

REPUBLIQUE DU CAMEROUN
Paix-Travail-Patrie

SERVICES DU PREMIER MINISTRE

SECRETARIAT GENERAL

REPUBLIC OF CAMEROON
Peace-Work-Fatherland

PRIME MINISTER'S OFFICE

SECRETARIAT GENERAL

**PRESS RELEASE FOLLOWING THE CABINET MEETING OF
THURSDAY 28 MARCH 2019**

Yaounde, 28 March 2019

The **Prime Minister, Head of Government, His Excellency Joseph DION NGUTE**, this Thursday 28 March 2019 at 10 a.m., chaired this month's Cabinet Meeting at the Prime Minister's Office. The meeting was attended by Ministers of State, Ministers, Ministers Delegate and Secretaries of State.

During the meeting, the Members of Government continued discussions on reducing the volume of imports of goods and services.

In addition to implementation reports on guidelines from the Cabinet Meetings of 31 January and 28 February 2019, two themes featured on the agenda:

1. ***Levers for the Industrial Transformation of Local Agricultural Products***, presented by the Minister of Mines, Industry and Technological Development;
2. ***Involvement of National Small and Medium-Sized Enterprises in the Creation of a Value Chain to Reduce the Importation of Goods and Services***, presented by the Minister of Small and Medium-Sized Enterprises, Social Economy and Handicrafts.

Following the introductory statement of the Head of Government, the Minister of Mines, Industry and Technological Development stated that the processing of agricultural products represents 28% of the value added of the non-oil secondary sector. He further stated that the food industry has grown significantly, from 764 to 2564 companies between 2009 and 2016, a period characterized by remarkable dynamism in the industrial processing of some crops such as oil palm, cocoa, tea and sugar. However, the industrial fabric is still very unbalanced, given that only 3% of the companies produce over 95% of the value added and account for the bulk of the turnover in the secondary sector.

Recalling the constraints hindering the expansion of the agricultural processing sector in Cameroon, the Minister of Industry mentioned, *inter alia*, the obsolete nature of production tools, the deficiency of transport infrastructures, difficulties in access to finance and factors of production, and the unavailability of raw materials in some cases.

Furthermore, he pointed out that the industrial development of raw materials of agricultural origin depends on three major levers: **(i) *institutional structuring***, which requires greater synergy between Government bodies, the private sector and development partners. It also requires the constitution of land reserves, the opening up of production areas, the availability of electricity both in terms of quantity and quality, and the development of transport infrastructures; **(ii) *operational structuring*** through the development of value chains by the creation of technology and innovation support centres, reference technology parks and agro-industrial complexes; **(iii) *strengthening support instruments for small and medium-sized industries*** through the promotion of economic patriotism and the implementation of infrastructures to foster the production of quality local products through the standardization of related specifications.

Taking the floor after him, the Minister of Small and Medium-Sized Enterprises, Social Economy and Handicrafts laid emphasis on the involvement of SMEs in the creation of a value chain to reduce the importation of goods and services. He stated that 209,482 economic units were located and counted after the second general business census in 2016. These units are predominantly Very Small and Small Enterprises specialized in distribution and trades which favour imports.

The Minister further pointed out that SMEs need to be organised around a well-structured value chain to enable public authorities to monitor the development of each sector and provide optimum assistance and support, in terms of improving industrial capacities, savoir-faire, skills, technology transfer and adaptation to innovation. To ensure the smooth functioning of this value chain, the Minister recommended: **(i)** the continuous upgrading of SMEs in matters related to standards and certification ; **(ii)** the structuring of informal production units and their switch to the formal sector; and **(iii)** the emergence of a national cluster development policy.

Finally, in a view to reinforce the competitiveness of SMEs, the Minister highlighted the need to revive the support programme for the development of the private sector, operationalize alternate modes of funding, implement measures to support SMEs and aid their search for opportunities at the national and international level.

Following ensuing discussions, the Head of Government instructed the Minister of Industry to update the Industrialisation Master Plan and address the constraints impeding the construction of a digital technology park and an agro-industrial technopole in Ouassa-Babouté. He also urged the Minister of Small and Medium-Sized Enterprises to accelerate the implementation of institutional measures likely to ensure greater involvement of national SMEs in the creation of a value chain of local products.

The meeting was adjourned at 1:05 p.m. after the presentation of detailed reports by the Ministers in charge of Trade, Livestock, the Economy and Agriculture on the implementation of directives given to them at the Cabinet Meetings of 31 January and 28 February 2019.-

Yaounde, 28 march 2019

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