE

MESURE (Meilleure Suivi du Rendement) is a client server application which uses the Microsoft Exploitation systems.

The client is conceived with the help of the DELPHI compiler by Embarcadero. Access to databases is done through Borland Database Engines (BDE), ADO and DB Express technologies which use elements of the TCP/IP protocol.

The data server uses the SQL Server, the data base is shared in each operational structure with the replication of data towards the centre for the structures on optic fibre.

The different functionalities of MESURE oscillate around the business functions:

a) Management and follow up of taxpayers

The application permits notably: the management of the taxpayers' index, the follow up of filing defaulters (defaillants) and payment defaulters (reliquataires), reminders and arbitrary assessments, production of dashboards and then follow up management documents (certificates and attestations).

- input of commencement and end of audit reports;
- input of collection sheets for information relating to the heritage of the audited taxpayer;
- automatic generation of bases of adjustment and final notifications accompanied by the Collection notice (AMR).

b) Tax Revenue Collection Service (payment)

It permits:

- the accounting and clearing of payments;
- the editing of receipts and Collection notices (AMR);
- the follow up of outstanding taxes (RAR);
- online generation of tax clearance certificate (TCC);
- implementation of solidarity of payment.

c) Tax audit

The dematerialized tasks with respect to tax audit procedures include among others:

- sharing of cases per auditor in respect of a detailed semi-annual action plan;
- automatic generation of tax audit notices;
- input of focus points on the tax audit pre-planning;

d) Management of litigation

Tax litigation request/deposited by the taxpayer, reception, generation of respite of payment (Regional, LTO, DGT, MINFI, court, Audit Bench), treatment of litigation requests, transmission of results of the request.

e) VAT Credit Refund

The module permits the depositing of the file by the taxpayer, the reception by the DGT, treatment and validation.

Ongoing projects in the MESURE application include:

- the reform on the dematerialization of registration of judicial acts;
- the reform on the dematerialization of the procedure for the issuance of VAT defrayment Attestations.

2) FISCALIS

FISCALIS is a modular web application. It was conceived to integrate all the activities of the Tax Administration. Each module is divided into tasks or services. Tasks are accessible only to users empowered to use them.

The modules and available functionalities are presented in the table below:

N°	Module	Functionalities
1	Administration	Security and programming <ul style="list-style-type: none"> •Users and groups of users •Profiles •Logs •Configuration of menus
2	Unique data repository (referential)	Maintain common base data <ul style="list-style-type: none"> •Administrative subdivisions (country, region, divisions, councils, city councils, towns, quarters) •Fiscal subdivisions: management units (LTO, RTO, MTO, CSI-PLI, SRO, DTO) •Geographical subdivisions (sites, buildings, stairs, offices) •other references(fiscal years, contract owners, financing organs, banks and bank branches)
3	Taxpayer registration (IDU)	Taxpayers' index <ul style="list-style-type: none"> •online registration •index of active taxpayers •enterprises •shareholders •notaries •accredited management centres •members of accredited management centres
4	Tax base	E-filing <ul style="list-style-type: none"> •06 Registration Duty returns •06 periodic returns •Declaration of judicial acts •Synthetic declaration (CI Pilote Douala 1 & 2) •Integration of payment in cash (GUCE/Banks) •Integration of bank transfer (OTP, SYAMPE) •Generation of filing and payment of defaulters and debtors •Generation of AMRs for payment defaulters and reminders •Journals and encashment list •Tax notices, receipts and issue slips (tax notice of taxes withheld at source) •Registration certificate •Expedition of receipts to taxpayers •Statistics of taxes issued and recoveries
5	Collection	Enrolment of AMRs, clearing thereof <ul style="list-style-type: none"> •AMR •Enrolment, attribution, notification, clearing, recovery acts •Due date list (timeline) •Admission into non-securities •Collection agents

N°	Module	Functionalities
6	Litigation	Management of appeals and other litigation files
7	Tax audit	Management of audit procedures
8	Mails and dematerialization	Follow up of mails and electronic management of documents (GED)
9	Property	Management of material and vehicle fleet
10	Human Resources and General Administration	Management of personnel and financial resources <ul style="list-style-type: none"> • Personnel • Curriculum Vitae • Bonuses • Missions and group missions • Organic framework (duty posts, prerequisites per post, eligible candidates...) • Cash advances

3) FUSION

FUSION is a system conceived to manage risks related to the compliance management of VAT, taxes collected jointly by Tax and Customs Services. The system gathers data from the Directorate General of Customs and the Directorate General of Taxation. This data is visualized and treated in a manner that permits both administrations to improve their activities of formal control, analysis and follow up.

In addition, FUSION brings a major technical advancement in the sense that company profiles available in the system permit an overview of the data of the enterprise regrouped by profile, carry out research pertaining to the enterprise and find documents linked to the enterprise.

This system also makes it possible to generate flexible reports susceptible of permitting comparisons per enterprise or per tax in a given sector of activity, to produce dashboards that can enhance the steering of services, uncover gaps or irregularities during data matching and comparison, as well as contribute to the strengthening of quality information of the two financial administrations.

ii) Securing of the network

The digital transformation engaged by the DGT for some years now, had changed the manner in which she interacts with taxpayers and her partners. This revolution may expose the DGT to hackers, since each new application or module, each new appliance connected, each interconnection and access given to a taxpayer, partner and personnel offers a new entry point for hackers, who employ sophisticated methods. This situation increases risk both at the technical level (loss, theft of data) as well as at the level of the image of the administration (loss of confidence of the taxpayers and partners) has triggered the DGT to take actions to avoid sinking into cyber chaos.

In 2019, the DGT engaged in a vast process of securing her material and software infrastructure. The first phase of this process involved the securing of her communication network. This phase has contributed in the introduction of private virtual networks which permit the establishment of

interconnection of the DGT with distant web sites and partners, and to ensure the security of transfers through the encryption of data which transits through the network. Further, to ensure even better security, access control has been introduced to limit intrusions. Also, The DGT procured a professional antiviral solution as a first level protection against threats that could originate from internal users.

This year 2020, the DGT intends to put in place technical measures aimed at further reinforcing the security of applications and data, as well as organizational measures geared at sensitizing personnel and to anticipate risks.

iii) Launching an Integrated Tax Management System

During the last decade, computerization of tax services was done by the technical teams of the DGT, through the development from within, of applications like MESURE and FISCALIS, as well as the optimization and securing of network communica-

tion infrastructure. These applications have made it possible to automate and dematerialize tax procedures as well as ensure the automatic exchange of data with partners.

The DGT envisages, to continue consolidating and reinforcing these achievements through the setting up of an Integrated Tax Management System. The preliminary studies of this project were launched in 2015 by the German Financial Cooperation (KfW), in order to identify the potential of the financial cooperation in addition to the technical cooperation, for the realization of an integrated system. In 2016, a feasibility study (computer science aspect and the capacity of the DGT in the domain of the management of enterprise transformation) carried out by a Dutch consulting firm mandated by KfW, brought out the strengths and weaknesses of the procedures and operations of the DGT, the need for a more in-depth preparatory phase and the assistance by the German government for the setting up of a financial cooperation program.

This new system, whose phase one implementation is previewed for the year 2022 shall permit upon its commissioning:

- The reinforcement of the Cameroon tax system by improving its efficiency, increasing public revenue and reducing the cost of management of taxes;
- Permit the DGT to ameliorate her mechanisms of conformity management and the increased possibility to use business (economic) intelligence for audits based on risks;
- Provide the DGT with statistical and management data that permits her to have a viable system for the exchange of information with all administrations and private entities;
- Ameliorate the capacity of project management within the DGT.

In 2019, a consultant was recruited to accompany the DGT in the conduct of this project. In the same year, five enterprises were preselected within the framework of an international call to tender. The procedure for selection and contracting of the service provider to realize the project is on course. For the year 2020, there is planned legislative and regulatory analyses, a review of the working procedures and the implementation of VAT and Income Tax.

iv) Overhaul of the internet site

In 2008, the DGT exploited the advent of the internet, especially of the web 1.0 to improve her visibility through her first on-line web site. This web site which was developed and hosted by CAMTEL

has witnessed several makeovers during the last decade.

By 2019, this site could neither meet the needs of its users nor conform to current standards of web technology (web 2.0 and web 3.0) given the magnitude of the dematerialization reforms carried out by the DGT and in spite of the numerous changes made to its ergonomics. This state of affairs caused the DGT to move from a site based on web 1.0 with a read-only mode, without interaction and a less attractive ergonomics to an interactive site based on web 3.0. The objective of this change in scale was to:

- Improve the image of the Tax Administration;
- Establish an atmosphere of confidence between the DGT and taxpayers;
- Sensitize the public and authorities on the role of taxation;
- Inform users of all tax stipulations so that they could easily fulfill their tax obligations;
- Present new mechanisms, particularly those regarding dematerialization which make it possible to carry out actions online and consequently increase the use of these mechanisms;
- Make available information indispensable to the realization and facilitation of administrative and fiscal actions;
- Publish information intended to remind taxpayers of their rights and obligations in tax matters;
- Make statistical data accessible.
- The new web site of the DGT that went operational in 2019 has among others;
- An obligatory and identical breadcrumb on all pages;
- A press space;
- A resource centre and downloading space;
- Sharing items with Twitter, Facebook or other social networks;
- A contact form;
- An agenda;
- Multi-lingual management (English and French);
- A photo gallery and video library
- Increased security.

In order to promote the image of an open, welcoming, efficient and credible Tax Administration, the DGT has taken up Twitter and Facebook pages.

v) Perspectives: Capitalizing on technological progress in tax administration to rhyme with the increasing digitalization of the economy

The boom in the digitalization of the economy is a matter of concern for tax systems, especially those in developing countries like ours. Indeed, intangible goods and services are traded across the world from online trading platforms, with no possibility for the tax authorities to understand these transactions. We should therefore imagine innovative and adapted responses.

Faced with the tax challenges posed by the digitalization of the economy, our tax legislation has been strengthened, under the 2020 finance law, by making e-commerce platforms liable to VAT. Likewise, the concept of a permanent establishment, which is the basis of the classic taxation of our jurisdiction on subsidiaries of multinational companies, is undergoing changes within the framework of international tax treaties.

Beyond these tax policy adjustments, new technologies are opening up new perspectives in tax administration within the context of the digitalization of the economy. These include blockchain technologies, big data, data mining and artificial intelligence. The Cameroonian tax administration is already working, with the support of international technical partners, to be at the forefront of these new innovative solutions, in order to meet the challenge of collection and exploitation of data generated by the automation of transactions.

The DGT is also considering electronic archiving of all tax administration documents. This archiving in

a central database will concern both central services and frontline services.

b) Monitoring frontline services

Faced with the stakes and challenges to be addressed in a bid to mobilize the necessary tax revenues to cover the needs of the State, the Tax Administration is striving to find suitable responses. Thus, the DGT has put in place a system to facilitate the management and monitoring of the performance of operational structures. This mechanism consists of meeting sessions for monitoring the action plan (i), performance assessment (ii) and monthly coordination meetings of central and operational services (iii).

i) Action plan follow-up meetings

These meetings are held on a weekly basis, in particular every Monday at 7:40 am. They are made up of a small team to better monitor the objective pertaining to the implementation of the activities of the DGT action plan. Their objective is to examine the action plans proposed by the operational structures for the achievement of their targets and to monitor their implementation. In addition, they aim to strengthen the managerial framework for the management and assessment of the projects contained in the strategic plan for the modernization of the Directorate General of Taxation.

Specifically, the action plan follow-up meetings aim to:

- monitor and assess the level of the implementation of reforms ;
- examine and approve the draft action plans proposed by the project managers;
- ensure that the prescribed deadlines are met for



the implementation of the reform program;

- diagnose the shortcomings and propose tools for improvement in the development, management and follow-up of projects of the DGT;
- make recommendations on the execution of projects;
- develop logical frameworks for projects;
- prepare and implement monitoring tools by integrating the observations of the TADAT assessment into the modernization plan of the DGT;
- examine the program indicators of all DGT structures in accordance with the guidelines set by Ministry of Finance (MOF).

As a result, due to the merits of this tool, the DGT is now equipped with an effective managerial framework in terms of setting up, managing and monitoring and assessing projects, and is now familiar with good practices on the management of tools for the implementation of its modernization plan.

ii) Performance assessment meetings

The performance assessment meetings are held twice a week, Tuesday and Friday at 7:40 am. Initially taking part in these meetings, were the Directors of the Central Administration, the Director of Large Taxpayers Office and collaborators up to the rank of Deputy Director and the Heads of the Regional Tax-

tion Centers of Center 1 and Littoral 1. From the year 2020, the performance assessment meeting has been extended to all Regional Tax Centers participating by videoconference.

These meetings allow the rigorous assessment of the action plans of the operational structures. As a reminder, revenue mobilization targets are assigned to frontline structures at the start of the year, these targets are broken down monthly and by tax function. Harmonized dashboards, designed and implemented in all operational structures allow the Director General of Taxation to steer the actions to be implemented to meet these targets.

iii) Coordination meetings

National coordination meetings are gatherings for steering the action of the operational services of the DGT. They are held once a month and their main purpose is to take stock of the quantitative objectives assigned to the DGT. Specifically, they constitute a permanent consultation framework which makes it possible to:

- examine the performance of the DGT for the month under scrutiny;
- present the action plans for the mobilization of revenue for the month in question;
- present the situation of reforms within operational structures;

Fonds National de l'Emploi



Le Fonds National de l'Emploi est le service public d'Emploi du Cameroun. Créé le 27 Avril 1990 par décret présidentiel, il est placé sous la tutelle technique du Ministère de l'Emploi et de la Formation Professionnelle, et la tutelle financière du Ministère des Finances.

Notre Mission : Promouvoir l'emploi sur l'ensemble du territoire camerounais.

Cette mission se décline à travers 4 axes :

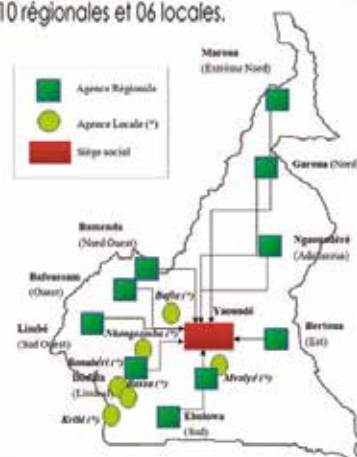
- ⇒ **L'Intermédiation entre les employeurs et les chercheurs d'emploi ;**
- ⇒ **La Formation professionnelle ;**
- ⇒ **L'Appui à la création des auto-emplois et micro-entreprises ;**
- ⇒ **La Diffusion des informations sur le marché de l'emploi.**

Nos programmes phares

PED : Programme Emploi Diplômé ;
PREJ : Programme Retraite Emploi Jeune ;
PRAIDES : Programme d'Appui à l'Insertion des Diplômés de l'Enseignement Supérieur ;
USEP : Urban Special Employment Program / Programme Spécial d'Emploi Urbain ;
PADER : Programme d'Appui au Développement des Emplois Ruraux ;
PAME : Programme d'Auto emploi et de Micro Entreprise.

Notre Réseau

Le FNE est présent sur l'ensemble du territoire à travers son réseau de 16 agences, dont 10 régionales et 06 locales.



- present the DGT draft outline for the month;
- present the over all view, the difficulties and the prospects of the operational structures.

iv) The relocation of monthly coordination meetings

As a major managerial tool of the DGT, the monthly national coordination meetings bring together the heads of central and operational services in order to assess the performance of the previous month (quantitative result, implementation of action plan, ...) and consider strategies or the outlook for the coming period.

From the on-set of the relocation of the monthly coordination meetings of the DGT, they have been successively held in:

- in 2014 in Douala (Littoral Region) in March, in Limbe (South-West Region) in July and in Ngaoundere (Adamawa Region) in October;
- in 2015 in Bamenda (North-West Region) in May and Ebolowa (South Region) in October;
- in 2016 in Garoua (North Region) in July;
- in 2017 in Maroua (Far-North Region) in February.

These delocalized meetings are distinct by the specificity of those involved. To the highest level, the administrative authorities of the host regions do participate according to strict protocol rules than those held within the building of the DGT. Thus, apart from the technical meeting chaired by the Director General of Taxation surrounded by his close collaborators, several articulations are generally planned, from the reception by the administrative authorities to the visit of the operational services of the concerned tax region, to recreational activities such as relaxation, sports, cultural event and sightseeing.

These meetings constitute a major event for the hosting administrative regions. They are launched by the Governor of the host region, making them an instrument of choice within the framework of the collaboration between the administrative authorities and the tax authorities in the vast project of mobilizing public resources.



B. REFORMS AIMED AT IMPROVING A FRIENDLY BUSINESS ENVIRONMENT

Improving a friendly business environment is the second pillar of the Ministry of Finance's program. The objective of this program is to optimize the mobilization of tax revenue by making it easier for economic operators to fulfill their tax obligations.

In its implementation, the authorities have been, over the past ten years, faced with many challenges, in particular a perfectible ranking of Cameroon in the Doing Business report, high tax rates (CIT, VAT, etc.), despite a low level of tax/GDP ratio (14%) and below the minimum required for funding optimal development (22%), cumbersome procedures resulting in

loss of time for businesses and loss of revenue for the public treasure.

To overcome these challenges and improve the friendly tax business environment, many reforms have been implemented in both tax policy and tax administration. As of December 31, 2019, the results of these reforms are generally satisfactory (1) and the outlook militates for continued efforts to modernize and improve the quality of service (2).

1. Assessment of reforms to modernize services and improve a tax friendly business environment

Reforms to improve a tax friendly business environment in recent years revolve around tax policy and tax administration measures.

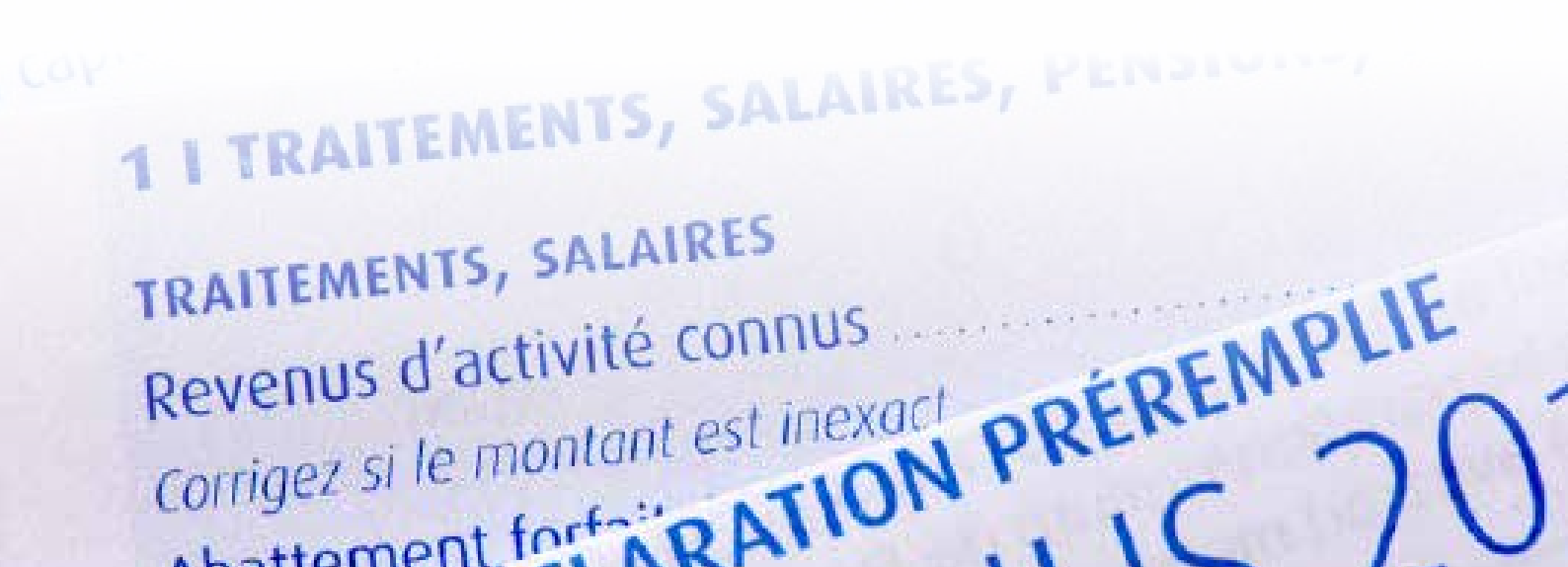
a. The major tax policy reforms :

• In terms of tax rates

- the reduction by five (05) points of the corporate income tax rate from 38.5% to 33%;
- reduction of the property transfer tax rates (from 15% to 10% for built estates and from 10% to 5% for bare estates);
- lower the tax rate on real estate capital gains (from 20% to 10%);
- the rationalization of income tax advance payment rates and their terms of application for the benefit of sectors with administered margins.

• In terms of private investment incentives:

- the introduction of a general regime of incentives for private investment (Law No. 2013/004 of April 18, 2013);
- the implementation of a youth employment promotion scheme (2016 finance law) in order to combat unemployment;
- the introduction of an incentive tax regime specific to economic disaster stricken areas as a contribution for the reconstruction of the zones;



b. Major Tax Administration Reforms:

Regarding the reorganization of services:

- Segmentation of the tax population according to the size of taxpayers, through the establishment of :
 - The Large Taxpayers Office (LTO), in charge of the management of large companies with an eligibility threshold raised to three (03) billion FCFA in annual turnover;
 - Medium-size Taxpayer Offices (MTO), in charge of managing medium-sized enterprises with an annual turnover between 50 million and less than three (03) billion FCFA;
 - Divisional Tax Offices, in charge of the management of small taxpayers and taxation of individuals;
- The establishment of the front and back office subdivision and the establishment of a taxpayer service unit in operational structures (LTO, MTO, DTC);

In terms of filing tax returns:

- The online filing of core taxes and duties in 2014;
- The e-filing of registration fees on public procurement and property ownership transfer in 2016 ;
- The e-filing of fees on ownership transfer for used vehicles in 2017;
- The online filing of the STR in 2019;
- The pre-filled returns of property tax and other taxes and duties;

Regarding the payment of taxes and duties:

- Payment of the property tax by mobile phone (Mobile Tax);
- The dematerialization of the fiscal stamp;

- The dematerialization of the payment of windscreen license, airport stamp and business license;
- The reduction in the number of axle tax payments (from 4 to 1) through the establishment of the single payment of axle tax;
- The launch of the pilot phase of the cash payment of taxes and duties at bank counters;
- The capping of bank charges on transfers made for the payment of taxes (2017 finance law);

Regarding tax Audits:

- The rationalization of tax audit interventions on the principle of a single audit intervention per company and per year;
- The selection of tax audit cases based on risk analysis;
- The dematerialization of the monitoring of tax audits;

Regarding tax Litigation:

- The simplification of the administrative phase by reducing the appeal steps (from 3 to 2);
- The elimination of the payment of a deposit upon first introduction at the administrative phase;
- Online monitoring of tax litigation;
- The automatic granting of the respite of payment as soon as the litigation request is introduced;
- Harmonization of deadlines for tax collection and for lodging a litigation;



Regarding tax Collection:

- The consecration of the tax clearance certificate as the single document required to justify the compliance of a taxpayer;
- Computerization of the Collection Notice;
- The automation of the issuance of the Tax Clearance Certificate;
- Electronic transmission of the receipt to taxpayers;

Regarding VAT credit refunds, the procedure has been improved through:

- The establishment of an escrow account with funds to the tune of CFAF 6 billion every month with an annual increase in the amount of refunds from CFAF 56 billion to 82 billion between 2016 and 2017, i.e. a positive variation of +26 billion in absolute value;

- Online follow up of VAT credit refund requests;
- Automatic refund without prior auditing for the benefit of low-risk companies (green circuit) ;
- Simplification of eligibility conditions for VAT credit refunds by deleting the requirement of non-charging within one year;

These reforms, in particular those pertaining to simplification and automation of tax procedures, were deemed satisfactory by all taxpayers after conducting a satisfaction survey in 2018 with the support of the German cooperation.

2. Prospects for improving a tax friendly business environment

Further improvement of the quality of service will be articulated around the consolidation of previous reforms and the implementation of new ones.

a. The reforms to be consolidated concern:

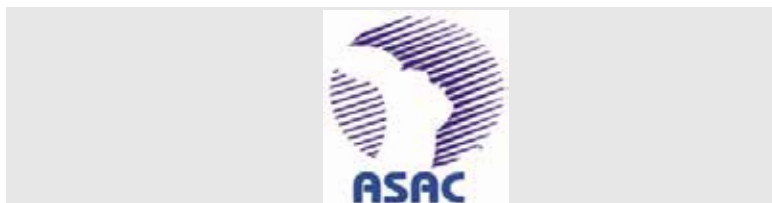
- Operationalization of the electronic payment of taxes and duties for the benefit of large and medium enterprises;

The launch of the new platform for the filing and payment of taxes and duties by mobile phone (Mobile Tax) for the benefit of small and micro businesses;

- The extension of the e-filing of taxes and duties to the renovated Divisional Tax offices (DTO), in order to facilitate the fulfillment of tax obligations by small and microenterprises;
- Continue working on the reform aimed at replacing the stamp machine by the electronic stamp;
- The dematerialization of the procedure for registering court decisions;
- The complete dematerialization of the follow-up of litigation, tax audit and of VAT credit refund procedures.

b. The new measures to be implemented aim to:

- Abolish the proportional registration fee on public orders tendered by public enterprises;
- Consecrate the mediation procedure in tax matters, as an alternative method of settling tax disputes;
- Dematerialize the registration formality which can henceforth be given electronically;
- Open the option for the buyer to proceed directly with the filing and payment of the capital gain and registration fees due on real estate transactions;
- Continue working on the reform to reduce the number of payments made by taxpayers.



TESTIMONY OF

MR. MOULONG THEOPHILE GERARD

President, Association of Cameroon Insurance Companies (ACIC)

“TAXATION FOR DEVELOPMENT

The Association of Cameroon Insurance Companies (ACIC) has had a sustained collaboration with the tax administration during the last 10 years. Having been at the front row, we had time to appreciate the reforms undertaken by the tax administration from a general perspective (I) and from a more specific perspective (insurance sector) (II).

I- General appreciation

Two points call our attention here:

a) Dialogue with taxpayers

The Directorate General of Taxation worked particularly on ameliorating the collaboration with taxpayers through the multiplication of opportunities to concert and exchange information. This framework eased and enabled a better understanding of the organizational, administrative and regulatory tax reforms.

b) Digitalization

The modernization of the tax administration through E-procedures significantly contributed to shorten path of the taxpayer and reduced the contact between the tax agent and the taxpayer which is an indispensable ingredient in the amelioration of public governance.

II- Specific appreciation to the insurance sector

Two elements underlie our appreciation at this level:

a) The collection of stamp duty on motor vehicles (SDMV)

The collaboration between the Directorate General of Taxation and the insurance sector enabled the collection of stamp duties on motor vehicles by insurance companies. Apart from the reduction of collection cost by the state, notably the elimination of the printing and distribution cost of stickers, statistics show that this measure contributed in increasing revenue on vignettes.

b) Tax reliefs

Though many demands for tax reliefs are still pending, the insurance sector within the framework of collaboration with the DGT benefited from the elaboration of a Statistic and Tax Return (STR) specific to the insurance sector, the deduction for income tax purposes of expenses pertaining to health insurance which benefits members of the employee's family and the reduction of the income tax rate of commissions paid to non-salaried agents.

While acknowledging the efforts made by the DGT during the last ten years, it is important to note that moving toward a development tax, entails adopting a tax system whereby payment of company income tax is hinged on profit rather than on turnover, will better develop the private sector. Equally, as for the insurance sector in particular, the putting in place of appropriate tax incentives will lead to the accumulation of important long term savings such as end of carrier indemnities more adapted to the financing of the economy.



Port Autonome de Douala
Port Authority of Douala

PAD

Pôle de Référence au
Coeur du Golfe de Guinée

Pole of Reference at the
Heart of the Gulf of Guinea





4 TAX POLICY REFORMS TO SPUR DEVELOPMENT





In a constantly changing environment, the tax administration has opted to permanently challenge its processes and working methods, in order to provide taxpayers with quality services. It is this logic that has guided the reforms undertaken for more than 10 years. These include, in particular, reforms on taxation of consumption [1], reforms on income taxation [2], measures to regulate tax expenditure [3] and the development of promotion regimes in certain socio-economic sectors [4].



TAX POLICY REFORMS TO SPUR DEVELOPMENT

A. OPTIMIZATION OF CONSUMPTION TAXATION

Taxes and duties on consumption have been the subject of important reforms pertaining, on one hand, to the readjustment rates and, on the other hand, to the introduction of new collection methods in order to secure revenue. This concerns in particular the Special Tax on Petroleum Products (a) and excise duties (b).

1) Special Tax on Petroleum Products (STPP)

The Special Tax on Petroleum Products (STPP) is a tax on the sales of petroleum products, namely premium gasoline and diesel. It is due by the oil companies distributing these products (the Marketers). The reforms pertaining to the collection method (1) and the readjustment of the rates for this levy (2) have notably made it possible to improve the performance of the STPP.

a) Reform of the STPP collection method in 2014

Until December 31, 2013, this tax was levied and paid directly by Marketers on the basis of their returns filed on the 15th of each month. The latter were therefore legally liable for this levy.

Upon observation, however, this collection method has proved to be ineffective due to the non-remittance of this tax by some marketers and the difficulties in controlling the quantities distributed. A reform of the system was therefore necessary.

As per the finance law for the 2014, SONARA and SCDP were made legally accountable to the STPP. This is now withheld at source by these companies when the products are collected by the distributing companies or any other natural or legal person.

These two companies are hence the only collection points for petroleum products in the national territory and from a taxation view point are managed by the Large Taxpayers Office, the collection of this tax has become more secure. In addition, to definitively guarantee the remittance by these big

collectors, an escrow account dedicated to hosting the revenue from this tax has been opened in the name of the SCDP. All marketers' STPP payments are wired through this account.

Beyond the mastery of those liable for this tax which allows better monitoring, the effectiveness of the new system also lies in the obligation made to the legal persons liable to suspend the removal of petroleum products, for any marketer who is not up to date with his tax obligations.

The reform of the STPP collection methods contributed to enhance the STPP's revenue, the yield rose from 109.6 billion in 2013 to 118.5 billion in 2014, i.e. an increase of + 8.1%, this despite the split by half of the rate of this tax which occurred in the middle of the year (July 1, 2014) as part of the support measures to the increase of the price of petroleum products at the filling stations.

b) The gradual catching up of STPP tariffs in 2017

Figure prominently in the 2017 finance law, the reestablishment of the tariffs, per liter, of the Special Tax on Petroleum Products (STPP) which are now set at 110 FCFA for petrol and 65 FCFA for diesel fuel.

As a reminder, these prices were reduced following order n ° 2014/001 of July 07, 2014 to 80 FCFA for petrol and 60 FCFA for diesel.

This virtual restoration of the old pricing aims to provide an appropriate solution to the budgetary sustainability of the subsidy of the prices of petroleum products at the filling stations.

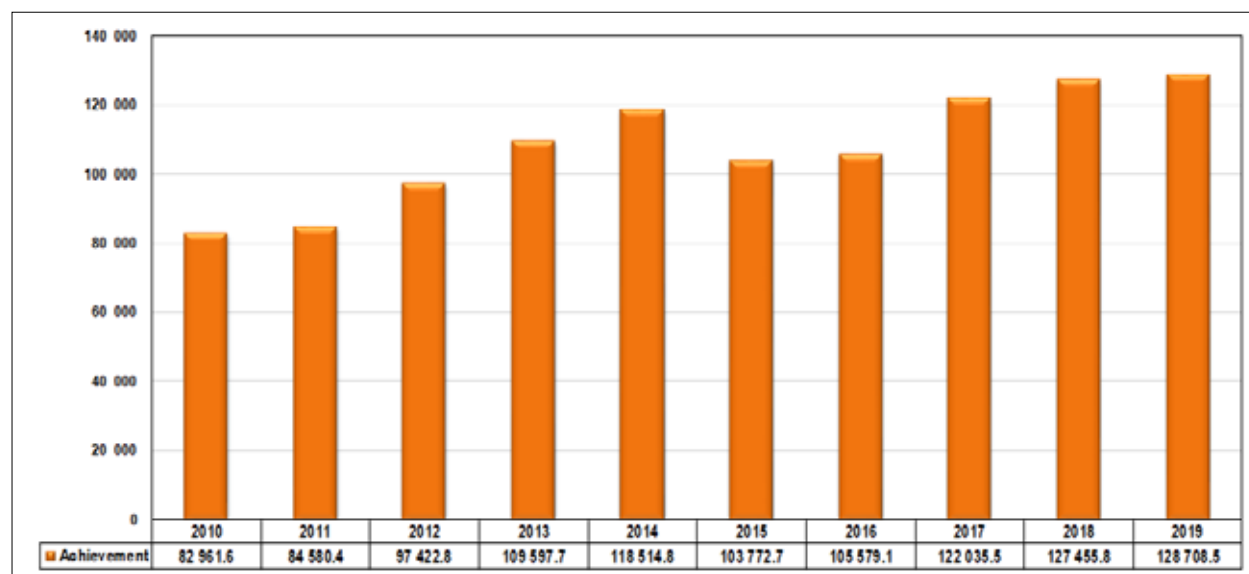
Following the increase in the STPP tariff, its per-

formance at December 31, 2017 amounted to 122.0 billion, compared to 105.6 billion in 2016, i.e. a positive increase of 16.4 billion (+15.5%).

c) The quantified assessment of the STPP reforms

These reforms of the STPP have enabled the tax administration to improve tax revenue mobilization. The legal taxpayers (SCDP and SONARA), pillars

of the reform have thus given their full support to contribute in collaboration with the Directorate General of Taxation (DGT) to enhancing tax revenue and improving the performance of this reform. The figure below shows the change in the performance on the STPP, which rose from 109.6 billion in 2013 to 128.7 billion in 2019.



2) Excise Duties

Excise duty is a tax levied on the consumption of certain products. It is particularly levied on luxury products (foie gras, caviar, salmon, jewelry, precious stones, luxury cars) or those deemed harmful to health (alcohol, soft drinks, tobacco).

The legislator sometimes uses this tax to correct the negative externalities linked to the consumption of specific products, but it can also apply it to other products of its choice as defined in the law.

There are several ways for collecting excise duties :

- the ad valorem taxation system corresponding to the application of a proportional rate on the selling price;
- the specific taxation system which depends on the quantities sold, the product range, the volume or the degree of alcohol;
- the mixed taxation system which combines the ad-valorem system and the specific system.

a) Reform of the methods of taxation of alcoholic beverages in 2015

Before the reform, Cameroon applied the ad valorem tax system, based on a proportional rate of 25%. With the reform enshrined in the 2015 finance law and subsequent amending texts, we moved to a mixed taxation system.

Thus, the taxation of alcoholic beverages with excise duties now combines the ad valorem tax system and the so-called specific tax system which takes into account quantities or volume. From now on, to the amount of ad valorem excise duties resulting from the application of the 25% rate which remains in force, specific excise duties are added, as the rates vary according to the nature of the product and its volume.

In addition to budgetary considerations linked to revenue mobilization, excise duties are a health policy tool available to the public authorities enabling them to deal with the public health problems posed by

the consumption of products such as alcoholic beverages and the tobacco.

The assessment of this reform at the end of the 2015 financial year showed that the target was largely achieved with an increase in excise duties of nearly 70 billion and an adjustment of the brewing companies for which, most of them have reduced the size of packaging and the content of alcoholic beverages.

b) The introduction of excise duties in the telecommunication sector in 2016

As part of the search for innovative sources to broadening the tax base, a thought was given, as is the practice in countries with a comparable level of development, to subject mobile telephone communications to excise duties.

Since the finance law for 2016, mobile phone communications and internet services are liable to excise duties. In the category of mobile communications covered by the GTC, wireless network communications (GSM, WCDMA, CT Phone) provided by mobile telephone operators, excluding wired and fixed communications.

Are liable to excise duties, Internet services, the provision of Internet access by specialized companies or mobile telephone operators. The mobile telephone operators and access providers are therefore liable.

Excise duties are based on the tax-free turnover of the said companies which corresponds to their sales of all kind, with the exception of the sale of telephones and accessories, as well as mobile payment services. Excise duties are included in the base for calculating VAT on the same services. They are collected at the super reduced rate of 2%.

The introduction of excise duties in the telecommunications sector raised additional revenue of 8.8 billion in 2016.

c) The introduction of a specific excise duty on non-returnable packaging of liquid products in 2017

In 2017, the work of reforms on excise duties continued with the taxation of non-returnable packaging of drinks and other liquids (excise duties of 15 F and 5 F per packaging). This latest reform aims in particular to reduce the negative environmental externalities due to the production and use of plastic and aluminum packaging.

The specific excise duties on non-returnable packaging of liquid products contributed to the mobilization of additional revenue of around 5.2 billion for the 2017 financial year.

d) The introduction of a specific excise duty on gambling and entertainment in 2018

In order to comply with CEMAC community legislation, the finance law for the 2018 introduced a specific excise duty levied on gambling and entertainment at the reduced rate of 25 FCFA per game unit or bet.

This provision applies to all sort of gambling and entertainment, such as lotteries, horse racing, slot machines, etc.

However, as the application of this taxing method proved to be complicated for gaming companies, it was replaced in 2018 by an ad valorem excise tax at the reduced rate of 5% on total turnover.

e) Excise duty reforms in the brewing and the tobacco sectors in 2019

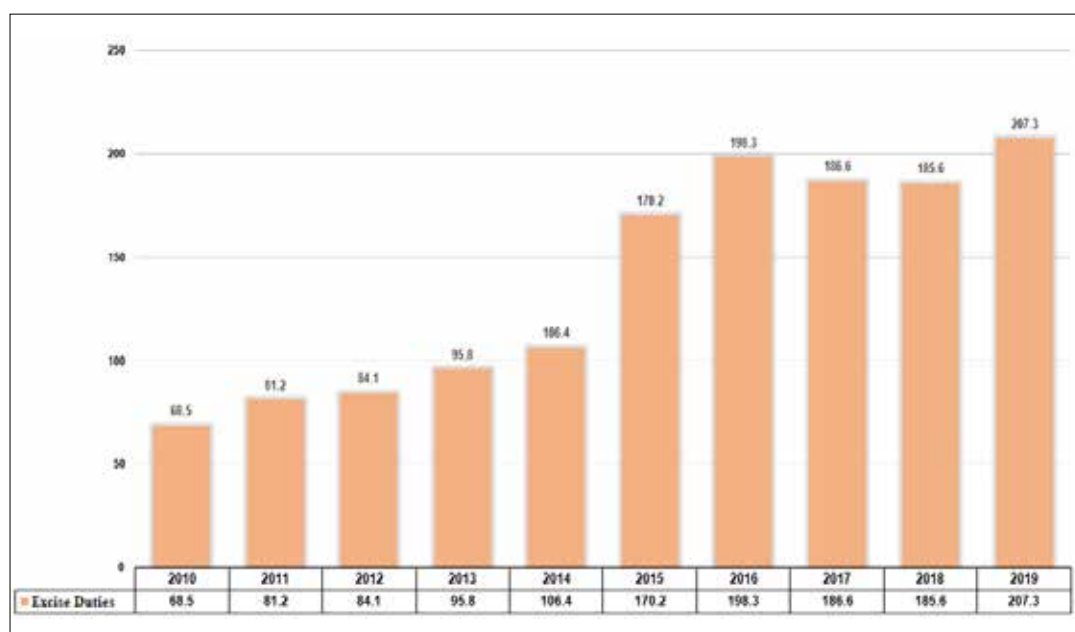
The 2019 finance law established the recommended sales price as the tax base for ad valorem excise duty on local manufactured drinks. The recommended sales price considered is the cost of delivery to the final consumer which appears on the price list filed by the brewery companies with the services of the ministry in charge of trade for approval, less VAT and excise duties.

As such, brewery companies have the obligation to give a copy of their price structure to their tax centers where all the changes made shall also be filed no later than the 15th of the month following that in which the change occurred.

As a reminder, the reform of excise duties enshrined in the 2019 finance law made it possible to mobilize additional revenue of FCFA 18.1 billion for the 2019 financial year.

f) The quantified assessment of excise duty reforms

Over the 2014-2019 period, the performance of excise duties in terms of revenue collected almost doubled. This yield rose from 106.4 billion in 2014 to 207.3 billion in 2019, with a noticeable increase of 100.9 billion (+ 94.8%). This trend is shown in the figure below:



TESTIMONY OF

MR. MOH TANGONGHO SYLVESTER

Director General of Treasury, Financial and Monetary Cooperation (DGTFMC)

“THE DGT, AN ADMINISTRATION FOR INCLUSIVE FINANCE



Within the framework of the implementation of the state policy in matters of public finance management, the DGT is to the Treasury a very important actor in the realization of its accounting missions.

In effect, for about 10 years, the DGT has impelled a certain form of dynamism hinged on the putting in place of an up to date tax administration. A real partner in the execution of the income part of budgetary operations, the Director General of Treasury, Financial and Monetary Cooperation (DGTFMC) can confirm this important progress which has in turn inspired all the other sister administrations of the Ministry of Finance (MINFI). This can be seen at three levels:

- Efficiency in the collection (mobilization) of revenue;
- Amelioration of relations between the tax administration and the taxpayers;
- The reinforcement of cooperation with other administrations.

As for efficiency in the collection of revenue, it is important to note that many reforms actually militated in favour of the said efficiency. First from the organizational plan, the creation of two new structures in the fiscal landscape of Cameroon: the Large Taxpayers' Office (LTO) and the Medium Size Taxpayers' Office (MTO) in charge of managing large and medium enterprises respectively. Then, many measures taken to optimize tax revenue. Thus, on securing revenue, we can remember the reform on the Special Tax on Petroleum Products (STPP), Stamp duty on motor vehicles (SDMV), revenue from registration of imported vehicles and more, the consecration

of administrative values for immovable property, which should ultimately facilitate the evaluation of immovable State property within the framework of putting in place of an accrual (patrimonial) accounting for which the switchover is slated for the 1st of January 2022. In addition, we can also remember the actions taken towards the reform of excise duties, adjustments of the rate of the advanced income tax and the minimum income tax. All of this significantly boosted the performance of the tax administration between 2010 and 2020.

As per the amelioration of the relationship between the taxpayers and the tax administration, it is important to recognize that the tax administration has gone closer to the taxpayers thanks to the dematerialization of procedures/processes through the implementation of E-procedures, online access of the taxpayers' index, and automation of the deliverance of the Tax Clearance Certificate (TCC). It is not irrelevant to indicate here the important reforms of the property (land) tax and the online tracking of the VAT credit refund applications.

All these measures relate to inclusive finance which considers the taxpayer as the partner and no longer as a mere assisted person, an active actor of tax management and control for a more efficient tax administration.

Lastly, concerning cooperation with other administration, it should be noted that the putting in place of this vast reform has resulted to a more extensive collaboration with all the administrations of the Ministry of Finance in general and DGTFMC in particular, notably the management of tax debts and tax collection.



LE NOUVEAU MODÈLE DE RÉGULATION

Depuis sa libéralisation intervenue en 1998 suivant une tendance mondiale, le secteur des télécommunications camerounais a enregistré un développement exponentiel marqué, entre autres, par un taux de pénétration de la téléphonie mobile de l'ordre de 90%, la croissance du taux de pénétration de la téléphonie fixe, l'entrée dans le marché national de nouveaux acteurs (opérateurs de réseaux titulaires de concession, exploitants, fournisseurs de services, vendeurs et installateurs d'équipements et terminaux de télécommunications, etc.), le développement de l'offre de produits et services de télécom, la contribution au Produit National Brut et au développement de l'économie nationale ainsi que la création d'emplois directs et indirects.

Ces développements ont été impulsés par la mise en place de l'Agence de Régulation des Télécommunications, suite à la promulgation de la Loi N° 98/014 du 14 juillet 1998 régissant les télécommunications au Cameroun et la signature du décret n° 98/197 du 8 septembre 1998 portant organisation et fonctionnement de l'Agence de Régulation des Télécommunications, établissement public administratif chargé de réaliser les missions suivantes :

- Octroi des titres d'exploitation et des ressources (numéros, fréquences, etc.) ;
- Préparation des dossiers d'appels d'offres et des cahiers de charges afférents aux conventions de concession pour l'établissement et l'exploitation de réseaux de téléphonie fixe/mobile ;
- Suivi des activités de toutes les entités opérant dans le secteur des télécommunications ;
- Réalisation de contrôles périodiques pour s'assurer du respect, par ces entités, de leurs obligations réglementaires ;
- Recouvrement des redevances relatives aux produits et services fournis par l'ART ainsi que pour des redevances sectorielles ;
- Suivi du développement du service universel des télécommunications ;
- Garantie de la protection des consommateurs des produits et services de télécommunications.

A cet effet, l'action de l'Agence au cours des onze premières années (1999-2010) s'est appuyée sur la Loi régissant les télécommunications et ses textes d'application subséquents.

La promulgation de la Loi N°2010/013 du 21 décembre 2010 régissant les communications électroniques a marqué une évolution avec le passage du concept des « télécommunications » à celui des « communications électroniques » traduisant ainsi la prise en compte du développement de la convergence de réseaux

et services issus de secteurs d'activités distincts et s'appuyant, de manière essentielle, sur les réseaux de communications électroniques.

Dans cette seconde phase entamée à compter de 2010, les missions de régulation menées par l'Agence se sont appuyées, conformément aux dispositions réglementaires et législatives sur un ensemble d'outils et leviers d'action technique, économique et juridique (matériels de contrôle du spectre des fréquences radioélectriques, modèles de calcul des coûts des services d'interconnexion et d'accès de type CMILT, Comité de règlement des différends, Observatoire des marchés de télécommunications, etc.).

Au regard de ces acquis et en tenant compte des impacts de la convergence des réseaux et services, ayant contribué à une mutation et une complexification de l'écosystème des communications électroniques qui se manifeste par :

- l'émergence d'acteurs nouveaux ;
- le développement croissant de l'offre de services et des usages des produits et services de communications électroniques ;
- les attentes fortes des pouvoirs publics et des consommateurs en termes de suivi des obligations diverses assignées aux opérateurs et de protection adéquate des consommateurs ;
- les besoins croissants des territoires et collectivités territoriales décentralisées en développement des communications électroniques,

L'Agence doit nécessairement opérer une mutation du modèle de régulation du secteur des télécommunications précédemment mis en œuvre pour transiter vers un nouveau modèle de régulation résolument ancré sur le paradigme des communications électroniques et prenant en compte les enjeux et défis auxquels elle doit faire face.

De fortes attentes sont placées en l'ART en ce qui concerne notamment, l'octroi des titres d'exploitation, la gestion des fréquences pour l'ensemble des secteurs d'activités, l'interconnexion, l'accès et le partage des infrastructures, le règlement des différends entre acteurs du secteur, le recouvrement des redevances pour son compte et celui de l'Etat et d'autres organismes bénéficiaires ou encore la régulation adéquate des nouveaux services.

Dans ce contexte, il convient de souligner que le rôle et les missions de l'ART doivent connaître une évolution au regard de la promulgation de la Loi N° 2017/010 du 12 juillet 2017 régissant le fonctionnement des établissements publics au Cameroun et la signature des textes d'application ultérieurs.

En interne, l'ART a déjà commencé à poser les jalons de cette mutation en opérant une transformation de son organisation structurelle, à la faveur de l'adoption d'un nouvel organigramme lors de la 49ème session du Conseil d'administration, tenue à Yaoundé en mai 2020.

Aussi, en s'appuyant sur les acquis et évolutions sus-décrits, L'ART entend établir un nouveau modèle de régulation axé sur les communications électroniques et reposant sur les trois (03) piliers déclinés ci-dessous :

- 1- Mise à jour des processus de régulation technique, économique et juridique :
 - o Facilitation du processus d'octroi des titres d'exploitation en introduisant les notions de flexibilité et d'usage temporaire dans le cas de réseaux dits expérimentaux ;
 - o Prise en compte de la convergence des réseaux et services dans l'élaboration des titres d'exploitation ;
 - o Simplification et dynamisation du processus d'octroi et de retrait des ressources (numéros, fréquences, etc.) aux acteurs du secteur ;
 - o Implication accrue dans l'élaboration de stratégies sectorielles de développement des infrastructures

de communications électroniques, en y associant les collectivités territoriales décentralisées ;

- o Le renforcement de la plateforme d'outils de régulation exploités et en tenant compte de l'évolution technologique enregistrée (modèles de calcul des coûts des services d'interconnexion et d'accès, lignes directrices de la comptabilité analytique des opérateurs, centre de supervision et de contrôle du trafic des communications électroniques, des opérations de transfert d'argent électronique et de lutte contre les fraudes en communications électroniques, etc.) ;

- o La contribution à l'élaboration d'un dispositif de régulation collaborative des nouveaux services, tels que les services financiers numériques ;

- o La mise à jour de l'organisation et du fonctionnement du Comité de Règlement des Différends.

2- Renforcement des dispositifs de contrôle, de suivi des activités des acteurs du secteur et de protection des consommateurs :

- o Le renforcement de la plateforme technique de suivi et de contrôle (contrôle des fréquences, contrôle de couverture et de qualité de service, système intégré d'information géographique, plateforme d'identification des abonnés, etc.) ;

- o L'opérationnalisation des constats et recommandations issus de la mise à jour fonctionnelle de l'observatoire du marché des communications électroniques pour stimuler ses performances ;

- o Le recours aux outils d'aide à la décision tels que les audits réglementaires (comptable et financier, chiffre d'affaires, etc.) en vue d'assurer la transparence et l'objectivité des mesures de régulation envisagées ;

- o La prise en compte des avis des consommateurs des produits et services de communications électroniques dans l'évaluation des performances offertes par les réseaux d'opérateurs ouverts au public (comparateur de tarifs des services de détail, mesure de la qualité d'expérience, analyse d'impact de la portabilité des numéros, etc.)

- o le renforcement des leviers d'actions en matière de concurrence déloyale et de pratiques anticoncurrentielles dans le secteur ;

- o la modernisation des dispositifs afférents à la collecte des plaintes des consommateurs, à leur traitement et à l'information adéquate des consommateurs sur les mesures correctives prises.

3- Amélioration des outils de collecte et traitement des informations et données statistiques à travers :

- o la mise en place d'outils adaptés de communication digitale permettant une information en temps réel sur les activités de régulation menées par l'ART ;

- o la production régulière de données statistiques et de rapports périodiques sur l'état de développement du secteur des communications électroniques ;

- o la maîtrise en temps réel de la situation des acteurs du secteurs (opérateurs, exploitants, fournisseurs de services à valeur ajoutée, vendeurs et installateurs sur les aspects portant sur la situation des titres d'exploitation, le suivi des obligations, la situation financière envers l'ART) qui sera facilitée par la prochaine implémentation d'un système automatisé de gestion des données statistiques du secteur des télécommunications et des TIC ;

- o Le renforcement du partenariat existant avec l'INS et les autres organismes pertinents ;

- o La veille réglementaire, économique et technologique en vue du renforcement du rôle de conseil du Gouvernement de l'ART, en matière de télécommunications et TIC.

Professeur Philémon ZOO ZAME
Directeur Général

B. FOR A BETTER TAXATION OF INCOME

The taxation of the income of individuals and legal persons has undergone significant reforms in order to reduce the tax burden of companies with regard to corporate income tax (a) and simplify the methods of calculating taxable income under personal income tax (b).

1) Corporate income tax (CIT): reduction of the CIT rate and adjustment of the advance income tax payment rate

The analysis of the series of annual Statistical and Tax Returns (STR) of nearly 400 (four hundred) companies in the LTO portfolio over the period 2003-2012 was concluded by the following findings:

- 40% of corporate tax revenues was paid by 05 companies;
- 80% of the revenue from this tax was paid by 44 companies;
- The CIT rate in Cameroon (38.5%) is high compared to the average for countries with a comparable level of development.

On the basis of these findings, and taking into account international good practices recommended by international donors, in particular the IMF, the direction of the reform to be carried out has been articulated around the following principle : «lower the rate of corporate tax and simultaneously increase the advance payment rate by excluding companies in the oil sector and more generally those benefiting from approved schemes».

The targeted goal is to make Cameroon more attractive with a moderate corporate income tax rate on one hand, and to restore equity between companies that pay corporate income tax balances and those that are constantly at the minimum collection rate on the other hand.

a) Content of the reform

The 2015 Finance Law introduced the reduction in the CIT rate from 35% to 30%, ie a 5 point decrease in the nominal CIT rate.

At the same time, the monthly CIT advance payment went from 1 to 2% of the turnover.

This monthly advance payment calculated at 2% of the turnover, which is a method of settling corporate tax, also constitutes the minimum collection owed by the company in the event that it achieves a

deficit or an insufficient result to allow the payment of an amount of corporate tax greater than the portion of the deposit due.

b) Measures to support the reform

To limit the negative impact of this reform on small taxpayers (with less than 100 million turnover) and on sectors with administered prices and low margins, the following measures have been taken by the legislator :

• Measures pertaining to entities with low or administered margins: 50% reduction for the deposit (and therefore the minimum collection)

The following sectors are thus considered as administered margin sectors:

- distribution of petroleum products and domestic gas;
- the flour mill;
- distribution of pharmaceutical products;
- distribution of news papers;

• Relief measures relating to SMEs: reduction of 50% of CIT/PIT due by SMEs members of Approved Management Centers

• Specific measures pertaining to SONARA

The 2016 finance law adopted, for a period of three (03) years renewable from January 1, 2016, an exceptional method of calculating the monthly advance payment and the minimum collection for corporate income tax due by the National Refining Company (SONARA), i.e. a reduction of 50% on turnover serving as the basis for calculating the advance payment and the minimum collection for corporate income tax. This measure was renewed under the 2019 finance law for a period of three years.

c) Assessment of the impact of the reform

The performance of non-oil corporate income tax rose from 258.7 billion in 2013 to 344.4 billion in 2019, with a remarkable increase of 33.3% over 6 years, as shown in the table below:

in CFAF million

Taxes	2013	2014	2015	2016	2017	2018	2019
Corporate Income Tax	258 670.6	297 990.2	367 077.7	351 816.2	319 500.1	354 933.8	344 409.6
With:							
CIT balance	120 028.1	137 096.0	144 473.1	101 410.2	80 813.7	84 957.7	101 295.0
CIT deposit	138 642.5	160 894.2	222 604.6	250 406.0	238 686.4	269 976.0	243 114.5

Source: DGT

2) Personal Income Tax (PIT)

a) The introduction of a dual approach for taxing the income of individuals

The 2015 finance law reorganized the personal income tax system with a view to simplify and modernize the administration of the tax. This changes from global income taxation to a mixed or dual approach, combining progressive scale taxation for wages and salaries, and a proportional rate for other categories of income.

Before 2004, the personal income tax system in Cameroon was inspired by the traditional French system of schedule taxes and progressive surcharges.

From 2004, a first reform led to the introduction of a global personal income tax which is applied to the sum of the different categorical net income. Apart from income from movable capital, a progressive scale applied to other categories of income.

The 2015 reform introduced the dual approach of personal income taxation into our system. Its principles are as follows:

- progressive taxation only for salaries, wages, pensions and annuities with full withholding tax;
- a tax on business income at a proportional rate (artisanal, industrial and commercial, agricultural and non-commercial profits);
- a tax on property income at a proportional rate;
- a tax on income from movable capital (dividends, interest, capital gains) at a proportional rate.

b) Broadening the scope of the tax on non-commercial income

In 2015, the option of broadening the tax base led the legislator to introduce a withholding tax of 16.5%, including additional council taxes, bonuses,

gratuities, allowances and per diems allocated in addition to salaries as well as income paid to artists and athletes. This rate was reduced to 11%, including additional council taxes, by the 2016 finance law.

3) Taxes on property

a) Reform of tax rates for real estate transactions and capital gains

Access to land ownership for middle-income class persons is one of the priorities of government policy. It is within the context of supporting this policy that the 2016 finance law introduced VAT exemption for the acquisition of social housing and its funding.

At the administrative level, measures to facilitate the registration procedures for real estate transfers have been put in place. This is the case with the online filing of real estate transfers and the adoption of administrative values aimed at guaranteeing tax equality and fairness.

In line with the policy of improving access to housing, the 2017 finance law reduced the rates of registration fees for real estate transfers from 15 to 10% for buildings in urban areas, from 10 to 5 % for undeveloped urban land and buildings in rural areas and 5% to 2% for undeveloped rural land.

This reform also affects the tax regime for capital gains earned from property sales. The tax rate on such proceeds moved from 10 to 5% with a standard deductible allowance of 30%. The methods for determining the base for this capital gains have also been streamlined by taking into account the value declared by the parties in the event of a transfer of a building acquired by direct registration.

The reduction of the tax rates for real estate transactions had as aims not only to increase transparency in the sector but also to encourage the actors to file

the real values of transactions and to improve the level of revenue collected via a broader tax base and the supervision offered by the administrative code.

Moreover, the overall objective sought by government authorities is to reduce the cost of real estate transactions in order to facilitate access to land ownership as recommended by the Cameroon Business Forum.

b) Increasing the rates of registration fees on public procurement

Until December 31, 2018, the rate of registration fees was 5% for administrative purchases, defined as public contracts and procurements for an amount less than five million paid from the State budget, local authorities and public establishments, regardless of the source of funding.

It is 3% for purchase orders defined as public contracts and procurements of an amount equal to or greater than five million and less than fifty million paid from the State budget, local authorities and public establishments, regardless of the source of funding.

Finally, it is 2% for public contracts defined as public procurement for an amount equal to or greater

than fifty million paid from the State budget, local authorities and public establishments, regardless of the source of funding.

The finance law for the 2019 financial year increased the rates of registration fees on public procurement. Thus, as of January 1, 2019, these rates pass respectively for administrative purchase orders, purchase orders and public contracts, from 5 to 7%, from 3 to 5% and from 2 to 3%, regardless of the source of funding.

The public procurement registration regime is applied to orders executed from the State budget, local authorities and public establishments. Thus, orders placed by public enterprises are no longer subject to the registration formality.

However, when they are submitted voluntarily for the registration formality, they are subject to the fixed duty of FCFA 4,000, in accordance with the provisions of Section 545 B of the General Tax Code.

This reform aims to improve the taxation of public spending.

	2014	2015	2016	2017	2018	2019
Achievement	22.6	31.2	28.9	28.4	37.0	43.5
Evolution	-	+8.6	-2.4	-0.5	+8.6	+6.5
Growth rate	-	+38.2%	-7.5%	-1.6%	+30.1%	17.6%

Source: DGT

Overall, the revenue mobilization on registration fees has almost doubled in five (05) years, thus rising from 22.6 billion FCFA in 2014 to 43.5 billion in 2019. This performance which is constantly increasing over the years as described by the previous graph is inherent to the reforms on registration fees implemented by the DGT between 2015 and 2019.

In addition, the increase in the rates of registration fees introduced in the 2019 finance law had a positive fiscal impact on the yield of the said tax, estimated at more than 10%, i.e. more than 4 billion FCFA, thus raising these revenues to around 43.5 billion.

3) The introduction of a tourist tax

In 2017, the legislator introduced a tourist tax per night spent in a hotel establishment.

Thus, in accordance with the provisions of Sections 221 to 224 and C52 ter of the General Tax Code as resulting from the finance laws of the 2017 and 2019, the rates of this tax amount to 5,000 FCFA (5-star hotels), 4,000 FCFA (4-star hotels), 3,000 FCFA (3-star hotels), 2,000 FCFA for furnished accommodations and other lodgings, 1,000 FCFA (2-star hotels) and 500 FCFA per night in hotels (one star) and other unclassified accommodation establishments.

The basis for the introduction of this tax is:

- the recognition of Cameroon as a tourist destination by the World Tourism Organization (UNWTO) since 2010;
- the existence of a tourist tax in countries with a similar level of development similar (Senegal, Ivory Coast);

The proceeds of this tax were shared between the State (80%) and the council of the location of the hotel establishment (20%). Since the 2019 finance law, the proceeds of this tax are distributed between the State (35%), the council where the hotel establishment is located (30%) and the special allocation account for support and development of tourism and leisure activities (35%).



C. FOR A BETTER MASTERY OF TAX EXPENDITURE

Tax expenditures are the tax benefits granted by the state with a view to encouraging individuals or legal persons or public policies, by voluntarily forgoing part of its income to achieve specific objectives. They take many forms and can relate either directly to the tax base, to tax rates or indirectly to the company's cash flow. At the level of the tax base, the derogatory measures concern total, partial or temporary exemptions, deductions, allowances and tax-free provisions. In terms of tax rates, the difference between the preferential rates granted to certain activities and the normal rates is considered a tax expenditure..

Tax provisions that derogate from a previously defined tax regime are deemed to be tax expenditures. The Fiscal Reference System (FRS) brings together the basic regimes of the various taxes and duties, considered to be part of «common law». Tax expenditures represent quantified derogations from the accepted reference, like so many shortfalls made by the community. The publication of the estimate of tax expenditures contributes to greater budget transparency. A report on tax expenditure is henceforth annexed to the finance law.

1) The assessments of tax expenditure

In order to improve the quality of tax expenditure, the Minister of Finance, by decision n ° 00005341/ MINFI/DGI of December 1, 2015, created a working group entitled «Tax Expenditures Project» (TEP), in charge of assessing the impact of the tax expenditure.

Regarding the assessment of the tax expenditure, the methodology recommends that after defining the scope of the assessment, the team of assessors carry out the assessment proper.

Initiated in 2016, the first assessment of the tax expenditure, limited to VAT, aimed to identify and measure the impact of tax provisions derogating from the reference tax system put in place as a subsidy for the 2015 financial year.

In 2017, the second assessment covering the 2016 financial year covered a wider field of indirect taxation including excise duties and customs duties. In 2018, the third assessment also covered the same samples.

Regarding the 2019 assessment for the 2018 financial year, in addition to indirect duties (VAT, excise duties and customs duties), the study was extended to direct taxes (CIT, PIT and registration duties).

The same levies were used as part of the ongoing assessment of the tax expenditure for the 2019 financial year done in the course of 2020.



2) Assessment of the law of April 2013

Four (04) years after the enactment of the law setting the incentives for private investment, the Cameroonian Government initiated the assessment of the said law, in order to ensure its effective implementation and to measure its socio-economic impact.

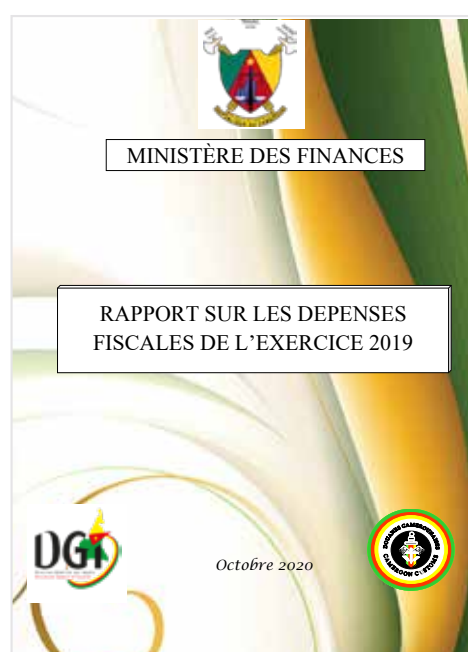
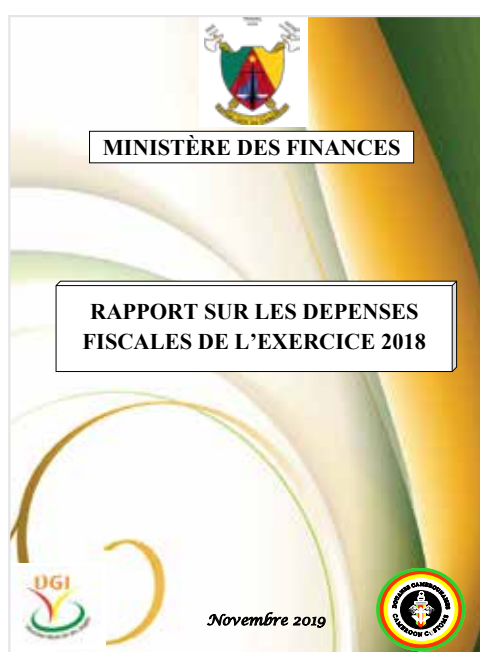
The study covered 128 companies receiving approvals for planned investments of 3,018.2 billion and new jobs projected at 35,542.

The results of the study carried out on a sample of 80 companies (33 old and 47 new) surveyed show actual investments of FCFA 166.1 billion, or 11% of the planned investments. 5,667 jobs were effectively created, representing 26% of the projected jobs. The pace of making the planned investments is faster in old businesses than in new ones. At the end of their second year of investment, the old companies have globally made 30% of the planned investments. This trend is the same in terms of job creation, but overall the general pace of making the investments subject to approval is very slow (generally starting 2 or 3 years after obtaining approval).

For investments already made, the tax expenditure recorded by the custom services is CFAF 94.865 billion, and CFAF 5.6 billion for the DGT; or a total of FCFA 100.6 billion representing about 24% of the theoretical projected tax expenditures.

The contribution of the law in the investment decision was considered decisive, especially in new companies, even if the assessment of the content of the law is mixed, some operators still wanting incentives to extend to raw materials. Thus, more than half of operators (60%) consider the exemptions to be important or very important. This position is not corroborated by an acceleration in the realization of investments which should underpin a regime of tax exemptions.

At the end of this analysis, it appears that despite the investment and employment dynamic observed in certain sectors of the economy, in particular cement factories and the agrifood industry, overall achievements remain below expectations. On the other hand, the law has contributed to a disproportionate increase in tax expenditure (more than FCFA 100 billion), for modest investments. The increase in tax expenditure is 2.2 times faster than that of investments made (11% for investments, against 24.4% for TE).



D. TAX INCENTIVES FOR SOCIO-ECONOMIC DEVELOPMENT



Tax incentives in the socio-economic sector resulted to a series of advantages granted to small and medium-sized enterprises within the framework of Approved Management Centers (CGA) and to certain economic activities (agriculture, real estate, transport, research and innovation) and social (health and education).

1) Promotion of SMEs through Approved Management Centers (AMCs)

Introduced by the finance law for 1996/1997 exercise, the Approved Management Centers (AMC) are intended to promote, support small and medium-sized enterprises (SMEs/SMIs).

Also, members of AMCs benefit, within the limit of the minimum collection provided for by the General Tax Code, from a reduction of 50% of the tax on profits from the activities of their AMC. Until December 31, 2015, this tax advantage, which was limited to members only, has now been extended to promoters.

The finance law for the 2016 financial year introduced additional advantages for the

benefit of AMC members, in particular, the reduction of membership fees and annual contributions, the exemption from on-site tax audits for the non-statute barred period, the exemption from VAT on services invoiced to members by promoters and the application of good faith penalties for post-membership tax audits.

To reinforce their attractiveness, public authorities, through the finance laws for the 2017 and 2020 financial years, widen the advantages granted to the Approved Management Centers (AMCs) through the consecration of a reduction of 50% of the basis of assessment for withholding tax on purchases made from producers or wholesale distributors, the list of which is drawn up by the Minister in charge of Finance.

2) Incentives for the agricultural sector

The development of agriculture is one of the pillars of the Government's economic policy. This concern was translated in 2017 through numerous tax incentives.

As part of the search for appropriate solutions to support the agricultural sector, the legislator, by virtue of Law No. 2013/004 of April 18, 2013 setting the incentives for private investment in the Republic of Cameroon, granted tax advantages for companies that invest in priority sectors such as agriculture.

Going further, the legislator intensified the tax incentives for the agricultural sector within the framework of the finance law of 2017.

Thus, in order to promote access to agricultural land, a prerequisite for any investment, and to support the development of second-generation agriculture, tax advantages have been granted through:

- Exemption from tax and employer charges on wages paid to seasonal agricultural workers by individual farmers;
- VAT exemption on the purchase of pesticides, fertilizers and inputs used by producers, as well as agricultural, livestock and fishing equipment and materials;
- Exemption from registration fees for transfers of land used for agriculture, breeding and fishing; exemption from registration fees for loan agreements intended to finance agricultural, livestock and fishing activities;
- Exemption from the property tax of properties belonging to agricultural, livestock and fishing enterprises, and assigned to these activities, with the exclusion of office buildings.



3) Tax incentives to the real estate sector

To encourage the access to land ownership and housing at a lower cost, tax facilities have been set up under the finance law for 2017. These facilities pertain to the exemption from VAT on acquisition of social housing and funding thereof, liability to corporate tax at the rate of 20% and the application of a 50% allowance on the tax

base of the monthly advance payment of corporate tax.

At the administrative level, measures to facilitate the registration procedures for real estate transfers have been put in place. This is the case with the e-filing of real estate transfers and the adoption of an administrative code aimed at guaranteeing tax fairness.



4) Tax incentives to the transport sector

The improvement in the supply of urban passenger transport services is of concern to the authorities, in particular in the context marked by the hosting of international events such as the African Cup of Nations.

In order to support this policy, a VAT exemption it was enshrined in the framework of the 2017 finance law, for urban public passenger transport when the transport company does not benefit from a commercial subsidy.



5) Tax incentives for research and development

With a view to promoting innovation, a protagonist of competitiveness, the finance law for 2017 introduced a specific tax regime for companies that incur research and development expenditure.

To benefit from the research tax credit, the company should be under the actual earnings regime and incur eligible research and development costs.

Research and development expenses that give rise to the right to tax credit are as follows:

- Depreciation charges for newly acquired fixed assets and allocated to scientific and technical research operations;
- Personnel costs pertaining to researchers and research technicians directly and solely assigned to these opera-

tions; donations and subventions made for the benefit of independent researchers;

- Expenses related to the acquisition of licenses for the inventions of Cameroonian researchers;
- Expenditure incurred for carrying out research and innovation operations entrusted to public or private research organizations, higher education establishments or independent researchers approved by the ministry in charge of research.

In order to be considered, the above expenses shall be incurred as part of a research and development program aimed at improving production processes, launching new products in the market or modernizing the production mechanism.



6) Tax incentives for the education and health sectors

The private sector plays a major role in improving the offer of health and education. It is with regard to this public service mission that the legislator has exempted from corporate income tax (CIT) and personal income tax (PIT), private education institutions and public hospitals not pursuing a profit goal.

To clarify the tax regime for this particular category of taxpayer, multifaceted tax advantages have been introduced consisting of the exemption from the payment of the contribution of business license, the property tax, the corporate

tax and tax on commercial and industrial profits, when they are not profit making oriented.

Also, the law provides for the benefit of legal taxpayers several tax facilities, in particular the exemption from the obligation to collect VAT on all the services offered by these establishments, the obligation of withholding at source and remittance of the PIT of their employees and the obligation of withholding at source and the remittance of property tax when they are tenants.



7) Tax incentive for economic disaster zones

The security context in certain parts of the national territory negatively impacts economic activity, raising unemployment and poverty. This situation has led the public authorities to devote, by decree N ° 2019/3179 / PM of September 2, 2019, the status of Economic Disaster Zones (EDZs) to the regions of the Far North, North West and South West.

A privileged tax regime has been set up for investments made in these zones in accordance with the provisions of articles 127 et seq. of the General Tax Code (GTC).

Thus, any new investment leading to the creation of at least ten (10) new direct jobs or the use of local raw material, benefits for the installation phase,

exemptions linked to the contribution of business licenses, to VAT on acquisitions of goods and services, registration fees on real estate transfers pertaining to the implementation of the project and tax on land ownership on buildings impacted by the project, exemption from Corporate Income Tax and the minimum collection, as well as the exemption from withholding taxes on salaries paid to employed staff.

This regime has been strengthened in the 2019 and 2020 finance laws through the institution of a tax credit of 30% of expenditure, respectively, for the benefit of companies making investments aimed at rebuilding their financial resources and the granting of a reduction of 75% on the total amount of tax arrears.



E. THE FIGHT AGAINST INTERNATIONAL TAX FRAUD AND EVASION

To address this threat, emphasis has been placed in recent years on strengthening international tax cooperation, which allows tax administrations to join forces around the world for more effective action. In this regard, the extension of our tax treaty network, both bilaterally and multilaterally, membership to the Global Forum on transparency and exchange of information for tax purposes, recourse to international expertise thanks to the Tax Inspectors Without Borders Initiative (TIWB) of the OECD, are measures that have been taken.

Thus, Cameroon's tax treaty network went from four (4) conventions in 2008 to ten (10) in 2019. As for the assistance provided by the Tax Inspectors Without Borders Initiative, it enabled between 2018 and 2020 to mobilize additional revenue of nearly 10 billion within the framework of tax audits in the telecommunications and banking sectors.

In the same dynamic, new structures dedicated to international tax issues have been put in place. This is the case of the International Exchange of Information Unit, responsible for exchanging information for tax purposes with foreign tax administrations, the Transfer Pricing Unit (UPT) responsible for addressing complex scenarios of illicit transfer of profits.

Despite these notable advances in terms of strengthening our legal and administrative arsenal, the increasing complexity of aggressive tax planning and optimization schemes by multinationals pose a threat to the tax administration. The latter, should therefore focus on strengthening its operational capacities in this area over the next few years.



F. PERSPECTIVES

1) Broaden the tax base

From analysis, the narrowness of the tax base results from the weak taxation of the informal sector and the low level of contribution of high net worth individuals to tax revenue.

The fiscal constraints of the informal sector are linked, inter alia, to low compliance and the use of cash transactions. To meet the challenge of taxing the informal sector, emphasis was first placed on the withholding tax mechanism that allows deductions to be made during transactions carried out by informal sector enterprises with large companies. Then, an effort to clean up the taxpayers index made it possible to publish the list of all taxpayers known to the tax services. At the same time, greater attention is given to the supervision of taxpayers in the informal sector through Approved Management Centers created throughout the national territory. Finally, the reorganization of the tax services and the strengthening of the search for information for tax purposes have been valuable strides for optimizing the taxation of the informal sector.

The other cause of the narrowness of the tax base is the low taxation of high net worth individuals. This imbalance is mainly explained by the difficulties of collecting property taxes in a context of non compliance and the absence of specific enforcement tools. In order to reverse this trend, a tax compliance policy has been put in place. This is particularly the case with the finance law for 2016, which instituted a tax amnesty for the benefit of those liable for property tax. It is also in this same perspective that the method of filing and payment of this tax has been modernized through the introduction of pre-filled tax returns which are distributed in households, and payment by mobile phone (Mobile Tax). Notwithstanding these considerable advances, the revenue margins in this area still remain significant. Likewise, the low yield of property taxes, the proceeds of which are allocated to local authorities, constitutes a constraint to the optimal financing of decentralization. Finally, it should be noted that this situation leads to a breach of tax fairness between citizens.



In perspective, the broadening of the base will be sought through:

- identification of innovative sources of revenue optimization;
- continued rationalization of tax expenditure;
- the identification and retention of new taxpayers through the integration of official data sources at the national level (national identity, trade register, CNPS, banks, Public Treasury, land tenure, telecommunications, water and electricity distribution companies, etc.);
- improving the budgetary efficiency of VAT.

2) Fight against fraud and tax evasion

The fight against tax fraud and tax evasion has been based on:

- the automation of the exchange of financial information with other jurisdictions;
- the use of modern technologies for collecting and exploiting information for tax purposes (blockchain, big data, data mining, artificial intelligence, etc.);
- the implementation of minimum standards in the fight against international tax evasion, recommended within the framework of the Base Erosion and Profit Shifting (BEPS) project;
- gradual alignment with international exchange of information standards for tax purposes;
- the strengthening of the fight against tax offenses (prosecution of tax fraud cases).



TESTIMONY OF MR. FONGOD EDWIN NUVAGA

Director General of Customs (DGC)



“DGT/DGC, A HIGHLY ACCOMPLISHED COLLABORATION

The tax administration has implemented a series of reforms over the last decade, the positive effects of which are visible across the board in terms of revenue mobilisation, improved relations with taxpayers and cooperation with other administrations, particularly the Directorate General of Customs (DGC).

1. THE DGT'S EFFICIENCY IN REVENUE MOBILISATION

The tax administration's reforms as part of contribution to the State budget, focused in the areas of collection of duties and taxes, tax policy and tax administration have enabled it not only to achieve the budgetary objectives set by the various Finance laws, but also to exceed them, despite an often unfavourable environment, such as the security crisis in certain regions of the country, the sharp decline in oil prices, the temporary closure of land and air borders with neighbouring countries and the persistently high level of tax expenditures. This resilience is the result of an efficient and adapted reform mechanism that has enabled the DGT to position itself among the most efficient public administrations in Cameroon.

2. IMPROVEMENT OF THE RELATIONSHIP BETWEEN TAX SERVICES AND TAX PAYERS

By maintaining the course of the reforms towards greater transparency and the digitalisation of procedures, the DGT has greatly improved its relations with its users and partners in both the public and private sectors. Recent advances in terms of

the automation of the filing of Statistical and Tax Returns or the online processing of VAT refunds, to name a few, are part of a commitment to make facilitation a permanent feature of tax transactions.

3. COOPERATION WITH OTHER ADMINISTRATIONS

Here, it must be noted that there is no separation between the DGT and the other technical administrations. The reinforcement of collaboration with the DGC is a perfect illustration. In their day-to-day operations, the DGC and the DGT have a good track record of collaboration in many areas such as:

- The pool of prevention and risk management systems, joint interventions and the monitoring of derogatory regimes;
- Centralisation and automation of data exchange on a single platform (FUSION);
- The implementation of a single and common taxpayer index for both administrations;
- The interconnection of the information systems of the DGT and the DGC.

Ultimately, and in line with the above, it is undeniable that the reforms of the DGT have a positive externality on its performance and constitute a lever for the country's development.

FONGOD Edwin NUVAGA



INSTITUT NATIONAL DE LA STATISTIQUE

NOTRE VISION

« Assurer la qualité statistique pour garantir l'efficacité de l'action de développement ».

NOS VALEURS

- Intégrité ;
- Célérité ;
- Collégialité ;
- Qualité du service ;
- Transparence.

NOS MISSIONS

Créé par décret du président de la République du Cameroun le 20 avril 2001, l'INS remplit plusieurs missions à savoir :

- Assurer la coordination des activités du système national d'information statistique.
- Rendre disponible les données et les indicateurs statistiques nécessaires à la gestion économique et sociale ;
- Assurer la conservation des fichiers des recensements et enquêtes réalisés par les administrations publiques et les organismes subventionnés ou contrôlés par l'État ;
- favoriser le développement des sciences statistiques et les recherches économiques relevant de sa compétence, de promouvoir la formation du personnel spécialisé pour le fonctionnement du système national d'information statistique.



NOTRE EXPÉRIENCE

La statistique camerounaise est vieille de plus de 60 ans et couvre un vaste champ d'activités, notamment :

- les statistiques macroéconomiques ;
- les statistiques de gouvernance, paix et sécurité ;
- les statistiques sectorielles (santé, éducation, emploi) ;
- le suivi des agendas de développement 2030 et 2063 ;
- les statistiques de synthèse ;
- les statistiques d'entreprises ;
- les statistiques liées à la consommation et aux comportements des ménages ;
- l'élaboration des cartes de pauvreté ;
- etc.

NOS FORCES

- un dispositif légal qui encadre la qualité des données et conforte le rôle de l'INS comme coordonnateur du système statistique national (loi statistique promulgué le 20 juillet 2020)
- des outils techniques sur la qualité statistique qui orientent les producteurs de données du SNIS
- comparabilité des définitions, des nomenclatures, des méthodologies et des données du SNIS camerounais au plan international
- l'alignement aux directives de l'ONU, l'UA concernant les statistiques de qualité
- rapporteur pendant plusieurs années de la commission de l'ONU sur les statistiques
- des responsables ayant occupé de hautes responsabilités dans des institutions statistiques au plan international
- des personnels ayant été formés dans les grandes écoles aux plans national et international
- un nouveau cadre de travail à l'architecture moderne pour améliorer le rendement du personnel

NOS PARTENAIRES

Ils se comptent aux plans national, international, régional, multilatéral et bilatéral :

- | | | |
|---------------------------|-------------------------------|-----------------|
| ● la BAD ; | ● INSEE | ● ICF |
| ● la CEA ; | ● AFD | ● FinMark Trust |
| ● la CEMAC ; | ● PNUD et tous les organes du | ● AFRISTAT |
| ● l'Union Européenne | Système des Nations Unies | ● AFRITAC |
| ● John Hopkins University | ● Banque Mondiale | ● SESRIC/OCI |
| ● PARIS21 | ● FMI | ● etc. |

NOS PROJETS

- la régionalisation des comptes
- la digitalisation des enquêtes
- le reporting régional des ODD
- la réalisation du troisième Recensement Général des Entreprises
- réaliser la troisième Enquête sur l'Emploi et le Secteur Informel
- finaliser le programme de Recherche sur les inégalités au Cameroun
- mettre en œuvre la convention de partenariat sur les filets sociaux
- etc.



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5 ENFORCEMENT OF TAX COMPLIANCE



TAX LAW

ENFORCEMENT OF TAX COMPLIANCE

A. STRENGTHENING DIALOGUE WITH THE PRIVATE SECTOR

The dialogue approach between the DGT and its partners has been reflected during the past decade within the framework of the Cameroon Business Forum (CBF) and during meetings with socio-professional groups.

1. Cameroon Business Forum

A public-private dialogue mechanism, the Cameroon Business Forum (CBF) was born in 2006 and was effectively operational in January 2009, with the main missions of strengthening exchange between public authorities and the business community, improvement of the business climate and support for private sector development.

Chaired by the Prime Minister, Head of Government, these meetings provide the avenue to make recommendations to the tax administration aimed at improving the business climate.



2. Dialogue with socio-professional groups

The Directorate General of Taxation (DGT) ensured the supervision of liberal professions for the past ten years. These include:

- the National Order of Tax Consultants of Cameroon (ONCFC);
- the National Order of Chartered Accountants of Cameroon (ONECCA).

In addition, several meetings are organized each year with socio-professional groups to better explain the content of the new tax measures in the various finance laws. Among these socio-professional groups we can name:

- Cameroon Employers Union (GICAM);
- Association of Insurance Companies of Cameroon (ASAC);
- Professional Association of Cameroon Credit Institutions (APECCAM);
- Petroleum Professionals Group (PPG); Cameroon Timber Sector Group (GFBC);
- Transport Union.

In addition, the Internal Taxation Sub-Committee of the MOF-Employers Committee held several working sessions and numerous consultations within the framework of the preparation of finance laws.

B. ALL-ROUND COMMUNICATION

Over the past decade, communication will have occupied a prominent place in the deployment of the Directorate General of Taxation. Both internally and externally.

Internally, responding to the challenge of efficiency, a reorganization of services has taken place through the creation in all Tax Centers of a service specially dedicated to communication and information actions, thus ensuring vertical and horizontal transmission of information. The creation of the Impôts-Infos Magazine, which is published twice a year, is a perfect illustration. The forthcoming implementation of an Intranet network will undoubtedly strengthen and modernize these internal communication tools.

Externally, for the sake of visibility and meeting the specific expectations of users - taxpayers, the Cameroonian tax administration has set up a number of modern communication tools. This is the case with the website, with a specificity of interconnection with other social networks (Twitter, Facebook,

WhatsApp, etc.). To date, it has recorded an attendance rate of more than 10,000 visitors per month. With an attractive menu and diverse content, over the years it has established an essential interface between the tax administration and taxpayers, and the general public as a whole.

Alongside, there is the Toll free Call Center (CAT) 82 00. Simple and free, the aforementioned toll-free number makes it possible to have all the information required by a phone call. The current reform pertaining to the extension of its access to mobile networks will certainly boost this platform. This accessibility is also reflected in the design and distribution of certain specific programs intended for users with a view to promoting tax compliance. Microprograms and radio broadcasts such as the «tax time» enter this register under a new visual identity (logo).

All in all, the all-round communication within the DGT is now recognized as a strategic and subsidiary means to obtain a public good: tax information.



DGT visiting a mobile phone company in 2017

C. QUANTITATIVE ASSESSMENT OF THE STATE OF COMMUNICATION WITH TAXPAYERS AND TAX COMPLIANCE IN CAMEROON

To assess communication actions that improve voluntary tax compliance of taxpayers in Cameroon, the Directorate General of Taxation (DGT) in collaboration with the Gesellschaft für Internationale Zusammenarbeit (GIZ), as part of the Public Finance Modernization Program (PAMFIP), conducted a survey from January 2018 to June 2019. This research consisted of organizing a baseline survey which was followed by a random sampling. The baseline survey, also known as the «satisfaction survey», was designed to assess taxpayers' perception of the services offered by the tax administration as well as their level of satisfaction. The random survey consisted of sending dissuasive messages through the e-filing platform (FISCALIS) to a sample of randomly selected taxpayers.

The initial survey was conducted from September to October 2018. A total of 1,982 medium-size taxpayers from Yaoundé and Douala agreed to participate. The main findings are summarized as follows :

- the level of taxpayer satisfaction depends on the tax center;
- the use of the electronic communication channel is proportional to the size of the taxpayers ;
- the perception that taxpayers have of the tax system can influence their behavior as well as their interactions with the tax administration.

The random surveys were conducted in the spring of 2019. 1,745 companies that participated in the satisfaction survey and 2,162 taxpayers who did not participate in the baseline survey were in the sample. 1,612 taxpayers were assigned to the processing group and 2,296 to the control group. The messages were finally sent in early May 2019.

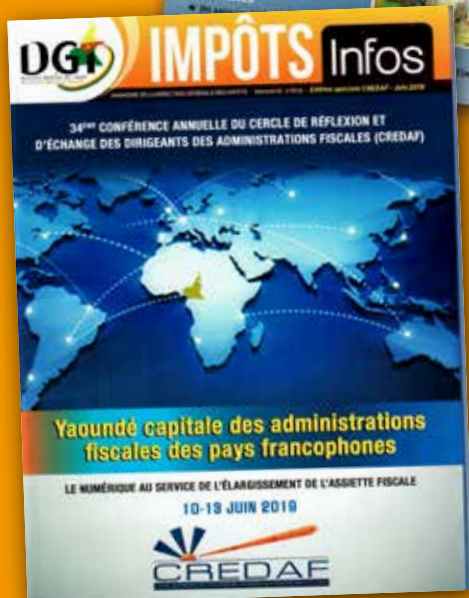
In addition to the results of the survey and the random investigation, this research also makes general recommendations to the DGT and GIZ for the continuation of the DGT strategy to improve communication with taxpayers. These recommendations address the challenges encountered during the creation and implementation of this project as well as to :

- repeat the survey with an experienced and independent company ;
- capitalize on the communication actions of the tax centers to locate and/or contact taxpayers ;
- consider the Division of Research and Tax Reforms as the main in-house actor of the DGT while emphasizing the role of the IT Division ;
- save data from surveys carried out.



IMPÔTS INFOS

Le semestriel de la Direction Générale des Impôts



RAPPORT ANNUEL



CSPH
CAISSE DE STABILISATION DES PRIX DES HYDROCARBURES



HPSF
HYDROCARBONS PRICES STABILIZATION FUND



Sous la tutelle du ministère du Commerce, la **Caisse de Stabilisation des Prix des hydrocarbures (CSPH)** est un Etablissement Public à caractère spécial, doté de la personnalité juridique de l'autonomie financière et géré suivant les règles de la comptabilité privée, conformément aux dispositions de l'Acte Uniforme OHADA.

La CSPH a pour mission d'assurer la régulation des prix des produits pétroliers, ainsi que celle de leur approvisionnement sur l'ensemble du territoire national par tout mécanisme prévu par les lois et règlements en vigueur.

Elle intervient également dans toutes les opérations de nature à assurer une saine concurrence entre les opérateurs économiques du secteur pétrolier aval et garantit la protection du consommateur en matière de produits pétroliers.

Elle concourt, en tant de besoin, à toutes les opérations visant la maîtrise de la politique énergétique nationale.

Under the supervision of the Ministry of Trade, the **Hydrocarbons Prices Stabilization Fund (HPSF)** is a Public Establishment of a special nature, with legal status and financial autonomy that is managed according to the rules of private accounting, in accordance with the requirements of the OHADA Uniform Act.

The mission of the HPSF is to ensure the regulation of prices of petroleum products, as well as that of their supply throughout the national territory by all mechanisms provided by the applicable laws and regulations in force.


It also intervenes in all operations likely to ensure healthy competition between economic operators in the downstream petroleum sector whilst guaranteeing consumer protection with regard to petroleum products.

It contributes when necessary in all operations aimed at improving the effectiveness of the national energy policy.

**“Réguler pour sécuriser
l'approvisionnement du marché
national en produits pétroliers”**

*Etablissement public créé par décret
n°74/458 du 10 mai 1974 et réorganisé par
Décret n°2019/032 du 24 janvier 2019*

 www.csph.cm


 contact@csph.cm

 BP 501 Yaounde, Cameroon

 @CSPH_HPSF

 facebook.com/CSPH.HPSF

 LinkedIn.com/company/csph

 [CSPH-HPSF](https://www.youtube.com/CSPH-HPSF)

 [CSPH/HPSF News](https://www.telegram.com/CSPH/HPSF)

**“Regulating to ensure a sustainable
supply of petroleum products
throughout the national territory”**

*Public establishment created by Decree
No.74/458 of 10 May 1974 and reorganised
by Decree No.2019/032 of 24 January 2019*

TESIMONY OF

DR. NARA MONKAM

*Director of Research,
African Tax Administration Forum (ATAF).*



“PROUD OF THIS RESOLUTE
MARCH TOWARDS MODER-
NIZATION

At the launch of the African Tax Administration Forum (ATAF) on November 19 and 20, 2009 in Kampala (Uganda), Cameroon, like other African countries, was invited to take part. The Kampala Conference, which was a decisive turning point in the gestation process of this important continental organization, marked by the adoption of the founding statutes of this new forum and the establishment of its governing bodies, saw the active participation of Cameroon.

Cameroon adhered to this pan-African organization whose main objectives are to promote the strengthening of operational capacities, the exchange of good practices and experiences in tax policy and tax management between African tax administrations, by Decree n° 2014/279 of August 1, 2014 on the accession of the Republic of Cameroon to the Agreement pertaining to the creation of the African Tax Administration Forum (ATAF), adopted in Kampala on November 20, 2009. As a member of the Steering Committee at the creation of ATAF and a country traditionally attached to south/south cooperation, Cameroon is thus positioned among the pioneers of this organization.

The exchange of good practices by Cameroon with other African tax administrations, member countries of the ATAF, is justified manifold, which cannot be entirely mentioned in this testimony. For illustration purposes, one can count the participation of

the DGT in the annual flagship publication of ATAF, the African Tax Outlook, which produces comparative tax analysis of 35 African tax administrations. We can also mention the seminar organized in 2011 in Cameroon (Yaoundé) by ATAF on the theme «Transfer Pricing for Policy Makers» which enabled African countries present, considering the high level of discussion coordinated by experts, to take stock of their legislation and administrative organization in the area of transfer pricing. Cameroon's participation in seminars organized by ATAF is almost constant, the contribution of representatives of the DGT has always gone in the direction of sharing experiences on the themes addressed.

On the African continent, Cameroon is among the countries which are capitalizing on information and communication technologies to improve the quality of service to taxpayers. In 2017 during a meeting organized by ITC/ATI in Berlin, Germany, the Director General of Taxation, taking the example of Cameroon, shared with us how much the appropriation of ICT has made it possible to catch up significant revenue gap until then noted by the tax administration.

Moreover, we are amazed by the enthusiasm of the Cameroonian government, and in particular of the tax authorities, to raise the level of tax compliance, increase revenue mobilization and promote fairness in the tax system. In essence, many reforms in tax policy and administration, the fight against tax evasion have been undertaken, as well

as the constant quest to strengthen the capacities of their staff.

Cameroon quickly embraced the trend preached by international donors to boost domestic revenue mobilization. These strides include: the segmentation of taxpayers by sector of activity in order to provide services tailored to the needs of taxpayers; to rationalize tax expenditure; lowering tax rates; to audit taxpayers on the basis of the analysis of the risks detected; simplification of tax forms and procedures by the introduction of the IT tool for filing and payment of taxes and duties. The fight against tax evasion and fraud witnessed a transposition of the changes observed in recent years in the area of international taxation.

The modernization trend of the Cameroonian tax administration has also been felt in the context of building the capacities of its executive staff. By way

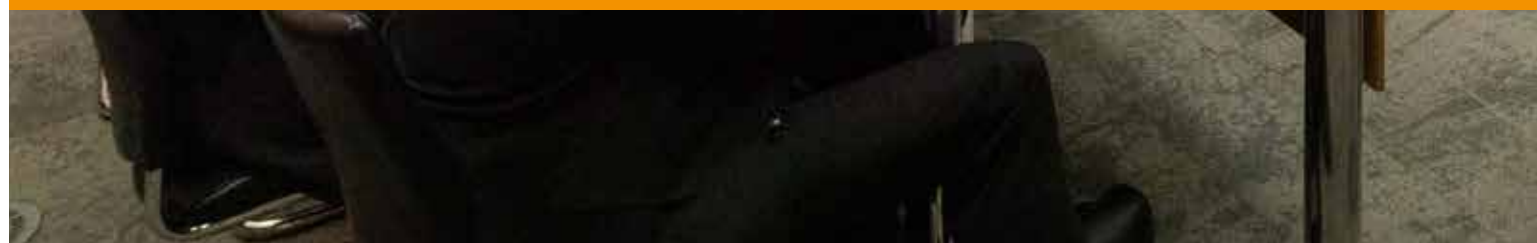
of illustration, the Executive Masters in Tax Policy and Administration, jointly organized by ATAF and GIZ in English and French, saw the participation of four (4) Tax Inspectors from Cameroon. The latter obtained their diplomas among the best at the end of these studies and are from the knowledge acquired, contributing tremendously in the change process.

All in all, we cannot claim, in this testimony, to sufficiently demonstrate all the progress recorded by the Cameroonian Directorate General of Taxation in the path taken over the past ten years. We can only be proud of this resolutely committed march towards modernization, and which no doubt is not only for the benefit of Cameroonian citizens but also for the international community, whose fight against certain tax abuses calls for a coordinated effort from everyone.





6 A STRONGER INTERNATIONAL PRESENCE





The Directorate General of Taxation was present in the international arena through various projects with international organizations and the expansion of the network of international conventions and agreements.



A STRONGER INTERNATIONAL PRESENCE

A. MULTILATERAL COOPERATION ACTIONS

1. The International Monetary Fund (IMF)



Following the 2006 mission whose recommendations focused on direct taxation, in particular Personal Income Tax (PIT) and Company Income Tax (CIT), the DGT has benefited from numerous IMF technical assistance missions since 2010.

- Tax policy diagnosis mission

In 2014, the IMF conducted a technical assistance mission on fiscal policy in Cameroon. The mission led to a series of recommendations on improving the tax/GDP ratio, strengthening the efficiency of VAT and rationalizing parafiscal levies. These recommendations have globally been implemented through the finance laws.

- Diagnostic mission on the taxation of extractive industries

As part of this mission organized in December 2015, IMF experts took stock of the state of extractive industries sector in Cameroon with a view to amending the Oil and Mining Codes. The objective is to achieve better royalty sharing between the various stakeholders, particularly through optimal taxation in this sector. At the end of the work, the IMF made a series of recommendations to the authorities.

- Tax administration mission on ways of broadening the DGT reforms

Organized in December 2015, this mission gave IMF experts the opportunity to review the numerous reforms to streamline procedures, broaden the base and secure revenue being implemented at the DGT. The assistance mission made a series of recommendations to improve VAT and strengthen the DGT IT system.

- Missions of AFRITAC Centre focusing on the strengthening of Tax-Customs relations

The IMF's Regional Technical Assistance Centre for Central Africa (AFRITAC Centre) for its part continued to support the DGT in 2015 in the fight against VAT fraud, through the integration of tax and customs missions. A draft memorandum of understanding between the two administrations was drawn up under the aegis of AFRITAC Centre, with a view to strengthening cooperation, particularly in terms of information exchange and VAT management.

- Technical assistance mission of the Public Finance Department in 2017

From 20 September to 03 October 2017, a technical assistance mission from the IMF's Public Finance Department visited the DGT. This mission took stock of ongoing reforms and made recommendations to strengthen the capacity of our tax administration.

The IMF's technical assistance mission is to accompany the DGT in its reform process, which is based on the tax administration modernization plan for the period 2018-2020. This plan is divided into four (04) areas, namely:

- a) increased revenue mobilisation;
- b) improving the quality of tax services;
- c) strengthening the steering and coordination of services;
- d) establishment of a modern information system

The technical assistance mission identified the following four priority areas of work:

1. Optimization of the process of segmentation of the tax population (by modernizing and dematerializing the tax regimes of small and micro enterprises);
2. Strengthening the VAT administration by: abolishing withholding tax for all companies, setting up a procedure for the collection of VAT by the DGT from public companies that do not remit the tax, introducing the deferred payment procedure for imports by exporting companies and permanently and sufficiently funding the escrow account dedicated to VAT refunds;
3. Professionalization of the management and performance of tax audits to promote compliance;
4. Increasing importance of collaboration between customs and tax authorities.



2. The Global Forum on Transparency and Exchange of Information for Tax Purposes

The Global Forum on Transparency and Exchange of Information for Tax Purposes is the multilateral body in which work on tax transparency and exchange of information is carried out by more than 100 jurisdictions participating on an equal footing in the work of the Global Forum.

The Global Forum is responsible for the in-depth monitoring and peer review of the implementation of the standards on transparency and exchange of information in tax matters. These standards are primarily reflected in the Model Tax Information Exchange Agreement and Commentaries issued in 2002 and in Article 26 of the OECD Model Tax Convention on Income and Capital as updated in 2004. These standards have also been incorporated into the United Nations Model Tax Convention.

All members of the Global Forum as well as jurisdictions identified by the Global Forum as relevant to its work are reviewed. This process is carried out in two phases.

The Phase 1 review assesses the quality of the jurisdictions' legal and regulatory framework for exchange of information, while the Phase 2 review focuses on the practical implementation of that framework. The ultimate goal is to assist

jurisdictions to effectively implement international standards of transparency and exchange of information in tax matters.

As part of strengthening the fight against international tax fraud and evasion, Cameroon ratified the Multilateral Convention on Mutual Administrative Assistance in Tax Matters on 20 April 2015. In this regard, our country underwent a peer review of the practical implementation of its legal and regulatory framework by the peers of the Global Forum. Cameroon received a rating of «largely compliant» at the end of the Phase 2 review in 2016 at OSLO in Norway.

In addition, the DGT ensured the participation of our country at the 9th plenary meeting of the Forum, as well as in the 3rd meeting of the «Africa Initiative» held in Tbilisi, Republic of Georgia from 1 to 4 November 2016. During these meetings,





Cameroon's intention to host the 10th plenary meeting scheduled for 2017 was clearly expressed with the support of the President of the Republic.

In a dynamic driven by the global tax coordination bodies, the DGT has marked its presence proactively at the international level with the aim of taking an active part in the global crusade against international tax fraud and evasion.

In 2017, the 10th plenary meeting of the Global Forum was held in Yaounde, making Cameroon the second African country, after South Africa, to host this prestigious event.

The choice of Cameroon constitutes:

- recognition by global tax coordination bodies of our country's efforts to combat international tax evasion and avoidance, and to promote transparency;

- an opportunity for African countries to discuss what steps they should now make to take advantage of recent improvements in global tax transparency to improve domestic resource mobilization.

From 13-15 February 2018, the Global Forum Secretariat and a data protection consultant visited the Directorate General of Taxation (DGT) to assist Cameroon in planning the implementation of the Automatic Exchange of Information (AEOI) standard for financial accounts. The objectives of this mission were to take stock of the situation and measure the prerequisites for the implementation of the AEOI standard.

3. The Organisation for Economic Cooperation and Development (OECD)

a) Implementation of the Tax Inspectors Without Borders Initiative (TIWB)

As part of the global strategy to broaden the tax base, which is the basis for optimal mobilization of tax resources, the implementation of the «Tax Inspector without Borders» (TIWB) initiative has been identified as an essential lever to be implemented during tax audit operations presenting complex problems whose solution is beyond the scope of local expertise. As a reminder, the Finance Law for the financial year 2015 enshrined this form of assistance in Article L18 (2) of the Manual of Tax Procedures (LPF). Circular N°4702/MINFI/SG/DGI/LRF/RF of 28 August 2017 specifying the modalities of implementation of the assistance of international agents within the framework of tax audit operations was adopted at the same time.

It is in this perspective that the Organization for Economic Cooperation and Development (OECD) made available to the Cameroon tax administration an expert for the purpose of implementing the «Tax Inspector without Borders» programme.

The project «Implementation of the Tax Inspector without Borders Initiative» has been in its operational phase since October 2017. Two programmes have been completed at the Large Taxpayer Office (LTO).

The first programme was spread over a 15-month period (October 2017 to December 2018). It was mainly aimed at providing technical support to those involved in the tax audit of companies in the ICT sector (mobile telephone).

The second TIWB programme relating to the tax audit of companies in the banking and insurance sectors underwent six (06) on-site missions and remote monitoring (assistance and remote consultation), by the Moroccan expert, an audit en-

gineer on duty at the Moroccan Directorate General of Taxation designated by the OECD to assist the audit services of the DGT for the implementation of the tax audit programme for the 2019 and 2020 fiscal years.

The tax issues concerned the reconstitution of the turnover of the operations in terms of telephony and the validation of incomes. The examination of the reassessments of the targeted companies made it possible to identify accounts used by these companies to inflate expenses from one financial year to another and, in the same logic, to decrease revenues.

The results of these missions, on the two programmes from which Cameroon has benefited, show the following results:

i. On the first programme: the targeted files were MTN CAMEROON (telephone operator), ORANGE Cameroon and HUAWEI CAMEROON (subcontractor).

The output following the assistance of TIWB in the MTN Cameroon file shows a notified adjusted amount of 18.5 billion (i.e. 10.8 billion in principal, 7.7 billion in penalties and late payment interest). The amount actually recovered amounts to 6.0 billion (i.e. 1.8 billion in 2017 and 4.1 billion in 2018)



as the case is ongoing at the Litigation Division. On the ORANGE Cameroon case a total return of 6.9 billion (i.e. 5.9 billion in principal and 1 billion in penalties and interest for late payment), this amount is fully recovered.

ii. Concerning the second programme: the main cases targeted were BICEC (banking) and AXA CAMEROUN (insurance).

The tax audit on the AXA file made it possible to notify an amount of 519.0 million, this amount is totally recovered, the BICEC file was the subject of the notifications and the answers of the taxpayers are awaited.

In terms of capacity building for auditors, we note the acquisition of transfer pricing audit techniques, the audit of computerized accounts, training on banking activity, techniques for drafting adjustment notices and responses to taxpayers' observations.

b) Cameroon's induction programme for the BEPS action plan

The BEPS project, which stands for «Base Erosion and Profit Shifting», is an action plan jointly set up in 2013 by the G20 countries and the Organization for Economic Co-operation and Development (OECD). This acronym refers to tax planning strategies that

exploit loopholes and differences in domestic and international tax rules to artificially transfer profits to countries or territories where the company has no real business, but where they are low-taxed. These practices result in very significant losses of government revenue for both developed and developing countries.

Cameroon, through the Ministry of Finance, has confirmed its membership as an associate member of the OECD Inclusive Framework. It has thus displayed its commitment to the consistent implementation of the minimum standards resulting from the measures relating to the BEPS (Base Erosion and Profit Shifting) project.

Signed on 11 July 2017 at OECD headquarters in Paris, the Multilateral Convention for the Implementation of the BEPS Measures (MLI) aims to facilitate the implementation of measures that constitute «minimum standards» with respect to the erosion of the tax base and the transfer of profits. Cameroon will thus be able to transpose these standards into its network of existing bilateral tax treaties in an efficient and synchronized manner, while avoiding the need to renegotiate each of these existing bilateral treaties.

In November 2017, at the end of the high-level visit of Mr. Pascal Saint-Amans, Director of the OECD's Centre for Tax Policy and Administration, a roadmap defining the practical modalities of this technical assistance was validated.

This roadmap includes a deployment schedule that takes into account the dates of the peer review and the themes on which assistance could be provided. These include, inter alia

- compliance of Cameroonian derogatory regimes with the minimum standard of transparency relating to Action 5 of the BEPS project concerning the fight against harmful tax practices;
- effective implementation of the minimum standards relating to Action 6 on the fight against «treaty shopping»;
- establishment of the internal legal and administrative framework and the framework for exchange of information necessary for the appropriate use of the country-by-country reporting relating to Action 13 and Action 14 related to the elaboration of the Mutual Agreement Procedure Guidelines, as well as the revision for the improvement of transfer pricing legislation in Cameroon.

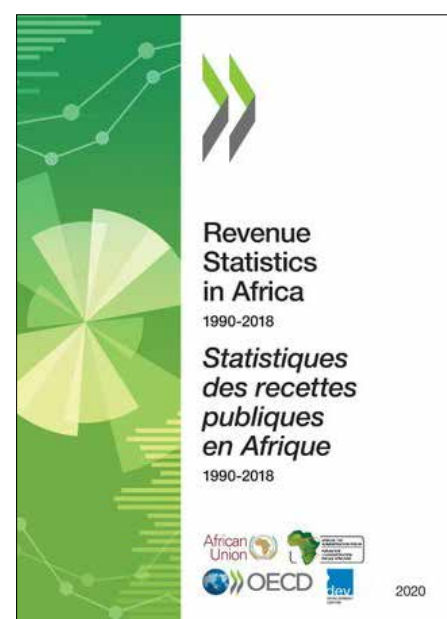
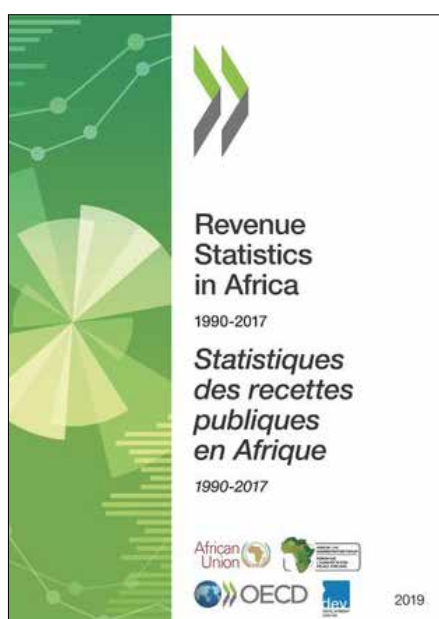
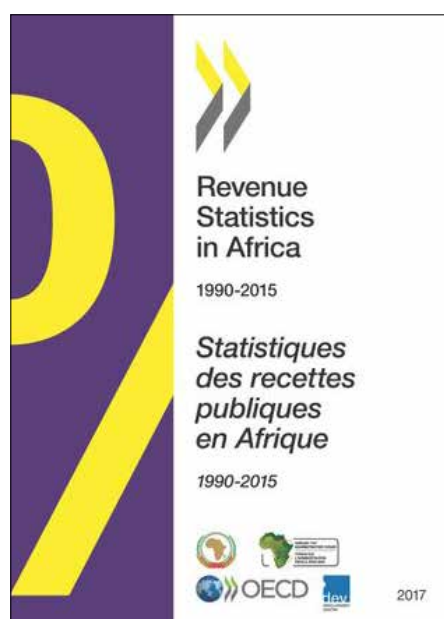
To ensure effective implementation of the stan-



dards, the OECD focal point designated for this purpose, Mme Samia ABDELGHANI, carried out a second mission from 04 to 06 March 2019 to Yaounde. This mission helped develop an action plan essential to the implementation of the road-map approved by the DGT and the launch of technical assistance work related to the implementation of the BEPS minimum standards in Cameroon, as well as the review of the Cameroonian legal framework on transfer pricing. At the end of the work, the expert identified gaps and made possible proposals for improvement.

c) Cameroon also participates in the OECD publications

Cameroon participated in 2015 in the very first OECD publication on tax revenue in Africa over the period 1990 to 2014. Revenue Statistics in Africa is a joint publication of the Center for Tax Policy and Administration of the OECD, the OECD Development Center, the African Tax Administration Forum (ATAF), and the African Union Commission, with technical assistance from the African Development Bank, the World Customs Organization (WCO) and the Exchange and Research Center for leaders of Tax Administrations (CREDAF). It provides detailed and internationally comparable data on tax and non-tax revenues of African member countries. Since 2015, Cameroon is always present in all publications.



4. The African Tax Administration Forum (ATAF)



In order to sensitize African countries on the issue pertaining of the fight against international tax fraud and evasion through the exchange of information, the ATAF (African Tax Administration Forum) initiated over a period of three years (2015-2017) a technical assistance program on exchange of information.

Cameroon was thus selected by ATAF to benefit from this technical assistance, the implementation of which was carried out in two (02) phases. Accordingly, the Directorate General of Taxation hosted from March 6 to 14, 2017, the first phase of said assistance with the support of two experts. During this mission, a training on the exchange of information in which the staff of the DGT and the National Financial Investigation Agency (ANIF) took part was given, as well as an evaluation of the mechanism of exchange of information in our country.

From October 31 to November 2, 2018, ATAF carried out a technical assistance mission for the exchange of information in DGT. This mission consisted of organizing an exchange of information workshop on the implementation of the automatic

exchange of information standard and, working with the auditors of the Large Taxpayers Office on the use of exchange of information during tax audits.

Cameroon has participated since 2015 in ATAF publications known as the African Tax Outlook. It is a document that offers a comparative approach to tax revenue mobilization strategies deployed by African tax administrations.



5. The Exchange and Research Centre of Leaders in Tax Administrations (CREDAF)

CREDAF was born in Yaounde in 1982 under the name «Centre de Rencontre et d'Etudes des Dirigeants des Administrations Fiscales» and became in 2018 during the general assembly held in Haiti «Cercle de Réflexion et d'Echange des Dirigeants des Administrations Fiscales».

A founding member of CREDAF, Cameroon regularly participates in the activities organized by this institution, particularly conferences, symposia and seminars.

Cameroon thus hosted its 34th Annual Conference from June 10 to 13, 2019 under the theme «digital technology at the service of broadening the tax base».

A flagship event on the CREDAF agenda, the Annual Conference is part of the Center's activities whose objectives are to support member countries in their reforms, to strengthen their capacities, to exchange experiences and pool best practices, as well as to develop regional and international cooperation.

The work of the Conference was structured around the specific challenges of the development of digital technologies for the African continent.

Specifically, the conference identified the best practices and the most promising avenues for developing and promoting digital solutions in the future that can help broaden the tax base.



6. Tax Administration Diagnostic Assessment Tool (TADAT)

To take into account the best standards during the formalization of the modernization plan of the DGT (period 2017-2021), international expertise was called upon by the Cameroonian tax administration. This is the meaning of the assessment made to our tax system through the TADAT tool with the help of German cooperation.

TADAT (Tax Administration Diagnostic Assessment Tool) makes it possible to assess in an objective and standardized way the functioning of a country's tax administration. Therefore, it helps in.

- Identifying the relative strengths and weaknesses in tax administration management systems, processes and institutions;
- Facilitating a shared view on the condition of

the system of tax administration among all stakeholders (e.g., country authorities, international organizations, and technical assistance providers);

- Setting the reform agenda, including reform objectives, priorities, initiatives, and implementation sequencing
- Facilitating management and coordination of external support for reforms, and achieving faster and more efficient implementation;
- Monitoring and evaluating reform progress by way of subsequent repeat assessments.

This assessment is carried out according to the nine (09) areas of analysis below:

1. Intégrité du registre des contribuables ;
2. Gestion efficace du risque ;
3. Promotion du civisme fiscal ;
4. Dépôt des déclarations fiscales dans les délais ;
5. Paiement des impôts dans les délais ;

6. Exactitude des informations déclarées ;
7. Règlement efficace des contentieux fiscaux ;
8. Gestion efficiente des recettes ;
9. Responsabilité et transparence.



7. The Economic and Monetary Community of Central Africa (CEMAC)

Community legislation has undergone changes with the entry into force on:

- September 23, 2013, of Directive N ° 01/13-UEAC-010A-CM-33 revising Act N ° 10/88-UDEAC-257 relating to the harmonization of registration fees, stamps and trusteeship;
- On March 22, 2019, of Directive No.

03/19-UEAC-010A-CM-33 on the harmonization of the laws of the Member States in the field of excise duty;

- April 08, 2019 of agreement No. 07/19-UEAC-010A-CM-33 revising Act No. 5/66-UDEAC-49 of December 13, 1966 relating to the agreement on the non-double taxation of the PIT.

8. Commonwealth Association of Tax Administrators (CATA)

An organization associated with the Commonwealth, CATA was established in 1978 by decision of the Commonwealth Finance Ministers. This organization helps member countries through conferences, publications and knowledge sharing to make tax administrations more efficient and to promote sustainable development and good go-

vernance. Forty-seven (47) Commonwealth countries are currently active members of CATA.

Cameroon has been a member since 1997. Cameroon hosted the 29th annual technical conference of this body from November 9 to 14, 2008 in Yaounde.

9. Multilateral cooperation and prospects for the protection of the tax base and Cameroon's public finance interests: the DGT at the forefront of the fight

The parliamentary session of November 2020 opened with the examination by the members of parliament of the bill authorizing the President of the Republic to proceed with the ratification of the Multilateral Convention for the implementation of tax measures relating to tax treaties to prevent base erosion and profit shifting, otherwise known as Multilateral Instrument (MI). This approach follows the signing on July 11, 2017 in Paris by the Minister of Finance of this conventional instrument that resulted from the affirmed will of the international community, manifested in the BEPS project, which also constituted the implementation of a cross-cutting action, to propose a subtle, economical and efficient mechanism capable of contributing to the coherent and concerted modification of the global network of bilateral tax treaties.

The Multilateral Instrument is in fact developing a coherent, flexible and tailored normative approach, address problems of base erosion and profit shifting (BEPS) through the possibility of synchronized modification of the global network of bilateral tax treaties via related standards, developed within the framework of the BEPS project and structured into mandatory standards on one hand and optional on the other hand. The aim is to oversee the abusive use of tax treaties and the neutralization of hybrid arrangements, the artificial avoidance of perma-

nent establishment status and the improvement of treaty dispute settlement mechanisms. It therefore follows the international tax policy guidelines implemented by the Cameroonian tax administration in order to protect its tax jurisdiction from the depleting effects of base erosion and profit shifting practices.

Taking into account the Cameroonian options for the multilateral instrument in the course of ratification, as formulated at the time of its signature, it will ultimately bring about significant changes to the material structure of the Cameroonian tax treaty network. It is now left to the Cameroonian tax administration, to facilitate the accessibility by interested parties to the network of their bilateral tax treaties as impacted by MI, to work together with its treaty partners to produce consolidated versions of their bilateral conventions in order to simplify its comprehension.

Prior to the signing of the MI, Cameroon has long been a party to the convention on mutual administrative assistance in tax matters as amended by the protocol of 2010. Entered into force on October 1, 2015, it offers the Cameroonian tax administration the possibility of enforcing its tax jurisdiction beyond borders, which in principle is confined within the boundaries of its jurisdiction, with regard to

the assessment and collection of tax debts. The implementation of this multilateral treaty instrument by our jurisdiction, can to date be regarded as satisfactory if one looks at the statistics of the Unit of International Exchange of Information on one hand, but also at the efforts of normative convergence towards standards of international tax transparency structurally supported by this instrument on the other hand.

Moreover, international tax cooperation is also at the heart of sub-regional economic integration policies. It is from this analysis that the competent authorities of the sub-region recently carried on the revision of Act n°5/66 UDEAC-49 of December 13, 1966 on the tax treaty between the CEMAC countries, to adapt it to contemporary changes observed in the tax treaty legal standards. This process, which was piloted by the Permanent Commission for Fiscal and Accounting Harmonization with the technical support of the public finance department of the International Monetary Fund (IMF), resulted

in the adoption of regulation n°7/19- UEAC-CM-33 revising Act n°5/66 UDEAC-49 of December 13, 1966 on tax treaty between CEMAC countries.

All in all, the multilateral approach for safeguarding the taxable base and public financial interests conducted simultaneously by the Cameroonian tax administration is worthy of communication given the magnitude of these actions which are more or less ignored by the public, that is those concerning the international tax cooperation and the resultant normative solutions and recommendations of efficiency as well as the sustainability of our mandatory tax system.



B. BILATERAL COOPERATION ACTIONS

1. The expansion of the network of tax treaties

A tax convention is an international treaty binding two or more States with the aim of avoiding double taxation or the double non-taxation of economic actors intervening in their territorial jurisdiction. Double taxation conventions are either bilateral or multilateral agreements concluded between two or more States.

As part of the process of expanding the tax treaty network, Cameroon, through the Directorate General of Taxation (DGT) has experienced in ten (10) years, an activity focused on the ratification of conventions already signed and the continuation of negotiations started with certain countries.

a. The convention with the Republic of South Africa

The year 2017 saw the finalization of the ratification process in March and the entry into force on July 13, 2017 of the convention with the Republic of South Africa.

b. The agreement with the Federal Republic of Germany

The agreement with the Federal Republic of Germany which aims to avoid the double taxation of air transport companies with regard to income and capital was signed in Yaounde on August 24, 2017. It falls within the framework of the strengthening of the multifaceted cooperation that has existed between the two countries for decades. It thus clarifies the rules of taxation in air transport between the two parties. In particular, it aims on one hand to protect the taxpayers of this sector against double taxation by sharing the taxing rights between the State of the source of the income and the State of the residence of the beneficiary. On the other hand, to provide guarantees to taxpayers by prohibiting tax discrimination and by establishing an amicable procedure for the settlement of disputes in the event of litigation.

c. The convention with the United Arab Emirates

This convention, which aims to avoid double taxation and prevent tax evasion with regard to income taxes, was signed on July 13, 2017 in Abu-Dhabi. Through this Agreement, Cameroon intends on one hand to promote Foreign Direct Investments on its soil and on the other hand to ensure security and administrative friendliness in the levying of tax on the income of its compatriots and Emirati nationals carrying out an activity in one or the other contracting State.

The tax treaty with the United Arab Emirates has been forwarded to the Prime Minister's office for onward transmission to the parliament.

d. The convention with the Federal Republic of Nigeria

The first round of negotiations for the bilateral convention with the Federal Republic of Nigeria took place from May 30 to June 1, 2017 in Abuja, Nigeria. The two parties agreed on 2/3 of the text submitted for negotiation. The second round of negotiations was held in Yaounde-Cameroon from July 30 to August 3, 2018. The negotiations made it possible to reach agreement on all the outstanding issues during the first round.

e. The convention with the Socialist Republic of Vietnam

The first round of negotiations for the bilateral convention with the Socialist Republic of Vietnam took place from March 27 to 30, 2017 in Hanoi, Vietnam. The two delegations discussed all the articles of the draft (29) and the points of divergence noted could be resolved during the second round of negotiations scheduled for Yaounde.

f. The agreement with the Swiss Confederation

A first round of negotiations with a view to the conclusion between the Swiss Confederation and the Republic of Cameroon of a Convention to avoid double taxation with respect to taxes on income

and the prevention of tax evasion took place in Bern from 04 to 07 June 2018.

During the second round of negotiations in Yaoundé, Cameroon from July 22 to 26, 2019, the parties reached agreement on certain points. Points of disagreement will be discussed in the third round.



g. Other agreements being finalized

The year 2019 is marked by the request from the Head of State for full powers empowering the MOF to proceed on behalf of the Government, with

the signing of two agreements on the elimination of double taxation and the fight against tax evasion. These are tax treaties with Seychelles and the Czech Republic.

2. Cooperation with Germany

Cooperation with Germany through GIZ has enabled the DGT of Cameroon to benefit from multifaceted support, in particular through:

- the evaluation of the first phase of the Public Finance Modernization Support Program (PAMFIP) and the start of the second phase of the said Program;
- development of the FUSION application, which aims to collect, process and exchange tax and customs data in the context of the fight against VAT fraud;
- technical support and capacity building in project

management by organizing training on the presentation of logical frameworks;

- the launch of the tax expenditure study project;
- the preparation of in-depth computerization of the DGT by contributing to the realization of a feasibility study relating to the establishment of the integrated tax management system;
- various technical support: support in the preparation and implementation of the TADAT assessment, strengthening of the FUSION application and donation of laptops.

3. Cooperation with France

Cooperation with France materialized during the decade through seminars and study trips.

Several Cameroonian tax administration executives have benefited from seminars organized by the Directorate General of Public Finances (DGFIP) of France. These seminars dealt with issues related to the administration of VAT, tax audits, tax collection, the «Tax Inspectors Without Borders»

initiative, transfer pricing, the prosecution of tax offenses as well as the promotion of trainers.

The DGT also received a delegation from the Directorate General of Public Finances (DGFIP) as part of the assessment of cooperation between the two administrations.

4. Cooperation with the United States of America (OTA)

Following the TADAT assessment carried out within the Directorate General of Taxation (DGT) in 2017 which identified some gaps in the Cameroonian tax administration, the DGT benefits, at the request of the Cameroonian authorities, from Technical Assistance in order to help correct the shortcomings identified.

The US Department of the Treasury's International Technical Assistance Program, managed by the Office of Technical Assistance (OTA-REVENUE), is mandated to support the development of a strong financial sector and sound public financial management in developing and transition countries where assistance is needed.

During the 2019 fiscal year, US technical assistance focused on:

1. Internal AUDIT and administrative inquiries: this involved developing the expertise and capacity to effectively carry out administrative inquiries and audit procedures within the DGT. As such:

- two training sessions were given to 40 staff of the Internal Audit Office of Taxation (ISI) on administrative investigation techniques;

- a manual of procedures was drafted with the support of American experts in order to introduce international good practices;

- an on the job training manual has been developed for the coaching of staff newly assigned to ISI and 20 trained coaches;

- a code of ethics for the tax administration has been drafted.

2. effective risk management by setting up a process for identifying and managing institutional risks and tax compliance. To effectively implement this process, 30 managers from the central services of the DGT were trained in the identification, assessment and prioritization of risks as well as the development of mitigation measures;

3. Internal audit through the development of ex-

expertise and the ability to effectively conduct internal audits. For this purpose,

- an internal audit procedure manual is being prepared with the assistance of the expert dedicated to this task;

- a training seminar was organized on best practices in the internal audit profession with the participation of the internal auditors (central and decentralized services).

4. Tax Audit in order to improve the effectiveness and efficiency of this tax audit function:

- work is continuing on the design of an Annual Tax Audit Planning tool with the Investigations, Programming and Monitoring of Tax Control Division;

- the draft Tax Audit Manual has been designed;

- the training needs of the personnel of the Tax Audit Brigades have been identified at the Large Taxpayers Office (LTO);

- the first wave of Auditors was trained on general accounting audit techniques.

A 2020-2021 work plan is submitted to the Minister of Finance for assessment and signature. In the said document, in addition to the ongoing activities, the OTA also plans to include training on leadership in tax administrations and training of trainers' seminars as well as an extension of the tax audit mission.

5. Exchanges of best practices with other tax administrations

1. Senegal

From May 25 to June 1, 2016, the DGT received a delegation from the Directorate General of Taxation and Lands tenure (DGTL) of Senegal, as part of a study trip. The objective of the visit was to learn from Cameroon's experience in reforming the organization of services and the management of taxes and duties. A program focusing on the presentation of these reforms, the legal modalities of their implementation and the concrete assessment of the capacity of operational services to implement them had been put in place for the benefit of the missionaries. The delegation from Senegal expressed their good impression on the smooth flow between the tax policy orientations and the commitment of the staff.

2. Benin

A delegation from Benin led by its Director General of Taxation, from October 31 to November 3, 2016, made a study trip to the DGT of Cameroon in order to get acquainted with the Cameroonian experience in the taxation of micro-enterprises. During this visit, the DGT spoke to its guests on the monitoring and support measures for micro-enterprises, in particular the regime of approved management centers, support structures for small and medium-sized enterprises, measures to broaden the base and enhance revenue, like the reform on the monitoring of the taxpayer file.

3. The Republic of Congo

From 04 to 08 March 2019 a delegation from the Ministry of Finance of the Republic of Congo sojourned at the DGT. The objective of the visit was to exchange good practices in the areas of oil and forestry taxation. During an intense week, Mr. MVOUSSA Juslian, Attaché at the Ministry of Finance and Budget of Congo and Mr. EBOUANGA Guy, Head of Brigade, had successive working sessions with :

- the Forestry Revenue Enhancement Program (PSRF) for the organization and restructuring of the sector in their country which for the time being is only managed by the Ministry in charge of forestry;
- the Division in charge of tax legislation, with a view to overhaul the General Tax Code of Congo and the methods of collecting Special Income Tax (SIT);
- at LTO, in particular with the Forestry, Water and Oil management unit in order to become familiar with the regulations of the upstream oil sector;
- with the IT Division, they worked on the digitalization of procedures at the DGT and the implementation of FISCALIS and MESURE platforms.

TESTIMONY OF

MR. TCHOUATA ERVICE

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“TAX TRANSPARENCY TO SUPPORT THE MOBILIZA- TION OF STATE REVENUE

I n a globalized and increasingly digitalized economy, a modern tax administration is one capable of mobilizing and using information. The Global Forum on Transparency and Exchange of Information for Tax Purposes (the Global Forum) promotes tax transparency and exchange of information among tax administrations around the world.

Cameroon joined the Global Forum in October 2012, becoming the 113th member of this group which now has 161 jurisdictions, including 32 African countries. It is one of the five African countries which first joined the Global Forum's Africa Initiative when it was launched in 2014, as «pioneers», committing to put in place the pillars of exchange of information (EOI) and to demonstrate through its use the potential of tax transparency and EOI for domestic resource mobilization in Africa.

Cameroon hosted the 10th Annual Plenary Meeting of the Global Forum from 15 to 17 November 2017, which was attended by more than 180 delegates representing about 80 jurisdictions and a dozen international and regional organizations. On the sidelines of this plenary meeting, Cameroon hosted a meeting of Ministers of Finance and Heads of tax administrations of African countries, which gave birth to the «Yaoundé Declaration». The Yaoundé Declaration calls on African countries and institutions such as the African Union to further promote tax transparency as one of the solutions to illicit financial flows that deprive Africa of important re-

sources needed for its development, with the support of the Global Forum and other partners. The Ministers of Finance of 30 African countries have so far joined the Yaoundé Declaration, adding their voice to this call to action.

All of the above reflects a strong political commitment by the Cameroonian authorities at the highest level to combat cross-border tax evasion and avoidance, which we commend.

Complying Cameroon's legal and operational framework with international standards

Since joining the Global Forum, Cameroon has taken important steps to implement the international standards of tax transparency and benefit from EOI. Some of those steps are as follows:

- Signature of the Convention on Mutual Administrative Assistance in Tax Matters (MAAC) on 26/06/2014 (65th country to sign this convention in which 141 jurisdictions are now participating) followed by its ratification in barely a year (30/06/2015). The MAAC is the most powerful instrument of cooperation among tax administrations. It allows the tax administrations of participating jurisdictions to assist each other through various forms of EOI, including on request, spontaneous and automatic, as well as assistance in the recovery of tax claims and the notification of documents abroad.
- Reforms of the legal framework to ensure tax transparency, with regards to legal instruments and arrangements that are little or not at all reco-

gnized under Cameroonian laws. For example: (1) dematerialization of bearer shares-Cameroon is one of the first OHADA member countries to have specified in practice the regime of dematerialization of shares provided for by the 2014 revision of the Uniform Companies Act; (2) filing of obligation for trusts created abroad, (3) possibility to exercise the right to information from the tax administration's office for EOI requests;

- Structural and organizational reforms. For example: (1) creation of the Unit for International EOI with dedicated resources (premises, equipment, staff trained in information exchange), (2) training of several other staff, including auditors, in information exchange).

Effectiveness of the measures taken to implement international standards

The measures taken by Cameroon have led to the establishment of a tax transparency and EOI framework, as recognised by the overall rating of «Largely Compliant» obtained by Cameroon in 2016, following its first peer review on the transparency and EOI on request standard. Since then, Cameroon has started to use EOI to support tax revenue mobilization: between 2014 and 2019, Cameroon sent 43 requests for information compared to 34 received, making it one of the five African countries to have sent more requests than they received over the same period. These are remarkable steps forward, for which credit should be given to the Cameroonian authorities, starting with the Directorate General of Taxation.

Perspectives

However, Cameroon is still at the beginning of the implementation and effective use of EOI instruments. The authorities should ensure that the momentum noted during the 2016 assessment is not interrupted and that EOI remains a priority for the tax administration. Considerable efforts are therefore still needed to enable Cameroon to take full advantage of the progress made over the past decade in tax transparency and EOI. These efforts should be directed toward:

- Reforming the legislation to ensure the transparency of the beneficial owners of legal entities and legal arrangements, a requirement of both the tax transparency standards and the anti-money laundering and counter financing of terrorism standards ;
- Establishing a culture of EOI within the tax administration through the enhancement of the Unit for International Exchange of Information, the continuous training in EOI, the performance measurement of the users of information, on the optimization of EOI ;
- Implementing automatic EOI which has enormous potential for the tax administration in the taxation of the income hidden in foreign countries by Cameroonian taxpayers (over 100 jurisdictions are already exchanging information on financial accounts on an automatic basis since 2017, including all OECD member countries and the largest international financial centres - more than EUR 100 billion has already been recovered by tax administrations worldwide through Voluntary Disclosure Programs launched prior to their first automatic exchanges, including USD 82 million in Nigeria and USD 296 million in South Africa);
- Enhancing the use of EOI by increasing the number of requests sent and implementing reforms to make EOI more effective, such as the creation of a High net worth individuals Unit or Program and the launch of a Voluntary Disclosure Program, for certain taxpayers, in connection with the implementation of automatic EOI.

The political commitment of the authorities and the leadership of the Directorate General of Taxation are key to the implementation of these reforms, which in turn would enable Cameroon to fully reap the benefits of tax transparency and EOI in tax revenue mobilization, as it is already the case in other African countries.

TCHOUATA Ervice



Le Directeur général de la CAA et l'ensemble du personnel adressent leurs vives et chaleureuses félicitations à la Direction Générale des Impôts, à l'occasion de l'inauguration de son immeuble siège, ce joyau architectural qui s'inscrit parfaitement dans le cadre de la politique des Grandes Réalisations prônée par le Président de la République S.E. Paul Biya.

Les dirigeants



M. Richard EVINA OBAM
Directeur Général



M. KENDEM John FORGHAB
Directeur Général Adjoint

Les missions

La Caisse Autonome d'Amortissement du Cameroun (CAA) est un établissement public à caractère spécial créé par le décret N° 85/1176 du 28 août 1985 et modifié par le décret N°2019 /033 du 24 janvier 2019. Structure de gestion de l'ensemble des fonds d'emprunts publics de l'État et de ses démembrements, des organismes publics et parapublics, des collectivités locales, la CAA assure le Secrétariat Permanent du Comité National de la Dette Publique (CNDP) créé par décret N°2008/2370/PM du 04 août 2008.

Son objectif est de contribuer en liaison avec les administrations et organismes concernés, à la mise en œuvre de la politique d'endettement, du financement des projets et des programmes, ainsi qu'à la gestion du marché des capitaux.

A ce titre, elle est notamment chargée :

En matière de dette publique :

- d'effectuer des études prospectives relatives aux engagements de l'Etat et de ses organismes ;
- de fournir au gouvernement les analyses nécessaires à l'élaboration de la politique d'endettement du pays ;
- de contribuer à la recherche, à l'étude et à la négociation des financements extérieurs et intérieurs de l'Etat ;
- d'étudier les demandes d'aval et de rétrocession des prêts à soumettre au Ministre des Finances ;
- d'émettre des emprunts publics et de rétrocession ;
- d'évaluer et d'assurer le service de la dette ;
- de produire les comptes relatifs aux opérations sur les accords de financement par emprunt ou par dons de la coopération financière internationale et des titres publics ainsi que l'ensemble des fonds mis à disposition.

En matière de financement des projets et programmes :

- d'assurer la gestion des fonds d'emprunts publics de l'Etat des organismes publics, para publics et de ses correspondants selon les conventions de financements y relatives ;
- de gérer les fonds de contrepartie et la part des fonds que le trésor peut lui confier sur les dépôts de ses correspondants ou sur toute autre ressource suivant les modalités établies d'accord partie ;
- d'assurer selon la programmation de l'Etat dans la loi de Finances, les prérogatives des décaissements des financements extérieurs et fonds de contrepartie ;
- d'optimiser les ressources mobilisées pour le paiement des projets et programmes jugés prioritaires par le gouvernement.

En matière de gestion du marché des capitaux :

- d'assurer la codification, la conservation, la circulation et l'administration des valeurs mobilières et titres financiers apparentés.
- d'assurer la gestion et la mise en œuvre du processus de dématérialisation des valeurs mobilières ;
- d'effectuer pour le compte de l'Etat, toutes les opérations afférentes à l'émission des effets publics négociables ;
- d'assurer la sécurisation, la conservation, la coordination, le contrôle et la supervision des opérations de dématérialisation des valeurs mobilières.

Par ailleurs, la Caisse exécute toute autre mission à elle confiée par le gouvernement en rapport avec son objet social. Elle est placée sous la tutelle technique et financière du Ministère en charge des Finances.

“LA DETTE PUBLIQUE DEMEURE VIABLE”

Lire l'interview de M. Richard Evina Obam, Directeur Général de la Caisse Autonome d'Amortissement du Cameroun (CAA)

Monsieur le Directeur Général, comment peut-on décrire le processus de gestion de la dette publique ? Quel est le rôle de la CAA dans ce processus ?

Le processus de gestion de la dette publique consiste, entre autres, en : (i) la formulation de la politique d'endettement, (ii) la négociation et le décaissement des ressources de financement, (iii) le remboursement de la dette et (iv) l'évaluation de la politique d'endettement. Il fait intervenir trois grandes fonctions que sont le middle office (élaboration de la politique d'endettement), le front office (négociation des financements) et le back office (comptabilisation de la dette publique) auxquelles peut être ajoutée la fonction d'audit et de contrôle.

La CAA, dans sa mission de gestionnaire de la dette publique et de Conseiller de l'Etat en la matière, participe à l'élaboration des études prospectives relatives aux engagements de l'Etat et de ses organismes ; ainsi qu'à la recherche, à l'étude et à la négociation des financements extérieurs et intérieurs de l'Etat. Elle accompagne également les sectoriels dans le financement et l'exécution des projets, suivant une stratégie d'endettement prédéfinie, dans le respect des conditions et des plafonds fixés en termes de décaissements et d'engagements.

Qui sont les principaux créanciers du Cameroun et à quoi sont destinés les capitaux provenant de la dette extérieure de l'Etat ?

Au Cameroun, nous avons des créanciers bilatéraux, commerciaux ou multilatéraux. Globalement le principal partenaire bilatéral du Cameroun est la Chine, qui détient 61,3% du portefeuille suivi de la France avec 28,5%. La dette multilatérale quant à elle, est dominée par la dette envers le groupe de la Banque Africaine de Développement (30,1%) suivi de la Banque Mondiale (30%) et du FMI (17,1%).

Par ailleurs, en termes de destination, les fonds mobilisés dans le cadre des conventions servent pour l'essentiel à la réalisation des projets de développement dans plusieurs secteurs de l'économie (transport, eau et électricité, santé, agriculture, etc.).

L'année 2020 est marquée comme dans les années récentes par l'expansion du volume des projets et programmes sur financements extérieurs (dette, dons). Cette tendance s'est maintenue nonobstant les difficultés conjoncturelles (Crise sanitaire liée à la COVID 19). Parmi les projets en cours d'exécution, l'on peut citer la poursuite de la mise en œuvre des infrastructures routières ; la Phase 2 du Port en eau profonde de Kribi, les projets liés à l'organisation du CHAN 2021 et de la CAN 2022, des projets dans le domaine de la Santé, de l'Education ; dans le secteur de l'Eau et de l'Energie qui contribuent à l'amélioration du bien-être de nos populations.

Quelle est la situation actuelle de l'endettement du Cameroun, notamment l'encours total de la dette du secteur public camerounais ?

L'encours de la dette du secteur public, évalué au 30 septembre 2020, est de 10 164 milliards de FCFA, soit 45,8% du PIB. Cet encours est en augmentation de 1,3% en glissement mensuel contre une baisse de 0,1% en glissement trimestriel et une hausse de 5,7% par rapport à décembre 2019. Il est à noter que, depuis le mois de juillet 2020, le champ de la dette publique s'étend progressivement de l'Administration Centrale vers l'ensemble du secteur public (y compris la dette des entreprises et établissements publics), suivant la disponibilité des informations.

Dans cet encours, la dette extérieure du secteur public est évaluée à 7110 milliards de FCFA, dont 6 681 milliards de FCFA de dette extérieure de l'Administration Centrale et 429 milliards de FCFA de dette directe extérieure des sociétés publiques non avalisées par l'Etat. Quant à la dette intérieure son stock est évalué à fin septembre 2020 à 3 019 milliards de FCFA, dont 208 milliards de FCFA de restes à payer de plus de 3 mois. Les détails et les caractéristiques de la dette publique sont repris dans la Conjoncture mensuelle qui lui est consacrée, sur le site de la CAA (www.caa.cm).

Quelle est à ce jour la situation des soldes engagés non décaissés (SEND's) qui pourraient traduire les conséquences de la



mauvaise gouvernance des projets ?

Pour comprendre la question des soldes engagés non décaissés (SEND's), il convient d'appréhender l'essence des projets. Un projet répond à une demande économique et/ou sociale identifiée par les pouvoirs publics. Il obéit, pour sa mise en œuvre à un cycle qui le contraint dans le temps et dans l'agencement des tâches pour faire un tout. Il s'agit donc, pour un financement donné de respecter un profil de décaissement conforme avec le cycle conventionnel de mise en œuvre du projet ce qui conduit systématiquement à une accumulation des SEND's qui pour certains peuvent être considérés à tort ou à raison comme des SEND's dits « à problèmes ».

A fin septembre 2020, le stock de SEND's s'évalue à un montant total de 3405 milliards de FCFA. Ces SEND's sont programmés pour être totalement absorbés en 5 ans environ. Ces ressources ne sont pas encore décaissées et ne représentent pas une dette, mais plutôt un engagement à décaisser ultérieurement.

N'y a-t-il pas à craindre un risque de surendettement de l'Etat du Cameroun ?

La soutenabilité de la dette ne se mesure pas sur la base d'un seul indicateur d'endettement à une date donnée, mais plutôt sur un ensemble d'indicateurs macroéconomiques (notamment en relation avec l'impact socioéconomique des investissements) projetés à long terme.

Les récentes études d'analyse de viabilité de la dette publique du Cameroun montrent que la dette demeure viable. Pour prévenir ce

risque de surendettement, des mesures ont été prises et sont en cours d'implémentation, afin de s'assurer du règlement du service de la dette à bonne date. A ce jour, comme vous pouvez le constater, l'Etat n'accumule aucun arriéré de dette extérieure.

De plus se référant aux critères de convergence de la CEMAC, le taux d'endettement du Cameroun est d'environ 45% du PIB, largement en dessous du plafond fixé à 70% du PIB, nous laissant ainsi la marge suffisante pour poursuivre nos objectifs de plan de développement tout en veillant au remboursement de la dette à bonne date et de la qualité de l'endettement, dont le contrôle est effectué par le Comité National de la Dette Publique (CNDP).

Peut-on avoir une idée de l'exécution sur le terrain des projets financés à partir des ressources d'emprunts ?

L'année 2020 est marquée comme dans les années précédentes par l'expansion du volume des projets et programmes impulsés par le Chef de l'Etat SE Paul BIYA. Cette tendance s'est maintenue nonobstant les difficultés conjoncturelles notamment la crise sanitaire liée à la pandémie du Corona virus. Parmi les projets en cours d'exécution, l'on peut citer : la poursuite de la mise en œuvre des infrastructures routières ; la Phase 2 du Port en eau profonde de Kribi, les projets liés à l'organisation du CHAN 2021 et de la CAN 2022 ; ou encore des projets dans le domaine de la Santé, de l'Education ; de l'Eau et de l'Energie qui contribuent tous à l'amélioration du bien-être de nos populations.



7 AN IMPROVED AND STRUCTURED HUMAN RESOURCE





AN IMPROVED AND STRUCTURED HUMAN RESOURCE

A. HUMAN RESOURCE AT THE CENTRE OF DGT STRATEGIES



The human resource aspect (HR) is at the centre of the DGT's resource mobilisation strategy. Because it needs to build on qualified human resources motivated enough to brave the challenges with regards to the optimum mobilisation of resources as well as the quality of services. The cameroonian authorities are leaving no stone unturned to put at the disposal of the tax administration qualified staff capable to adapt quickly and effectively to changes in the economic environment, to various changes and transformations, and able to meet performance requirements.

The DGT is made up of seasoned tax officers who are able to respond effectively to the operational expectations in the area of compliance, audit and collection procedures but most especially in the piloting of reforms, modernising procedures, the animation and coordination of the operational services.

Therefore, tax inspectors and controllers serving at the DGT, after receiving their initial training at the National School of Administration and Magistracy (ENAM), continue to build their capacities throughout their professional career thanks to the tax adminis-

tration and its partners. Continuous training allows a permanent alignment of the available human resource with the skills necessary for the achievement of the targeted objectives and the conducting of current and future reforms.

Besides the personnel of the corps of taxation, the DGT is open to other corps of the administration with specialised skills (statisticians and computer engineers). In addition to these two categories, the DGT has many other state agents that constitute its staff.

Upon joining the tax administration, the above mentioned staff benefit from refresher courses which are periodically reinforced with targeted training on the various tax functions and the ongoing reforms.

Since 2014, the number of staff at the DGT has witnessed a slow drop as shown by the table below:

	2014	2015	2016	2017	2018	2019
Male	2 336	2 190	2 155	2 068	2 050	1 979
Female	1 557	1 472	1 420	1 437	1 385	1 338
Total	3 893	3 662	3 575	3 505	3 435	3 317

B. THE CONCEPTION AND FOLLOW UP OF THE PUTTING IN PLACE OF A TRAINING PROGRAM

Capacity building has been given centre stage in the management of the tax administration. Consequently and for several years, the tax administration has endeavoured to structure and ensure coherence between the various personnel training programmes. This action came to light for the first time in 2017 wherein an annual training programme was put in place based on the needs expressed by the different services, environmental considerations and exigencies of ongoing reforms. The training courses have been grouped into four (04) strategic axes corresponding to the priorities of the tax administration:

- Broadening of the tax base and securing of revenue;
- Reinforcement of tax functions;
- The amelioration of the quality of services rendered to users;
- Back up of support functions and cross-cutting activities.



C. THE PUTTING IN PLACE OF A DEVELOPMENT AND PROFESSIONAL TRAINING CENTRE



The desire to ensure a massive training of its personnel and the need to have a permanent corps of trainers, pushed the DGT to envisage the putting in place of Professional Training and Development Centre. In this light, a project geared towards the realization of this objective was inserted in the priority list of 2017 DGT action plan. The site of the said center was chosen in the month of March 2017 and situated in the administrative neighbourhood of yaounde on a surface area of 200 square metres.

In conformity to the achitectural site plan validated by the Ministry of State Property, Surveys and Land Tenure (MINDCAF), the center is comprised of a two storey building complex:

- at the ground floor, three offices, five workshop rooms and a library;
- Upstairs we have a conference hall of about 200 places, a small kitchen and a storage space.

To endow the center with international digital standards, it needs to be equipped with up to date technological equipment such as:

- equipment that permits the deployment of on-line trainers (e-learning) as well as teleconference;
- a central server and conceived programs that are destined for various trainings in taxation;
- a website and an electronic library;
- a proper sound system, translation and interpretation.

The center benefits from technical, financial and material assistance from its classical partners like GIZ, IMF, World Bank, OECD, The French and American Cooperation, ADB, etc.

The center shall permit the DGT to possess a reference structure for continuous and graduate training and certification with national and international partners such as National School of Public Finance in France, the Specialization Programme of Public Finances, MINFOP and MINESUP.

Ongoing works are geared to ensuring that as of 2020 this project goes operational.

The project will end with the putting in place of best of trainers who are going to permanently animate the centre. Consequently, a project tender is underway that will go a long way to select competent trainers and thus constitute a bank of qualified trainers of the DGT who will put in place a training curricular.





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D. THE ACQUISITION OF VEHICLES FOR THE DGT

In 2015, the fleet of cars belonging to the DGT was entirely renovated, as such officials with the rank of sub director and above were given service cars.

Service cars were equally given to all the operational services in charge of collection.

A handful of motorcycles were also purchased, they serve as liaison between services and cover centres with vast territory.



E. DGT REWARDS MERIT

With the ongoing reform for a more efficient administration, the DGT put in place since 2017, a system of motivation to reward the «best workers» in the central and operational services. Such reward is aimed at awakening a spirit of positive competition between the entire personnel corps which can instill in them professional consciousness through devotedness and assiduity and consequently render the DGT more efficient with regards to collection of revenue and the amelioration of the quality of services rendered to the taxpayers.

The best worker concept came up in 2017 by:

- letters of congratulations that were personally addressed to recipients by the Director General of Taxation;
- wide publicity was made of the recipients through the publication of their pictures;
- supplementary allowances were given to recipients in addition to their performance bonuses.

The selection of best agents is done using the following criteria:

- contribution in relation to performance : the best agent should have shown some distinction by his personal and remarkable implication in the realisation of quantitative objectives duly assigned to his structure within a given period;
- Impacting the amelioration of the quality of service within the structure;
- an irreproachable disciplinary behavior, it could be probity, punctuality, assiduity, availability or the diligence in treating files;
- relations with the hierarchy, colleagues and collaborators with whom he commands respect.

The combination of these criteria renders the best worker a role model to inspire other colleagues. He is then looked upon as a reference within the structure where he works.

F. REVITALIZATION OF ASSOCIATIVE LIFE

1. A new look of the National Mutual Assistance Fund for Taxation Staff (MUNDI)

Legalised as per declaration N°00001619/RDA/JO6/BAPP of 12/10/2012, the National Mutual Assistance Fund for Taxation Staff (MUNDI) is an association of mutual assistance where its members are essentially personnel of the Directorate General of Taxation. Its principal missions is to render services to members and their beneficiaries. It assures the latter's health and medical coverage and organises assistance and solidarity within the association.

MUNDI is made up of organs incharge of ensuring its functioning, notably the general assembly, the board of directors, the executive bureau and the regional follow up committees.

The daily running of the mutual assistance fund is done by the bureau. The activities carried out by the executive bureau stem from the action plan whose execution is provided for by the annual

budget that is voted by the board of directors and approved by the general assembly.

In terms of perspective, MUNDI intends to continue to uphold its objective of promoting the provisions of mutual assistance to its members. This implies, it will continue to provide services like health insurance, assistance to members in difficult times etc.

The Mutual Fund intends to continue with its investment program so as to offer members and their families an ideal framework for their leisure beyond their daily professional occupations.

It should be noted that, feasibility studies are ongoing to see into the possibility of creating a micro-finance for its members.



TESTIMONY OF

MR. ANDRÉ SIAKA

Former President of GICAM and Chief Executive Officer of Routd'af.



“ BETTER CONSIDERATION OF PRIVATE SECTOR PROPOSALS

Mr President, in your capacity as former President of Cameroonian Employers Union and main partner of the Tax Administration, what is your perception of the tax policy and administration reforms undertaken by the DGT to spur development?

Thank you for the opportunity given me to address an issue as crucial as taxation for an entrepreneur that I am. The relations between the Cameroonian tax administration and taxpayers have undergone changes that we could appreciate from various angles but overall, these developments have been positive in recent years, both on issues pertaining to our tax system as a whole as well as those that impact the way taxes are administered.

It should be mentioned that these relationships are mostly influenced by the economic situation of the country and the difficulties that may be facing public finances. But whatever the context, it is important to keep in mind that the tax administration and taxpayers, especially businesses, are partners. This spirit of partnership should permanently guide our relations. The formalization of dialogue with the private sector, following the creation in 2013 of a permanent consultation committee between the Ministry of Finance and the private sector on fiscal and customs issues is part of this partnership with regard to building the system tax. This consultation framework, as a matter of fact, is intended to ensure that proposals from the private sector are better taken into account in the context of drafting le-

gislative and regulatory texts. The wish of business leaders is to see this committee fully play its role.

Are there any steps forward or achievements that seem important to you?

As you may very well know, we are in an ever changing relationship and any progress is an achievement that paves the way for more. However, I can mention the efforts made to lower tax rates. As such, the reduction of five (05) points in the corporate income tax rate (CIT), from 38.5% to 33%, is very satisfactory, even if the rate of the monthly advance payment was simultaneously raised. Considering the expectations of investors, it is important to continue the reflection on this issue in a bid to harmonize our tax rates with those of countries with a comparable level of development. It goes without saying that the attractiveness of a country also depends on the level of tax grab.

In its constant search of modernization, the Tax Administration has undertaken many innovations. What is your take on that?

Any change in the direction of reducing costs, deadlines and the number of transactions can only be beneficial. From this perspective, it is worthy to appreciate the digitalization of tax procedures which is helping to transform the face of our tax administration. Features such as the monthly or annual online filing, obtaining the tax clearance certificate online and, very recently, the online generation of the taxpayers registration certificate are all indicators of an administration which is improving the quality of service as well as significantly reducing

compliance costs for taxpayers. However, it is necessary to do more as the tools offered by digital progress allow us to do again better. The DGT, on its momentum, should continue with the current approach to permanently align with modernity.

In addition, I will point on tax audit which presents a whole new face, thanks to the rationalization of the interventions of the tax administration in the companies. This is the result of a long battle between the tax administration and businesses. This reform brought an end to the overlaps observed in the past between several tax audit procedures. It is expected that a company scheduled for an audit can henceforth only be the subject of a single interven-

tion (general tax audit, partial tax audit, spot check, desk audit or right of investigation) per year. This measure deserves to be widely communicated in order to avoid abuses from agents resistant to change.

Let me finish by expressing the wish that, the vast modernization project engaged by the tax administration go further in order to improve the partnership between this administration and businesses.

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2. The construction of a multipurpose sports complex for taxation staff

In order to increase the services offered to the taxation staff, the Mutual Assistance Fund for Taxations Ttaff (MUNDI) has engaged in a project to construct a multipurpose sports complex for its members. The project aims at giving the DGT an infrastructure to offer to members and their families an ideal framework for leisure, for entertainment as well as for keeping fit. Moreover, an ideal place for seminars and workshops, club MUNDI will be the appropriate place for extension of the activities of the personnel of the Directorate General of Taxation.

Ongoing works on phase 1, on the site measuring 11,5 hectares in the locality of NTOUN around the Mefou-and-Akono Division, some few miles from the Yaounde Nsimalen Airport, shall permit the putting in place of an ultra-modern infrastructures notably: a hotel, swimming pools, a football field, an annex football pitch for training exercises, tennis courts, as well as a two hectare forest for sightseeing in its original form.

The first phase on the works for the construction of the Club went right back as the 14th of January 2017; Comprising of:

- a security wall of 11,5 hectares with impressive gates;
- a hotel made up of 53 luxurious rooms that could be likened to a five star hotel;
- a big football field having a sitting capacity of 700 places and a small training pitch by the side;
- five tennis courts;
- two swimming pools of which one is meant for children;
- walking paths in the woods;
- roads and various networks.

In the perspective of the organisation of the CHAN and CAN by Cameroon, the Club has been chosen by the organising committee as one of the potential sites that will host certain delegations to these sport events.



G. THE MODERNISATION OF INFRASTRUCTURES

1. The construction of a new head office of the DGT



The project for the construction of a new building destined to contain all the central services of the Directorate General of Taxation began in 2014 with the purchase of land for the purpose and the beginning of some architectural studies as per public tender n°0203/AONR/MINMAP/CCPM-BEC/2014 of 03 November 2014.

Situated between rue Narvik and rue Maréchal Foch in Yaoundé, the construction site of the new building of the DGT is having the form of an elongated and rugged rectangle on a built surface area

of about 19 850 m², this future headquarters of the DGT is a real estate complexe made up of a central building GF+11 and three basements, thus 15 storeys, a secondary building adjacent GF+4 and three basements also, thus 08 storeys. Two gates and an emergency ramp comes in to complete the decor. This offers amongst others the following spaces:

- **196 offices;**
- **10 meetings rooms;**
- **01 conference hall with a capacity of 200 places;**
- **02 computers halls;**
- **21 toilettes;**
- **150 underground parking spaces,**

On a technical plan, this project has recorded significant evolution in its realisation, notably:

- In 2015, the completion of studies of execution that started far back;
- In 2017:
 - The realization of deep foundations, with bore holes housing 238 pillars anchored in the rocks (that is 122 for the main building and 116 for the Extension) ; then formworks operations, reinforcement with iron and pouring of massive slabs, which ended in November;
 - the construction of retaining walls executed

amongst the other parking slots outside ;

- **01 Data center;**
- **01 sport hall;**
- **01 restaurant;**
- **01 Library;**
- **02 gates, and green space.**

in-between July and November;

- beginning of the works of the tower superstructure, with the realisation of the ground floor of the 03 basements.

At the end of the foundation works, the last quarter of the year 2017 witnessed some intense activity illustrated by an increase in the execution of the project, with an average realisation of two slabs per month. The structural works were delivered in 2018, thus making it possible for the completion of the project in 2020.



2. Renovation/construction of the other offices for operational structures

In the light of reinforcing the assets capacity of the tax administration, the modernisation plan of the DGT intends besides the construction of the head office, the construction of tax offices in all the regions, the renovation and/or the construction of the Divisional Taxation Offices (DTO) and also the rehabilitation of the present head office of the DGT.

a) The construction of tax offices in the regions

In a progressive manner, five (05) regions have been chosen for the first phase of the project of building tax offices: Centre region, the Littoral, Adamawa, North and the Far-north. In 2020, some lands have been acquired and the procedures for architectural and technical studies are done already. The year 2021 will witness the call for tenders and the beginning of construction works concomitantly, the other regions are at the phase of identification and securing of construction sites.

The tax offices are to contain the services of the Regional Taxation Centres, the Medium Size Taxpayer Offices (CIME) and some Divisional Taxation Offices (DTO).

b) The renovation and/or construction of Divi-

sional Taxation Offices (DTO)

In 2020, the first phase of renovation works started in fourteen (14) DTO in the towns of Yaoundé, Douala, Limbe and Bamenda and are to get finished before the end of the year. This vast programme aims at constructing divisional offices throughout the country which can receive taxpayers in very conducive conditions.

c) The rehabilitation of the former head office of the DGT

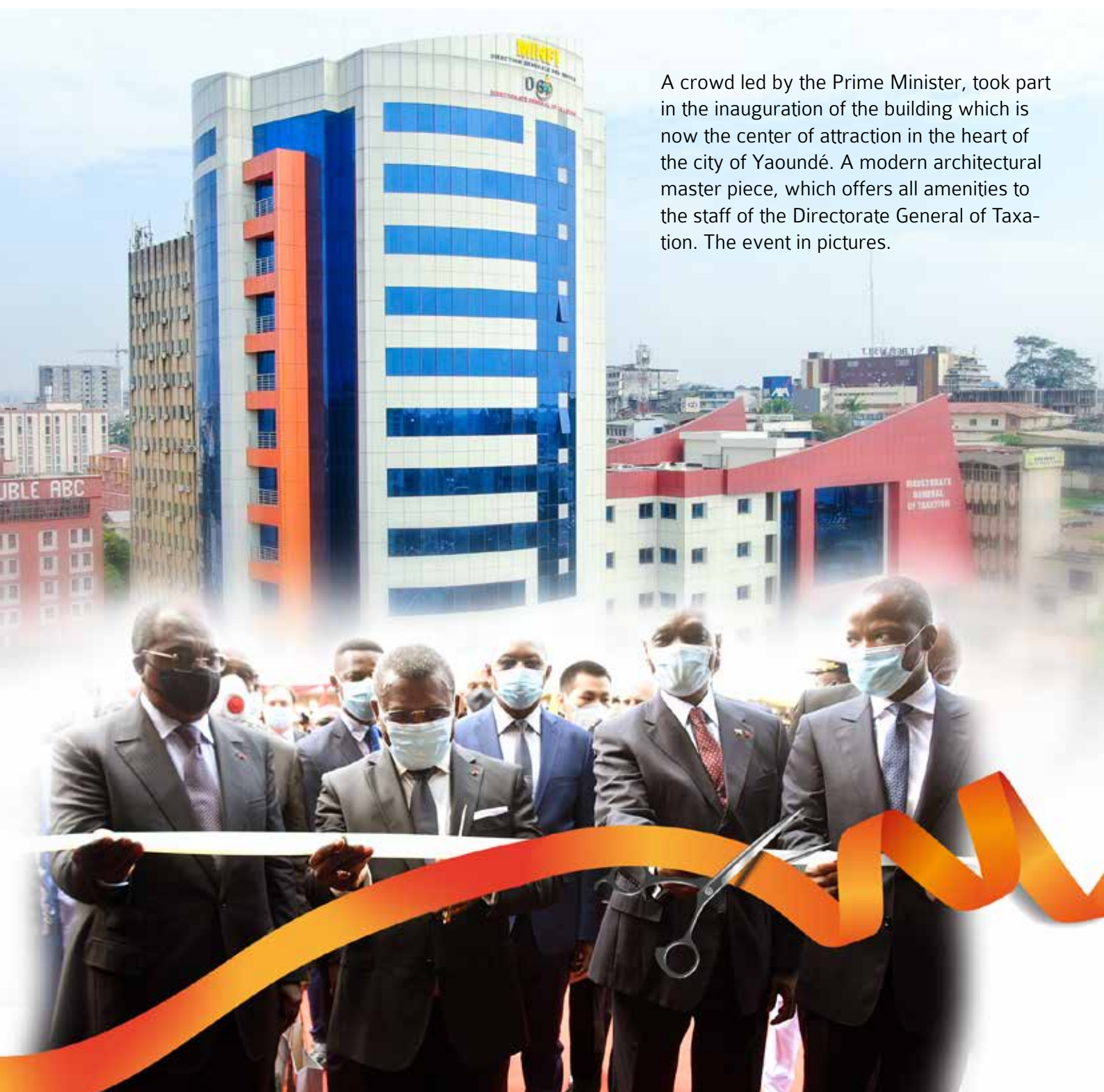
Works for the rehabilitation of the former head office of the DGT were to have started at the end of the year 2020 so as to finish in 2021. The works are to refurbish the building mostly concerning plumbing, electricity, painting, toilettes. The alignment of the exterior with the new building will surely give a new physiognomy to the two buildings. The rehabilitated building will contain the Large Taxpayers Office (LTO) as well as the Revenue Enhancement Programs (PSR) which are still under rents.



INAUGURATION OF THE NEW BUILDING OF THE DIRECTORATE GÉNÉRALE OF TAXATION IN PICTURES

AN ARCHITECTURAL MASTER PIECE FUTURIST AND UNDOUBTEDLY FAMOUS

A crowd led by the Prime Minister, took part in the inauguration of the building which is now the center of attraction in the heart of the city of Yaoundé. A modern architectural master piece, which offers all amenities to the staff of the Directorate General of Taxation. The event in pictures.





TESTIMONY OF

MR. PIERRE-ADRIEN WANDJA FONDJA

*Technical Assistance Advisor at the IMF - FAD/R2,
Public Finance Department - Administrations of Revenues
of the International Monetary Fund (IMF)⁽¹⁾*



**“DIGITAL TECHNOLOGY A MAJOR TOOL
FOR THE PERFORMANCE OF THE DGT
AT THE SERVICE OF CITIZENS**

During 2010-2019 period, the DGT began the traditional approach of e-Government strategies (e-Gov) modeled by Singh et al.⁽²⁾ by focusing on the digitalization of tax procedures, in particular by the implementation from 2014 of the first e-filing and e-payment modules. At the same time, it undertook a series of modernization reforms, in particular in the area of registration, cross-checking data with Customs and streamlining of tax management and collection processes. Thus, remarkable results were recorded in terms of domestic revenue mobilization.

These results were obtained with IT infrastructure mainly designed during the previous decade (2001-2010), with some adjustments between 2014 and 2019. This underdeveloped and relatively aging heritage showed its limits in aligning with the DGT's overall strategy in a bid to achieve its operational objectives. This is how the DGT is in the process of developing a digital transformation strategy in tandem with its ambitions to improve its performance in the service of citizens over the decade 2021-2029.

The future information system of the DGT will be based on an Integrated Tax Management System (SIGIT), the construction process of which is underway. To ensure the ambitions of improving the performance of the DGT, the future system should respect structuring principles, which including:

- **Modularity.** First, within SIGIT itself, to allow the various authorized agents of the DGT to use dedicated modules which permits them to effectively fulfill their missions while accessing information managed by other entities. Added to the information system of the Ministry of Finance or third party managers of information necessary for the tax administration.
- **Interoperability.** The automated exchanges of information with third parties should enable the DGT to significantly improve its performance by capturing in real time the data useful for taxation. For example, the success of cross-checking tax/customs information since 2017 illustrates the high potential for increased revenue in this area. This interoperability should extend to the expenditure chain (MINMAP, DGB, DGTCFM ...), to public and private actors, making it possible to make the taxpayer file

⁽¹⁾ In December 2020, the DGT requested Mr. Pierre-Adrien Wandja Fondja to make observations from an external view point the path of digitalization of the tax administration. Also, the paper fits in the capacity building program which is course at the IMF in view to modernize tax administrations.

⁽²⁾ Country-Level Determinants of E-Government Maturity by H. Singh, A. Das & D. Josep.

more reliable and/or to detect sources of income. Complementary with the analysis of mass data and virtual intelligence, the DGT would be able to (i) introduce pre-filled returns which does not entail any additional action from the taxpayers to be approved (ii) improve the efficiency of tax audits of which the selection of cases, based on factual data of taxpayers compared to a predefined model, would only retain real problematic cases.

- Traceability and performance management. Traceability should make it possible to determine in real time the authors of the operations carried out in the system, both for the purposes of (i) internal control with alert mechanisms in the event of an abnormal operation and (ii) monitoring the individual and collective performance.
- Flexibility and scalability. The urbanization of the IT system into service-oriented architectures should allow DGT managers to transform the organization of services according to priorities without worrying about the ability of the IT system to follow the reconfigured structures.
- Rationalization of technical resources. Capital expenditure (CAPEX⁽³⁾) and maintenance expenditure in operational conditions (OPEX⁽⁴⁾) will require a significant effort from the DGT. It is therefore important to rationalize them by adopting techniques and principles that make it possible to maximize economies of scale such as open and/or free technologies, «as a service» type technologies (cloud, platform, etc.), pooling resources within the MOF, or even beyond, and the virtualization of infrastructures.

This revitalized performance of the DGT would be put at the service of citizens by following gui-

ding principles making it possible to establish and consolidate the relationship of trust necessary for the sustainability of the success of the DGT's digitalization plan. Among these principles, we can cite:

- Services focused on a user-centric approach. The development of digitalized procedures would be accelerated and generalized to all taxes and duties, but also to audiences (from very large companies to micro-businesses) customized according to the target audiences (from basic telephone to micro-businesses on USSD⁽⁵⁾ portals to M2M⁽⁶⁾ exchange techniques). All these online procedures should be designed based on the needs and use of the public to facilitate their appropriation.
- Respect for individual freedoms. Ultimately, the DGI will collect a significant amount of data pertaining to citizens. These data shall be considered as personal information of users, and shall be managed accordingly by handing them in a secured and traced manner for consultation or management only to authorized persons. Furthermore, due to the sophistication of hacking techniques, the DGT should also put in place the most advanced systems to ensure the integrity and security of this data.
- The transition from the logic of «a post control/sanction» to the logic of «acquisition of information in real time/ support for compliance with tax obligations». The low collection rate of AMRs⁽⁷⁾ after a tax audit justifies the need for this transition, which should be facilitated by the rise of interoperability and the increase in real-time exchanges with third parties. In addition, technologies such as massive data analysis (Big data), artificial intelligence, electronic invoicing and electronic payments (mobile money) constitute opportunities that the DGT should seize to accelerate its transition to «taxation in real time».

⁽³⁾ CAPEX = Capital Expenditures represents necessary investments for the acquisition of IT equipment

⁽⁴⁾ OPEX = Operational Expenditures expenses necessary for the exploitation the IT equipment

⁽⁵⁾ USSD = Unstructured Supplementary Service Data a technology that allows the basic exchange of information with a classic GSM telephone

⁽⁶⁾ M2M = Machine to Machine which is a technology allowing 2 remote systems to automatically exchange data

⁽⁷⁾ AMR = Notice of Issue for Collection which is an administrative document that ascertains an unpaid debt

- The rebalancing of the relationship between the DGI and the citizens. In the last quarter of 2020, the introduction of payment by the final consumer of customs taxes, although enshrined in the 2019 finance law, was suspended due to protest by citizens. This episode illustrates the need (i) to involve citizens more in the development of tax policies; (ii) offer them the means to challenge DGT decisions in compliance with the regulations (complaints); (iii) seek conciliation with the DGT (fiscal conciliator) and (iv) denounce the abuses of dishonest agents (whistleblowers both internally and externally). Current digital technologies make it possible to cover these needs.
- Improve accountability and democratic control. The implementation of a proactive policy of opening up DGT data would allow supervisory authorities such as the Audit Bench, citizens and their representatives (parliamentarians, senators, etc.), and civil society to better play their role. As such, they would participate in improving the governance framework for public finances by (i) contributing to the improvement of tax policies, in particular tax expenditure, through proposals based on data analysis and (ii) by controlling the performance of the DGT.

In 2020, most of these principles that contributed to the improvement of the performance of the DGT, put at the service of citizens were already applied, at least partially. Others were clearly listed in the digitalization plan being finalized at the DGT. This ambitious plan also opens a big avenue to supporting the change applied to the reconfiguration of human resources and the reorganization of IT governance, which is a key factor for the success of this strategy. Indeed, the execution of this strategy,

which will necessarily be long-term while requiring significant resources, involves significant risks, particularly in terms of scope, schedule, resources and resistance to changes (internally and externally)

Finally, it is commonly accepted that the direct involvement of authorities at the highest level in the leadership of the development and implementation of the digital transformation strategy of organizations is the key factor to success. During the technical assistance missions in which the author participated to the Cameroonian DGT, DGB and DGTCFM in 2020, he was able to observe that the Director Generals were fully invested in this work, which they closely monitored alongside with their collaborators. This conclusion is of great contribution to the proper execution of this digital strategy which will allow the DGT to take a frog leap to the most advanced stage of e-Government models during the next decade (2021-2029).



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