

The Impact of the African Continental Free Trade Area (AfCFTA) on Food Products in Cameroon

BY

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Introduction

The pan-African project for the creation of a free trade zone was finally adopted in 2018 and came into force a year after being [ratified by 47 states](#). The African Continental Free Trade Area (AfCFTA) now represents the world's largest free trade pact in terms of membership ([ITC, 2022a](#)). It aims to enable the free movement of people, goods, and services, but also to stimulate economic growth and reduce food insecurity in all African countries ([World Bank, 2020](#)).

Cameroon aims to significantly reduce its heavy extra-continental dependence on food imports, as part of the renewal of its import-substitution food policy and SND 30. In 2017, for example, the total value of imports of staple food products (fish, rice, sugar, wheat, and others) amounted to 649 billion CFA francs ([INS, 2019](#)).

According to a report by the South African think tank ISS Africa, Cameroon could reduce its dependence on food imports by 31.7% by 2043 ([Investir au Cameroun, 2022](#)). And, the ZLECAF represents a major opportunity to boost local production and limit imports of these products.

Cameroon signed this continental free trade agreement in 2018, then ratified it the following year, through decree [n°2019/586 of October 31, 2019](#). Subsequently, the country drew up its national ZLECAF implementation strategy for the period 2020-2035 ([Nkama, 2020](#)) ; ([Kouam & Djamo, 2023](#)).

It is through this strategy that Cameroon has identified its food and agri-food products as a source of growth and competitiveness, which could also reduce the inflation rate that has reached 7.8% due mainly to rising food prices ([INS, 2023](#)).

This note analyzes the impact of the FTAA on food products in Cameroon, focusing first on its impact on the availability of food products in Cameroon (I), then on its effect on food prices (II), and finally on its effect on the Cameroonian economy through the marketing of food products (III).

I- The impact of the FTAA on food availability in Cameroon

Nearly 3 million Cameroonians are food insecure, i.e. around 11% of the population ([MINADER, 2023](#)). In this respect, the

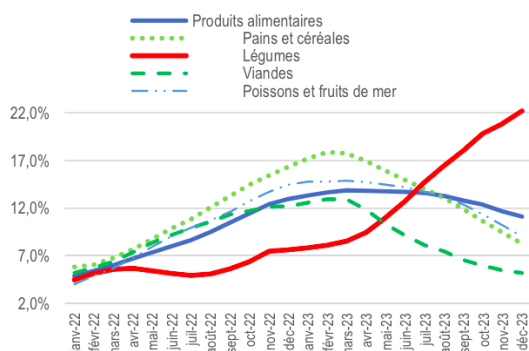
FTAA represents a vast market for the circulation of food products, which will prevent all African countries, including Cameroon, from experiencing food shortages. The FTAA region is also witnessing a strong diversification of food products, with the penetration of other food products and brands from other African countries. This food diversification could make up for the lack of accessible products in urban areas (FEWS NET, 2022).

If we take the example of palm oil, of which Cameroon is also a producer, but which does not yet satisfy local demand, imports from Indonesia, subject to customs duties, are quite high for the State. The availability of this foodstuff can then be made accessible on African markets and fill the shortage in Cameroonian households. The crisis in Ukraine also revealed Cameroon's heavy dependence on wheat from outside Africa (Kouam & Kouam, 2024). Local artisans have deployed strategies to fill this gap through the use of cassava, which is currently the staple food for around 500 million Africans (ITC, 2022b). Its availability in Cameroon will be further strengthened under the FTAA and will enable local producers and processors to take advantage of it, by selling it to other regional markets, while reassuring Cameroonian consumers of its availability.

II. The impact of the FTAA on food prices in Cameroon

In recent years, consumer food prices have continued to soar, mainly affecting the household food basket. They reached 11.1% for the whole of 2023, despite a slight slowdown compared with the previous year (12.9%) (Investir au Cameroun, 2024). Inflationary pressures on food prices intensified, reaching a general rate of 6.61% in August 2022 (INS, 2022).

Figure 1: Average annual change in food prices



Source : (INS, 2024)

One of the main effects the FTAA is expected to have on food prices in Cameroon is to reduce the cost of food imports. As a result, Cameroon could benefit from a greater variety of products at competitive prices. Increased competition could also exert downward pressure on food prices in Cameroon.

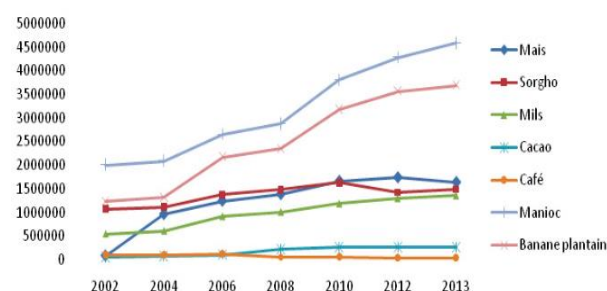
It should be noted, for example, that bread and cereal prices rose by 8.3% in 2023, following a 16.3% increase in 2022 (INS, 2022). In this respect, the FTAA could encourage local players to improve their competitiveness in order to better

respond to competition from imported products, and this could result in an increase in the supply of local food products, such as cassava.

III- Food marketing in Cameroon: the ZLECAF test

The FTAA offers Cameroonian producers easier access to a continental market of over a billion consumers. This will reduce Cameroon's food dependence outside Africa. The figure below shows the production of some agricultural products destined for Cameroonian consumption. The FTAA could therefore stimulate exports of local food products and promote the development of the agri-food sector.

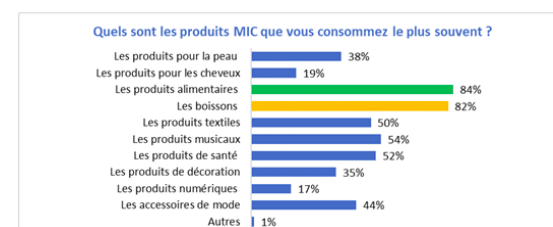
Figure 2: Production trends (in tonnes) for Cameroon's main consumer products



Source : (INS, Annuaire statistique du Cameroun, 2015)

However, at the level of Cameroonian wholesalers, retailers, and consumers, the ZLECAF and all its associated benefits are not widely publicized. Those who are aware of it are skeptical about the penetration of other African products on the Cameroonian market. The penetration rate of these products remains low. Indeed, imports from African countries account for just 10% of total import expenditure (INS, 2022). A large proportion of Cameroonian consumers remain strongly attached to Made in Cameroon (MIC) products, as demonstrated by the Zama Research Consulting study below (figure 3). For its part, the Cameroonian government is attempting to contain inflation, organizing periodic campaigns to reduce the prices of basic foodstuffs (MINCOM, 2023). In addition, Cameroon continues to protect certain local food products from imports.

Figure 3: MIC products most consumed by Cameroonians



Source : (Zama-groupe, 2020)

Recommendations.

- Cameroon must first ensure its food sovereignty and security, and this depends heavily on access to essential food products for the most modest households. For this reason, the State must ensure

the availability of foodstuffs at affordable prices, enabling the penetration and combination of other African food products, and thus facilitating their popularization among consumers. This must be done in strict compliance with health standards. By way of example, Cameroon's rising per capita imports of wheat and pasta mean that we need to support food and agricultural policies that avoid increased food dependency on international markets and a risk of losing food sovereignty, in a context of domestic market growth fuelled by demographic growth and urban markets.

- While it is clear that in the short term, the prospects for agro-industrial investment in the import-substitution of foodstuffs are unlikely; on the other hand, the potential for the development of clusters - small processing units that add value to a variety of products based on processed products - is a structuring prospect for job creation. While it is clear that in the short term, the prospects for agro-industrial investment in the import-substitution of foodstuffs are unlikely; on the other hand, the potential for the development of clusters, these small processing units adding value to a diversity of products based on processed products, are structuring prospects for job creation.
- The food processing and agri-food industry is certainly not highly developed in Cameroon, making extra-continental food imports a priority. It therefore needs to be further developed, with the involvement of engineers and other agri-agro entrepreneurs from training schools and business incubators inside and outside Cameroon. The processing of certain local products should then be able to satisfy both national companies and national demand. In short, the consolidation of a local agri-food processing sector suggests a better analysis of the multiplicity of possible products and their technological complementarity in processing units, in light of the changing quality criteria imposed by the progressive urbanization of lifestyles. Il faudrait également que le gouvernement camerounais organise davantage des sessions de formation sur les enjeux de la ZLECAF pour les produits alimentaires au Cameroun (Kouam, 2023). Il peut dans une certaine mesure associer les groupes de recherche en politique économique dans cette tâche.
- Cameroon is involved in both the FTAA and the EPAs. This calls for a policy of coordination to take advantage of both free-trade mechanisms, especially in the penetration and marketing of food products.
- The Cameroonian government should also organize more training sessions on the stakes of ZLECAF for food products in Cameroon (Kouam, 2023). To some extent, it could involve economic policy research groups in this task.

Cameroon must do everything in its power to foster the emergence of an entrepreneurial ecosystem more conducive to

supporting local food entrepreneurs in promoting Made in Cameroon and guaranteeing the quality of food products. As such, the AfCFTA should be viewed as an opportunity to industrialize and support local agriculture value chains.

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