

ORDER No. 00000366 / MINFI / SG / DGI / DGD OF NOVEMBER 19, 2013 SPECIFYING THE TERMS OF IMPLEMENTATION OF THE TAX AND CUSTOMS BENEFITS OF LAW No. 2013/004 OF APRIL 18, 2013 TO LAY DOWN INCENTIVES FOR PRIVATE INVESTMENTS IN THE REPUBLIC CAMEROON.

THE MINISTER OF FINANCE

MINDFUL OF THE CONSTITUTION;
MINDFUL OF THE CUSTOMS CODE;
MINDFUL OF THE GENERAL TAX CODE;
MINDFUL OF THE LAW No. 2013/004 OF APRIL 18, 2013 TO LAY DOWN INCENTIVES FOR PRIVATE INVESTMENTS IN THE REPUBLIC OF CAMEROON;
MINDFUL OF DECREE No. 2011/408 OF DECEMBER 9, 2011 TO ORGANIZE THE GOVERNMENT;
MINDFUL OF THE DECREE No. 2011/409 OF DECEMBER 9, 2011 APPOINTING A PRIME MINISTER, HEAD OF GOVERNMENT;
MINDFUL OF THE DECREE No. 2013/006 OF FEBRUARY 28 2013 TO ORGANIZE THE MINISTRY OF FINANCE;
MINDFUL OF DECREE No. 2013/296 OF SEPTEMBER 09, 2013 AMENDING AND SUPPLEMENTING CERTAIN PROVISIONS OF DECREE No. 2005/310 OF SEPTEMBER 01, 2005 LAYING DOWN THE ORGANIZATION AND FUNCTIONING OF THE INVESTMENT PROMOTION AGENCY;
MINDFUL OF THE DECREE No. 2013/297 OF SEPTEMBER 09, 2013 AMENDING AND SUPPLEMENTING CERTAIN PROVISIONS OF THE DECREE No. 2013/092 OF APRIL 3, 2013 INSTITUTING THE ORGANIZATION AND FUNCTIONING OF THE AGENCY FOR THE PROMOTION OF SMALL AND MEDIUM - SIZED ENTERPRISES;
MINDFUL OF THE DECREE No. 2013/298 OF SEPTEMBER 09, 2013 ON THE , ORGANIZATION AND FUNCTIONING OF A COMMITTEE IN CHARGE OF THE CONTROL OF THE EFFECTIVENESS OF INVESTMENTS;
MINDFUL OF DECREE N°2013/299 DU 09 SEPTEMBER 2013 ON THE ORGANIZATION AND FUNCTIONING OF A JOINT MONITORING COMMITTEE TO ENSURE THE STABILITY OF INCENTIVES FOR PRIVATE INVESTMENTS IN CAMEROON.

ORDERS:

TITLE I :

GENERAL PROVISIONS

ARTICLE 1 : THIS ORDER LAYS DOWN THE PROCEDURES FOR THE IMPLEMENTATION OF THE TAX AND CUSTOMS BENEFITS PROVIDED FOR BY LAW No.

2013/004 OF APRIL 18, 2013 LAYING DOWN INCENTIVES FOR PRIVATE INVESTMENTS IN THE REPUBLIC OF CAMEROON.

ARTICLE 2 :THE BENEFIT OF THE TAX AND CUSTOMS ADVANTAGES PROVIDED BY LAW NO. 2013/004 OF APRIL 18, 2013 LAYING DOWN THE INCENTIVES FOR PRIVATE INVESTMENTS IS SUBJECT TO THE OBTAINING AN APPROVAL ISSUED BY THE COMPETENT AUTHORITIES.

ARTICLE 3: (1) A COMMITTEE ESTABLISHED BY DECISION OF THE MINISTER IN CHARGE OF FINANCE, COMPOSED OF THE REPRESENTATIVES OF THE DIRECTORATE GENERAL OF TAXES [WHO SHALL PRESIDE,] AND THE DIRECTORATE GENERAL OF CUSTOMS [IN CHARGE OF THE WORK REPORT,]SHALL EXAMINE THE APPLICATION FILE FOR APPROVAL.

(2) THE COMMITTEE REFERRED TO IN PARAGRAPH ABOVE SHALL HAVE FIFTEEN (15) WORKING DAYS FROM THE DATE OF RECEIPT OF THE APPLICATION FOR APPROVAL SUBMITTED BY THE ONE STOP SHOP TO PROCESS THE FILE .

TITLE II :

TAX AND CUSTOMS BENEFITS GRANTED UNDER THE COMMONS INCENTIVES .

CHAPTER 1 :

TAX AND CUSTOMS BENEFITS GRANTED TO NEW .COMPANIES

A.AT THE SETTING UP PHASE.

ARTICLE 4.- NEW COMPANIES APPROVED UNDER THE COMMON INCENTIVES SCHEDULE OF THE LAW LAYING DOWN INCENTIVES FOR PRIVATE INVESTMENTS IN THE REPUBLIC OF CAMEROON SHALL BENEFIT FROM THE FOLOWING TAX AND CUSTOMS INCENTIVES BELOW, DURING THE SETTING UP PHASE:

1) :DOMESTIC TAXES

REGISTRATION DUTIES :

- EXEMPTION FROM REGISTRATION DUTIES ON LEASES OF BUILDINGS FOR PURELY PROFESSIONAL USE WHICH ARE AN INTEGRAL PART OF THE INVESTMENT PROGRAM;
- EXEMPTION FROM TRANSFER TAXES ON THE ACQUISITION OF BUILDINGS AND LAND CONSIDERED ESSENTIAL FOR THE REALIZATION OF THE INVESTMENT PROGRAM;
- EXEMPTION FROM REGISTRATION DUTIES ON CONTRACT FOR THE SUPPLY OF EQUIPMENT FOR THE CONSTRUCTION OF BUILDINGS AND FACILITIES NECESSARY FOR THE REALIZATION OF THE INVESTMENT PROGRAM
- EXEMPTION FROM REGISTRATION DUTIES IN THE CASE OF CONCESSION CONTRACTS,
- EXEMPTION FROM REGISTRATION DUTIES ON DEEDS RELATED TO THE CREATION OR INCREASE IN CAPITAL.

A) VALUE ADDED TAX (VAT)

- EXEMPTION FROM VAT ON PROVISION OF SERVICES CONTRACTED FROM ABROAD RELATED TO THE IMPLEMENTATION OF THE PROJECT.
- EXEMPTION FROM THE VAT ON THE IMPORTATION OF EQUIPMENT AND MATERIALS RELATED TO THE INVESTMENT PROGRAM.

C) LOCAL TAXATION: EXEMPTION FROM THE BUSINESS LICENSE FOR THE DURATION OF THE OPERATIONAL PHASE.

2) AT THE LEVEL OF CUSTOMS DUTIES:

- EXEMPTION FROM TAXES AND CUSTOMS DUTIES ON ALL EQUIPMENT AND MATERIALS RELATED TO THE INVESTMENT PROGRAM;
- DIRECT CLEARING OF EQUIPMENT AND MATERIALS RELATED TO THE INVESTMENT PROGRAM DURING CUSTOMS CLEARANCE OPERATIONS.

B. AT THE OPERATIONAL PHASE.

ARTICLE 5: NEW COMPANIES APPROVED UNDER THE COMMON INCENTIVES SCHEDULE OF THE LAW LAYING DOWN INCENTIVES FOR PRIVATE INVESTMENTS IN THE REPUBLIC OF CAMEROON BENEFIT, DURING THE OPERATIONAL PHASE, OF TAX AND CUSTOMS BENEFITS BASED ON THE FOLLOWING CRITERIA:

1)CATEGORY A :

A) ELIGIBILITY CRITERIA:

ANY COMPANY THAT IS COMMITTED TO INVESTING OVER A PERIOD OF FIVE (5) YEARS AT MOST, AN AMOUNT LESS THAN OR EQUAL TO ONE (1) BILLION CFA FRANCS AND COMPLYING TO AT LEAST ONE OF THE CRITERIA BELOW:

- CREATION DURING THE OPERATIONAL PHASE OF AT LEAST ONE (1) JOB FOR EVERY TWENTY (20) MILLION CFA INVESTED IN THE INDUSTRIAL, TOURISM, HANDICRAFT, AGRICULTURAL, LIVESTOCK AND FISHERIES SECTORS;
- GENERATING INVESTMENTS IN AN ACTIVITY WHOSE ANNUAL EXPORTS REPRESENT AT LEAST 25% OF THE TOTAL TURNOVER EXCLUDING TAXES DURING THE FIRST FIVE YEARS OF PRODUCTION IN THE SECTORS OF ACTIVITY HEREIN ABOVE;
- USING NATIONAL NATURAL RESOURCES UP TO THE LEVEL OF AT LEAST 20% OF THE VALUE OF THE INPUTS IN THE SECTORS OF ACTIVITIES ABOVE EXCLUDING LABOR, WATER, ELECTRICITY AND TELECOMMUNICATIONS; -
- GENERATING AN INCREASE IN ADDED VALUE OF AT LEAST 30% IN THE SECTORS OF ACTIVITIES ABOVE.

B) BENEFITS GRANTED :

I. DOMESTIC TAXATION LEVEL :

- 50% REDUCTION OF CORPORATE INCOME TAX OR TAX ON INDUSTRIAL AND COMMERCIAL PROFITS FOR FIVE (5) YEARS.
- REDUCTION OF 25% OF CORPORATE TAX OR TAX ON INDUSTRIAL AND COMMERCIAL PROFITS FROM THE SIXTH TO THE TENTH YEAR.
- EXEMPTION FROM REGISTRATION DUTIES RELATING TO CREDIT FACILITIES, LOANS, ADVANCES ON CURRENT ACCOUNTS, BONDS, INCREMENTS , REDUCTIONS, AND REIMBURSEMENTS FOR FIVE (05) YEARS;

- REGISTRATION FOR FREE WITHOUT PERCEPTION OF GRADUATED STAMP DUTIES ON DEEDS RELATING TO THE INCREASE, REDUCTION, AND THE REIMBURSEMENT SHARE CAPITAL FOR FIVE (5) YEARS;
- 50% REDUCTION ON REGISTRATION DUTIES ON THE DEEDS OF TRANSFER OF OWNERSHIP, OR DEEDS OF POSSESSION OF REAL ESTATE OR LEASES FOR FIVE (5) YEARS;
- 50% REDUCTION ON TAX ON THE INCOME OF MOVABLE CAPITAL (IRCM) ON THE DURING THE SHARING OF BONUSES OR INCOME FOR FIVE (5) YEARS;
- DEFERRAL OF LOSSES UP TILL THE FIFTH YEAR FOLLOWING THE YEAR OF THEIR OCCURRENCE..

II. AT THE LEVEL OF CUSTOMS DUTIES

REDUCED RATE OF 5% ON CUSTOMS DUTIES , ON THE IMPORTATION OF EQUIPMENT, BUILDING MATERIALS, TOOLS, SPARE PARTS INTERMEDIATE PRODUCTS, SUPPLIES AND CONSUMABLES WHICH HAVE NO LOCALLY MANUFACTURED EQUIVALENT, EXCEPT FOR DUTIES , TAXES AND OTHER CHARGES OF A NON-FISCAL NATURE SUCH AS IN THE FORM OF A SERVICE FEE.

2) CATEGORY B:

A) ELIGIBILITY CRITERIA:

ANY COMPANY THAT IS COMMITTED TO INVESTING OVER A PERIOD OF FIVE (5) YEARS AT MOST, AN AMOUNT MORE THAN ONE (1) BILLION CFA FRANC AND LESS THAN OR EQUAL TO FIVE (5) BILLION CFA FRANCS AND TO FULFILLS AT LEAST ONE OF THE CRITERIA BELOW:

- CREATION DURING THE OPERATIONAL PHASE OF AT LEAST ONE (1) JOB FOR EVERY TWENTY (20) MILLION CFA INVESTED IN THE INDUSTRIAL, TOURISM, HANDICRAFT, AGRICULTURAL, LIVESTOCK AND FISHERIES, SOCIAL HOUSING, CULTURAL SPORTS , HEALTH AND EDUCATIONAL SECTORS
- GENERATING INVESTMENTS IN AN ACTIVITY WHOSE ANNUAL EXPORTS REPRESENT AT LEAST 25% OF THE TOTAL TURNOVER EXCLUDING TAXES DURING THE FIRST FIVE YEARS OF PRODUCTION IN THE SECTORS OF ACTIVITY HEREIN ABOVE;
- USING NATIONAL NATURAL RESOURCES UP TO THE LEVEL OF AT LEAST 25% OF THE VALUE OF THE INPUTS IN THE SECTORS OF ACTIVITIES ABOVE EXCLUDING LABOR, WATER, ELECTRICITY AND TELECOMMUNICATIONS; -
- GENERATING AN INCREASE IN ADDED VALUE OF AT LEAST 25% IN THE SECTORS OF ACTIVITIES ABOVE.

B) BENEFITS GRANTED.

1) AT THE LEVEL OF DOMESTIC TAXES. :

- 50% REDUCTION OF THE CORPORATE INCOME TAX OR OF THE TAX ON INDUSTRIAL AND COMMERCIAL PROFITS FOR FIVE (5) YEARS;
- 25% REDUCTION OF THE CORPORATE TAX OR TAX ON INDUSTRIAL AND COMMERCIAL PROFITS FROM THE SIXTH TO THE TENTH YEAR;
- EXEMPTION FROM REGISTRATION FEES RELATED TO LOANS, BORROWINGS, OVERDRAFT PROVISIONS AND GUARANTEES FOR FIVE (05) YEARS;
- REGISTRATION FOR FREE WITHOUT PERCEPTION OF STAMP DUTIES GRADUATED ON THE ACTS RELATING TO THE INCREASE, THE REDUCTION,

REIMBURSEMENT AND THE LIQUIDATION OF THE SOCIAL CAPITAL FOR TEN (10) YEARS;

- 50% REDUCTION OF THE REGISTRATION FEES ON THE ACTS OF TRANSFER OF OWNERSHIP, OR BENEFIT FROM REAL ESTATE AND LEASES FOR FIVE (5) YEARS;
- 50% REDUCTION OF THE TAX ON THE INCOME OF MOVABLE CAPITAL (IRCM) ON THE OCCASION OF THE DISTRIBUTION OF INCOME FOR FIVE (5) YEARS;
- 25% REDUCTION OF THE TAX ON THE INCOME OF MOVABLE CAPITAL (IRCM) ON THE OCCASION OF THE DISTRIBUTION OF INCOME FROM THE SIXTH TO THE TENTH YEAR ;
- DEFERRAL OF LOSSES UP TILL THE FIFTH YEAR FOLLOWING THE YEAR OF THEIR OCCURRENCE..

II) AT THE LEVEL OF THE CUSTOMS DUTIES:

- REDUCED RATE OF 5% ON CUSTOMS DUTIES , ON THE IMPORTATION OF EQUIPMENT, BUILDING MATERIALS, TOOLS, SPARE PARTS INTERMEDIATE PRODUCTS, SUPPLIES AND CONSUMABLES WHICH HAVE NO LOCALLY MANUFACTURED EQUIVALENT, EXCEPT FOR DUTIES , TAXES AND OTHER CHARGES OF A NON-FISCAL NATURE SUCH AS IN THE FORM OF A SERVICE FEE.

3) CATEGORY C:

A) ELIGIBILITY CRITERIA:

ANY COMPANY THAT IS COMMITTED TO INVESTING OVER A PERIOD OF FIVE (5) YEARS AT THE MOST, AN AMOUNT MORE THAN FIVE (5) BILLION CFA FRANCS AND WHICH FULFILLS AT LEAST ONE OF THE CRITERIA BELOW:

- CREATION DURING THE OPERATIONAL PHASE OF AT LEAST ONE (1) JOB FOR EVERY TWENTY (20) MILLION CFA INVESTED IN THE INDUSTRIAL, TOURISM, HANDICRAFT, AGRICULTURAL, LIVESTOCK AND FISHERIES, SOCIAL HOUSING, CULTURAL SPORTS , HEALTH AND EDUCATIONAL, AND ENERGY SECTORS
- GENERATING INVESTMENTS IN AN ACTIVITY WHOSE ANNUAL EXPORTS REPRESENT AT LEAST 20% OF THE TOTAL TURNOVER EXCLUDING TAXES DURING THE FIRST FIVE YEARS OF PRODUCTION IN THE SECTORS OF ACTIVITY HEREIN ABOVE;
- USING NATIONAL NATURAL RESOURCES UP TO THE LEVEL OF AT LEAST 25% OF THE VALUE OF THE INPUTS IN THE SECTORS OF ACTIVITIES ABOVE EXCLUDING LABOR, WATER, ELECTRICITY AND TELECOMMUNICATIONS; -
- GENERATING AN INCREASE IN ADDED VALUE OF AT LEAST 25% IN THE SECTORS OF ACTIVITIES ABOVE.

B) BENEFITS GRANTED:

- 75% REDUCTION OF THE CORPORATE INCOME TAX OR OF THE TAX ON INDUSTRIAL AND COMMERCIAL PROFITS FOR FIVE (5) YEARS;
- 50% REDUCTION OF THE CORPORATE TAX OR TAX ON INDUSTRIAL AND COMMERCIAL PROFITS FROM THE SIXTH TO THE TENTH YEAR;

- EXEMPTION FROM REGISTRATION FEES RELATED TO LOANS, BORROWINGS, OVERDRAFT PROVISIONS AND GUARANTEES FOR TEN (10) YEARS;
- REGISTRATION FOR FREE WITHOUT PERCEPTION OF STAMP DUTIES GRADUATED ON THE ACTS RELATING TO THE INCREASE, THE REDUCTION, REIMBURSEMENT AND THE LIQUIDATION OF THE SOCIAL CAPITAL FOR TEN (10) YEARS;
- 50% REDUCTION OF THE REGISTRATION FEES ON THE ACTS OF TRANSFER OF OWNERSHIP, OR BENEFIT FROM REAL ESTATE AND LEASES FOR FIVE (5) YEARS;
- 50% REDUCTION OF THE TAX ON THE INCOME OF MOVABLE CAPITAL (IRCM) ON THE OCCASION OF THE DISTRIBUTION OF INCOME FOR FIVE (5) YEARS;
- 25% REDUCTION OF THE TAX ON THE INCOME OF MOVABLE CAPITAL (IRCM) ON THE OCCASION OF THE DISTRIBUTION OF INCOME FROM THE SIXTH TO THE TENTH YEAR ;
- REPORT OF THE DEFICITS UNTIL THE FIFTH YEAR FOLLOWING THAT OF THEIR OCCURRENCE DURING TEN (10) YEARS.

II) AT THE CUSTOMS DUTIES LEVEL:

- REDUCED RATE OF 5% OF THE CUSTOMS DUTY, ON THE IMPORT OF EQUIPMENT, TOOLS, SPARE PARTS, INTERMEDIATE PRODUCTS, SUPPLIES AND CONSUMABLES NOT HAVING A SIMILAR MANUFACTURED LOCALLY, EXCEPT FOR THE DUTIES, TAXES AND OTHER CHARGES OF NON-TAX NATURE HAVING THE CHARACTER OF A REMUNERATION OF SERVICE.

SHALL NOT BENEFIT FROM THE TAX AND CUSTOMS BENEFITS PROVIDED HEREIN AS NEW BUSINESSES, THE EXISTING ENTERPRISE THAT HAVE CHANGED LEGAL FORM OR NAME, EVEN WHEN THEY JUSTIFY A NEW REGISTRATION WITH THE TRADE REGISTRY AND WITH CREDIT MOBILIER.

CHAPTER II :
THE TAX AND CUSTOMS BENEFITS GRANTED TO EXISTING COMPANIES

ARTICLE 7.- THE EXISTING COMPANY SEEKING ACCREDITATION OF THE REGIME OF INCENTIVES COMMONS OF THE ACT LAYING DOWN THE INCENTIVES FOR PRIVATE INVESTMENT IN THE REPUBLIC OF CAMEROON WHICH MAKES INVESTMENTS IN THE CONTEXT OF THE EXTENSION OF THEIR PRODUCTION CAPACITY, OF THE RENEWAL OF THEIR PRODUCTION TOOLS, BENEFIT FROM THE TAX AND CUSTOMS ADVANTAGES IN SECTORS WHEN THEIR NEW INVESTMENTS ARE:

- EITHER AN INCREASE IN THE PRODUCTION OF GOODS OR SERVICES UP TO AT LEAST 20% COMPARED TO THE PRODUCTION OF THE PREVIOUS FINANCIAL YEAR;
- EITHER AN INCREASE OF THE CAMEROONIAN STAFF UP TO AT LEAST 20% OF THE EMPLOYEES BEFORE THE IMPLEMENTATION OF THE PROJECT.

ARTICLE 8.- THE TAX AND CUSTOMS BENEFITS BELOW ARE GRANTED TO THE COMPANIES REFERRED TO IN ARTICLE 7 ABOVE FOR A PERIOD NOT EXCEEDING FIVE (5) YEARS FROM THE ISSUANCE OF THE APPROVAL:

1) AT THE INTERNAL TAXATION LEVEL:

THE EXISTING BUSINESSES SEEKING ACCREDITATION COMMIT THEMSELVES TO ACHIEVE OVER A PERIOD OF FIVE (5) YEARS AT THE MOST, OF NEW

INVESTMENTS IN ITS ACTIVITIES IN THE AREAS OF INDUSTRIAL, TOURISM, HANDICRAFTS, CULTURAL, SPORTS, HEALTH, EDUCATION, ENERGY, AGRICULTURAL, LIVESTOCK AND FISHERIES, IN THE HABIT SOCIAL AND URBAN TRANSPORTATION SHALL BENEFIT FROM A REDUCTION OF THE CORPORATE INCOME TAX OR THE TAX ON INDUSTRIAL AND COMMERCIAL PROFITS ON THE BASIS OF 25% OF THE AMOUNT OF INVESTMENTS, WITHOUT BEING ABLE TO EXCEED HALF THE BENEFIT REPORTED DURING THE COURSE OF THE FISCAL YEAR UNDER REVIEW.

IN CASE OF A SHORTAGE FOR A FISCAL YEAR, THE DEFERRAL IS ALLOWED ON THE SUBSEQUENT EXERCISES WITHIN THE LIMIT OF FOUR YEARS.

2) AT THE CUSTOMS DUTIES LEVEL:

REDUCED RATE OF 5% OF THE CUSTOMS DUTY, ON THE IMPORT OF EQUIPMENT RELATED TO THE PROJECT'S EXTENSION, EXCEPT FOR THE RIGHTS, TAXES AND OTHER CHARGES OF NON-TAX NATURE HAVING THE CHARACTER OF A REMUNERATION OF SERVICE.

TITLE III : **TAX AND CUSTOMS BENEFITS GRANTED UNDER SPECIFIC INCENTIVES** **CHAPTER I :** **ADVANTAGES ACCORDED DUE TO CERTAIN SPECIFIC ACTIVITIES**

ARTICLE 9.-(1) NEW AND EXISTING COMPANIES REFERRED TO IN ARTICLES 4.5 AND 7 HEREIN SHALL BE QUALIFIED FOR A TAX CREDIT ON THE INCOME FOR THE OPERATIONS CARRIED OUT IN CAMEROON, WHEN THEY MEET AT LEAST ONE OF THE CRITERIA BELOW:

- FINANCING OF SPORTS, CULTURAL OR SOCIAL INFRASTRUCTURES;-
- FINANCING OF ACTIVITIES OF PUBLIC INTEREST IN RURAL AREAS; -
- RECRUITMENT OF AT LEAST FIVE (5) YOUNG GRADUATES OF HIGHER EDUCATION PER YEAR;
- THE ACQUISITION AND INSTALLATION ON THE SITE OF THE INVESTMENT OF SPECIALIZED EQUIPMENT AND MATERIALS FOR WATER PURIFICATION AND TREATMENT OF INDUSTRIAL WASTE SOLID, LIQUID OR GASEOUS DESIGNED TO AVOID THE DISCHARGE IN THE NATURE OF EFFLUENT, GASES OR OTHER SUBSTANCES HARMFUL TO HEALTH.

(2) THE PUBLIC INTEREST ACTIVITIES IN RURAL AREAS REFERRED TO ABOVE IS DEFINE AS THE CONSTRUCTION OR PLANNING OF THE INFRASTRUCTURE DEVELOPMENT LIKE SCHOOLS, HEALTH CENTERS, MARKETS, LANDSCAPED SPACES FOR THE SOCIAL, CULTURAL AND SPORTS ACTIVITIES FOR COLLECTIVE USE, ADMINISTRATIVE INFRASTRUCTURE, ROAD ROUTES, WATER POINTS, PRODUCTION OR TRANSPORT OF ELECTRIC POWER EQUIPMENT FOR THE VILLAGE ELECTRIFICATION.

3) HOWEVER, CANNOT BENEFIT OF THE TAX CREDIT PROVIDED FOR IN PARAGRAPH (1) ABOVE, THE COMPANIES WHOSE ACTIVITY, EVEN ACCESSORY, CONSISTS IN THE REALIZATION OF THE OPERATIONS REFERRED TO IN SUBPARAGRAPHS 1 AND 2 OF THIS ARTICLE.

ARTICLE 10.-(1) THE AMOUNT OF THE TAX CREDIT REFERRED TO IN ARTICLE 9 OF THIS ORDER IS EQUIVALENT:

- A) TO 25% OF THE TAX CORRESPONDING TO THE AMOUNT OF THE INVESTMENTS MADE, FOR THE FINANCING OF SPORTS, CULTURAL

- OR SOCIAL FACILITIES AND ACTIVITY OF PUBLIC INTEREST IN A RURAL AREA OR TO FIGHT AGAINST POLLUTION;
- B) THE AMOUNT OF THE EMPLOYER CONTRIBUTIONS PAID BY THE COMPANY DURING THE YEAR, FOR HIRED GRADUATES OF HIGHER EDUCATION.

(2) THE ALLOCATION OF CREDIT REFERRED TO IN PARAGRAPH 1 ABOVE IS BASED ON THE NORMAL MECHANISM OF DEDUCTION.

CHAPTER II : **ADVANTAGES ACCORDED DUE TO CERTAIN SPECIFIC ACTIVITIES**

ARTICLE 11. IN ADDITION TO THE COMMON INCENTIVES REFERRED TO IN 5, 7 AND 10 OF THIS ORDER, THE ELIGIBLE COMPANIES TO ONE OF THE CATEGORIES REFERRED TO IN THE COMMON PROVISIONS WHICH MAKE INVESTMENT IN PRIORITY SECTORS BELOW BENEFIT FROM TAX INCENTIVES AND SPECIFIC CUSTOMS:

- THE AGRICULTURE, FISHING OR LIVESTOCK SECTORS;
- THE AGRO-INDUSTRY SECTOR;
- THE TOURIST, THE LEISURE AND HANDICRAFTS SECTOR;
- THE SECTOR OF THE HABITAT AND THE SOCIAL HOUSING;
- THE MANUFACTURING SECTOR;
- THE HEAVY INDUSTRY MANUFACTURING CONSTRUCTION MATERIALS AND THE STEEL INDUSTRY;
- THE PHARMACEUTICAL INDUSTRY SECTOR;
- THE ENERGY AND WATER SECTOR.

ARTICLE 12.- THE COMPANIES REFERRED TO IN ARTICLE 11 OF THIS ORDER SHALL ENJOY THE TAX BENEFITS AND SPECIFIC CUSTOMS BELOW FOR THE DURATION OF THE INSTALLATION PHASE WHICH MAY NOT EXCEED FIVE (5) YEARS:

- VAT EXEMPTION ON INTERESTS ON THE LOCAL OR EXTERNAL BORROWINGS RELATED TO THE INVESTMENT PROGRAM;
- EXEMPTION FROM THE PROPERTY TAX ON BUILDINGS CONSTRUCTED OR NOT, PART OF THE SITE DEDICATED TO THE TRANSFORMATION OF ANY UNIT IN A REAL ESTATE EXTENSION BY DESTINATION;
- DIRECT REMOVAL, AT THE REQUEST OF THE INVESTOR, OF THE EQUIPMENT AND MATERIALS FOR THE REALIZATION OF THE INVESTMENT SPECIFIC TO THE PRIORITY OBJECTIVE;
- - TEMPORARY ADMISSION OF SPECIAL EQUIPMENT AND INDUSTRIAL MATERIALS LIKELY TO RE-EXPORT FOR THE PRIORITY OBJECTIVE.

ARTICLE 13. IN ADDITION TO COMMON AND SPECIFIC THE INCENTIVES REFERRED TO IN ARTICLES 5, 10 AND 12 OF THIS ORDER, COMPANIES THAT CARRY OUT OPERATIONS OF EXPORT OF AT LEAST 50% OF THEIR ANNUAL TURNOVER EXCLUDING TAXES, BENEFIT FROM THE TAX ADVANTAGES BELOW, FOR A PERIOD NOT EXCEEDING FIVE (05) YEARS:

- EXEMPTION FROM THE EXPORT RIGHT OF THE LOCALLY MANUFACTURED PRODUCTS;-
- BENEFIT OF THE REGIME OF INWARD PROCESSING PROCEDURE PROVIDED FOR BY THE CUSTOMS CODE.

TITLE IV : **MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS**

ARTICLE 14.- (1) THE TAX AND CUSTOMS BENEFITS PROVIDED BY THE PRESENT ORDER ARE NOT COMBINABLE WITH THOSE:

- ALTERNATIVE ARRANGEMENTS;

- THE PLAN OF THE MINING CODE;
- THE PLAN OF THE PETROLEUM CODE;
- THE PLAN OF THE GAS CODE;
- THE PLAN OF THE REINVESTMENT OF THE GENERAL TAX CODE ;
- ECONOMIC PLAN OF THE CUSTOMS CODE;
- AND ANY OTHER PARTICULAR ARRANGEMENTS GRANTING BENEFITS OF TAX AND/OR CUSTOMS NATURE.

(2) IN NO EVENT THEY MAY NOT BE USED BEYOND THE INITIAL APPROVED PERIOD, EXCEPT EXPRESSLY EXTENSION GRANTED BY THE MINISTER IN CHARGE OF PRIVATE INVESTMENT, AFTER FORMAL APPROVAL OF THE MINISTER IN CHARGE OF FINANCE, IN THE CASE OF FORCE MAJEURE OR THE ECONOMIC DIFFICULTIES DULY CERTIFIED BY THE COMPETENT AUTHORITIES.

ARTICLE 15.- 1) FOR THE EXEMPTION OF THE VALUE ADDED TAX (VAT) GRANTED IN THE UNDER THIS ORDER, THE APPROVED COMPANIES SHALL SUBMIT TO THE GENERAL DIRECTORATE OF TAXES, IN VIEW OF THE ISSUANCE OF CERTIFICATES OF EXEMPTION:

- - OF PRO FORMA INVOICES, FROM ABROAD, FOR THE PROVISION OF SERVICES RELATED TO THE IMPLEMENTATION OF THE PROJECT;
- OF THE IMPORT DECLARATIONS FOR THE IMPORTS.

(2) THE COMPETENT TAX AUTHORITIES SHALL HAVE A PERIOD OF FIVE (5) WORKING DAYS FROM THE SUBMISSION OF THE COMPLETE DOCUMENTATION AS SPECIFIED IN SUBPARAGRAPH (1) ABOVE, TO EXAMINE THE APPLICATION AND ISSUE THE CERTIFICATE OF EXEMPTION OR NOTIFY THE REJECTION, IF ANY.

(3) THE EXEMPTION OF THE VALUE ADDED TAX FOR THE APPROVED COMPANIES DOES NOT INFLUENCE THE PRO RATA DEDUCTION OF THEIR SUPPLIERS AND SERVICE PROVIDERS. FOR THE CALCULATION OF THE PRO RATA, THE EXEMPTED TRANSACTIONS SHALL BE ENTERED IN BOTH THE NUMERATOR AND DENOMINATOR.

ARTICLE 16.- WHEN THE APPROVED COMPANY IS AN EXISTING BUSINESS, IT MUST KEEP TWO SEPARATE ACCOUNTS: ONE RELATING TO OLDER ACTIVITIES AND THE OTHER RELATED TO THE PROGRAM INVESTMENT LEVEL AS SUBJECT OF THE APPROVAL.

ARTICLE 17.- AFTER RECEIVING THE ANNUAL REPORT ON THE INVESTMENT IMPLEMENTATION PROGRAM OF THE COMPANY BENEFITING INCENTIVES, THE CUSTOMS AND TAX AUTHORITIES SHALL, IN CONJUNCTION WITH THE INVESTMENT PROMOTION AGENCY OR OF SMALL AND MEDIUM-SIZED ENTERPRISES, CONTROL ELIGIBILITY CRITERIA AND OF THE PROPER USE OF THE INCENTIVES, NOT LATER THAN OCTOBER 30 OF EACH YEAR.

ARTICLE 18.- IF IN THE NORMAL PERFORMANCE OF THEIR DUTIES, THE CUSTOMS AND TAX AUTHORITIES FIND CASES OF FRAUD OR BREACH OF THE TAX AND CUSTOMS BENEFITS GRANTED, SHALL IMMEDIATELY PROCEEDED TO THE SUSPENSION OF THOSE BENEFITS AND THE RECALL OF RIGHTS, ACCORDING TO THE PROCEDURES LAID DOWN BY THE GENERAL TAX CODE AND THE CUSTOMS CODE, WITHOUT PREJUDICE TO ANY OTHER PENALTIES PROVIDED FOR BY THE LEGISLATION IN FORCE.

ARTICLE 19.- WITHOUT PREJUDICE TO OTHER PENALTIES PROVIDED FOR BY LAW, THE TAX AND CUSTOMS ADMINISTRATIONS SHALL ANNOUNCE THE RECALL OF THE TAXES, DUTIES AND CHARGES GRANTED TO A APPROVED COMPANY ACCORDING TO THE PROCEDURES LAID DOWN BY THE GENERAL TAX CODE AND OF THE CODE OF CUSTOMS, WHEN COMMITMENTS ARE NOT MADE OR WHEN IT CEASED ITS ACTIVITIES:

- DURING THE PERIOD IN WHICH IT BENEFITED FROM THE TAX AND CUSTOMS BENEFITS PROVIDED FOR THE SET UP PHASE;

- BEFORE A PERIOD OF TEN (10) YEARS FROM THE END OF THE PERIOD DURING WHICH IT BENEFITED FROM THE TAX AND CUSTOMS BENEFITS PROVIDED FOR THE OPERATIONAL PHASE.

ARTICLE 20.- THE DIRECTOR OF THE TAXES AND THE DIRECTOR OF CUSTOMS ARE IN CHARGE, EACH IN SO FAR AS IT IS CONCERNED, OF THE APPLICATION OF THIS ORDER, WHICH SHALL BE REGISTERED AND PUBLISHED EVERYWHERE OR NEED WILL BE. /-

YAOUNDÉ, LE 19 NOV.
2013

*THE MINISTER OF
FINANCE*

ALAMINE OUSMANE
MEY