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Perspectives on the WTO Ministerial Conference in Cameroon

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"Africa cannot afford to be left behind digital trade holds great promise for the continent."

Ngozi Okonjo-Iweala, Director-General of the WTO

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> “The central policy challenge for CEMAC is not access to markets; it is what the region produces and exports within those markets.”

Dr. Wirajing Muhamadu Awal Kindzeka

EDITORIAL NOTE

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Perspectives on the WTO Ministerial Conference in Cameroon

By Dr. Julienne Stéphanie Mesumbe

TheThe 14th Ministerial Conference of the World Trade Organization (WTO), held in Yaoundé, was an important milestone for Cameroon and Africa. Hosting such a global event showed that the continent can play a visible role in shaping international trade discussions.

However, beyond hosting the conference, the key question remains: what did Africa gain and what lessons should we take forward?

This issue of On Policy Magazine highlights a clear message: trade alone is not enough. Opening markets will not lead to real transformation without strong local production, effective institutions, and modern infrastructure. Many African economies still depend on exporting raw materials, with limited value-added.

Another key lesson is the need for stronger regional coordination. African countries continue to negotiate global trade issues from different positions, which weakens their influence. Frameworks like the AfCFTA must be better used to build common positions and defend shared interests.

The issue also shows that governance and implementation matter. Weak coordination, complex procedures, and limited transparency continue to slow down trade and investment. At the same time, digital infrastructure is becoming central to trade, and Africa must invest in it to remain competitive.

Overall, WTO MC14 was both an opportunity and a wake up call. Africa must move beyond participation and focus on production, coordination, and value creation.

The way forward is clear: build productive capacity, strengthen regional cooperation, improve institutions, and invest in infrastructure. The real challenge now is to turn these ideas into action.

What did Africa gain and what lessons should we take forward?

EDITORIAL NOTE

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ECONOMICS AFFAIRS

The 14th Ministerial Conference of the World Trade Organization in Yaoundé: a missed opportunity for African diplomacy?

The 14th Ministerial Conference of the World Trade Organization held in Yaoundé was not so successful due to failed negotiations on agriculture, e-commerce, and institutional reform, compounded by weak and uncoordinated African diplomacy. African states must strengthen regional cooperation and adopt unified negotiation strategies better to defend their economic interests in global trade forums.

By Prof. Theophille Nguimfack

During five days, the capital of Cameroon, Yaoundé, was the epicenter of high-level negotiations at the 14th Ministerial Conference of the World Trade Organization (WTO). From March 26 to 30, 2026, this Conference took place against the backdrop of trade tensions between the United States and other economic powers, including China, Canada, and the European Union. Adopting a protectionist stance, the President of the United States regularly brandishes tariff hikes as a formidable weapon to secure concessions that go beyond mere trade regulation with its partners.

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Indeed, the Yaoundé meeting was expected to be contentious, with the issues up for debate including WTO reform. The United States arrived with red lines that stalled negotiations, it intends to deny any usefulness to the WTO. Nevertheless, Cameroon achieved a diplomatic feat by hosting the 14th WTO Ministerial Conference. This was the second to be held on the African continent, following the one in Nairobi, Kenya, in 2015.

It is worth noting that in the opening remarks of Cameroon's Minister of Trade, the WTO member countries unanimously decided to entrust the organization of this Ministerial Conference to his country, thus deviating from the previously established principle of rotation. This statement suggests that the Cameroonian government employed persuasive diplomacy to obtain a waiver of WTO rules. However, aside from this initial diplomatic feat, the results obtained during the Conference reveal a resounding failure in the negotiations. For this failure, African States must be blamed for their lackluster diplomacy, which needs to be strengthened.

I- A conference marked by the failure of negotiations

The success of a conference depends largely on the negotiations undertaken by the stakeholders. At the 14th WTO Ministerial Conference, the prior positions of certain States suggested a likely failure in the negotiations. However, this scenario could not have been anticipated, as confirmed by the lack of agreement on the main points under discussion.

One of the agreements negotiated at the 14th Ministerial Conference concerned trade in agricultural products. Having received proposals from the Member States, the negotiating body submitted a revised text whose objective was to strike a balance that promotes fair trade in agricultural products and strengthens food security. Persistent blockades between India, Brazil, and the United States have prevented any consensus. This failure is detrimental to the countries of the South, which criticize in particular the refusal of subsidies for their small farmers and the continued aid for cotton by the States of the North.

The Conference was also tasked with reaching an agreement on tariffs on e-commerce. The plan was to negotiate the extension of a moratorium prohibiting customs duties on such transactions. Concluded in 1998, this moratorium was renewed every two years at each WTO Ministerial Conference. On this point, no consensus was reached, as some emerging countries, such as India, feared that an agreement would result in significant losses in customs revenue.

Finally, the Conference aimed to achieve institutional reform within the WTO. The idea was to remove the obstacles paralyzing the institution, one of which stems from the consensus rule. Another goal was to revitalize the dispute settlement mechanism, whose appointment of judges is being blocked by Washington.

From the above, the 14th WTO Conference was a fiasco in its results, proof that diplomacy failed.

II- Lackluster Diplomacy of African States

It appears that the issues under negotiation at the 14th WTO Conference are of definite interest to African States. However, these States have done little to defend these interests, nor have they adopted strategies to exert significant influence during the negotiations.

Member States indeed submit their proposals to the chairperson of the body in charge of the negotiations before the Conference. However, African States were expected to mobilize more for an event held on the continent and addressing issues that particularly affect their economies. Aside from the symposium organized at the University of Yaoundé II in the lead-up to the Conference, Cameroon, the host country, failed to sufficiently engage private sector and civil society actors in the event. It seems the country was far more concerned with the organizational challenges of the Conference. A similar apathy was observed in other African States, as if they were waiting for other States to advocate for their interests.

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Furthermore, it is inconceivable that Africa would not seek consensus within regional organizations on issues related to agriculture and e-commerce before taking a stance at the WTO. Africa's position would have been reinforced if the States on the continent had been able to agree on a common stance within the African Continental Free Trade Area (AfCFTA). Yet, Cameroon's Minister of Trade praised the virtues of consensus at the opening of the Conference, stating that in Africa, it is customary to debate under the tree or in the palaver hut, and to move arm in arm, celebrating the consensus and the joy of living together.

Shouldn't we reassure ourselves that we are united with our own people before seeking consensus with others?

> *Africa's position would have been reinforced if the States on the continent had been able to agree on a common stance within the African Continental Free Trade Area (AfCFTA).*

III- Conclusion and recommendations: strengthening the diplomacy of African States

It would be wise for African nations to place particular emphasis on their diplomatic influence within international organizations such as the WTO. Given their struggling economies, this strategy can rely on nothing other than their sheer numbers. Statistically, Africa accounts for more than a third of the world's nations, boasts a large consumer base, and possesses natural resources that are critical to global industry. Until African leaders recognize these strengths and the need to form a united front in international negotiations, they will remain spectators in the battles between developed nations, while their interests continue to be trampled upon. To strengthen their diplomacy, African nations must:

- consult with one another within sub-regional and regional organizations to present a common stance that effectively defends their interests in multilateral international organizations;
- have the boldness to denounce, in whole or in part, agreements that are not in line with their strategic interests;
- anticipate political or diplomatic obstacles that could jeopardize the achievement of a consensus in international negotiations.

From Market Expansion to Value Addition:

Repositioning CEMAC's Trade Strategy for Structural Transformation

Repositioning CEMAC's trade strategy requires a decisive shift from commodity-based market participation toward value-driven production systems, where trade, industrial policy, and regional integration are aligned to support structural transformation, economic resilience, and sustained job creation.

By Dr. Wirajing Muhamadu Awal Kindzeka

The Structural Paradox of CEMAC's Trade Model

With CEMAC economies remain deeply integrated into global trade, but on structurally weak terms. The region continues to export primarily unprocessed commodities such as crude oil, timber, and agricultural products, while importing higher-value manufactured goods. This pattern reflects a broader structural imbalance common across many developing economies, where trade participation does not translate into industrial development. Global trade data confirm that merchandise trade remains dominated by commodity flows, with limited diversification in product structures across many economies. Recent evidence shows that primary commodities account for more than 80% of exports in several African economies, underscoring the region's persistent dependence on low-value trade structures. This reflects weak industrialization, low job creation, and high exposure to external shocks with a fundamental structural paradox: active participation in global trade without corresponding productive transformation. This pattern aligns with the "commodity dependence trap," where export specialization in raw materials constrains industrial upgrading and limits long-term growth prospects. This model exposes CEMAC to three critical vulnerabilities:

- First, **price volatility**, driven by dependence on global commodity cycles, undermines fiscal stability and long-term planning.
- Second, **limited domestic value capture**, as raw exports generate fewer linkages to local industries and employment.
- Third, **weak integration into global value chains**, reducing the region's competitiveness in emerging sectors such as manufacturing and digital trade.

This reflects a broader structural reality: global trade is evolving, but CEMAC's production systems have remained largely unchanged. The region's trade expansion has not translated into inclusive growth or structural transformation. Without deliberate policy intervention, increased openness risks deepening dependence rather than enabling diversification.

From Trade Participation to Productive Transformation

The central policy challenge for CEMAC is not access to markets; it is what the region produces and exports within those markets. Trade openness without productive transformation risks reinforcing dependency. To reverse this trajectory, CEMAC must pursue a structural shift anchored on three pillars:

- **Industrial Upgrading and Value Addition**: The region must transition from exporting raw commodities to producing processed and semi-processed goods. Agro-processing, timber transformation, and light manufacturing offer immediate entry points for value creation and employment generation.
- **Regional Value Chain Development**: CEMAC's fragmented national markets limit economies of scale. Strengthening regional production networks, where countries specialize along complementary segments of value chains, can enhance competitiveness and intra-regional trade.
- **Strategic Positioning in Trade Governance**: Rather than being rule-takers, CEMAC countries must engage more actively in shaping trade rules, particularly in emerging areas such as digital trade, services, and investment facilitation.

Navigating a Changing Global Trade Landscape

The global trade environment is undergoing significant transformation, marked by fragmentation, shifting alliances, and the rise of regional trade blocs. For CEMAC, this changing landscape presents both risks and strategic opportunities. On one hand, increased fragmentation introduces uncertainty and weakens the predictability of global trade rules. On the other, it creates space for regions to redefine their trade positioning through strategic partnerships and regional integration. In this context, the African Continental Free Trade Area (AfCFTA) represents a critical opportunity. It provides a platform for: First, expanding intra-African trade; second, developing regional value chains; and third, supporting industrialization through a larger integrated market. Estimates

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suggest that the AfCFTA could increase intra-African trade by over 45% by 2045 and boost the value of cross-border trade by $275.7bn, particularly in manufactured goods, if supported by complementary industrial policies (UNECA, 2023). However, these gains are not automatic. They depend on the ability of CEMAC countries to align trade liberalization with domestic production capacity.

Policy Priorities for Trade-Led Structural Transformation

Repositioning CEMAC's trade strategy requires a coherent and sequenced policy approach.

- **First, align trade and industrial policies.** Trade strategies must directly support domestic production and sectoral development priorities, rather than operate in isolation. This means prioritizing sectors with high value-add potential and embedding them into national and regional development plans. This requires moving from horizontal trade policies to sector-targeted strategies, particularly in agro-processing, light manufacturing, and regional supply chains.

- **Second, address binding structural constraints.** Infrastructure deficits, high production costs, and weak institutional capacity continue to undermine competitiveness. Targeted investments in energy, transport corridors, and digital infrastructure are essential to support industrial activity. In Central Africa, infrastructure gaps and high logistics costs remain among the highest in Africa, significantly eroding export competitiveness.

- **Third, strengthen regional coordination.** A unified regional strategy will enhance bargaining power, reduce duplication, and support the development of integrated production systems. A coordinated regional trade and industrial framework can position CEMAC as a unified economic bloc in global negotiations.

- **Fourth, leverage continental frameworks strategically.** While WTO frameworks remain important, the African Continental Free Trade Area provides a more immediate opportunity to build regional value chains and expand intra-African trade**.**

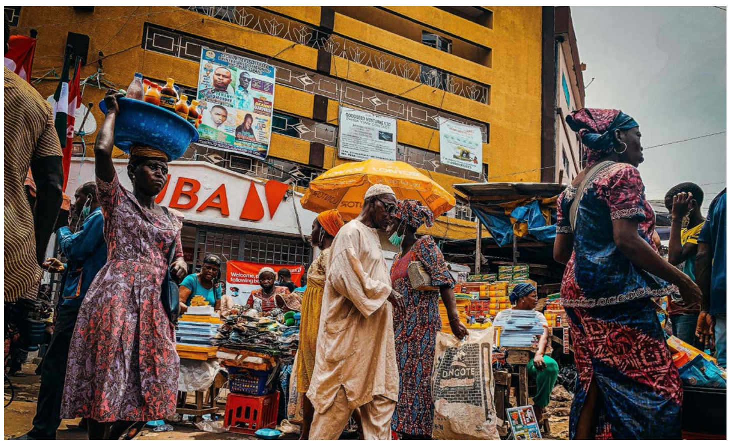
A Strategic Shift: From Dependency to Value Creation

The future of CEMAC's integration into the global economy depends on a fundamental policy choice: whether to remain a **supplier of raw materials**, or to transition toward a **value-driven, industrial, and competitive economic system**. This transition requires moving beyond short-term revenue dependence on commodities toward long-term investments in productive capacity. It also requires redefining the role of trade, not as an end in itself, but as a means to achieve structural transformation. Without such a shift, the region risks maintaining a pattern of **volatile growth, limited employment creation, and persistent external vulnerability**.

The WTO Ministerial Conference in Yaoundé was a strategic wake-up call. It has exposed the structural limits of a development model based on commodity exports. At the same time, it has highlighted the growing importance of regional coordination, productive capacity, and strategic trade positioning. For CEMAC, the policy choice is clear: either remain locked into a model of low-value trade dependence, or transition toward a value-driven, industrial, and competitive trade system. The future of the region's integration into the global economy will depend not on how much it trades, but on what it trades, how it produces, and the value it captures.

Conclusion: Trade as a Tool for Transformation

Repositioning CEMAC's trade strategy is not simply about increasing exports, but about changing what is produced, how it is produced, and where value is captured. By aligning trade, industrial, and regional policies, the region can move toward a more resilient and inclusive development model, one that translates trade participation into tangible economic outcomes. The path forward is clear: *CEMAC's competitiveness will not be determined by access to markets alone, but by its ability to produce differently, integrate strategically, and capture value across the production chain*. The credibility of this transition will depend not only on policy design, but on implementation capacity, coordination, and sustained political commitment.



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“Deficiencies in digital infrastructure prevent the emergence of an integrated economic space capable of supporting modern trade.”

Dr. Salim Ahmed Vesah

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Rethinking Commercial Leadership in Central Africa:

Addressing the Challenges of Informality, Inequality, and Digital Fragmentation in ECCAS.

Informality, inequality, weak digital infrastructure, and limited productive financing continue to marginalize ECCAS economies, while calling for coordinated reforms to achieve inclusive and transformative trade integration.

By Dr. Salim Ahmed Vesah

Trade Integration Without Solid Foundations?

Against a backdrop of increasing fragmentation in global trade, marked by the restructuring of value chains and geo-economic tensions, Central Africa risks further marginalization unless it rapidly strengthens its regional integration. Currently, less than 10% of trade among the countries of the Economic Community of Central African States (ECCAS) occurs between them, compared to 60% in Europe and 40% in East Asia. How can a region with abundant natural resources, a youthful population, and growing entrepreneurial potential remain on the margins of trade dynamics? The 14th Ministerial Conference of the World Trade Organization (WTO), scheduled for March 26 to 30, 2026, in Yaoundé, Cameroon, presents a unique opportunity to address whether ECCAS countries are prepared to take a leading role in global trade. Beneath the opportunities offered by international trade and


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regional integration discussions lie deep-rooted structural constraints embedded in the economies. The prevalence of the informal sector undermines formal trade mechanisms and limits effective integration. Additionally, growing inequalities restrict market depth and hinder productive transformation. Deficiencies in digital infrastructure prevent the emergence of an integrated economic space capable of supporting modern trade. These interdependent factors trap the region in a structural quagmire characterized by low productivity, market fragmentation, and external dependence. The African Continental Free Trade Area (AfCFTA) offers an unprecedented opportunity, but without internal structural transformation, it risks remaining merely an integration on paper.

- ***Informality: Invisible but Ineffective Integration***

One of the major obstacles to trade in Central Africa is the predominance of the informal sector. It is estimated that 30-40% of intra-African trade occurs informally, a proportion likely to be even higher in Central Africa, where cross-border trade relies heavily on unofficial channels. Furthermore, between 70% and 90% of employment is in the informal sector, reflecting the low level of integration of economic actors into the formal frameworks of regional trade. This indicates that, despite low official statistics, trade does exist; however, it falls outside formal regulatory and fiscal frameworks. This informality highlights both the adaptability of economic actors and a significant failure of institutions. High formalization costs, administrative complexity, legal uncertainty, and a lack of trust in institutions drive businesses, especially small and medium-sized enterprises (SMEs) to operate outside the formal system. Unfortunately, this situation incurs substantial economic costs. Informality hinders access to finance and reduces productivity, ultimately weakening states' fiscal capacities and limiting their integration into value chains. It also obstructs the effective implementation of trade policies. Consequently, as long as the informal sector remains dominant, regional integration will continue to be partial and poorly structured.

◊ ***Inequality: A Barrier to Demand and Productive Transformation***

Economic inequalities are a significant obstacle to trade integration, characterized by high income concentration, with Gini coefficients often ranging from 0.40 to 0.55 in several sub-regional countries, primarily due to extractive sectors. These inequalities limit middle-class formation and undermine the domestic market's effective size. This demand constraint weakens incentives for local production and processing, perpetuating an economic model reliant on raw material exports. Additionally, inequalities lead to disparities in access to education, finance, and infrastructure, limiting human capital accumulation and productive enterprise upgrading. In the context of ECCAS, these dynamics are intertwined with informality and digital infrastructure deficiencies, reinforcing a cycle of low productivity, market fragmentation, and external dependence. Ultimately, the ECCAS economic model presents a paradox: growth from raw material exports generates wealth for an elite while leaving the productive sector trapped in low productivity. To achieve effective trade integration, particularly through the AfCFTA reducing inequalities is not just a moral imperative but essential for creating the demand that will support regional supply.

◊ ***Digital Divides: The Missing Link in Integration***

Digital infrastructure is crucial for integration, yet it remains inadequate and fragmented in Central Africa. Internet penetration is below 30-40% in several countries, with significant urban-rural disparities. High internet access costs account for up to 4-5% of the average monthly income, compared to less than 1.5% in developed economies. This limits access to digital services and e-commerce for businesses, particularly SMEs. The lack of regional cloud infrastructure and interoperable payment systems hinders digital trade. Much data is hosted outside the continent, increasing costs and limiting the local technology ecosystem's development. Digitalization offers opportunities but risks exacerbating inequalities without appropriate policies. These digital divides are intertwined with informality and inequality. Unequal access to technology excludes many from digital commerce, while informality limits the adoption of formal digital tools, reinforcing a cycle of economic fragmentation, low productivity, and marginalization in regional and global value chains.

◊ ***A Shortage of Funding and Productive Infrastructure***

In addition to the constraints mentioned above, it is crucial to highlight that the region's trade integration is hindered by a lack of appropriate funding. Specifically, SMEs, which are the backbone of the economy, have limited access to credit. Financial systems are underdeveloped, and long-term financing instruments are inadequate. This funding shortfall limits the capacity to invest in productive infrastructure, especially in the industrial and manufacturing sectors. For instance, while Africa produces a significant proportion of cotton raw material, it processes less than 2% of it, exporting up to 90% in its raw state on average. This scenario underscores a broader issue: the inability to develop integrated regional value chains. Without substantial investment in infrastructure and industry, the region is likely to remain confined to the role of a raw materials supplier.

Towards a New Approach to Regional Integration

In light of these challenges, regional integration in Central Africa must transition from a declaratory approach to an operational one, grounded in concrete and coordinated reforms.

- Firstly, governments must accelerate the implementation of existing agreements by harmonizing trade regulations, simplifying customs procedures, and reducing non-tariff barriers, all coordinated by ECCAS regional institutions.
- Secondly, an inclusive integration strategy must be established, explicitly targeting the gradual formalization of SMEs through tax incentives, easier access to credit, and technical support mechanisms, led by the Ministries of Finance and SME development agencies.
- Thirdly, governments must jointly invest in regional digital infrastructure, particularly interoperable payment platforms and data centers, while harmonizing digital regulatory frameworks under the guidance of regulatory authorities and central banks.
- Finally, the mobilization of finance should be structured around partnerships with development banks and the private sector to prioritize funding for regional infrastructure (transport, energy, digital) and to support industrial transformation.

> *The real challenge for ECCAS is not just to increase trade but to transform the very nature of that trade.*

A Conditional Leadership

Ultimately, the 14th WTO Ministerial Conference held in Yaoundé presents a strategic opportunity for ECCAS countries. It can act as a catalyst to accelerate reforms and reposition the region within global trade. However, the real challenge for ECCAS is not just to increase trade but to transform the very nature of that trade. Without a coordinated strategy for formalization, inclusion, and productive transformation, the region will remain on the margins of global trade dynamics. Trade leadership cannot be imposed; it must be cultivated, and the time to act is now.

“The future of Africa in this new global environment lies in deeper economic integration, continent-wide.”

Albert Muchanga, African Union Commissioner

Leveraging WTO MC14 Investment Facilitation for Development to Accelerate Structural Transformation in Cameroon

Investment inflows will generate the expected level of development impact in Cameroon if the country addresses persistent challenges like regulatory inefficiencies, institutional fragmentation, and weak linkages between FDI and local production.

By Larissa Ntoubia and Dr. Adeline Nembot

Introduction

The 14th World Trade Organization Ministerial Conference (WTO MC14), held in Yaoundé, took place at a critical moment for the multilateral trading system, marked by fragmentation pressures, reform debates, and renewed focus on development-oriented trade governance. A central agenda item was the Investment Facilitation for Development (IFD) Agreement, which seeks to improve transparency, predictability, and administrative efficiency in investment processes across participating economies. The agreement supported by a large coalition of WTO members, including many developing countries does not address market access or investment protection. Instead, it focuses on reducing regulatory bottlenecks and improving governance of investment related procedures, with the aim of increasing foreign direct investment (FDI) flows, particularly into developing economies. Importantly, it includes provisions on special and differential treatment and technical assistance for implementation in developing countries.

For Cameroon, MC14 presents a strategic policy moment to align global investment facilitation reforms with national ambitions for industrialization, export diversification, and structural transformation. Investment facilitation therefore links global commitments to national development outcomes. This paper aims to assess the implications of the WTO MC14 investment facilitation agenda for Cameroon, examine gaps in Cameroon's current investment climate that constrain structural transformation and propose policy recommendations to leverage investment facilitation for industrialization.

Cameroon's investment climate is characterized by persistent structural and administrative constraints that limit the country's ability to attract and retain high-quality, productivity-enhancing investment.

Cameroon's current investment climate

Cameroon's investment climate is characterized by persistent structural and administrative constraints that limit the country's ability to attract and retain high-quality, productivity-enhancing investment. While the country has undertaken several reform initiatives to improve the business environment, investors continue to face challenges related to regulatory complexity, inconsistent implementation of policies, and lengthy administrative procedures. According to the World Bank Doing Business 2020 report, starting a business in Cameroon required 13 procedures and approximately 82 days, significantly above the SSA average. These bottlenecks increase transaction costs and reduce investor confidence, particularly in sectors with high transformation potential such as manufacturing and agro-processing. In addition, governance indicators highlight persistent institutional weaknesses: Cameroon ranks below the regional average on regulatory quality and governance effectiveness in the World

CREDIT: WTO

Bank Worldwide Governance Indicators

FDI remains concentrated in extractive industries, this creates enclave investment with limited spillover benefits on the domestic economy. Data from the UNCTAD indicate that a large share of FDI inflows in Cameroon is directed toward oil, gas, and mining sectors, with manufacturing attracting a comparatively limited proportion.

The weak integration of local firms into value chains further constrains the developmental impact of investment inflows. As a result, investment is yet to drive structural transformation or diversify production.

Linking WTO investment facilitation to domestic reform

The Investment Facilitation for Development (IFD) offers a timely framework for addressing many of these structural constraints. By prioritizing transparency, predictability, and administrative efficiency, the agreement aligns closely with Cameroon's need to modernize its investment governance architecture. However, its impact on development depends on the extent to which they are effectively internalized within domestic reform processes.

For Cameroon, this creates an opportunity to shift from fragmented investment procedures toward a more coherent and rules-based investment facilitation system. If properly implemented, WTO aligned reforms can serve as an anchor for broader governance improvements, reducing uncertainty and improving coordination across key institutions involved in investment approval, taxation, customs, and regulatory oversight. Global commitments under MC14 therefore can be used as a catalyst for domestic policy coherence and institutional modernization.

Policy gaps and institutional constraints

Despite ongoing reform efforts, several structural gaps continue to undermine the effectiveness of investment facilitation in Cameroon. First, institutional fragmentation remains a key constraint, with multiple agencies operating in parallel without sufficient coordination or data integration. This results in duplication of procedures, delays in approvals, and inconsistent investor experiences.

Second, underdeveloped infrastructure and the lack of full digitalization across investment related processes continues to create inefficiencies and reduce transparency. Investors often face unclear procedural requirements and limited access to up-to-date regulatory information, increasing perceived risk and discouraging long-term commitments. Also, investment policy remains weakly aligned with industrial policy objectives, resulting in a disconnect between capital inflows and national transformation priorities.

Finally, the limited emphasis on productivity linkages means that investment inflows have not sufficiently contributed to technology transfer, skills development, or the integration of domestic suppliers into global and regional value chains. These gaps collectively explain why investment has not yet functioned as a strong driver of structural transformation in Cameroon.

Policy Recommendations

To fully leverage the Investment Facilitation for Development agenda, Cameroon should prioritize the establishment of a unified investment governance ecosystem that consolidates investment promotion, approval, taxation, and customs procedures into an integrated digital and procedural framework. Such a system would reduce fragmentation, improve coordination, and enhance transparency across institutions responsible for investment governance.

In addition, investment facilitation reforms should be explicitly aligned with sectoral transformation priorities. Regulatory efficiency gains must be strategically directed toward agro-industrialisation, manufacturing expansion, and value chain development in order to ensure that investment contributes directly to structural change rather than remaining concentrated in low productivity sectors.

Cameroon should also strengthen investment–productivity linkages by embedding local content requirements, supplier development programs, and technology transfer mechanisms within investment approval and monitoring frameworks. This would enhance the developmental impact of FDI and support the emergence of competitive domestic enterprises.

Furthermore, the operationalization of WTO-aligned transparency reforms is essential to improving investor confidence. Publication of investment procedures, regulations, and administrative requirements would significantly reduce uncertainty and strengthen predictability in the investment environment.

Conclusion

The Investment Facilitation for Development agenda emerging from WTO MC14 represents a strategic opportunity for Cameroon to reposition its investment governance framework in support of industrial transformation. However, realizing this potential requires more than procedural improvements; it demands a deliberate alignment between global trade disciplines and domestic development priorities.

If effectively implemented, investment facilitation reforms can significantly reduce transaction costs, improve administrative efficiency, and enhance investor confidence. More importantly, they can serve as a structural lever for transforming the composition and impact of investment in Cameroon, shifting it from enclave-based capital inflows toward productive, diversified, and job-creating investment.

Ultimately, the challenge for Cameroon is not only to attract investment, but to ensure that investment becomes a driver of industrialization, economic diversification, and long-term structural transformation.

From the WTO MC14 to Action:

Building Africa's Productive Capacity through Trade, Digitalisation and Industrial Policy

Africa cannot rely on trade liberalization alone to achieve economic transformation; instead, it must pair AfCFTA integration with deliberate industrial, agricultural, and digital capacity-building policies to strengthen productive competitiveness. Without strategic investments in local manufacturing, food processing, and digital sovereignty, the benefits of trade integration will largely favor already industrialized economies rather than African producers.

By Dr. Stéphane Mbiankeu Nguea

1. Introduction

The objective of this brief is to provide African trade and industry policymakers with an actionable framework emerging from the MC14 Civil Society Dialogue. The Dialogue held in Yaoundé, brought together trade practitioners, experts, and civil society for discussions on how international trade can drive resilience and employment generation. The important lesson that Africa should draw from this Dialogue is that trade liberalization alone cannot generate growth; rather, there must be proper policies that precede or come along with strategic policy decisions that create productive, technological, and institutional capacities. This lesson is especially true for Africa, based on its current economic profile. Despite AfCFTA tariff reductions, intra-African trade represents less than 18 % of Africa's total trade. Africa accounts for only 2 % of global manufacturing value-added activities, while most of its participation in the global value chain involves exporting of primary products. Although the digital economy in Africa is expanding rapidly, most of the countries are ranked at the bottom of the UNCTAD B2C E-commerce Index because of infrastructure and payment challenges, among other problems. It became clear at MC14 that without addressing such structural weaknesses, gains from trade integration would be realised primarily by those who already had adequate capacity.

2. The Diagnostic: Three Interlocking Gaps

2.1 The Productive Capacity Gap

According to the African Center for Economic Transformation (ACET), the average score across the continent of the African Transformation Index sits at roughly 30/100. The “technological upgrading” component is particularly weak, indicating that most African economies are not deepening their technological sophistication. However, the problem is about the lack of an industrial policy, insufficient infrastructure, and restricted access to patient capital. Here, the case of China is illustrative: China spent three decades building up its industrial capabilities behind closed doors prior to competing fully in the global economy. In Africa’s context, given its political disunity and smaller home market compared to China, a similar approach would be impossible. However, without a deliberate process of building up capabilities via industrial policy and infrastructure, technology transfer, and digitalization will lead to more imports and weaken productive capabilities.

2.2 The Agricultural Raw Material Trap

African producers face heavily subsidised competition from developed and emerging

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economies while their governments are constrained, both fiscally and by WTO rules, in supporting their own farmers. The result is that Africa, despite [holding 60 % of the world's uncultivated](#) arable land, remains a net food importer, with an annual food import bill exceeding USD 50 billion. Africa should stop exporting raw materials and instead process locally. Special Economic Zones and Economic Processing Zones (EPZs) are identified as essential instruments, provided they are linked to domestic supplier networks and not operated as enclaves. The AfCFTA offers a market large enough to justify scale in processing and manufacturing, but its rules of origin and tariff schedules need to be aggressively used to favour "Made in Africa" goods.

2.3 The Digital Sovereignty Deficit

The digitalisation process becomes one of the major instruments in the spread of knowledge and collaboration. Nonetheless, this optimistic perspective should be approached with caution. Digital technologies are increasingly used across the African continent, but their benefits accrue mainly to external platforms and suppliers of hardware. Without developing its own data infrastructure, talent pool, and regulation for the development of domestic digital businesses, the continent runs the risk of becoming merely a digital consumer instead of becoming a digital producer. Digital sovereignty, which is viewed as the ability to control, store, and manage data locally, as well as develop its digital business, has recently become a policy objective. This idea directly affects the issue of industrialisation since digital technology does not operate as a separate industry but rather as a means for increasing competitiveness in manufacturing, logistics, and agriculture.

> *Africa should stop exporting raw materials and instead process locally. Special Economic Zones and Economic Processing Zones (EPZs) are identified as essential instruments, provided they are linked to domestic supplier networks and not operated as enclaves.*

3. Policy Recommendations

The following recommendations are sequenced by time horizon.

Short Term:

1. Adjust AfCFTA Tariff Concessions to Industry Strategies. The government should urgently examine its schedule for tariff concessions under AfCFTA to ensure sufficient tariff protection for sensitive intermediate and capital goods essential for priority industries. This is not contrary to free trade; the AfCFTA permits the use of variable geometry and infant

industry protection, subject to transparency and a clear timeframe.

2. Link Import Licenses to Domestic Investments in Strategic Foodstuffs. Governments should consider an arrangement where import licenses will be issued only if a proportionate amount is invested locally in the production or processing of strategic food items like rice, wheat, and vegetable oil. This has been piloted in several African countries and will transform imports from foreign currency leakages into a tool for building local capacity.

Medium Term:

1. Scale Up Economic Processing Zones with a Local Supply Chain Mandate. Instead of stand-alone EPZs that import inputs, process and re-export, governments should design zones with mandatory backward-linkage targets. Tax incentives within the zones should be conditional on increasing the share of locally sourced inputs over time. Regional EPZ cooperation, for example, between Cameroon and Chad, can pool infrastructure costs and enlarge the local market.

2. Invest in a Regional Digital Industrial Backbone. African governments, working through the African Union and Regional Economic Communities, should prioritise cross-border fibre optic links, shared data centre capacity and interoperable digital payment systems. A regional instant payment switch, built on existing mobile money rails and supported by central banks, should be operational within three years. Financing can come from blending concessional development finance with private operator concessions.

Long Term:

1. Call for a Digital Services and Data Protocol that spans the continent. The African continent should move from its fragmented data localisation laws, which currently exist country by country, to a coordinated system whereby data moves freely in the African continent but is required to be processed according to set standards by digital entities from outside Africa, such as requiring a certain percentage of their data to be stored in regional data centres. This can be achieved through negotiations for a modification to the AfCFTA using the ongoing negotiations on the Digital Trade Protocol.

2. Recommend amendments to the WTO guidelines for agricultural subsidies and the infant industry. With MC14 behind us, the African trade ministers must create a coalition with a view to requesting changes to the rules concerning agricultural subsidies and infant industry that allow developing nation’s greater flexibility to use policies to subsidise agricultural inputs and credit and protect staple food value chains. These recommendations must be evidence-based.

4. Conclusion

MC14 in Yaoundé was more than just a diplomatic achievement; it highlighted the fact that trade policy without a parallel policy to build productive capacities will amount to nothing. About Africa, there are policies that contain the strategies but fail to ensure the right sequence of events, the proper institutionality, and the necessary political will in order to place capacity building prior to importation. The above policy prescriptions are form the basis of thinking of what should be done: fast policy changes, intermediate investments in infrastructure and human capital development, and long-term institutional reforms. African governments need to continue advocating for policies that enhance their ability to produce, trade, and innovate.

"The important lesson that Africa should draw from this Dialogue is that trade liberalization alone cannot generate growth; rather, there must be proper policies that precede or come along with strategic policy decisions that create productive, technological, and institutional capacities. "

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Closing Insight

Policy Takeaways Across the Issue

1. Trade liberalization alone cannot deliver structural transformation

One key takeaway from the WTO MC14 debate is that market access and tariff reduction, although vital, will not be enough to drive change in Africa. In this regard, all the contributors agree that Africa's continued reliance on exports of primary commodities remains a major obstacle to industrialization and job creation, as well as vulnerability to global economic volatility. As seen in the case of both CEMAC and ECCAS, open markets without production capability only serve to deepen dependency on imports and foreign markets. To avoid this outcome, African nations will need to adopt a new approach to their trade policies, one that views them as an instrument of industrialization and not as an end in themselves. This necessitates alignment with their trade agreements like the AfCFTA and their industrial programs by focusing on agro-processing, industrialization, regional value chains, and innovation.

2. African regional coordination must become more strategic and unified

There is an absolute necessity for more effective coordination among African countries in the conduct of international trade negotiations. MC14 demonstrated once again how little influence African diplomacy had on the main agenda issues, including agricultural subsidies, e-commerce rules, and even WTO reform. However, although it was a relatively homogeneous block with many demographic and economic advantages, African countries rarely negotiated from a coordinated standpoint but did so independently. In this regard, the problem repeatedly emphasizes the importance of consulting and reaching agreements within regional organizations such as AfCFTA, ECCAS, and CEMAC for African nations' negotiating capabilities. Only unified negotiating platforms would ensure a more effective defense of the interests of the continent during negotiations, support fairer international trade practices, and prevent unfavorable outcomes for further industrial development at the national level.

3. Productive capacity and value addition are the foundations of economic resilience

The articles seem to be converging on the point that Africa needs to shift from exporting commodities to producing more valuable products. The dependency on raw material export continues to leave African countries vulnerable to price fluctuation, poor internal linkages, and inadequate job creation. Value addition seems to be the missing link between participation in trade and growth. According to the authors, productive change is possible through the establishment of proper infrastructures to enhance manufacturing and processing capacity. Industrial development needs to feature prominently in the policy discourse. Here, the AfCFTA offers an important opportunity in the sense that large regional markets can be developed for the growth of industries. But this can happen only if the governments facilitate it through policies favoring industrial development.

4. Digital infrastructure and digital sovereignty are emerging development priorities

The problem underscores how the digital revolution represents a dual possibility as well as a critical structural challenge for Africa. Poor internet connectivity, fractured payment systems, inadequate data infrastructure within the region, and reliance on external digital platforms have served to sideline Africa from participating meaningfully in the digital economy. Without effective steps being taken, the continent may forever remain consumers of digital innovations rather than creators. To overcome this deficiency, the contributors recommend investment in interoperable payment solutions, regional data centers, digital infrastructure, and coherent digital policies. Digital sovereignty is now seen as crucial in building economic competitiveness, industrialization, and integration into global markets. Digitalization will serve not only to boost trade but also productivity.

5. Institutional reform and governance capacity are essential for investment and trade effectiveness

Another cross-cutting theme in the review is governance and institutional reforms. Most of the papers point out how inefficient administrations, fragmented institutions, poor coordination of regulations, and ineffective implementation mechanisms still hamper trade and investment achievements. For instance, in Cameroon, investment flows have been skewed toward the extraction industry, leaving little or no impact because there are poor connections between foreign investments and productive activities within the country. For a trade and investment framework to succeed, it is necessary to enhance transparency, simplify administrative processes, digitize public services, and increase interagency coordination. While African states can strive to encourage foreign direct investment, it is equally important for them to guarantee that such investments lead to industrialization, skills acquisition, technology transfer, and firm growth within their economies.

Final Note

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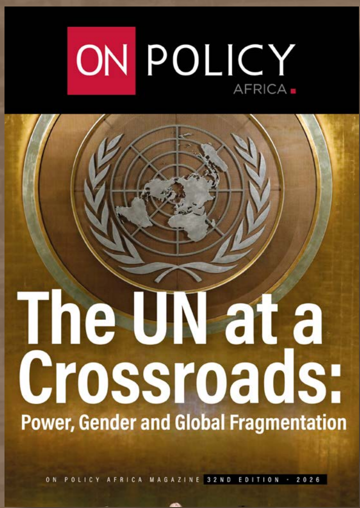
In this volume of the On Policy Africa Magazine, it is evident that Africa's trade future cannot be assured by trade liberalization alone. The WTO MC14 in Yaoundé was significant not only in its diplomatic success but also in highlighting the economic realities of the continent. It is quite clear from all the conversations that have taken place within the continent regarding the role of trade that Africa needs to go past passive engagement in trade to a situation whereby production becomes a core agenda, regional cooperation, industrialization and digital sovereignty are emphasized.

The policy prescriptions offered in this volume clearly indicate a particular direction. Productive capacity needs to increase; regional integration must be enhanced; and infrastructure and technology investments must be made to build institutions that can convert trade opportunities into development. Another important aspect is that of ensuring that the continent coordinates its efforts effectively when it comes to international trade negotiations.

Ultimately, the success of Africa's integration into the global economy will be based less on the amount of trading it does, but on the production, value creation, and economic transformation achieved through trade.

OPA 32nd edition




On Policy Africa

However, the American position downplays international procedures needed to take Maduro to a US court or to launch military strikes on Iran. International law provides two options for countries to act when they find themselves in this scenario. First, countries can use military force against others only for self-defence. Secondly, they can do so only when authorized by the UN Security Council. The USA did not comply with any of these, raising questions about the applicability of international law. The UN cannot impose sanctions on USA because the global body does not have the power to do so. Additionally, the US has veto rights in the UN Security Council, meaning Americans cannot vote to sanction themselves.

Admittedly, the American actions expose the weakness of the UN, an organization that influential countries have, at times, disregarded. Unfortunately, the UN relies on morality and a belief in gentleman's agreement, which expects nations to exercise civility and understanding on the international arena, even amidst pain and hurt. On the contrary, powerful nations often go against these expectations when their national interest is at stake.

The Future Power of the UN

Countries with veto rights in the UN Security Council have either ignored or used the organization to justify their foreign aggression in the name of national interests. For sure, it would be impossible for the UN to stop powerful countries such as USA and Russia from taking unilateral decisions to attack weaker ones. There are however, some areas that the UN can pay attention to, if it wants to stay relevant as a global body. Some of these are:

- Reforming the Security Council in significant ways. The organization could increase the number of countries with veto powers in the Security Council, while simultaneously making all seats at the Council non-permanent. Increasing the seats could take into consideration the representational balance such as three countries from each continent.

- Reducing the executive powers of Security Council, while devolving more powers to the General Assembly. Presently, the UN General Assembly has fewer powers than the Security Council even as the former has more members.

- Lastly, the UN could encourage its members to develop regional military alliances similar to NATO. The rationale behind this is that aggressive nations would be cautious when they plan to attack a country that is a member of a military alliance.

"*International law provides two options for countries to act when they find themselves in this scenario.*

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On Policy Africa Magazine – 32nd Edition, titled The UN at a Crossroads: Power, Gender and Global Fragmentation, examines whether the United Nations can adapt to a rapidly changing and increasingly divided global order.

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The edition explores the selection of the next UN Secretary-General, the case for women's leadership, Africa's permanent representation on the Security Council, the rise of nationalism, and the consequences of global fragmentation for employment, industrialisation and development financing. Its central message is that Africa must move from being a passive participant and rule-taker to becoming an influential rule-maker through regional coordination, strategic diplomacy, inclusive leadership and stronger economic resilience.

The WTO Ministerial Conference in Cameroon

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