THE CHALLENGES OF APPLYING THE LAWS GOVERNING INVESTMENTS IN CAMEROON: AN APPRAISAL OF THE HURDLES OF FOREIGN DIRECT INVESTMENTS ON SMALL AND MEDIUM-SIZED ENTERPRISES

Written by ***Nkam Cho Elvis***

Assistant Lecturer, University Of Douala, Douala, Cameroon

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ABSTRACT

The constant proliferation of different types challenges plaguing investments in general and foreign direct investments in particular in the world over have led to deteriorating and devastating effects to human kind and the business environment in such a way that if nothing is done to avert it, it will only lead to egregious anomalies and why not the complete obliteration of some investments. In the contemporary world today, Foreign direct investments which are supposed to be promoted and protected so as to ensure and enhance development in Cameroon, are instead the kick-starters of the numerous nightmares and wanton atrocities such embezzlement, corruption and looting of funds etc thereby causing pain, injury, and suffering to the population. These challenges are multi-facetted and spring from different directions to wit; the investor, the investing state and the local population. The issue is worsened when the investor gangs with some few stake holders of the state as against the state and the entire population leaving us in a state of literal ecstasy to ponder whether it still falls under the very objectives of foreign direct investments. It must be emphasized that, the general observation with investments is that ‘‘there can never be a successful investment without challenges, FDI business inclusive’’. FDIs are generally enforced by a number regulation and supervisory bodies both in Cameroon and abroad given that investing partner must also ensure that his

investments are save. To this respect however, several national laws as well as international legal instruments aimed at arriving at a solution have been envisaged. But it is rather unfortunate that, the so many legal instruments arrived at are not apt enough to curb and curtail the challenges to the implementation investment laws. If nothing is done to this present status quo, no long lasting solution will ever be attained. This paper focuses on challenges faced in the implementation of FDIs laws in the sector of SMEs as well as arriving at some seasoned recommendations to curtail these challenges. To attain this objective, the secondary method of data collection and the qualitative method of data analysis were employed.

INTRODUCTION

From time immemorial, investments have always been the hub in the upliftment and boasting of economic growth and development of many economies in the world in general and that of Cameroon in particular. This economic situation is amplified by the advent of foreign direct investments (FDIs) in the world at large. The coming of modern foreign direct investments (FDIs) in Cameroon albeit in the sector of small and medium sized enterprises (SMEs) was not an option of poverty alleviation and economic growth until the period of the late 20th century wherein Cameroon was beleaguered with economic crisis[i]. Before, FDIs knocked the doors of Cameroon in the sector of SMEs; Cameroon was placed under the rudimentary policies[ii] of the International monetary fund and the World Bank. In Cameroon, until the introduction and imposition of some of the conditionalities[iii] of the Heavily Indebted Poor Countries initiative (HIPCI),[iv] Cameroonian economy was not yet liberalized to boost private sector investments wherefrom stems the investments on SMEs thereby implying that FDIs in the sector of SMEs was an illusion and still far-fetched. The Cameroonian government has from thence adumbrated and adopted several laws such as the investment charter, organized and still organizing several national and international seminars to sensitize the public on the importance of FDIs in SMEs as well as adopting several laws on incentives and creating specialized and particular agencies like the Investment Promotion Agency-IPA[v], the ministry of small and Medium-Sized Enterprises, Social Economy and of the Handicraft-MINPMEESA and the Small and medium-sized enterprise regulatory Agency-APME in order to boost and uplift FDIs in the SMEs in the country.[vi] It is clear from the foregoing that, there have been FDIs existing in Cameroon in other sectors like the large public enterprises especially with public-private partnerships between the state and other multinational corporations but its arrival in the sector of SMEs is very much of recent thereby warranting scrupulous follow-up.

Many authors have made several attempts to define FDIs and SMEs on a general basis and some other definitions have been contextual. On the general Plata, Foreign direct investment (FDI) is an investment made by a company or individual in one country with business interests in another country, in the form of either establishing business operations or acquiring business assets in the other country, such as ownership or controlling interest in a foreign company. FDIs-Foreign direct investments are distinguished from portfolio investments whereby an investor merely purchases equities of foreign-based companies. The main feature of foreign direct investment is that it is an investment made that establishes either effective control of, or at least substantial influence over, the decision making of a foreign business.[vii] Foreign direct investments can take place in a variety of ways, such as the opening of a subsidiary[viii] or associate company[ix] in a foreign country, acquiring a controlling interest in an existing foreign company, or by means of a merger[x] or joint venture with a foreign company.

As per guidelines established by the Organization of Economic Cooperation and Development (OECD), the threshold for a foreign direct investment that establishes a controlling interest, is a minimum 10% ownership stake in a foreign-based company, typically represented by the investor acquiring 10% or more of the ordinary shares or voting shares of a foreign company. However, that definition is flexible, as there are instances where effective controlling interest in a firm can be established with less than 10% of the company's voting shares.

Foreign direct investments are usually categorized as being horizontal, vertical or conglomerate in nature.[xi] This type of investment involves entering an industry in which the investor has no previous experience in, it often takes the form of a joint venture[xii] with a foreign company already operating in that industry.[xiii]

Increases in FDI may be associated with improved economic growth due to the influx of capital and increased tax revenues for the host country. Host countries often try to channel FDIs into new infrastructure and other projects to boost development. Better competition from new companies can lead to productivity gains and greater efficiency in the host country and it has been suggested that the application of a foreign entity's policies to a domestic subsidiary may improve the standards of corporate governance. Furthermore, the transfer of soft skills through training and job creation, the availability of more advanced technology for the domestic market and access to research and development resources can result from foreign investment.[xiv] The local population may benefit from the employment opportunities created by FDIs businesses and in many cases, the investing company is simply transferring its older production capacity and machines, that might still be interesting to the host country because of technological holdups or under-development, in order to avoid competition against its own products by the host country/company.[xv]

As concerns SMEs, the criteria for defining the size of a business differs from country to country, with many countries having programs of business rate reduction and financial subsidy for SMEs.

July 2011 was the year the European Commission said it would open a consultation on the definition of SMEs in 2012.The European definition of SME is as follows: "The small and medium-sized enterprises (SMEs) is made up of enterprises which employ lesser than 250 persons and have an annual turnover of not more than 50 million euro, and/or an annual balance sheet total of not more than 43 million euro.[xvi]

A company is defined in the UK as being an SME if it meets two out of these three criteria: it has a turnover of less than £25million, it has lesser than 250 employees, and it has assets of less than £12.5milliom. These businesses in Britain are not only small or medium but also have a much broader set of values and more elastic definition.[xvii]

The official definition of SMEs in Cameroon is derived from Law2010/001 of April 13, 2010 on the promotion of Small and Medium-sized Enterprises. The law holds a set of criteria for classifying enterprises in the following categories: "Very Small Enterprises"(VSEs), "Small Enterprises" (SEs), and "Medium-sized Enterprises"(MEs).[xviii] With regard to these criteria, the SME category encompasses enterprises with a permanent staff of between 21 and 100 employees and whose net annual turnover is between100 million and one billion CFA francs. As per statistics provided by the National Statistics Institute (INS), this category of enterprises accounts for over 90 percent of Cameroon's national economic fabric, with a share in the Gross Domestic Product estimated at 34 percent.[xix]

There is a total of 93,969 enterprises in Cameroon, (including VSEs, SEs, MEs, and LEs), as per the statistics of the Ministry of Small and Medium-sized Enterprises, Social Economy, and the handicraft (MINPMEESA). The enterprises surveyed are:[xx]

- 65,986 (74.9%) are considered to be very small size enterprises (VSEs)
- 16,937 (19%) are small size enterprises (SEs)
- 4,499 (5.1%) are medium size enterprises (MEs)

These categories account for 95 percent of the total number of enterprises established in the national territory.

- 722 (0.8%) are counted as enterprises of large size.

With regard to these estimates, it may be concluded that there are a total of 87,422 SMEs and that over 95 percent of Cameroonian enterprises fall within the definition of SMEs. Thus, SMEs make up most of the economic fabric and are, therefore, an essential source for development of the economy. SMEs account for over 70 percent of job creation in Cameroon and the contribution of SMEs in the economy is over CFAF 3,000 billion[xxi].[xxii]

Despite these over whopping statistics in terms of job creation, in terms of the number of Cameroonian enterprises that fall within SMEs and in terms of its financial contribution to the economy, the impact of FDIs on SMEs remains demeaning and does not marry with Cameroon's desire and wish to attain emergence by 2035.

The query of immense practical importance that runs immediately in the minds of many is that of understanding and knowing why the so many laws adopted and promulgated and the so many promotion agencies created to entice FDIs in SMEs is not yielding any fruit or does so only to a laser extent and also why the FDIs are effective albeit in other sectors of the economy in general and not in the sector of SMEs. If this is the case, why is it that the effectiveness of the laws on FDIs is not yielding the same impact on SMEs as it does on other areas of investments? If this is not the case, what should be done in order to reconcile the laws on FDIs so as to guarantee that FDIs yield the same impact on SMEs and other sectors in the economy?

It must be emphasized that, the general observation with investments is that ‘‘there can never be a successful investment without challenges, FDI business inclusive’’. FDIs are generally enforced by a number regulation and supervisory bodies both in Cameroon and abroad given that investing partner must also ensure that his investments are save. Thus, even if FDIs are different from other investments, their challenges are somewhat similar although different in certain circumstances.

This paper seeks to focus on challenges faced in the implementation of FDIs laws in the sector of SMEs. These challenges will be elucidated at the level of the foreign investor (I), the home-based entrepreneur (II), the government and the population at large (III). Some seasoned recommendation (IV) shall be couched to curb and curtail these challenges shall also be on the menu.

CHALLENGES FACED BY THE FOREIGN INVESTOR

The challenges faced by the foreign investor are in two facets; at primary phase wherein inadequate information/asymmetry of information, administrative bottlenecks and unduly long and tedious procedure are the order of the day and the later phase wherein fraud, corruption, bad governance, and misappropriation of funds worsen matters.

Difficulties Faced at the Primary Phase

The difficulties at this stage include; inadequate information/asymmetry of information, administrative bottlenecks and unduly long and tedious procedure.

- **Inadequate Information/Asymmetry of Information**

Despite the so many laws and incentives for the promotion of FDIs in Cameroon, it is clear without mincing words that little or nothing has been done to improve the domain of communication of FDIs especially in the sector of SMEs. There is therefore either inadequate information[xxiii] or misleading information[xxiv]. Most often than not, the theoretical exposition made by the stake holders on investment tends not to match the realities on the field.

More so, the language problem comes in to aggravate the information purview with incessant violation of translation modules, language incoherence and poor spelling drills. Documents are primordially conceptualized in French without a corresponding English equivalence. Thus, translation may never give the rightful meaning of the words since such translations are often done by way of machines.

- **Difficult Access to the Investment Terrain**

The Cameroonian investment terrain is of a difficult type, with accessibility being a major problem. Investors before investing most often carry out feasibility studies on the project by visiting the locus in quo i.e. the place where the investment is to be carried out. But the lack of roads and poor road networks[xxv] in Cameroon renders this exercise an utmost impossible one.

Again, cultural heritages, customs and cultural paraphernalia in Cameroon have also acted as a difficulty in accessing the investment terrain by the investor.[xxvi]

- **Administrative Bottlenecks**

The highly centralized system of governance[xxvii] in which Cameroon is found brings up several drawbacks as far as the administration of the country is concerned talk less of investment.

The lacuna of centralization and concentration of power are the following; congestion, pollution, lack of penetration of administrative decisions and bureaucracy. These lacuna lead to unnecessary long and tedious procedures since what could have been done by administrative relays are still done only at the central administration that found in the nation's capital. The mere fact that documents-even investment documents are to be signed and approved only by the central administration brings about bureaucratic problems. However, these administrative bottlenecks do nothing than to discourage and scare away prospective investors[xxviii] willing to invest in Cameroon.

- **Stiff and Unduly Long Procedures**

There is an impression created by the Cameroonian government that all the compartments of the administration must have share of the cake before the investment agreement can be signed.[xxix]This process is very stiff, tiring, tedious and discouraging as it warrants the investor to visit virtually all the ministries of the country before embarking on the agreement. In most, if not all cases, the investor may turn towards other countries given the nature of competitiveness in luring investors in the world at large and Africa in particular.

- **Unstable Security**

It is no news again in 2017 to talk of the insecurity levels of Cameroon owing to the menace of the nebulous sect "Boko Haram" and to an extent the "Anglophone Cameroon problem".[xxx] This aspect alone in the world of investment can scare a handful of potential investors. Investors often than not will prefer to undertake the risk of investing in peaceful countries with fewer profit margins than in countries plagued with political upheavals, rioting, strife and war.[xxxi]

However, the foregoing challenges are mostly found before the actual conclusion of the investment agreement. But the following challenges are those faced by the investor during the execution of the contract.

Difficulties Faced at the Later Phase

The challenges faced at this stage include the following; fraud, corruption, bad governance, misappropriation of funds and a host of others

- **Corruption**

Conventionally, corruption refers to the private wealth-seeking behaviour of someone who represents the state and the public authority or as the misuse of public property by public officials for private benefits. This aspect has to some extent entered the political and economic sciences from the new interest in the role of the state in the developing world, and in particular from the idea that the state is an indispensable instrument for economic development.

Much consensus have been arrived at, on the relevance of an efficient state in economic development by the World Bank as it stated that "an effective state is vital for the provision of the goods and services and the rules and institutions that allow markets to flourish and people to live healthier, happier lives. In the absence of this, sustainable development as well as economic and social development will be impossible".

Corruption is one of the most dangerous pests in the investment universe. It can destroy every plan and intent of the investor, not leaving out the desire and the zeal of the investor to invest. Cameroon has topped the ranking of the most corrupt country on Earth thrice[xxxii]; depicting therefore the deteriorating and dilapidating state of Cameroonian businesses. This alone has done nothing but deter potential investors and even already existing investors from investing in the country.

- **Bad Governance**

Bad governance is a trademark in the Cameroonian economy in general and in the investment sector in particular. Bad governance here could be expressed in terms of misallocation of resources, poor decision making processes, incompetent personnel occupying technical posts of responsibility and inadequate transparency in the decision making process and execution. The executive flank of the state is that organ charged with the responsibilities to ensure a coherent and lucid administration. Thus, it incumbent on them to avoid the ills of bad governance and grant an overt economy free for business.

- **Misappropriation of Funds**

Embezzlement on its part is the occurrence of misuse of funds meant for some thing to do something else. The government officials of Cameroon have on several occasions portrayed their competence in this domain, reasons why there are a handful of Cameroonian state ministers in jail[xxxiii]. Misappropriation in Cameroon is punished under two legal texts; the Penal Code[xxxiv] and the special statute for Embezzlement viz, the rules of the Special Criminal Court[xxxv]. The creation of the Special Criminal Court to handle embezzlement cases above 50 million is seen upon as booster to embezzlers as clearly depicted that embezzlers under the Special Criminal Court enjoy some privilege status and some technical immunities over and above those under the regime of the penal code.[xxxvi]

- **Government's Relaxation on Incentives**

The Cameroonian authorities are very sublime at establishing incentives. In 2013 for example the government passed a series of laws[xxxvii], decrees and orders[xxxviii], which acts by and large as incentives for FDIs in the country. But it should be noted that establishing a law is one thing and implementing or executing it is another. The Cameroonian authorities are remarkable for their deliberate relaxation in the implementation process of incentives even when investors are in the realization phase of their investments, thereby leading so many uncompleted and abandoned projects.[xxxix]

- **Compensation of Third Parties**

Investors often face conflicts with indigenes especially during the realization phase of their investments; indigenes who have been promised compensation of their lands and properties used in the projects-promise which is never met. Some of these indigenes were promised jobs and the investors unable to employ them, decoys the indigenes to riot.

The investors are under such circumstances bound to comply with the compensation demands of the indigenes if they are to continue with their investments. The most infuriating part of it all is that the said compensation is supposed to be done by the state and not by the investors.

CHALLENGES FACED BY HOME-BASED ENTREPRENEURS

The challenges faced by home-based investors are peculiar and emanate from the excessive supernormal incentives to the foreign investor on the one hand and from the government peculiarly on the other hand.

Supernormal Incentives to Foreign Investors

The incentives granted to foreign investors are over and above the incentives accorded to home-based investors, thereby acting as a major constraint to the investment climate for home-based investors. These difficulties are as follows: duty-free imports, tax incentives, investment promotions, and foreign exchange guarantees.

- **Duty-free Imports**

The interim economic partnership agreement[xl] provides for duty and quota free access to the EU market for exports from Cameroon. On its part, Cameroon will gradually open its market to European exports over a transitional period set to run until 2023. As per the communiqué signed in this regard on 28th July 2016 by the European Commission, the agreement *"makes provision for duty-free and quota-free access to the EU market for exports originating from Cameroon. On its part, Cameroon will gradually open its market to European exports over a transition period scheduled to last until 2023"*.[xli]

The 2nd of August 2016 held the reaction to the idea that spread in the general public that the tariff dismantling for products coming from the EU will be applied in Cameroon from the 4th August 2016, Jean Tchoffo, President of the Committee in charge of monitoring the implementation of the Cameroon -EU bilateral Economic Partnership Agreement, wants to reassure the Cameroonian population: he specified that, *"the tariff dismantling by Cameroon will only be possible after the publication of a text on the origin rules to be applied on products imported from the European Union"*.[xlii]

Cameroon is the EU's leading trade partner in Central Africa[xliii] and the EU is Cameroon's leading partner for both the country's imports (35%) and exports (46%). The EU's main exports to Cameroon are industrial goods, vehicles, chemical products and medicines. Cameroon's main exports to the EU are petroleum products, aluminium, wood and agricultural products. Agricultural exports are varied and include raw products (cocoa, coffee, banana, rubber) and processed products (cocoa-based products, processed fruit and vegetable products).[xliv]

It is therefore clear from the foregoing that the home-based investor can not compete with the foreign investor and as such they suffer a technical disadvantage in terms of investing in the country as compared to the foreign investor. Most often than not, they are sidelined only to the menial kind of investments.[xlv]

- **Tax incentives**

The putting in to force of **law No 2013/004 of 18 April 2013 fixing the Incentives for Private Investments in the Republic of Cameroon** was so timely since the lapse for the realization of the millennium development goals was coming to an end without Cameroon attaining the goals.[xlvi] These incentives apply to both national and international physical and juristic persons as well to non resident companies whose activities are principally held in Cameroon, so as to boost investment and to increase national production.[xlvii] The present law has as objectives to promote, favour and attract productive investment in view to developing activities oriented towards the promotion of a strong and durable economic growth and employment.[xlviii]

This law its provisions apply to investment operations of creation, extension or renewal or transformation of activities. This law does not apply in sectors of the economy governed by other laws e.g. the mining and the petroleum sectors as well as the rules governing general partnership contracts.[xlix]

The incentives as provided for by the law are divided in to two main types: the common and the specific incentives. The common incentives comprises of custom and tax incentives,[l] financial and administrative incentives.[li]

The tax incentives following the **law No 2013/004 of 18 April 2013 laying the incentives for private investments in the Republic of Cameroon** are ostensibly encouraging and attractive to both home-based and foreign investors but the rationale behind it all is to boost foreign investors; since nothing can account for the fact that the laws on incentives are left aside for the signing of Economic partnership agreement (EPA) if not to complete their quest of encouraging only Foreign investors.

It is clear form the aforementioned that the objective of the law on incentives was attract foreign investors as against home-based investors. A good perusal of article 5 to 7 of the **law No 2013/004 of 18 April 2013 laying the incentives for private investments in the Republic of Cameroon** and in particular article 7 is to the effect that during the operational phase which may not exceed 10 years, the investor may enjoy exemptions or reductions on payments a handful of taxes and duties. This is therefore very clear that when the government of Cameroon embarked on the EPA with Europe[lii], it did not take in to consideration home-based entrepreneurs.

- **Investment Promotions**

The Cameroonian government in its persistent and unceasing quest to improve and boost economic growth and development has created several investment promotion agencies and other related institutions in order to consolidate and maintain its dreams and its policies to wit, the emergence of the country in 2035. Amongst these agencies[liii] is the Cameroon Investment Promotion Agency (CIPA), which is a parastatal institution with legal personality and financial autonomy with headquarters in Douala. CIPA falls under the technical supervisory authority of the Ministry in charge of the Promotion of Private Investments and the financial supervisory authority of the Ministry of Finance.

CIPA'S mission, in collaboration with other authorities, as well as other public and private bodies, is to contribute to the development and implementation of government policy in the field of investments promotion in Cameroon.

Carrying out a synopsis of all these investment promotion agencies and institutions, it is crystal clear that from initiation to the realization of the promotion agencies' missions that, all is done in pursuance to attracting foreign investors and not home-based investors as they are left with no choice but to adapt to or lick the crump.

A perfect example to back up the foregoing point is the very mission of the CIPA;

- Promoting the image of Cameroon abroad;
- Participating in the improvement of an enabling environment for investments in Cameroon;
- Proposing measures to attract investors in Cameroon as well as improving the implementation of sectoral codes;
- Establishing a database of projects for potential investors;

It is an undoubted fact as drawn from the mission of CIPA that foreign investors are the target of investment promotion agencies while home-based investors sit behind and lick their wounds.

- **Foreign exchange Guarantees**

Foreign exchange rate oscillation is a very vital and important advantage to foreign investors as against the home-based one. Financial oscillation is a yardstick to the foreign investor as he enjoys the benefits that come with it. These guarantees do nothing but increase the advantages of the foreign investor over and the home-based one.

DIFFICULTIES FACED BY THE GOVERNMENT

The challenges faced by the government cannot be underestimated since the government is the forefront of the investment processes in Cameroon. These challenges are socio-economic as well as socio-political.

The Socio-Economic Challenges

The government as a major actor in investment be it at the negotiation, executing and reporting stages of, faces some socio-economic challenges, which acts as major constraints to the investment climate for investors. These difficulties are as follows: the unyielding economic crisis, corruption, difficulties in designing and implementing laws and demographic factors.

- **The Unyielding Economic Crises**

Economic crisis plagued Cameroon in the mid 1980s and early 1990s and from then till date, Cameroon is still dancing the lyrics of the said crisis. Several programs[liv] have been embarked upon to no avail. Economic crisis and poverty in general hinders government action and waters down the investment as it pushes the state to conclude investment agreements in which the state would otherwise not do.[lv]

- **Corruption**

Conventionally, refers to the private wealth-seeking behaviour of someone who represents the state and the public authority or as the misuse of public goods by public officials for private benefits. This aspect has to some degree entered the political and economic scences from the new interest in the role of the state in the developing world, and in particular from the idea that the state is an indispensable instrument for economic development.

In Cameroon top ranking officials have been indicted, charged and sentenced for corruption and misappropriation of public funds for their private gains. Small wonder Cameroon has topped the ranking of the most corrupt country on Earth thrice[lvi]; depicting therefore the deteriorating and dilapidating state of Cameroonian businesses. This alone has done nothing but deter potential investors and even already existing investors from investing in the country.

- **Difficulties in Designing and Implementing Laws**

The desperate nature of the state of Cameroon in enticing and inducing FDIs has rendered law making techniques and procedures to be meddled upon. Law execution or implementation is not less scornful. The preponderance of the executive organ over the parliament in the law making process is very much alarming and accounts for the disdainful laws enforced. The executive organ and particularly the chief executive officer has been given powers by the constitution to legislate by way of ordinances, approve and ratify international treaties and conventions;[lvii] by so doing, the legislative charged with law making is allowed to scrutinize the process of law making. The judiciary is also put aside as the judge is prevented from checking the constitutionality, conventionality, and legality of laws. A perfect example is the OHADA[lviii] law ratified by Cameroon in 1995, enforced in 1998 and which, as of the time article 10 and 43[lix] of the OHADA law was a clear violation of the Cameroonian Constitution.

The Socio-Political Challenges

Besides the socio-economic challenges, the socio-political ones cannot be underscored. Socio-politically, the challenges include; constraint from multi-lateral corporations, bilateral Agreements, Bretton's Wood Institution and other international organization.

- **Constraints from Multilateral Corporations**

Cameroon is a signatory to many multilateral agreements which in itself hinder the capacity of the country to excel albeit in the economic and social perspectives by influencing directly or indirectly the political decision making process of the country. This makes it impossible for the state to make its own policies for development freely; as the state shall be constraint to dance the the lyric of the multilateral corporations and portrays also the disadvantages of the FDIs on the state.

- **Constraints from Bilateral Agreements**

Bilateral Agreements are not much different from multilateral agreements but they go abit profoundly as they involve only the two parties wherein the discreetness of the parties and the principle of "**pacta sun Servanda**"[lx] applies. The influence that these agreements have on the state are alarming as they influence even the electoral process of the country in their quest to maintain and safeguard the persons who brought in to the country, for fear of the unknown i.e. fear that a new leader may come in and nullify the terms of the agreement they had with the other leader.[lxi]These agreements exert great influence and pressure on the government up to the extent of commanding the release of criminals i.e. former state ministers who have embezzled public funds.[lxii] This is despicable and contemptible as it does not only hinder the development of the country but renders the country chaotic with criminals roaming freely.

- **Constraints from the Bretton's wood Institutions**

The Bretton's Wood institutions are the strongest if not the most influential international organization as they deal with monetary issues of states. These institutions are none other but the World Bank and the International Monetary Fund-IMF. These institutions control the financial world and determine foreign exchange rates and to an extent the amounts of cash flow in many economies of the world Cameroon inclusive. The Structural adjustment Program-SAP imposed on Cameroon by these institutions after having declared Cameroon an economic crisis state in mid 1980s is a perfect example of how they control the economies of the World. The HIPC[lxiii] initiative is another perfect example of how these institutions control economies especially the less developed economies. Cameroon acceded to the HIPC initiative in 1996 still in its quest of alleviating poverty and economic crisis, and arrived "the completion point" in 2006. To arrive at this, Cameroon to adhere to the conditionalities as have imposed by these institutions to wit, privatization of all state owned enterprises, slashing down all state expenditures in sensitive sectors as well as the millennium development goals. This is just too much for a developing economy and depicts the dominion these institutions have on Cameroon.

Challenges during dispute settlement

Usually in the course of the follow up for compensation by the foreign investor in cases of breach of contract by the state, she may get unsatisfied with the turnout of events and forwards the matter to the competent court.[lxiv] It is no denying fact that the court is out to render justice to whom justice is due but sometimes, the investor may be disappointed at that level. This is because in the case of the investor, the challenge he faces affects most of all, his company's status and daily business not only in a short run but in a long run as well.

- **Real identity of courts**

During court proceedings a lot of things could be uncovered either positive or negative which could either benefits the investor or the state. Most cases handled at the ICSID favours mostly the foreign investor as against the state. The home-based investor handles his disputes with the state internally and as such does not enjoy from the largess of the ICSID. The state must defend its interest and prove that it carries out its duties, as it ought to. However, the court may have a number of interest areas as far as the state is concerned:

- It will seek to know the financial strength of the investor in meeting up with its investments. It will seek to find out whether the company is duly registered to run the business. In this situation, companies who do not pass through the right authorities before entry into business will be uncovered and apprehended for fraud and company will be declared not existing.
- It may also seek to find out if the investor has been faced with such situations in the past. If it is, this may mare the reputation of the company and the judgement of the latter case.

- **Long and time consuming**

The proceedings may be too long and time consuming. Generally, the court of hearing is determined by the amount claimed stated by the Law on Judicial Organisation[lxv]. Several adjournments and appeals may along make the case long. This certainly means courts proceeding in the case of investment disputes could take weeks, months and in some cases years depending on the nature of the case. In most cases, the state is the defendant and that alone is a challenge. The investor is challenged with preparing for hearings, findings, attending court sessions as it affects the day-to-day running of his business because the whole process is time consuming.

- **Vicarious liability**

The concept of vicarious liability is a concept usually used at the level of the court where the investor is summoned by the court to answer on behalf of company who is sued by a victim. This is because the investor in this case is considered to be an agent to the company who must take responsibility for acts committed by its agent. The application of this concept by the court is a challenge for the company in that, her time is consumed, it could be risky for the business if some information were confidential to her, and expenses will be incurred. However, it is annoying and frustrating if the company is unable to establish that her agent is not at fault.

Difficulties with Respect to the Population

The challenges that the impact of FDI has on the population can not be underestimated. They range from the aspect of brain drain to the Desire for Foreign Products as against Home-based Products and The Quest for Cheaper Products.

- **The Aspect of Brain-Drain**

The brain-drain syndrome effect of FDI can be seen in cases where the local population will abandon their own values and will solely believe only what the foreign investors bring as value. This is the case of many developing African countries in general and Cameroon in particular. This varies from the dressing mode via the feeding mode to the behavioural patterns. This can not be undermined given that every people have their own ways, culture, and style of life[lxvi]; Cameroon in particular is Africa in miniature and harbours over 180 ethnic groups, portraying therefore its multi-cultural dimension. Thus, allowing the brain-drain syndrome effect of FDI to water down these values will instead be pedantic to the development of the country. This therefore leads to the demise several cultural and inert values of the population wherein some get frustrated in their quest of becoming like the foreigners. Before the foreign investor goes further into the market with the state, the concept of culture is defined. To Edgar Schein culture is defined as "a pattern of shared basic assumptions that was learned by a group as it solved its problems of external adaptation and internal integration, that was worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems"[lxvii]

- **The Desire for Foreign Products as against Home-based Products**

The desire for foreign commodities as against home-products is corollary to the aforementioned aspect of brain drain effect as it dissuades the local population in to believing that their products as well as way of life is the best. This does not only affect the local population negatively but also affect the home-based producers as they are put out of the competition by the foreign investors. The entire economy is also suffering as a result of this issue as youths who could have created their own firms so as to be self-employed are queuing up behind the state seeking for employment; employment which the state can not offer thereby leading to a drop to economic activities and the economy in general.

- **The Quest for Cheaper Products**

The quantum incentives on the part of the government to attract FDI, is a clear-cut justification why the population go for the cheaper products since the foreign investor in enjoying the so many incentives put at his disposal has a cost-push advantage over the home-based investor and as a result produces at a much cheaper cost than the latter-reasons for the relatively cheaper prices of their goods.

More over, the impression that the population are made to have is that the foreign products are of higher quality than the home based products, thereby dampening the capacity of the home-based entrepreneur to produce.

CONCLUSION

In conclusion, FDIs is the pillar of the SMEs businesses of Cameroon and records have shown that a great percentage of taxes collected by state are derived from this sector as many Cameroonian firms are mostly characterised by FDIs in which, not only the foreign investors but also the population depends on for livelihood. In furtherance, in as much as the FDIs in the SMEs sector is a high source of income to the firms and even the state, it is characterised by a number of challenges which cannot be undermined and ought to be envisaged. Moreover, the challenges are faced at all the levels both by the foreign investor, the state, the home-based investor as well as the population at large and have had a devastating impact to the foregoing parties. Thus, it will be an egregious anomaly if long lasting solutions to these challenges are not sought for, to curtail and curb these problems.

RECOMMENDATIONS

There is an urgent need to improve the protection of investors and their investments especially in moments of investment conflicts around the world. Given these problems and night mares caused mostly by non-implementation of investment laws and which have not been resolved by the attempted solutions mounted up to resolve the problems arising from FDIs, here are some proposed seasoned recommendations to add to the tally of attempted solutions; but which must definitely go a long way to eradicate and/or water down all predicaments that occur in the investment world. The recommendations shall run from the concerns laid on the FDIs, the SMEs, foreign and home-based investors, organizations and the states.

The Individual Level

Recommendations here are made to the citizens of the country and other stakeholders at the local level who are the main parties indirectly affected by the interplays of investors since they are the consumers and whose actions may benefit or mar the investment business.

- **"Consommons Camerounais"**

The debacle faced by home-investors in the lights of investments in the country could be explained not only in terms of the dominance of foreign investors-with laws favouring them over and above the home-based investors but the very aspect of **"commodity brain-drain"** wherein the citizens regard the good and services from abroad to be superior to those produced locally. This issue alone has been very precarious to the growth of the investments by home-based investors. The growth of every business first and foremost targets a particular market, which is nothing else than the local people.

This has for several years been heard in the end of year speeches of the president of the Republic of Cameroon; wherein the famous expression "consommons camerounais" emanates. In this, the president of the Republic is encouraging all Cameroonian citizens to turn their consumption propensities towards the goods and services of home-based producers and investors.

- **Undertaking Effective and Quality Investment**

To attract the market on any investment or products of a particular investment, the said investment and subsequent product must be of a standing quality so as to be appealing and attractive to the consumer both at the national and international hemisphere. Thus, local investors must endeavour to invest more in order to bring forth goods of high quality capable enough to out-compete the foreign investors.

The State Level

States have a very vital role to play in so far as the enticement and promotion of investment are concerned be they foreign direct investments or local investments especially as most of Cameroonian businesses are Small and medium sized enterprises. The vital role to be played by the state shall cut through the political, economic and social policies of the state.

- **Granting Broadly-Based FDI Incentives**

To broaden and widen the sphere of incentives, the Cameroonian government embarked on a liberalization and privatization program and once it was being implemented, the government, between 1998 and 2001, offered stronger incentives to FDI. There is no official reason given for this. But one can guess that previous endeavors to attract FDI were not yielding the expected result and there was need for more investment if the crisis were to be combated. The new incentives included the:

- Inclusion of an IMF commission in the selection of privatization tenders. This was meant to avoid corruption and bias. Elimination of tax exemption granted to some eight market firms in enterprise specific conventions.
- Liberalizing the interest rate and allowing it to reflect market conditions. Establishing a regulatory framework authorizing and facilitating foreign exchange.
- Abolishing the fixed commission set by government for bank transactions. Providing energy at a reduced rate to firms despite the privatization of the national electricity corporation,
- Reducing the cost and clearance time for import especially the industrial and capital goods,
- Improving the road network by privatizing road maintenance, Creating an industrial Free Zone with a ten years tax exemption, Creating a National Anti corruption Observatory.

All these incentives have proven to be unyielding rocks and do not improve the course of investment in the country. This is so because the government has not done even a tenth of the aforementioned measures to broaden and widen its FDIs objectives. The government should therefore ensure to realize all these measures if she desires to fight the problems facing FDIs in Cameroon.

- **Targeting Incentive Strategies and Policies**

Another measure that can embark on is that of targeting incentive strategies i.e. the state should not be focusing only on providing incentives but should be looking for strategies of incentives so as to render the incentives more palpable and weighty. Targeting incentive strategy entails envisaging the means and methods of investment incentive application and indulging in the procedures from the onset. This takes place before the allotting of incentives talk-less of the implementation of the said incentives.

In coining an FDI attraction policy, authorities should start by developing a realistic view of what can and can not, be achieved. As earlier mentioned, FDIs incentives are no substitute for an attractive enabling environment for foreign direct investment. As is usually the case, investors are attracted by risk-adjusted expected returns, any effort at improving on the business climate or reducing risk may potentially have a similar or larger impact on investment than the incentives. There is a danger that the practice of offering FDI incentive policies may even distract policy makers' attention from more relevant policies toward improving the business climate. Furthermore, if a need to better up the enabling environment is perceived, it is often better met through general investment promotion strategies than FDI incentives. A policy of offering incentives selectively to foreign enterprises carries considerable risk of hurting rather than improving the domestic business environment. The state must also endeavor to establish contextual based policies especially in allotting and allocating incentives to investors.

- **Diversifying and Improvising incentives**

The state in order to guarantee the effectiveness incentives allotted to boost and promote FDIs especially in the SMEs sector must endeavor to diversify its incentives. The diversification of incentives provides for the state spreading its tentacles right down to the local investors. And this particular aspect pertains to every thing at the disposal of the state.

The state should also be able to prove its adaptability at specific points in time by improvising incentives especially when the investments do stagnates and need an absolute booster to be realized. It does not suffice for the state to grant incentives at the beginning of the investment and not follow it up with other improvised incentives.

National authorities need to decide how much power of decision to relinguish to lower levels of government. This choice is influenced by the nature of FDI incentive strategies that are pursued. Those jurisdictions that choose general strategies, or sectoral strategies that are tied closely to general industrial policy, have less incentive to devolution than those who focus on the regional aspect of FDI attraction (or, of course, those who are bent on "chasing anything that moves"). The main advantage of giving the local level a freer hand lies in the more intimate knowledge of industries and individual investment projects that is available locally, but this comes at a risk of triggering competitive bidding and other wasteful practices within the jurisdiction.

- **Creating Specialized Commissions for Supervision**

The state must create special units or commissions for continuous and consistent supervision as well as follow-up. It is a verity that the state has tried to do so in the domain of corruption and others with creation of CONAC[lxviii] and the CONSUPE[lxix]as well as many other regulatory boards but there is no specific regulatory board to supervise incentives allotted by the state. Thus, the creation of specialized supervisory unit to ensure and guarantee the consistent follow-up of incentives is of utmost necessity.

The actual implementation of FDI promotion activities is in most cases left to specialized IPAs, which often enjoy a high degree of autonomy and are supervised directly by domestic policy makers. However, given the diversity of incentive measures and the different levels of government involved, the main responsibility for implementing FDI incentive policies in several countries rests outside these specialized agencies, which in those cases limit to an advisory and intermediary role.

- **Ensuring Extra-Jurisdictional Efficiency**

The judiciary power of the state is that organ that guarantees the supervision, interpretation and sanctioning of defaulters of the law; Laws of which are adopted by the legislative and implemented by the executive powers of the state. According to **Sir John Locke** in his theory of separation of powers, the three organs of power in a state should be distinct from each other but there is room for collaboration between at most two of the three, in what is known as corridor parliamentarism wherein the legislative and executive organs could collaborate especially during law making processes. He emphasized that these two powers should have nothing to do with the "judiciary" given that the judiciary is the watch dog of these two powers as it interprets and sanctions defaulters of the law. This rendered the theory of Sir John Locke to be encapsulated "**flexible separation of powers**" as opposed to the theory of "**strict or rigid separation of powers"**[lxx] adumbrated by **Montesquieu**.

Thus, for the state to ensure extra jurisdictional efficiency to gunning down all the corrupters, embezzlers and other defaulters who in one way or the other hamper the smooth functioning of FDIs and investment incentives as well as the functioning of SMEs, the government has ensure that the judiciary organ be absolutely free to carry out its functions. This can be done by ***decentralizing the judiciary power as well as its jurisdictions*** wherein they shall suffer no influence from any other power, thereby queuing with the theory of Sir John Locke.

- **Guaranteeing a Fair and Free Environment for Investments**

The state in its regalian or politico-judicial functions is normally expected to guarantee peace, order and tranquility in the society but when these elements are lacking and/or inadequate, the consequences are not only felt by the investors but also by the general public. The crises with Boko Haram in the extreme northern part of the country and with the Anglophones in the North West and south West regions impacts investments negatively. Thus, it is incumbent on the state to perform its regalian functions well so as to guarantee peace, order and tranquility and as such boost and enhances FDIs in SMEs.

The International Level

With a view to effectively improving the protection of FDIs and SMEs caused by the improper implementation of investment laws and to there ensure a proper implementation of these laws, the international community should:

- **Developing Study-Based Policies**

The notion of cultural relativism holds that laws deemed international must have been written while taking in to cognizance the various cultures and political systems of the world. Thus, it would be pedantic for a group of states to seat and write what is favorable to them and impose them on others as part of the corpuses of international without taking in to consideration the systems of other countries when elaborating the said international rules.

It is therefore expedient for the international community and some of its major bodies like the World Bank and the International Monetary Fund to carryout a study-based policy development program with the inductive and a posteriori method of reasoning i.e. drawing conclusions after thorough and proper findings.

- **Developing Contextual-Based Policies**

The international community must also endeavor to establish contextual-based policies especially in allotting considerations to the less developed or developing world. This is so because the contexts are not the same; the African reality is different from the European as well as American reality. Thus, investment policies which are mostly reflected in investment laws and international conventions on investments should take in to account the African reality in general and the Cameroonian reality in particular. This aspect is a corollary to the study-based policy mentioned above.

- **Undertaking High Risk Propensities Investments**

Most African countries Cameroon inclusive are heavily indebted and poor countries stricken with poverty and economic crisis. By this alone, there a tremendous need of aid and as such the international community and its investors should endeavor undertaking high risk propensity investments which yields lots of profit without emphasizing on the state to allot incentives for them to do so. When such is the case, the state is free to ascribe the less risky investments to the home-based investors, thereby breaching the gap between the foreign investors and the home-based ones.

- **Eradicate Egocentrism**

It is an irrefutable verity that investors are businessmen and have as sole intention to maximize profits, but care should be taken not to confound profit maximization to egocentrism and superiority complex wherein the foreign investors have the impression that the less developed countries are inferior and as such exploiting to the brim will be the only option. These foreign investors should eradicate the propensities as well as the acts of treating the developing countries Cameroon inclusive as dependable chattel by amassing everything for themselves.

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ENDNOTES

[i] Economic crisis hit Cameroon in the late 1980s and the government of the country started seeking for measures of eradicating the situation; this pushed the government to open doors for Foreign Direct Investments to a sector which was mostly handled by nationals i.e. small and medium sized enterprises.

[ii] The Structural Adjustment Programme was imposed on Cameroon by the IMF and the World Bank as a measure of fighting Economic crisis that fraught the country in 1987 and in 1996 the Heavily Indebted poor countries Initiative (HIPCI).

[iii] Conditionalities as imposed by the International Monetary Fund-IMF and the World Bank are not conditions per se but are policies raised by the Bretton woods institutions to eradicate poverty and economic crises in plagued areas around the world even though we consider as technical or veiled conditions; these conditionalities are expressed in policies such as the Structural Adjustment Programme-SAP and the Heavily Indebted Poor Countries Initiative-HIPCI.

[iv] Some of these conditionalities include devaluation of Cameroonian currency, dropping off civil servants and privatizing state-owned Corporations and enterprises so as to liberalize the economy and thereby giving way to private sector investments to wit FDIs and SMEs, cutting down all state expenditures in social amenities and in many other aspects and as such encouraging private sector to embark.

[v] The IPA was created under law No 2013/004 of 18 April 2013 laying the incentives for private investments in the Republic of Cameroon.

[vi] See article 1(1) of law No 2013/004 of 18 April 2013 laying the incentives for private investments in the Republic of Cameroon.

[vii] http://www.investopedia.com/terms/i/investment.asp, last accessed on 05/06/2021at 11 am.

[viii] http://www.investopedia.com/terms/s/subsidiary.asp, last accessed on 05/06/2021 at 11:30 am

[ix] http://www.investopedia.com/terms/a/associate-company.asp; last accessed on 05/06/2021 at 1pm.

[x] http://www.investopedia.com/terms/m/merger.asp; last accessed on 05/06/2021 at 11:30 am

[xi] A horizontal direct investment refers to the investor establishing the same type of business operation in a foreign country as it operates in its home country, for example, a cell phone provider based in the China opening up stores in Cameroon. A vertical investment is one in which different but related business activities from the investor's main business are established or acquired in a foreign country, such as when a manufacturing company acquires an interest in a foreign company that supplies parts or raw materials required for the manufacturing company to make its products. A conglomerate type of foreign direct investment is one where a company or individual makes a foreign investment in a business that is unrelated to its existing business in its home country.

[xii] http://www.investopedia.com/terms/j/jointventure.asp; last accessed on 05/06/2021 at 7 pm

[xiii] FDIs in Cameroon takes all the forms but it is very much unclear which type actually applies in cases of SMEs

[xiv] https://en.wikipedia.org/wiki/Foreign_direct_investment#cite_note-10; last accessed on 05/06/2021 at 8 pm

[xv] https://en.wikipedia.org/wiki/Foreign_direct_investment#cite_note-11; last accessed on 05/06/2021 at 8 pm

[xvi] https://en.wikipedia.org/wiki/European_Commission; last accessed on 06/06/2021 at 1 am

[xvii] See Theodore H. Moran, *Foreign Direct Investment and Development*, institute of international economics, 1998 at p12.

[xviii] VSE: Enterprise that employs five persons at most and whose annual turnover net of taxes is below 15 million CFA francs. SE: Enterprise with a permanent staff complement of between six and 20 persons and with an annual turnover net of taxes of between15 and 100 million CFA francs. ME: Enterprise that employs at least 21 and no more than 100 persons and whose annual turnover net of taxes is between 100 million and 1 billion CFA francs

[xix] The Challenges of Financing SMEs; Finance for All: Promoting Financial Inclusion in Central Africa March 23, 2015, p 2-3.

[xx] The Challenges of Financing SMEs; Finance for All: Promoting Financial Inclusion in Central Africa March 23, 2015, p 3-5.

[xxi] This whopping 3000 billion CFA accounts for mother half the Cameroonian annual state budget for over 3 decades now.

[xxii] Ibid, p 6.

[xxiii] For example the internet sites of most of the ministries involved with trade like the MINMPEESA are almost empty carrying little or nothing to boost an investor.

[xxiv]For example the time lapse given in the OHADA law for formation and creation of companies is not the reality on the field when an investor sets out to creating a company. This justifies the asymmetry of information which is very misleading to the investor.

[xxv]Cameroon is known for its bad roads networks, inaccessibility especially in to rural or remote areas where investors are often allocated land.

[xxvi]The multi-billionaire Nigerian born Alhadji Aliko Dangote faced tremendous problems investing in Cameroon with the cultural land paraphernalia of the “Bassa-Ngondo” traditional festival land where his cement company is presently found.

[xxvii]Centralization of power is a system of governance whereby all the decision making bodies are concentrated in the nation’s capital. This system is an archaic and obsolete system of governance in the world over and it is therefore despicable that Cameroon is still feeding on such a backward system-reasons for our backwardness in terms of development.

[xxviii]The Chinese cement plant that was to located in Limbe since 2010 is still not established due to this concentration of power issue. Again the Chinese Car Assembly firm since 2013 is still a talk of war.

[xxix]In Cameroon a little “concour or entrance examination” demands a hand full of documents-documents of which can only be obtained by paying money to a series of ministeries which have little or nothing to offer with respect to the issue.

[xxx]Boko Haram Sect-an insurgent group attacking the extreme northern part of the country and the Anglophone Cameroon problem-Anglophone Cameroonians seeking secession and independence of the North western and South western part of the country.

[xxxi]This is one of the main reasons for the invitation of President Paul Biya to Italy by the president of Italy by the end of 2016, given that the president of Italy was in Cameroon just a year before.

[xxxii]Cameroon topped the ranking in 1998, 1999, and 2006. In fact, four surveys carried out by “Transparency International”, a Non Governmental Organization (NGO) at the level of the heads of some local enterprises and expatriated businessmen situated Cameroon at 1.4 and 1.5 on the scale of corruption perception index2with a standard deviation of 0.5 for 1998 and 1999respectively (http:// www.gwdg.de).

[xxxiii]The former minister of Finance (Policarp aba’a Aba), the former minister territorial administration (Marafa Hamidou Yaya), the former Secretary general at the presidency (Atangana Mibara) and host of others.

[xxxiv]Article 318(1)(c) punishes misappropriation in like manner with simple theft i.e. with imprisonment from 5-10 years and fine from 100 000frs to 1000 000frs.

[xxxv]The special criminal court as created in 2011 has impetus to handle embezzlement cases of 50 million fcfa and above.

[xxxvi]The glaring example here is that of Ondong ndong and siyam siwe wherein Ondong ndong was previously sentenced under rules penal code with imprisonment of 50 years in 2008for embezzling 50 Billion FCFA. Siyam Siwe was sentenced to just 30 years imprisonment for embezzling 70 Billion FCFA in 2012 under the rules of the Special Criminal Court. Ondong ndong later applied for a revisiting of his case, which was accepted and his imprisonment was slashed down from 50 years to 20 years under the rules of the Special criminal court. This portrays how Cameroonioan laws favours and protects bigger embezzlers as against smaller ones.

[xxxvii]law No 2013/004 of 18 April 2013 laying the incentives for private investments in the Republic of Cameroon, law No 2002/004 of 19 April 2004 instituting the investment charter

[xxxviii]decree No 2013/006 of February 28, 2013 to organize the ministry of finance; decree No 2013/296 of September 9, 2013 amending and supplementing certain provisions of decree No 2005/310 of September 1, 2005 laying down the organization and functioning of the Investment Promotion Agency; decree No 2013/297 of September 9, 2013 amending and supplementing certain provisions of decree No 2005/092 of April 3, 2013 laying down the organization and functioning of the Agency for the Promotion of Small and Medium-Sized Enterprises; Decree No 2013/298 of September 9, 2013 on the organization and functioning of the committee for the monitoring of the effectiveness of investment.

[xxxix]A clear-cut example is the Bafoussam-Bamenda stretch road abandoned by RAZEL Construction Company just after MBouda. The road which today is causing the headlines of the problems between the "The Anglophones" and the government.

[xl]The interim economic partnership agreement (EPA) signed on 15 January 2009 between Cameroon and the European Union, then ratified by the Cameroonian Parliament during its June 2014 ordinary session, takes effect from the 4 August 2016

[xli]After reminding that the Agreement makes provision for a *"gradual and per type of products"* tariff dismantling, Jean Tchoffo highlights that in the case of *"(*European, Ed.*) products in the first group in particular, the applicable reduction rate (*of custom taxes, Ed.*) will be 25% per year over a four (04) year period. In consequence, no product in this group will benefit from a total exemption of customs fees before the end of this period"*

[xlii]http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=OJ:L:2009:057:TOC last accessed on 10/10/2017 at 1pm.

[xliii]In a sort of response to this invitation from the European Union, the CEMAC countries (except Cameroon) rather pleaded for the signature of a *"complete, just and balanced economic partnership agreement"* for all the countries of this community.

[xliv]http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=OJ:L:2009:057:TOC last accessed on 10/10/2017 at 1pm.

[xlv]The state is main investor in Cameroon's exports to Europe and the home-investor has little or nothing as concerns the EPA with Europe.

[xlvi]Unfortunately the country did not still attain the objectives of the millennium development goals despite these laws on incentives. We using the word "laws" because there so many other decrees and ministerial orders passed to this effect.

[xlvii]Article 1 (1) of law No 2013/004 of 18 April 2013 fixing the Incentives for Private Investments in the Republic of Cameroon.

[xlviii] Article 1 (2) of law No 2013/004 of 18 April 2013 fixing the Incentives for Private Investments in the Republic of Cameroon.

[xlix]Article 1(3) ibid.

[l]These incentives are accorded to the investor at the installation and exploitation phases as per article 5 of the2013 law fixing the Incentives for Private Investments in the Republic of Cameroon.

[li]These incentives are applied when the investor is submitted to the regime of change of Cameroon as per article 12 (1) of the 2013 law on incentives.

[lii]this agreement *"makes provision for duty-free and quota-free access to the EU market for exports originating from Cameroon. On its part, Cameroon will gradually open its market to European exports over a transition period scheduled to last until 2023"*.

[liii]ARPM (Procurement Regulation Agency for Public Tenders/contracts), APPME (Small and Medium-Sized Enterprises, Promotion Agency), Bank for Small and Medium-Sized Enterprises (BC-PME), The Subcontracting and Partnership Exchange of Cameroon (SPX CMR) MINPMEESA (Ministry of Small and Medium-Sized Enterprises, Social Economy and of the Handicraft)

[liv]The Structural adjustment program-SAP, the Heavily Indebted Poor Countries Initiative-HIPCI, the millennium development goals etc.

[lv]We have to this effect, privatization investment that led to the privatization of nearly all state-owned enterprises like SONEL, SNEC, CAMRAIL, CDC, SODECOTON, and many others.

[lvi]Cameroon topped the ranking in 1998, 1999, and 2006. In fact, four surveys carried out by "Transparency International", a Non Governmental Organization (NGO) at the level of the heads of some local enterprises and expatriated businessmen situated Cameroon at 1.4 and 1.5 on the scale of corruption perception index2with a standard deviation of 0.5 for 1998 and 1999respectively (http:// www.gwdg.de).

[lvii]We can see to this effect, article 28 and 45 of the constitution.

[lviii]Organization for the Harmonization of Business Laws in Africa.

[lix] French language was considered the only working language of OHADA thereby violating article 1 of the Cameroonian constitution

[lx]The parties to an agreement are bound by the terms of the said agreement.

[lxi]The case of the C2D agreement between Cameroon and France that has over the years influenced the government of Cameroon in its decisions up to the extend of commanding the government of Cameroon to release criminals from prison; the case of Michel Atangana and titus Edzoa in 2015 and a host of many others.

[lxii]ibid

[lxiii]The Heavily indebted Poor Countries Initiative.

[lxiv]ISCID, the international center for the settlement of commercial disputes.

[lxv]Sections 15(1)(b) and 18(1)(b) of Law No. 2006/015 of 29th December 2006. Any amount claimed below ten million is taken to the court of first instance and claims above ten million are taken to the high court for home investors.

[lxvi]Investigations on FDI patterns to the "psychic distance" between countries done by researchers at the University of Uppsala have reasoned that psychic distance "would be influenced by differences in the culture and language of the home and target countries" (Kogut & Singh, 1988). The concept "psychic distance" is defined as the degree to which a company does not have a clear knowledge of the characteristics of the foreign market, such as differences in language, culture, etc., that disturb the flow of information between the firm and the foreign market(Johanson & Vahlne, 1990).

[lxvii]M. Talha Atik, Hung Tran and Cristhian Vieyra, FDI in Developing Countries: The case of Ericsson in Mexico and Vietnam, Linkopings University Press Sweden, p1

[lxviii]The creation of CONAC which is the national Anti-corruption commission

[lxix]The ministry of supreme state control

[lxx]Baron Montesquieu was of the opinion that the three organs of power in a state should be strictly and stringently distinct from each other, with no power encroaching or infringing in the domain of competence of the other. Here, there is means for collaboration between any of the powers. This earned the title strict separation of powers.