EITI AND MINING GOVERNANCE IN CAMEROON:
BETWEEN RHETORIC AND REALITY

Observations on the
2012 EITI Report

A follow-up report

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The opinions expressed in this report are those of the authors and does not in any way reflect the official position of the Natural Resource Governance Institute (NRGI) that have supported this work.
Cameroon has been publishing Extractive Industries Transparency Initiative (EITI) reports since declaring its intention to join the initiative in 2005. With the EITI having adopted a new standard in May 2013 and Cameroon becoming an EITI compliant country, a lot of things are changing; it is important to keep track of these.

Since 2011, RELUFA has monitored the sub-national revenue transfer framework of Cameroon’s mining sector and, in 2014; the social expenditures of mining enterprises became another area of focus. Consequently a study on the social expenditures of companies and sub national revenue transfers was conducted, with the locality of Figuil in the northern region chosen as case study. Following this study, a series of recommendations were made aimed at improving the implementation of EITI in Cameroon in general through the effective application of the new EITI standard.

The new EITI standard prescribes amongst other things the examination in EITI reports of sub-national revenue transfers and social expenditures of companies. This report attempts to assess the extent to which the RELUFA recommendations contained in the study it released on October 2014 on *EITI and Mining Governance in Cameroon: Rhetoric versus Reality* have been integrated in the 2012 Cameroon EITI report. We hope that the report will mobilize further the Cameroon Multi stakeholder group to continue pursuing reforms for improved EITI implementation in Cameroon.

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General Introduction
The Extractive Industries Transparency Initiative (EITI), a voluntary initiative started in 2002, seeks to strengthen transparency of extractive revenues in resource-rich countries. It aims to apply the principles of good governance, participation and accountability in the extractive sector to countries participating in the initiative. Cameroon joined the initiative in 2005 and became a complaint country in October 17, 2013. If Cameroon wishes to remain compliant it needs to seriously respect all the requirements of the initiative including the regular publication of reconciliation reports following the new EITI standard enacted in 2013 that tracks the entire extractive industries value chain right to the distribution of revenue.

As part of its efforts to ensure the efficiency and effectiveness of the implementation by Cameroon of the new EITI standard, the Network for the Fight against Hunger (RELUFA) published in October 2014, a study entitled: EITI and Mining Governance in Cameroon: Between Rhetoric and reality. Social Payments and sub national transfers from quarry exploitation in the locality of Figuil. Overall, the study sought to instigate improvement in the governance of natural resources in Cameroon in general and mining in particular, especially at the local level, through the use of the requirements of the EITI new standard. It was aimed at demonstrating the need for effective sub-national transfers and the importance of monitoring social expenditures of enterprises in Cameroon. Specifically, the study sought to assess the feasibility of the implementation of the new EITI standard under the current context of reconciliation of social payments and sub-national transfers; ensure the effectiveness and monitoring of social payments and sub-national transfers, particularly through effective and efficient implementation of the new EITI standard; domesticate the EITI by making it a tool for development at the local and national level and to go beyond the EITI standard to ensure good governance in the natural resources sector in Cameroon.

Using the quarry exploitation projects of CIMENCAM and Rocaglia in Figuil in the northern region of Cameroon, RELUFA reached the conclusions that:
- In the absence of disclosure of contractual terms of the companies, it is difficult to achieve an optimal understanding of the contractual obligations of companies so as to monitor their mandatory social payments;
- The existing legal, institutional and operational frameworks are inadequate and inappropriate for monitoring social payments and sub-national transfers especially for the local communities;
- Although social spending by companies, sub-national payments and transfers are often not considered significant by the Multi stakeholder Group because of the high materiality threshold that is always chosen, these payments are important for the local councils and the local communities;
- The huge revenues paid as Annual Forest Royalties and the low level of development in the local councils of forest communities require that the forestry sector should be included within the perimeter of EITI reconciliation.

Following this study, many recommendations were made for both the government and the Cameroon EITI Committee. These recommendations focused mainly on improving the legal and institutional framework and making the operational framework appropriate so as to obtain mechanisms to promote the effective and efficient monitoring of social spending by enterprises and sub-national payments and transfers. In general respect for the new EITI
standard and the philosophy of transparency and good governance in the management of mining revenues was prescribed.

Barely a few months after the publication of this study, the Cameroon EITI Committee on December 29, 2014 published its report for 2012. This report summarizes the results of the work and the flow of payments from the extractive sector for the year 2012 in Cameroon and also includes the reconciliation of production and export volumes in the extractive sector. The report comprises of a summary of key data on the extractive sector, the results of the reconciliation and findings on the data presented; contextual information on the mining sector and its contribution to the national economy; the scope covered and arrangements for its determination; the results of the conciliation proceedings and an analysis of reported data. Finally, it offers lessons learned and recommendations for strengthening the EITI implementation in Cameroon.

The reconciliation of payment flows, production volumes and value of exports serves to assess the possible existence of discrepancies. The discrepancies initially identified were analyzed and adjusted according to necessary justifications provided by the reporting parties. According to the report, even if the reconciliation proceedings did not reveal any significant anomalies, a number of deficiencies and areas of improvement were identified for the reporting and quality assurance process including extensive data for future years. In an effort to address these shortcomings, the report presents recommendations at the end.

Continuing its advocacy for the effective implementation of the EITI and better governance in the management of natural resources revenues in Cameroon, RELUFA through this reflection assesses whether its contribution to the debate on the implementation the EITI in Cameroon has been taken into consideration. The 2012 EITI report makes some progress on certain issues but unfortunately there are still gaps (Chapter I) on the issue of sub-national payments and transfers (Chapter II).
CHAPTER I

CAMEROON 2012 EITI REPORT: BETWEEN PROGRESS AND STAGNATION
The Cameroon EITI report for 2012 was awaited with enthusiasm as it is the first report since the adoption of the new EITI standard and Cameroon’s attainment of the compliant country status. This report oscillates between progress, which gives some reason to hope for the use of EITI for greater transparency and better governance of natural resources in Cameroon and also repeated shortcomings.

A- Some commendable improvements

If there are two things that attract attention in the 2012 EITI report prepared by the British firm Moore Stephens, and published by the Cameroon EITI Committee, it is the veil lifted on a number of information hitherto considered confidential, and the particularly pragmatic and realistic logic in the approach.

1. One step towards transparency

As the name suggests, transparency is at the heart of the Extractive Industries Transparency Initiative. It is indeed aimed at promoting transparency and by implication fights against corruption and misappropriation of public funds, so that the wealth generated by the exploitation of extractive resources becomes an engine for economic growth and contributes to development and poverty reduction in countries rich in extractive resources. One of the main stakes related to transparency in the previous study conducted by RELUFA on social expenditures and sub-national revenue transfers is to ensure better governance of natural resources so that local communities can become the main beneficiaries of the resources found in their territory. That is why there is a recommendation in the study for the Government to adopt a law on access to information in accordance with the new EITI standard and in a general manner the development of mechanisms for information of the population and the public on mining policy. Although the adoption of a law on access to information is not yet in the legislative agenda of the country, the 2012 EITI conciliation report makes a step in the direction of transparency on three main points: the publication of government policy on the allocation of oil permits; the publication of the policy on contracts and award of the oil blocks; the publication of the beneficial owners of certain companies and finally the publication of the destination countries for crude oil production.

As in previous EITI reports, the 2012 conciliation report begins with a presentation of the "national context of the extractive sector in Cameroon". The originality of this report is the subject of this presentation. First, there is the elaborate presentation of some elements that were previously only briefly presented. For example, in the 2011 conciliation report the legal and fiscal elements were depicted in only four lines but in this 2012 report cover more than half a page. This elaborate presentation of the legal and institutional framework for the extractive industries in Cameroon allows the reader to have a direct and full view without having to look elsewhere for such information, which is useful for a proper appreciation of the report. The publication of extensive contextual information can be applauded. For the first time, the Cameroon EITI conciliation report makes an effort to present government policy on the awarding of mining rights. Thus under the subtitle "Allocation and management of rights and contracts" and "allocation of blocks", the conciliation report shows the procedure for the allocation of mining rights but also procedure and information on the
permits issued in 2012. Efforts to provide extensive information on these issues are welcome but it is regrettable that we are still far from having a clear statement of public policy instrument which can help in the understanding of the philosophy and policy issues in this area. For example it would have been interesting to show the place of mining policy in the overall strategy for the "emergence of the country by 2035" as recorded in the strategic document called Growth and Employment Strategy Paper (GESP). Efficiency, unintended effects, equity, cost, feasibility and acceptability are the classic elements for evaluation of public policy, and to objectively assess, require information on the objectives of the targeted government policy.

Following the 2012 EITI report, Cameroon government policy on the publication of contracts is limited to press releases issued to the public after the signing of each contract, and the publication on the website of National Hydrocarbons Company (SNH) of information on production, prices, costs and transfers to the Treasury. Such a limited policy is unsatisfactory and contrary to the core requirements of the international human rights which consecrate the right to information for citizens and local populations just like the EITI standard. In this regard, the requirement 3.12b of the 2013 EITI standard is clear: "It is required that the EITI report documents the government's policy on disclosure of contracts and licenses setting the conditions for exploration or exploitation of oil, gas or minerals. This should include the relevant legal provisions, the actual disclosure practices and planned or ongoing reforms. If necessary, the EITI report should provide an overview of contracts and licenses available and indicate where they are published (or a link to it).". The Cameroon 2012 EITI report is still far from this requirement. This is also probably why at the end of the report, the first recommendation from the independent assessor to the government is to "initiate discussions with the parties involved to encourage the legislature to review confidentiality statements in the content of oil and mining contracts that are not likely to jeopardize the interests of the parties to enable better access to information to the public and greater transparency with respect to the conditions and obligations contained in the contracts. »

Another innovation in the 2012 report is in Annex 1 where the profile of the companies included in the scope of conciliation gives information about the beneficial ownership next to
the name of the shareholders. It is an implementation of requirement 3.11a which recommends that countries implementing the EITI maintain a public register of beneficial owners of companies bidding, operating or investing in extractive assets, including the identity of their real owners and their level of participation. The interest of such a requirement in the context of better mining governance is well established: it will prevent and avoid potential conflicts of interest, insider trading, corruption and money laundering. It is interesting and important that the EITI report provides information on the real owners of the companies involved in mining in Cameroon.

Unfortunately, the implementation of this laudable initiative is very imperfect because the number of companies that try to declare is marginal; less than a third of shareholders of companies provide the names of their real owners. There is therefore a real effort that still has to be made if we want to respect and properly comply with the EITI standard.

The same effort needs to be made in terms of the publication of the destination countries for our crude oil production. This makes it possible to know countries in which we could possibly initiate action to put pressure on companies that do not respect the right principles.

2. Quest for realism and pragmatism

To achieve its objective of transparency and improved governance of extractive resources, the EITI report should stick as closely as possible to reality of financial flows and expenditures on the field. In its October 2014 study mentioned earlier above, RELUFA recalled this fact by criticizing the principle of choosing a single materiality threshold for conciliation as was the practice. In previous Cameroon EITI reports, having defined the perimeter for conciliation, a single materiality threshold was chosen and determined the conciliation field. For example, the materiality EITI report was 55 million CFA for the oil and with the exception of oil companies in Cameroon so far financial flows since most are with a high materiality threshold, companies are eliminated and payments to government cannot be reconciled. In the EITI amounts of social transfers clearly in relation to the multi-streams therefore that is to say, an between what the state and what company. As a the company cannot be compared with those of public authorities to ensure accuracy.

For RELUFA, the single materiality threshold is high and to ensure the transparency that the EITI standard seeks to achieve, multiple materiality thresholds by resource should be considered. A single materiality threshold for the entire extractive sector has limits if we are
seeking transparency and accountability in the extractive sector. The reconciliation exercise in 2012 covered 100% of revenues from the oil and oil transport sector and 73% of mining revenues.

pragmatism and realism of the 2012 report prompted the multi-stakeholder include the Support Unit for the of Artisanal Mining (CAPAM) in the reporting entities. Created under the of Mines for the role of coordination, promotion, organization, support and development of artisanal mining and in promote and support the artisanal industry. CAPAM is responsible for channeling in to official circuits the production of gold, diamond, sapphire, tin, kyanite, rutile and other minerals. 2011 report, CAPAM was not part of reporting entities and was simply in the context as a "restructuring so that it can focus on the mission to it for capacity building and traceability in the artisanal sector in Cameroon. By integrating CAPAM into the list of reporting entities, the report expands the scope of conciliation and provides a better view of artisanal mining which is the most important sector of the mining activity in Cameroon considering the number of people involved in it.

There is no doubt that in many ways this small progress can be appreciated, however imperfect in some cases. These developments, provided they reflect a real desire to improve transparency and governance in the extractive sector, should be welcomed and encouraged. However, this enthusiasm is dampened by the persistence in the same report of some shortcomings regularly criticized.

**The 2012 EITI report takes into account our concern by adopting a disaggregated materiality threshold by sector notably the oil and mineral sector.**

**B: Recurrent and persistent gaps**

Over the years, any keen observer of the Cameroonian practice of the publication of EITI reports may have the sad impression that the same shortcomings are repeated incessantly. This feeling comes because for each new release of an EITI little meaningful change seems to be encouraged.

**1. Ignorance of the rationale of an EITI report?**

As noted earlier, the EITI aims to improve transparency through publication of extractive company payments of taxes and disclosure by government entities of the revenue received from these companies. The EITI promotes better management revenues in countries rich in extractive resources and aims to reduce the risk of diversion of these funds. The EITI was founded on the recognition that although oil, gas and mining revenues can help raise living standards around the world, they can also often lead to corruption and conflicts and a decline in the quality of life in countries where the management of these resources is inadequate. The EITI is therefore only a tool to improve better governance of the extractive industries.
Consequently, the production of an EITI report is not an end in itself but a means to eventually enable the people to be the first and principal beneficiaries of the resources exploited in their land. That is why beyond EITI report, the recommendations are very useful and should be implemented in order to improve governance of natural resources sector. It is exactly what Requirement 7 of the 2013 EITI Standard prescribes. Point 1 of this requirement states "the multi-stakeholder group is required to take action based on lessons learned, identify, understand and correct the causes of the gaps and consider proposals for improvement given by the independent assessor». The 2011 EITI report, just like previous reports, includes at the end a series of recommendations based on observations and conclusions of the assessor. Evaluating the implementation of these recommendations, the 2012 report gives the impression that these recommendations are not systematically implemented, although the report indicates that the implementation of most of them is essentially "in progress". Beyond the fact that many Civil Society Organizations are doubtful about the progressive implementation underway, we can legitimately question why the recommendations are not implemented promptly by the authorities to whom they are destined.

2. Need to improve work methodology

The first observation concerns the methodological limits within which the EITI reports are published. Following EITI requirements, apart from the first report to be produced within 18 months of joining the initiative, EITI reports should be published on an annual basis. Following requirement 2.2, EITI reports must cover data not older than the second to the last accounting period (e.g. An EITI report published in 2014 should be based on data no later than accounting year 2012). Although the 2012 EITI report was published within the required time frame, one can however question the usual Cameroonian practice of a last-minute rush to meet a deadline. If other countries, particularly in Africa, regularly publish their reports on time in such a way that the data can still be appropriately used and questioned, there is a need for the Cameroon EITI committee to start doing same. Perhaps, the process should speed up and allow the assessor more time to conduct extensive work so as to produce directly usable reports with current information.
CHAPTER II:

SOCIAL PAYMENTS AND SUB-NATIONAL TRANSFERS, WEAKNESS IN THE 2012 EITI REPORT
According to Requirement 4 of the new EITI standard, the publication of conciliation reports should be comprehensive, including full disclosure of government revenues from extractive industries as well as disclosure of all material payments to governments by oil, gas and mining companies. Revenues and payments in question here include tax revenues at both national and local levels. Convinced that social expenditures and sub national transfers and other expenditures at the local level are important in ensuring the satisfaction of people’s needs and their well-being, RELUFA conducted a study on social expenditures of companies and sub national transfers in October 2014. A number of recommendations were made on how to enable the local population to get the maximum benefits from mining projects in their locality. Going through the 2012 EITI report, one can quickly realize that little progress has been made with respect to the conciliation of social expenditures of enterprises and sub national transfers.

A- Obscure social expenditure

According to the EITI report, payments presented by extractive companies as social expenditures on projects for 2012 amounted to 269,740,625 CFA. Out of this amount, only 80,545,445 CFA is presented as mandatory social expenditures while the remainder is voluntary payments reported by companies unilaterally. If what the companies declared to have paid is exact, this is laudable since such projects contribute to the well being of populations. But as earlier argued, one can be skeptical and doubtful about such figures declared unilaterally by the companies in a context characterized by opacity in the contractual terms signed between the company and the government for the exploitation of natural resources. Under the new EITI standard, the "social spending" or "social payments" or "social investments" are the contributions of mining companies to local or regional governments, communities, NGOs, and other organizations in their area of activity. This is separate from the various taxes paid to the different administrations (central government, regional and local governments).

It is legitimate to question the voluntary or mandatory nature of social expenditures of companies so far as the terms of the contracts are hardly made public. The difficulty here is related to the separation of voluntary social spending and the expenditures on projects on which the company is required under a legal and contractual obligation. Social spending may indeed be voluntary or required by law or contract signed. But generally speaking the contract is more relevant for assessing the voluntary or mandatory nature of social expenditures of companies, partly because of the general and abstract nature of the law. The legal framework provides an outline and is more general while the contract terms are specific for each project. Unfortunately, confidentiality surrounding contracts in Cameroon is a real obstacle to monitoring the obligatory social expenditures of companies. The 2014 RELUFA study highlights the paradox between the abundance of information on projects and the difficulty of conducting effective monitoring and evaluation due to the absence of key
information. There is indeed a lot of information relating to social projects because companies are happy and ready to inform on the project they execute for the benefit of the population. But the true details on the mandatory or voluntary nature of the expenditures remain reserved information for the companies.

In the 2012 Cameroon EITI report, the social expenditures of CIMENCAM, the cement company that has exploited in Figuil for over five decade are published. But all the declarations are done unilaterally by the company and therefore viewed as voluntary expenditures. This suggests that neither the contract nor the annexes to the contract, notably the environmental impact studies and the environmental management plan, are closely followed with respect to the social obligations inscribed in them for these enterprises.

RELUFA has in earlier studies shown the mismatch between the rhetoric and the reality on the ground. Rocaglia, a marble making company that has been operating in the town of Figuil for several decades’ present initiatives or measures taken for the sole purpose of improving the working conditions of its worker as social expenditures for the local communities. The tendency for companies is to fail to consider their environmental and social management plan as a contractual document and therefore treat all social expenditures as voluntary spending. There is therefore need for more clarity on the issue of social expenditures of companies in Cameroon.

Furthermore, no proper examination is made of the relevance of voluntary social spending by companies. Certainly it is not the primary objective of the EITI conciliation report to handle such issues but as pointed out by Clare Short, Chair of the EITI Board, in her introductory remarks to present the new EITI standard in 2013, the EITI is only an instrument, a minimum requirement for assisting the population to benefit from their wealth. So it is logical to raise questions on the effectiveness and efficiency of social expenditures in assisting the population to benefit from their wealth. Generally and as the case in Figuil, has indicated, social expenditures are done without the participation of the population in deciding on the projects and do not always necessarily respond to the real needs of the population. It is therefore necessary to establish a framework for consultation, which would allow for social spending, whether voluntary or mandatory, to be done in accordance with the wishes of the people who should be the beneficiaries of such projects.

B. Sub -national Payments and transfers not reconciled

Sub -national transfers are payments made by the central government to sub national entities. These payments come from revenues generated from the exploitation of extractive resources and their transfer to sub national entities is mandated by the constitution, law or other similar texts. The 2012 EITI report does not reconcile sub national revenue transfers to local councils and local communities. The Ad Valorem tax declared by enterprises amounted
to 1,425,884 CFA while the government declared 74,826,393 CFA. For the extraction tax, the total declared by enterprises was 181,458,395 CFA while the government entities declared 192,418,226 CFA.

In Cameroon, the main sub national transfers from the mining sector are related to the ad valorem tax or the tax on extraction that are levied on mining companies. Under section 89 of the Cameroon Mining Code, local councils and communities have the right to compensation for the impacts generated by the exploitation of natural resources in their territory. In accordance with Article 137 (1) of Decree No. 2002/848 / PM of 26 March 2002 laying down detailed rules for the application of Law No. 001 of 16 April 2001 on the Mining Code, 25% of the ad valorem or extraction tax goes to local councils and communities affected by the mining project: 10% for the benefit of local communities and 15% in favor of local council of the locality.

In 2014, decree No. 2014/1882 / PM of 4 July 2014 amending and supplementing certain provisions of Decree No. 2002/648 / PM of 26 March 2002 laying down detailed rules for applying the mining code was passed by the Prime Minister. This amendment to the implementation decree has come to end the long wait for a joint order from the Ministry of Mines and the Ministry of Finance that the modalities for the use and the transfer of sub national revenues. For over twelve years, the joint ministerial order was never signed rendering opaque the sub national revenue transfer framework in Cameroon. Unfortunately, this decree was not examined in the 2012 EITI report pulling down the recommendations on the sub national revenue legal framework in Cameroon.

The fundamental question that remains unanswered is how the 10% of revenues for local communities will be distributed to them, since the recent amendment to application decree simply states that “the share of revenues for local communities and the council will all be transferred into the account of the council treasurer”. It can be argued that the revenue meant for the local communities under current circumstances will never get to them once it enters the council coffers. What has happened to the mining royalties collected for many years on behalf of local communities and councils? The absence of a fully operational framework for sub national revenue transfers can be a hindrance local development.

The non reconciliation of sub- national payments in Cameroon is all the more paradoxical because it is the Minister of Finance who chairs the EITI Committee in Cameroon. This observation tends to give credence to RELUFA’s call for the adoption of an EITI law in Cameroon, which would inspire some respect and specify clearly and accurately for each government administration and enterprises concerned the obligations that are theirs within this framework.
CHAPTER III:
CONCLUSION AND RECOMMENDATIONS
A- Conclusion

Obviously, the 2012 EITI report for Cameroon demonstrates some willingness to comply with the EITI new standard. Yet unfortunately, Cameroon is not yet performing up to the requirements and philosophy of the Initiative. The challenge for Cameroon to remain a compliant country is to institute systems and mechanisms for better extractive sector governance and scrupulous respect of both the letter and spirit of the EITI. The need to improve the legal and operational framework of the EITI in Cameroon is very important. In its commitment to contribute influence Cameroon’s maintenance of its compliant country status and for setting up a framework to enhance the effectiveness of sub national transfers and monitoring of social expenditures in Cameroon, RELUFA and the Cameroon Coalition of Publish What You Pay, made some the recommendations in October 2014 that seems useful to recall again:

B- Recommendations

For Public Authorities

i. to make decentralization, an important component in the management and monitoring of mineral resources: Social payments and sub national transfers are important revenue sources for the local councils in Cameroon. Their management and monitoring remain strongly influenced by the social organization at the local level that puts at the forefront the local council authorities;

ii. to develop and implement an operational framework which effectively establishes the transfer to the local communities of their share of mining royalties: the signing by the Prime Minister of the decree of July 4, 2014 is likely to provide a solution to the former provision which made the signing of the joint order MINFI / MINMIDT a necessary condition for the transfer of the mining royalty to the councils and communities. There is an urgent need to make full payment for the shares of the local population and the councils by taking measures necessary for differentiation of the shares allocated to the local communities and the share allocated to the local council. However, the fate of this order is still unclear in a context in which the mining code is undergoing revision. The problem remains pending the new Cameroonian mining code and its implementing regulations.

iii. To define and adopt an EITI law: The EITI remains an important tool of governance. The EITI standard has the advantage of encouraging transparency on all components of the extractive industries value chain. This is particularly the case with the signing of contracts and the contents of the contracts which appeared as a limitation to the analysis of social expenditures. In this sense, the development and adoption of an EITI
law would solve the problems of access to information for both the assessor and for national and international public opinion;

iv. To strengthen the capacity of regional public entities on the EITI standard: EITI implementation at the subnational level, specifically at the regional level, will require training and capacity building of the actors on the principles and requirements of the EITI (as is already done for the National EITI Committee members);

v. To go beyond the EITI by ensuring better governance of natural resources and the effective enjoyment of benefits by local communities. The Initiative is only concerned with tracking revenue payments and sub-national transfers in particular, but also all the extractive sector flows in general. It is therefore not up to the EITI to develop and enforce a legal and institutional framework that would allow councils or local communities and the Cameroon population in general to derive maximum benefits of the extractive sector. This is the role of the legislative, executive and even judicial organs to deal with.

: For the Cameroon EITI Committee

vi. To establish local EITI Committees at the regional level: the context of decentralization, the monitoring of social payments and sub-national transfers, the fight against corruption at the local level offers the possibility to the Cameroon EITI Committee to take the initiative closer to the main beneficiaries of the exploitation of natural resources;

vii. To redefine the composition of the Multistakeholder Group within the EITI National and Local Committee: In the spirit of the requirements of the new EITI standard, parliamentarians and other local elected officials (mayors and councilors) is clearly not civil society. More opportunities should be given to representatives of local communities, including traditional leaders to participate in the process. It can be highlighted the National Council of Traditional Rulers of Cameroon already has a platform to defend the customary rights of local communities;

. For companies

viii. to comply with the EITI principles: respect of EITI requirements by companies is important for the promotion of transparency as well as their image;

ix. to negotiate and enter Community Development Agreements (CDA) with
councils and local communities: Social expenditures are important as they can contribute to improving the living conditions of local communities. CDA become in this sense a form of social contract between the company and the communities affected by the project;

For Civil Society Organizations and traditional authorities

X. to build their capacity on the EITI standard, the institutional and legislative framework on mining, oil and gas, forestry and pipeline transportation: more than a need to approach the multi-stakeholder group with local realities, it is necessary to have stakeholders that can effectively meet the needs in the implementation of the Local EITI Committees;

Xi. to strengthen their capacity to monitor social payments and sub national transfers: The EITI standard is primarily a monitoring tool. Knowledge of the legal and institutional framework is a prerequisite for these categories of actors. However, it is important that they have the material, financial and human resources necessary for an effective implementation of the standard at the sub national level including the monitoring of social payments and sub-national transfers. It is therefore important that these players enjoy some autonomy, regardless of the context of the multi-stakeholder group;

xii. Accompaniment by national civil society of local CSOs and traditional authorities: It is important that national CSOs or reference campaign organizations like the Cameroon Coalition Publish What You Pay accompany small local organizations and traditional authorities to reinforce their capacities.

For Local elected officials (mayors and parliamentarians)

xiii. to ensure monitoring of extractive projects in their locality: This monitoring concerns social expenditures and sub national transfers. For example, despite the non-publication of contracts in Cameroon, some social spending is contained in the Environmental Management Plan.

xiv. To work on the systematization of the negotiation and conclusion by the communities, companies and the State of Community Development Agreements: Local development is a political and economic goal. CDAs are therefore as policy instruments for the maintenance of the socio-economic climate and guarantees of economic democracy