



POLICY BRIEFⁱ

THE URGENT NEED FOR DISCLOSURE OF EXTRACTIVE SECTOR CONTRACTS IN CAMEROON



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I. GENERALITIES ON CONTRACT DISCLOSURE

Signed contracts or granted licenses for the exploration and exploitation of oil, gas and minerals, as well as related documents, are important elements of a country's legal framework. They set out the rights and obligations of all parties involved.

By shedding light on the rules and terms that govern extractive projects, contract transparency can help curb corruption and give citizens a way to know whether the revenues received for resources are fair. Publication of contracts provides a measure of the revenues that will be collected by the state and passed on to sub-national governments where appropriate. Such information is crucial, especially in circumstances where these critical revenues may be impacted by market volatility or emerging energy transition policies.

The EITI Standard requires EITI implementing countries to systematically disclose all new contracts signed and licenses granted on or after 1 January 2021, as well as changes to previously signed contracts and licenses granted after that date. This requirement reflects the fact that, in recent years, transparency policies for extractive sector contracts have become the global norm.

Where EITI countries commit to such transparency, they agree to make public the full text of any contract, license, concession or other agreement governing the exploitation of oil, gas and mining resources.

Cameroon, a member of the EITI since 2005, underwent its last two validations of the implementation of this initiative in 2018 and 2021. At the end of these validations, Cameroon is still behind in terms of disclosing the licenses and contracts in connection with the exploitation of its oil, gas, mining and quarrying resources. A set of corrective measures have been sent to it and which will be assessed during the next Validation which will begin in October 2023.

One year from the said Validation, Cameroon is struggling to implement all of these corrective measures, thus exposing itself to the risk of suspension of the EITI.

The issues related to the transparency of contracts are so important that Cameroon cannot avoid or trivialize them. It is therefore urgent that a set of actions be adopted and implemented to meet this requirement before the start of the next Validation.

I.1. DEFINITION OF SOME CONCEPTS

An extractive contract is a contract by which a state grants a company the exclusive right to explore



and/or exploit and commercialize mining, oil or gas resources on a specific piece of land, in exchange for a price in the form of royalties, taxes and possibly production or profit sharing or other economic or social compensation obligations (Lhuilier, 2015a).

Disclosing an extractive contract: this means making public the information contained in this contract, generally considered as secret or confidential. As of 1 January 2021, the 55 countries implementing the EITI Standard will have to publish new and amended contracts, licenses and agreements with extractive companies. (Requirement 2.4 of the EITI Standard)

Contract transparency is the degree to which information about an extractive contract is freely available to the stakeholders of that contract.

Publishing extractive sector contracts means making them available to the public at a lower cost. Public contracts and procurement are only truly “public” if they are easy to find, read, analyze and use.

Extractive Industries Transparency Initiative (EITI) is an international platform for promoting understanding of natural resource management, strengthening public and corporate governance and accountability, and generating the data needed for policy-making and multi-stakeholder dialogue in the extractive sector.

1.2. BENEFITS OF CONTRACT DISCLOSURE

□ BENEFITS TO CITIZENS

Publication of contracts can be a powerful antidote to corruption in resource-rich countries.

- Transparency in contracting allows stakeholders to understand the conditions under which oil, gas and mining resources are being exploited.
- Communities affected by extractive operations can get an idea of the revenues that will be paid by companies.
- Communities can also learn about the nature of subsidies and tax incentives given to companies.
- Citizens can find out what obligations are imposed on companies in terms of protection of communities and the environment, social payments or job opportunities at the local level. Knowing this information is the way for citizens to monitor whether extractive companies are actually fulfilling their obligations.

□ BENEFITS FOR COMPANIES

Publishing the rules and terms of extractive sector-related projects encourages responsible investment.

- Disclosure of contractual terms makes it easier for companies to prove that they are meeting their financial and social obligations, which helps to mitigate risking their reputation.
- Transparency encourages dialogue, open and fact-based discussions, which can only build trust, reduce



causes of conflict and legitimize the social license to operate a business.

□ **BENEFITS TO STATES**

Publication of the terms of contracts related to the extractive industries contributes, for states, to the maximizing revenues from this sector and through them to finance development.

- Disclosure of contracts has the effect of encouraging government officials to enter into contracts with reputable companies, drafted in terms that are consistent with national law.
- The knowledge that contracts will be public documents acts as deterrent effects as follow: civil servants are less likely to enter into officials are less likely to enter into disadvantageous contracts or seek illicit personal personal enrichment.
- This allows contracts to be compared, which helps to create a level playing field for all businesses.
- A published contract will be more easily enforced. All government departments and agencies, informed of contractual stipulations, can work together more effectively and ensure compliance. As a result, fiscal standards are directly applicable, thereby promoting revenue generation.

I.3. WHAT QUESTIONS CAN DISCLOSED DATA HELP ANSWER?

*Which companies are operating in the country and under what conditions are their oil, gas and mining activities carried out?

* Do companies comply with their legal and tax obligations? Does the government enforce the rules effectively?

*What are the subsidies and tax incentives that companies benefit from? Do companies benefit from stabilization clauses?

*What social, environmental, health and safety obligations must companies fulfill in order to protect communities and the environment? Do contracts include local content provisions, community consultation requirements and community development agreements?

All stakeholders in the extractive sector (Citizens, Companies, State) need this information.



I.4. MYTHS AND FACTS ABOUT CONTRACT DISCLOSURE

MYTHS	REALITY
The contracts are too technical and complex to be understood by the general public	While contracts in the extractive sector are not always easy to interpret, civil society organizations, accountability initiatives and the media play an intermediary role in analyzing the terms and explaining them to the public.
Contracts cannot be not be disclosed because they contain sensitive commercial information that could harm competition.	The position of large companies such as Rio Tinto ⁱⁱ and Total ⁱⁱⁱ is that legal and commercial issues can be openly addressed when host governments decide to publish the contracts.
The transparency of contracts makes it difficult to negotiate good agreements for government.	When the government officials can access contracts - other than their own- They gain valuable knowledge and therefore a position to negotiate good deals. The publication of contract terms weakens the risk of negotiating contracts that deviate from applicable laws and regulations, especially in tax matters.
Contracts contain confidentiality clauses that are unavoidable and cannot be ignored.	According to a 2009 report on oil, gas and mining contracts, most confidentiality clauses do not even refer to the contracts reference ^{iv} . One possible solution is to ask the contracting parties to waive the obligation of confidentiality.
The regimes for licensing regimes do not require disclosure of contracts.	The EITI Standard applies equally to licensing regimes in the same way. It is up to the country to justify that it is not derogating from the contractual provisions.

I.5. CONTRACT DISCLOSURE: AN INTERNATIONAL STANDARD

More than half of EITI implementing countries have published extractive contracts, although the degree of disclosure varies. Many international institutions, including the International Monetary Fund (IMF) and the OECD, support the principle of contract transparency and recognize its benefits. Private sector forums such as the International Council on Mining and Metals and The B Team, as well as major development finance institutions and multilateral organizations such as the UN and the International Finance Corporation (IFC). In addition, a growing number of oil, gas and mining companies now endorse contract transparency. Many EITI-supporting companies are promoting transparency either through disclosure policies or practices, or through statements of support: BHP, BP, Equinor, Freeport-McMoRan, Kosmos, Newmont Rio Tinto, Shell, Total and Tullow.



I.6. SOME BEST PRACTICES IN DISCLOSURE AROUND THE WORLD

I.6.1. REGARDING LEGISLATION IN THE COUNTRIES

The legal framework governing transparency in public finance in general and extractive sector contracts in particular has strengths, both from a legislative and institutional perspective. The number of countries around the world that have adopted legal provisions for contract disclosure has increased significantly over the past decade, demonstrating that contract transparency is becoming a global norm. Among the countries with legislation that could inspire Cameroon include:

ARMENIA: This country amended its subsoil code in 2017 to require publication of extractive contracts by ministries. This reform was widely supported by the Armenia Multi-Stakeholder Group. It is now possible to access all contracts via the website of the Ministry of Infrastructure and Natural Resources website > minenergy.am

MEXICO : Mexico has targeted legislation on the disclosure of oil and gas site concessions to the state-owned company Pemex, as well as contract awards to private hydrocarbon investors.

UKRAINE : Legislation has been adopted in this country to harmonize with the EITI Standard and the EU Accounting Directives. Law 2545-VIII requires disclosure of payments at the project level, the ultimate beneficial owners of companies, and the "essential" elements of extractive sector contracts (e.g., social obligations, infrastructure construction, and bartering arrangements).

MONGOLIA : The contract for the country's largest mine, the Oyu Tolgoi copper mine, states in Article 15.21 that: "This Contract shall be made public. The government has published this contract, first in its original 2009 version and then as amended in 2015.

AFGHANISTAN : It is stated in the oil contracts that "The ministry shall have the right to maintain a copy of this contract in the Petroleum Registry, publish and make available to the public and distribute to provincial offices information and reports relating to the Contract, **as required under the Petroleum Act**". These contracts are published by the government.

I.6.2. REGARDING THE PUBLICATION OF CONTRACTS

Disclosure as a mechanism for achieving the objective of transparency is a fairly important element of good governance in any state. As a result, some EITI implementing countries have already taken steps toward full and proactive disclosure of contract information through their procurement platforms. As a result, some



EITI implementing countries have already taken steps to have already taken steps toward full and proactive disclosure of contract information through their e-procurement their e-procurement platforms. This electronic contract.

This electronic contract disclosure solution promotes integrity, transparency and accountability and strengthens international competition. It also offers potential gains in terms of simplicity, speed, promotion of equal opportunity, minimization of errors and reduction of overall information the overall cost of information.

NAMES OF COUNTRIES	DISCLOSURE METHOD
CHAD	EITI-Chad has consolidated existing contracts and made them available online as as open data. > itie-tchad.org/mini-cadastre
MEXICO	The Mexican government has created a portal where oil and gas contracts are published, > ron-dasmexico.gob.mx
UKRAINE	The State Service of Geology and Subsoil in Ukraine publishes the contracts for the exploitation of the subsoil signed since 2016. > Geo.gov.ua
GHANA	In February 2018, the government posted a public registry , initially including 18 major oil contracts, responding to a growing demand for transparency. > ghanapetroleumregister.com
PEROU	It discloses oil and gas contracts through an online portal accessible to the public. > perupetro.com.pe

1.6.3. ON USING CONTRACTS TO CONTRIBUTE TO PUBLIC DEBATE AND STRENGTHEN ACCOUNTABILITY

Contracts are valuable sources of information for communities that want to know how their resource revenues are redistributed at the regional or local level. They can be analyzed and from there citizens can better understand the fulfillment by companies of the obligations that weigh on them, in particular in terms of environmental and community protection, social payments, job offers or using local suppliers GUYANA: Civil society organizations in Guyana have analyzed publicly available production sharing contracts and raised concerns about the exemption from capital gains tax in some cases.



MALAWI: In Malawi, a 2017 report by civil society organizations, based on an analysis of the terms of disclosed production sharing contracts, found inconsistencies with the standard production sharing contract.

MOZAMBIQUE : In 2019, civil society representatives in Mozambique were able to use the concession contracts for exploration and exploitation (CCEE) in the Rovuma Basin to make their own government revenue projections^{vi}.

TANZANIA: In Tanzania, Africa Energy has taken advantage of the publication of its production sharing contracts to explain the terms and implications of its production sharing contracts, and did so through a public FAQ. The country has also passed a contract disclosure law.

II. STAKES OF THE DISCLOSURE OF EXTRACTIVE SECTOR CONTRACTS FOR CAMEROON

The urgency of disclosure of extractive sector contracts for Cameroon is a response to several stakes that it must address. These are:

II.1.CITIZEN PARTICIPATION IN THE GOVERNANCE OF EXTRACTIVE RESOURCES

The publication of contracts allows stakeholders to understand the conditions under which oil, gas and mining resources are exploited. Thus communities affected by extractive operations can have an idea of the revenues that will be paid by the companies and also know the nature of the subsidies and tax incentives granted to the companies. Citizens can find out what obligations companies have in terms of community and environmental protection, social payments or local job opportunities. Knowledge of this information is the way for citizens to monitor whether extractive companies are effectively fulfilling their obligations and that the economic and social benefits are being fairly managed. The disclosure of contracts brings to the inclusive governance of Extractive Industries pledges for the exploitation of mineral resources that is peaceful, fair and equitable and profitable for all stakeholders.

II.2. INTERNATIONAL RECOGNITION AS A COUNTRY WITH A TRANSPARENT AND RESPONSIBLE MANAGEMENT OF ITS EXTRACTIVE RESOURCES

International cooperation policies, increasingly aware that poor management of the company is likely to compromise the very effectiveness of aid, place at the center of their mechanisms for their official development assistance (ODA) allocation mechanisms, a grid of "good governance conditionalities", primarily derived from the logic of the international financial institutions. Many international institutions and donors



support the principle of contract transparency and recognize its advantages. For its development, Cameroon cannot do without international cooperation, hence the need to improve its public governance, particularly good governance of natural resources, by respecting the principles of disclosure of contracts and licenses so dear to the EITI.

II.3. FIGHTING CORRUPTION IN THE EXTRACTIVE SECTOR

In many countries, natural resources and the extractive sector contribute to shared prosperity and contribute to poverty reduction. However, corruption in these sectors can hamper economic development. Corruption hinders economic growth, undermines the rule of law, and wastes valuable skills and resources. When corruption is pervasive, enterprises are reluctant to invest because of the significantly higher cost of doing business. Corruption can have negative effects on government revenues, particularly because it undermines the ability of governments to collect taxes. Cameroon has significant extractive resource potential that can contribute significantly to its economic development, but which corruption can destroy. The recent news concerning the case of corruption of SNH and SONARA agents by the company GLENCORE is a concrete illustration of the effects of corruption in this sector.

II.4. QUANTITATIVE AND QUALITATIVE IMPROVEMENT IN THE CONTRIBUTION OF THE EXTRACTIVE SECTOR TO THE NATIONAL ECONOMY

When contracts are fair with reputable companies and drafted in terms that comply with national law, If government officials are able to enter into contracts that are disadvantageous to the country, When the playing field is level for all companies, then published contracts will be more easily complied with, all departments and public agencies informed of contractual stipulations, can work together more effectively and ensure compliance. As a result, tax standards will be directly applicable, thereby helping to generate government revenue and revenue generation and maximization of revenues from the sector.

II.5. COMBATING ILLICIT FINANCIAL FLOWS IN THE EXTRACTIVE SECTOR

Oil, gas and minerals are essential resources for the proper functioning of our economies and are highly coveted. They are therefore particularly conducive to the emergence of illicit financial flows (corruption, tax avoidance or money laundering). Despite the measures taken to curb this phenomenon, illicit practices persist within this sector. The actors in the extractive sector, companies and public officials, have been able to adapt and demonstrate their creativity in order to circumvent, divert and manipulate the instruments adopted to perpetuate illicit financial flows. They also resort to legal and financial engineering, which provides them with an arsenal of tools and mobilizes experts with a perfect mastery of the legal, political and



financial environment in which extractive sector actors operate. According to a study conducted by CRADEC on Illicit Financial Flows in trade in Cameroon in 2020, Cameroon has had an international trade gap of about US\$31.5 billion on its international trade in ten years between 2008 and 2017. This amount represents about 1.8 times the country's debt as assessed by the IMF. Potential losses in the oil sector accounted for US\$13.2 billion. The fight against IFFs is a sword of Damocles in Cameroon. Cameroon must win the fight against FFI or die.

III. STATE OF PLAY ON THE DISCLOSURE OF CONTRACTS IN CAMEROON

III.1. THE LEGAL FRAMEWORK GOVERNING THE EXPLOITATION OF MINERAL RESOURCES IN CAMEROON

In Cameroon, the extractive industry is governed by laws and regulations as well as contracts concluded between the State of Cameroon and the extractive companies. Among the normative texts that govern this sector, the most in view are:

- Law No. 2019/008 of April 25, 2019 on the new Cameroon Petroleum Code and other laws and other laws and regulations relating to oil activities;
- Law n°2012/006 of April 19, 2012 establishing the Gas Code (2012) and other laws and regulations
- Law n°2016/017 of December 14, 2016 on the Mining Code and other laws and regulations regulatory texts relating to mining activities
- Law n°2018/011 of July 11, 2018 to establish a Code of transparency and good governance in the management of public finance in Cameroon;
- The 2019 EITI Standard;
- Directive No. 06/11-UEAC-190-CM-22 of December 19, 2011 relating to the Code of Transparency and Good Governance in the Management of Public Finances of CEMAC States
- Contracts concluded between the State of Cameroon and extractive companies;

According to Cameroonian laws, a natural or legal person, including landowners, may only undertake oil, gas and mining operations if it has been previously authorized to do so by the State. As such, the State issues it an oil, gas and/or mining title. To date, there are approximately 23 contracts in the hydrocarbons sector and at least 9 others in the mining sector, i.e. 32 extractive contracts signed. Unfortunately, only one contract was published in Cameroon

III.2. DISCLOSURE PRACTICES IN CAMEROON

The State has provided several methods of publication of mining titles and contracts:

- The mining and hydrocarbons register for the systematic registration of mining and hydrocarbons titles



(see mining, gas and petroleum code).

- The publication of contracts signed between the administration and public or private companies. This publication includes the procedure for awarding the contract and its content. (See Article 6 of the code of transparency and good governance in the management of public finances in Cameroon)

- 2.4 provision of the EITI Standard requires that contracts be disclosed in full.

III.2.1. THE HYDROCARBON SECTOR

Oil contracts are not disclosed. In practice, stakeholders express potential challenges to contract disclosure due to confidentiality clauses and in terms of the operational costs of making information available and the potential competitive harm of disclosing “commercially sensitive” information.

Only the SPC55ⁱ model is published on SNH's website. At the same time, some contracts signed in Cameroon have been published on the Resource Contract^{vii} website. These are:

The attribution acts of mining titles are published in the official journal. As the latter is not accessible online, the consultation of these acts can only be done on site and on request.

Contract	Year	Contract Type
1. Perenco Oil and Gas (Cameroon) Ltd., Kosmos Energy Cameroon HC, Société Nationale des Hydrocarbures, Kombe-Nsepe permit, JVA, 2008	2008	Joint-Venture Agreement
2. Model Contract, National Hydrocarbons Corporation (NHC), PSA, 2007	2007	Production or Profit Sharing Agreement
3. Kosmos Energy Cameroon HC, Ndian River, PSA, 2006	2006	Production or Profit Sharing Agreement



4. Model Contract, Oil and Gas Production Sharing Contract	1999	Production or Profit Sharing Agreement
5. Model Contract, Douala Basin, PSA, 1995	1995	Production or Profit Sharing Agreement
6. Model Contract, JVA, 1980	1980	Joint-Venture Agreement

III.2.2. THE MINING SECTOR

Until 2021, mining conventions were not published by MINIMDT. In 2022, MINIMDT published on its website the Mining Convention signed between MINM DT and the company SINOSTEEL.

Some contracts signed with the State of Cameroon were published on the Resource Contract^{viii}. These are:

Contract	Year	Resource	Contract Type
1. Geovic Cameroon S.A., Exploration Permit No. 67, Concession, 2002	2002	Cobalt, Nickel	Concession Agreement
2 Cameroon and Korea Mining Incorporation, Exploitation License, 2010	2010	Diamonds	Exploitation Permit/License
3. Cameroon and Korea Mining Incorporation, Concession, 2010	2010	Diamonds	Concession Agreement
4. Cam Iron SA, Concession, 2012	2012	Iron Ore	Concession Agreement
5. Sinosteel Cam S.A., Concession, 2022 (English)	2022	Iron Ore	Concession Agreement

The deeds of attribution of the mining titles are published in the official journal and in the newspapers of legal announcements. The contract between the State of Cameroon and Sinosteel Cam S.A., was published on the website of the Ministry of Mines and Technological Development (MINMIDT) in 2022

IV. OBSTACLES TO CONTRACT DISCLOSURE IN THE EXTRACTIVE SECTOR IN CAMEROON

There are multiple shortcomings in the operating mechanism of the extractive sector in Cameroon, resulting in direct or indirect obstacles in the disclosure process of contracts in this sector of activity. This mean that,



we can first question the legal framework of the Extractive Sector and finally, we can make a consequent analysis of the application of the mechanisms in practice in the extractive sector in Cameroon.

1) Divergent interpretations of Articles 97 and 98 of the Petroleum Code.

The new Petroleum Code (2019) in its articles 97 and 98 states that data generated in the context within the framework of oil operations are confidential. It is clear from the provisions that the constraint on the disclosure of contractual clauses comes rather from the clauses of oil contracts. Some analysts believe that the regulatory provisions on confidentiality tend to cover the data generated by the oil operations and not the contract itself. There is a need to resolve the controversy of the interpretation of Articles 97 and 98 of the Petroleum Code.

2) Insufficient clarity on the mechanisms and institutions for disclosure of Extractive Sector contracts and licenses in Cameroon's laws and regulations

The Transparency Code and Good Governance in Public Financial Management (Article 6(1)) and the Mining Code (Article 142) establish the principle of systematic disclosure of contracts concluded between the administration, public and private enterprises. These two Codes do not specify the mechanisms for disclosure of contracts, let alone the main actors responsible for disclosure. They do not say whether these provisions are retrospective, as well as the treatment of confidentiality clauses that may exist in some oil contracts.

3) Lack of real political will on the part of the Cameroonian government

The Cameroonian legislator has provided the country with an arsenal of laws governing the disclosure of contracts. It is important to note that none of these laws are accompanied by implementing regulations that define the precise and practical modalities of implementation of the laws. The effective entry into force of certain provisions of the laws voted by the Parliament is suspended in the absence of the regulatory texts drafted by the government. The mining code (2016), the oil code (2019), the transparency and good governance in public finance management (2018) are waiting in vain for the government to sign the implementing regulations.

4) Poor adherence of contracting parties to contract disclosure practices

In its decision to join the EITI, the State of Cameroon made a firm commitment to implement the requirements of the EITI standard, including the disclosure of contracts. It was up to the reporting stakeholders to implement provision 2.4 of the EITI Standard. The Cameroonian administration and the companies signing the contracts must agree to make the will of the State of Cameroon concrete. Failure to do so is synonymous



a refusal to respect the instructions of the highest hierarchy of Cameroon. The EITI concept of systematic disclosure requires that extractive sector contracts be spontaneously published by all relevant means by the contracting parties.

5) Stakeholders' lack of control over contract disclosure procedures

In order to achieve anything, it is always essential to have a relevant approach that will help to achieve the defined objectives with maximum effectiveness and efficiency. Cameroon has not yet clearly defined a consensual approach with all stakeholders in the disclosure of contracts. It is imperative to define the modalities of contract disclosure and to train reporting stakeholders on this subject.

6) The additional economic costs of contract disclosure to be borne by stakeholders

Disclosure of contracts is an additional activity of the reporting parties and as such, it will generate additional costs that will add to the burden of these entities. This must be taken into account by both the companies and the reporting administrations.

7) Lack of a shared methodology for disclosure by stakeholders

Cameroon has not yet adopted a consensus approach to contract disclosure. The Natural Resource Governance Institute (NRGI)^x has proposed a 5-step or 6-step approach implemented: (i) A thorough assessment of the EITI implementation environment to determine if and how contract and license disclosure will contribute to the achievement of national policy objectives, (ii) Defining the scope of disclosure (which contracts and licenses should be disclosed and when), (iii) assembling and vetting the documents to be released, (iv) defining the modes of public access, (v) education and public awareness, and (vi) disclosure itself.

8) Lack of a national disclosure system

Depending on the mode of public access selected and the operating capabilities of the reporting parties, a national disclosure system is developed and implemented. Cameroon has not yet established such a system. In most countries that disclose contracts, the best practice is to publish copies of contracts online, on a website that is freely accessible and does not require registration or technological barrier. This method of public access is generally supplemented in some countries where Internet penetration is low and demand for access to contract and/or license documents by making printed versions of the documents available at the office of the EITI National Secretariat office or other official office, ideally free of charge or for a limited printing fee. In addition to the method of public access, mechanisms for collecting and processing information. All this is driven by people and institutions. It is all this that will make the national disclosure system.



9) Insufficient technical capacity of those involved in contract disclosure

Facilitating the national disclosure system requires human resources that are familiar with the operationalization of the different links in the chain. It is imperative to train human resources well and to provide this system with appropriate material and technological resources.

10) Lack of a coordination and monitoring mechanism for the publication of contracts

In most countries that disclose contracts and licenses, the coordination and monitoring of the publication of contracts are entrusted to the Ministry of Mines. In Cameroon, this mission is poorly defined or poorly handled by the parties involved.

V. RECOMMENDATIONS FOR SYSTEMATIC DISCLOSURE OF CONTRACTS IN THE EXTRACTIVE SECTOR IN CAMEROON

It is clear that the road to disclosure of contracts and licenses is still long in Cameroon. Significant efforts must be made by the various stakeholders to achieve the objectives of disclosure of contracts and licenses set by the EITI.

We recommend that:

THE GOVERNMENT OF CAMEROON:

- Require companies to clarify their position on contract disclosure and ensure that their contracts proactively include provisions that allow for public disclosure.
- Sign clear and precise implementing legislation for the various extractive sector codes that specifically clarify the disclosure process by determining their mechanisms and actors;
- Bring the various codes governing the extractive sector into line with the 2018 law on transparency and good governance in public finance management ;
- Enact strong sanctions in case of non-disclosure of contracts;
- Organize training and refresher workshops for reporting parties on the practices and mechanisms for disclosing contracts and licenses.
- Instruct companies and public administrations in the sector to 'include information on contract contents of contracts in press releases following the signing of contracts by stakeholders;



THE EITI COMMITTEE OF CAMEROON :

- Discuss the objectives of contract disclosure and decide on an action plan to promote contract disclosure,
- Engage with key stakeholders and build their capacity,
- Take stock of the contract disclosure situation and develop a plan to overcome obstacles,
- Advocate for all EITI reporting parties to make public their positions on contract disclosure as a minimum requirement for participation in the EITI.
- Advocate for all extractive sector companies to systematically disclose their contracts to the extent possible.
- Review its governance standards to ensure that companies agreeing to serve on the EITI Committee. Cameroon Committee act in accordance with the EITI standard and its underlying principles on contract disclosure.
- Document company leadership and best practices in contract disclosure and create platforms and opportunities for companies to share their policies, practices, and lessons learned.
- Educate contracting parties to review their confidentiality policies, including the confidentiality clause in accordance with the provisions of the Transparency Code Act of 2018

COMPANIES:

- Adopt policies for full disclosure of contracts and effectively disclose contracts and proactively disclose contracts on their websites.
- Make their policy and position on contract disclosure clear to the public.
- Actively support contract disclosure and make their positions clear and public in accordance with the requirements of the EITI Standard,
- Monitor normative developments on contract disclosure, explore the potential of contract disclosure to help manage and mitigate operational risks, and integrate these policies and practices into standard operating procedures.

CIVIL SOCIETY ORGANIZATIONS:

- Multiply awareness techniques and encourage, through their advocacy, adherence and implementation by the Government of Cameroon to adhere to and implement transparency policies through disclosure ;
- Raise awareness on the stakes of integrity instruments such as Transparency International's Integrity



Pact, as a way of Transparency International's Integrity Pact, as a best practice and in accordance with the 2018 Extractive Sector Code of Transparency in the extractive sector.

THE INTERNATIONAL FINANCIAL INSTITUTIONS :

- Systematically document and raise awareness of the expansion of contract transparency as the norm, including government and business best practices.

ⁱ This note is an adaptation, in the Cameroonian context of the Brief policy published by the EITI entitled "Policy note, Arguments in favor of contract transparency", Oslo,

EITI International Secretariat, February 2021 and of the document " CONTRACT DISCLOSURE SURVEY 2018" from OXFAM BRIEFING PAPER MAY 2018

ⁱⁱ Lhuilier, G. (2016). Transnational right, Dalloz

ⁱⁱⁱ See "Questions and Answers with Rio Tinto", eiti.org/blog/qa-with-rio-tinto

^{iv} See "Questions and Answers with Total: the first major company to adopt a contract transparency policy", eiti.org/blog/qa-with-total-first-major-to-adopt-contract-transparency-policy

^v Rosenblum & Maples, Contracts Confidential.

^{vi} See EITI guidance on the implementation of Requirement 2.4 on contract disclosure: eiti.org/en/document/note-direction-7-over-transparency-contracts-list-verification

^{vii} See Oxfam's report, "Coral Fling Government Revenues" oxfamamerica.org/explore/research-publications/government-revenues-coral-fling/

^{viii} An online repository of oil and mining contracts <https://resourcecontracts.org/countries/cm>

^{ix} An Online Repository of Oil and Mining Contracts <https://resourcecontracts.org/countries/cm>

^x <https://www.journalducameroun.com/cameroun-la-snh-et-la-sonara-citees-dans-les-affaires-de-corruption-implicquantglen/>

^{xi} HELLER (P.) and WESTENBERG (E.), "5 steps for the disclosure of contracts and licenses within the framework of the EITI", Briefing Note, Natural Resource

Governance Institute, February 2016, p.1.



COALITION CAMEROUNAISE PUBLIEZ WHAT YOU PAY

Créé le 06 décembre 2005, la **coalition camerounaise publiez ce que vous payez (PCQVP)** est une coordination de différentes organisations de la société civile jouissant de la personnalité juridique, qui partagent les objectifs de :

- Suivi de la gestion équitable et transparente des ressources naturelles,
- Et de suivi de la mise en œuvre de **l'initiative de transparence dans les industries extractives (ITIE)** à laquelle le Cameroun a adhéré.

Ces acteurs relayent la campagne internationale **publiez ce que vous payez** au niveau national.

La coalition regroupe 13 organisations qui partagent les principes **d'indépendance**, de **collégialité**, de **l'action collective et solidaire** des membres, de **transparence**, **d'engagement citoyen** et de **non-violence**.



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