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► Analysis of the Construction Sector and Related Employment in Cameroon



► **Analysis of the Construction Sector and Related Employment in Cameroon**

Author: Nacisse Palissy Chassem Tchatchum



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► Table of contents

Table of contents	4
List of tables	6
List of figures	7
Acronyms and abbreviations	8
The construction sector in Cameroon in figures	9
Acknowledgements	11
Executive summary	12
Résumé exécutif	14
1. Introduction	17
2. Scale and importance of the sector in the economy	18
2.1. Contribution of the sector to GDP	18
2.2. Contribution of the sector to employment	21
2.3. Summary of chapter 2	23
3. Overview of the development policies of the sector	24
3.1. Orientations of the development policies of the sector	24
3.2. Overview of the sector regulatory system	25
3.2.1 Law No. 2023/008 of 25 July 2023, fixing the general regime of PPP contracts	25
3.2.2 Decree No. 2018/366 of 20 June 2018, on the public procurement code	25
3.2.3 Decree No. 2014/0611/PM of 24 March 2014, fixing the conditions of recourse and application of high-intensity of labour (EII) approaches	27
3.2.4 Circular No. 002/CAB/PM of 12 March 2007, relating to the use of local materials in the construction of public buildings	28
3.2.5 Directives of the Cabinet Council of 28 June 2012	28
3.3. Summary of chapter 3	28
4. Assessing the use of labour intensive approaches in the sector	29
4.1. Assessment of the EI technical unit of MEPRD	29
4.2. Implementation of EII approaches by other public structures	30
4.2.1 Implementation of the EI approach by the NPDP	30
4.2.2 Implementation of the EII approach by the NEF	31
4.2.3 Implementation of the EII approach by the Social Safety Nets Project	31
4.2.4 Implementation of the EII approach by the MHUD	31
4.2.5 Implementation of the EII approach by FEICOM	32
4.2.6 Overall employment outcomes	33
4.3. Summary of chapter 4	33
5. Productivity and skills in the sector	34
5.1. Productivity and wages in the construction sector	34
5.2. Education and skills in the construction sector	35
5.3. Summary of chapter 5	36
6. Characteristics of enterprises in the sector	37
6.1. Structure of enterprises in the construction sector	37

6.1.1 Activities of enterprises in the construction sector	37
6.1.2 Origin of capital of enterprises in the construction sector	38
6.1.3 Size of enterprises in the construction sector	39
6.2. Performance of enterprises in the construction sector	40
6.3. Summary of chapter 6	41
7. Overview of the construction value chain	42
7.1. Upstream construction value chain	42
7.2. Downstream construction value chain	45
7.3. Summary of chapter 7	50
8. Conclusion and recommendations	51
References	54
Annexes	56

► List of tables

Table 1. Evolution of the share of value added of the construction sector in GDP	18
Table 2. Growth of real value added and GDP	19
Table 3. Evolution of nominal value added and GDP	20
Table 4. Evolution of real value added and GDP	21
Table 5. Evolution of the population and number of employees	21
Table 6. Evolution of the number of employees in the construction sector	21
Table 7. Evolution of the number of informal employees in the construction sector	22
Table 8. Evolution of the number of permanent employees	22
Table 9. Evolution of the distribution of permanent jobs by professional category and nationality	22
Table 10. Distribution of permanent jobs in the construction sector in 2018	23
Table 11. Evolution of the average salary and value added per employee in the construction sector	34
Table 12. Evolution of the average wage and value added per employee in the formal sector	34
Table 13. Evolution of the average wage and value added per employee in the informal sector	34
Table 14. Evolution of the ratio of average annual salary and value added per employee in the formal sector to the informal sector	35
Table 15. Annual salaries of permanent employees in the formal sector by professional category and gender in 2018	35
Table 16. Number of NASPW graduates in 2021	36
Table 17. Categorization of construction enterprises in the construction sector	38
Table 18. Categorization of offices and consulting firms in the construction sector	38
Table 19. Categorization of enterprises based on turnover	39
Table 20. Evolution of the number of formal private enterprises	40
Table 21. Evolution of the cumulative turnover of formal private enterprises	40
Table 22. Nominal value added of the main components of the construction value chain in 2021	45
Table 23. Employees of the main components of the construction value chain in 2021	45
Table 24. Evolution of investment	47
Table 25. Breakdown of Cameroon's public debt	49
Table 26. Breakdown of public investments	50
Table 27. Official Exchange Rate (XAF per US\$)	56

► List of figures

Figure 1. Growth of real value added of the construction sector	19
Figure 2. Evolution of the share of the value added of the construction sector in GDP	20
Figure 3. Evolution of potential employment and the number of permanent employees	33
Figure 4. Distribution of formal private companies in the construction sector	39
Figure 5. Evolution of the number of formal private enterprises in the construction sector	40
Figure 6. Share of the construction sector in the cumulative turnover of formal enterprises in the economy	41
Figure 7. Breakdown of intermediate inputs used by the construction sector in 2021	42
Figure 8. Share of imports in intermediate inputs of the construction sector in 2021	43
Figure 9. Part used as intermediate input in the construction sector	44
Figure 10. Composition of construction sector outputs in 2021	45
Figure 11. Breakdown of the construction output used as intermediate inputs in 2021	46
Figure 12. Evolution of the distribution of investment	47
Figure 13. Breakdown of public investments by sector	48
Figure 14. Breakdown of public investments by ministry	48

► Acronyms and abbreviations

DTC	Decentralized Territorial Communities
EI	Employment Intensity / employment-intensive
EII	Employment Intensive Investment
EQI	Equipment Intensity
EMCAC	Economic and Monetary Central Africa Community
EU	European Union
FDA	French Development Agency
FEICOM	Special Council Support Fund for Mutual Assistance (English Translation)
FTE	Full Time Equivalent
GDP	Gross Domestic Product
IMF	International Monetary Fund
ILO	International Labour Organization
LE	Large Enterprise
ME	Medium Enterprise
MEPRD	Ministry of Economy, Planning and Regional Development
MEVT	Ministry of Employment and Vocational Training
MHUD	Ministry of Housing and Urban Development
MINMAP	Ministry of Public Procurement
NASPW	National Advanced School of Public Works
NCEEP	National Civil Engineering Equipment Park
NCEL	National Civil Engineering Laboratory
MPLM	Mission for the Promotion of Local Materials
NEF	National Employment Fund
NDS30	Cameroon's National Development Strategy over the period 2020 - 2030
NIS	National Institute of Statistics
NPDP	National Participatory Development Program
OPEC	Organization of the Petroleum Exporting Countries
PIB	Public Investment Budget
PM	Prime Minister
SDPSCEFI	Social Development Program for Secondary Cities Exposed to Factors of Instability
SE	Small Enterprise
TO	Turnover
USEP	Urban Special Employment Program
US\$	United States Dollar
VSE	Very Small Enterprise
WO	Work Opportunity
XAF	EMCAC currency

► The construction sector in Cameroon in figures

1. Scale and Importance of the Construction Sector	
1.1. Value added of the construction sector in 2021	US\$ 2,599 billion
1.2. Share of the value added of the construction sector in GDP in 2021	6.1%
1.3. Number of employees in the construction sector in 2020	675,061
1.4. Share of the construction sector in employment in 2020	2.8%
1.5. Number of permanent employees in the construction sector in 2020	25,344
1.6. Share of the construction sector in the permanent employment in 2020	7.0%
1.7. Share of non-Cameroonian permanent employees of the construction in 2020	2.3%
1.8. Share of women permanent employees of the construction in 2018	15.0%
1.9. Share of informal employment in the construction sector in 2020	95.9%
2. Use of EI approaches by the EII technical Unit of MEPRD	
2.1. Number of partners Decentralized Territorial Communities	52
2.2. Number of direct jobs created	More than 10,597
2.3. Amount of wages paid to the local population	US\$ 8.0 million
2.4. Number of Km of roads cleaned up and paved	15
2.5. Number of Km of roads cleaned up and rehabilitated	More than 69
2.6. Number of unskilled workers trained in various specialties of the construction sector	3,535
2.7. Number of social housing units built from compressed earth blocks	35
2.8. Number of classrooms built with local materials in public primary schools	27
2.9. Number of shops built in markets	More than 50
3. Productivity and wages in the construction sector	
3.1. Value added of the construction sector per worker in 2021	US\$ 3,969
3.2. Average annual salary in the construction sector in 2021	US\$ 1,515
3.3. Value added per formal construction sector worker in 2019	US\$ 11,739
3.4. Average annual salary in the formal construction sector in 2019	US\$ 6,621
3.5. Value added per worker of informal the construction sector in 2019	US\$ 3,139
3.6. Average annual salary in the informal construction sector in 2019	US\$ 1,196
3.7. Average annual salary of a male permanent employee in the construction sector in 2018	US\$ 5,958
3.8. Average annual salary of a female permanent employee in the construction sector in 2018	US\$ 2,745
3.9. Ratio of average annual salary in the formal sector to the informal sector	5
4. Characteristics of enterprises of the construction sector	
4.1. Number of formal private enterprises in the construction sector in 2020	1,801
4.2. Share of construction sector in formal private enterprises in 2020	3.8%
4.3. Proportion of formal private large enterprises in the construction sector in 2020	2.5%
4.4. Proportion of formal private medium enterprises in the construction sector in 2020	6.9%
4.5. Proportion of formal private small enterprises in the construction sector in 2020	27.2%
4.6. Proportion of formal private very small enterprises in the construction sector in 2020	60.7%
4.7. Turnover of formal private enterprises of the construction sector in 2020	US\$ 1,632 million
4.8. Share of the construction sector in the turnover of formal private enterprises in 2020	7.3%
4.9. Average annual growth rate of the number of enterprises during the period 2014 - 2020	13.7%

5. Overview of the construction value chain	
5.1. Share of materials and manufactured goods in the inputs of the construction sector in 2021	87%
5.2. Share of services in the inputs of the construction sector in 2021	13%
5.3. Value added of the construction value chain in 2021	US\$ 3,780 million
5.5. Share of the value added of the construction value chain to GDP in 2021	8.3%
5.5. Number of employees of the construction value chain in 2021	1.6 million
5.6. Share of the construction value chain to total employment in 2021	6.6%
5.7. Share of construction sector output categorized as investment goods in 2021	97.0%
5.8. Share of the budget devoted to infrastructure in the public investment budget in 2021	60.8%
5.9. Share of the private sector in investment in 2021	78.6%

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Executive Summary

The construction sector is one of the fundamental pillars of Cameroon's national development strategy. However, despite the remarkable performance recorded over the past decade, the share of employment in the sector in total employment remains low. In 2021 it was 3 per cent in Cameroon, well below the African average of 4.2 per cent and the 7.8 per cent global average.

This study highlights several constraints of and many opportunities for the creation of decent jobs in the construction sector in Cameroon. The main findings are:

The contribution of the construction sector to the economy has increased, but growth slowed:

- The contribution of the construction sector to the economy has increased in recent years due to the massive public investments made by the government in infrastructure.
- However, the growth rate of the real value added of the construction sector has slowed down, due to several economic, security and health crises.

Policies and regulations in the sector offer opportunities, but results are not meeting expectations:

- The policy orientation and the regulatory framework in the construction sector in Cameroon offer several opportunities for the creation of decent jobs both by large companies and by SMEs, and in urban areas as in rural areas.
- Unfortunately, job creation channels have not yet produced the expected results.

Productivity increased, but wages have not caught up, while skilling remains a challenge:

- Productivity as measured by value added per employee in the construction sector has increased.
- However, salaries remained stable. In particular wages in the formal sector have increased while they have rather decreased in the informal sector.
- Productivity is 3.5 times higher in the formal sector than in the informal sector. The average salary is 5 times higher in the formal sector than in the informal sector.
- In the formal sector, a significant share of enterprises do not respect the regulations in terms of wages and working conditions of employees.
- The main problem of competence in the construction sector lies in the quality level of training in both public and private training structures. These are also sorely lacking appropriate equipment.
- There is a National Collective Agreement for companies in the construction sector, but since it is not properly applied, it does not significantly contribute to the creation of decent and productive jobs in the construction sector.
- Many training institutions have signed internship and apprenticeship agreements with companies. However, the absence of regulations on internships and apprenticeships limits the contribution of companies to skills development.
- Women are under-represented in construction trades (15 per cent). In addition, they are paid less than their male counterparts for the same jobs.

Construction sector enterprises are largely small and face formidable challenges:

- The number of formal private enterprises in the construction sector continues to increase. More than 60 per cent of formal private enterprises are very small enterprises.
- Companies in the construction sector are faced with many difficulties, in particular insufficient access to financing, particularly for SMEs, non-compliance with payment deadlines by the public administration, insufficient equipment, the vast number of informal actors in the sector, foreign competition, and lack of engineering/project management skills.

The construction sector creates strong demand for other sectors, but further opportunities exist:

- Over 87 per cent of inputs to the construction sector consist of materials and manufactured goods. Just under 13 per cent of inputs are accounted for by services.
- The largest category of inputs used by the construction sector is "Forestry and logging products". It is followed by "Other non-metallic mineral products", "Basic metal products", and "Wood and wood products".

- The main intermediate input materials and manufactured goods used in the construction sector of Cameroon such as “Forestry and logging products” and “Wood and wood products” are supplied domestically.
- However, other important intermediate inputs have potential for increased local sourcing; for example, “Other non-metallic mineral products” and “Basic metal products” are imported respectively at 39.5 per cent and 46.6 per cent. “Other extraction products” are imported at 15.6 per cent.
- The most imported services used as intermediate inputs by the construction sector are “Professional, scientific and technical services”. These services include “Architectural and engineering services”.
- Products that are highly dependent on the construction sector and vice versa are notably “Forestry and logging products”, “Other non-metallic mineral products”, “Basic metal products”, “Wood and wood products” and “Other extraction products”.
- The bulk of public investment (60.8 per cent) is devoted to infrastructure.
- Cameroon's two main bilateral partners in terms of public investment financing are Eximbank China and France. Between them, they account for more than 90 per cent of Cameroon's bilateral public debt.
- “Roads and rural tracks” receive the largest portion of the Public Investment Budget (PIB).

These findings suggest several **recommendations** to increase the creation of decent jobs in Cameroon:

- Simply complying with regulations could have a considerable positive impact on job creation.
- In addition, the application of the following specific regulations would enhance employment outcomes of the sector in Cameroon be improved:
 - (a) **Improved salary and working conditions of employees** could improve the participation of young people and women in the construction labour market.
 - (b) **Use of labour-based technologies** and EII approaches could increase employment in the formal construction sector. For this purpose:
Complete the regulatory corpus promoting the EII approach by validating the following texts: The draft order establishing the procedures for awarding EII contracts; and the draft order establishing the specific procedures for executing projects following the EII approach.
 - (c) **Local content and national preference** could increase the use of local materials and enterprises as subcontractors and consequently increase job creation and reduce the impact of investments on the current account deficit.
 - (d) **Respecting payment deadlines** could improve the financing and equipment capacity of enterprises especially SMEs.
 - (e) **Transfers of skills and resources** to local government in the context of accelerating decentralization should improve their contribution to development through the construction of infrastructure and the creation of jobs in both urban and rural areas.
- Improving governance could strengthen job creation in the construction sector. In terms of skills, there should be **regulations on apprenticeships** that encourage enterprises' participation in training of workers.
- Intensify the training and **capacity building of the main actors** in planning, programming, budgeting, execution of public investment projects in EII approaches with particular emphasis on Decentralized Territorial Communities.
- Introduce the teaching of labour-based approaches in the **training programmes for engineers and technicians** in the construction sector.
- Encourage the establishment of a **workers' union** in the construction sector.
- Improving **the investment climate and the stability of the macroeconomic framework**, particularly in terms of public debt, could reduce the informal sector, increase private local and foreign investment and job creation in the construction sector.
- Consideration should be given to increasing **local manufacturing of inputs** and equipment which are currently imported.

Résumé exécutif

Le secteur de la construction est l'un des piliers sur lesquels repose la stratégie nationale de développement du Cameroun. Or, malgré les performances remarquables observées ces dix dernières années dans ce secteur, le nombre d'emplois créés par celui-ci reste bien en deçà de ce qu'il pourrait être. Rien qu'en mettant en œuvre l'approche HIMO dans le cadre de projets d'investissement public, il serait possible de multiplier par cinq le nombre d'emplois formels créés par le secteur de la construction.

Cette étude a mis en évidence plusieurs contraintes, mais aussi de nombreuses possibilités de création d'emplois décents, dans le secteur de la construction au Cameroun. Les principales conclusions de l'étude sont résumées ci-dessous.

En ce qui concerne la contribution du secteur de la construction à l'économie :

- La contribution du secteur de la construction à l'économie a augmenté ces dernières années en raison des investissements publics massifs réalisés par le gouvernement dans les infrastructures.
- La croissance de la valeur ajoutée réelle du secteur de la construction tend à diminuer, en raison notamment de plusieurs crises économiques, sécuritaires et sanitaires.
- L'emploi dans le secteur de la construction est pour l'essentiel informel (plus de 95 % des emplois).

Concernant les politiques de développement du secteur :

- Les orientations des politiques de développement et le cadre réglementaire du secteur de la construction au Cameroun offrent de nombreuses possibilités de créer des emplois décents, tant dans les grandes entreprises que dans les PME, dans les zones urbaines comme dans les zones rurales.
- Malheureusement, les canaux de création d'emplois n'ont pas encore produit les résultats escomptés. En particulier, le nombre d'emplois créés par les technologies à haute intensité de main-d'œuvre reste très inférieur à ce qu'il pourrait être.

Pour ce qui est de la productivité et des compétences dans le secteur :

- La productivité, mesurée par la valeur ajoutée par personne occupée, a augmenté dans le secteur de la construction.
- Cependant, les salaires sont restés stables. Plus précisément, les salaires ont augmenté dans le secteur formel alors qu'ils ont plutôt diminué dans le secteur informel.
- La productivité est 3,5 fois plus élevée dans le secteur formel que dans le secteur informel. Le salaire moyen est quant à lui 5 fois plus élevé dans le secteur formel que dans le secteur informel.
- Dans le secteur formel, une part importante des entreprises ne respecte pas la réglementation concernant les salaires et les conditions de travail.
- La rareté de la main-d'œuvre qualifiée est une caractéristique du secteur de la construction. Il existe pourtant plusieurs universités, écoles et établissements privés qui forment aux métiers de la construction.
- S'agissant des compétences dans le secteur de la construction, le principal problème réside dans la qualité de la formation dispensée dans les structures de formation publiques et privées. Celles-ci manquent cruellement de matériel adapté et de repères normatifs.
- Il existe une convention collective nationale pour les entreprises du secteur de la construction, mais, faute d'être appliquée, elle n'a pas permis de créer des emplois décents et productifs dans le secteur.
- Pour remédier à cette situation, les structures de formation ont signé des conventions de stage et d'apprentissage avec les entreprises. Toutefois, l'absence d'une réglementation concernant les stages et les apprentissages limite la contribution des entreprises à la formation.
- Les femmes sont sous-représentées dans les métiers de la construction (15 %). Elles sont en outre moins bien payées que leurs homologues masculins à travail égal.
- L'OIT et l'ENSTP ont signé un protocole d'accord pour une coopération technique visant à promouvoir des approches à haute intensité de main-d'œuvre.

Concernant les caractéristiques des entreprises du secteur :

- Le nombre d'entreprises privées formelles continue d'augmenter dans le secteur de la construction. Plus de 60 % des entreprises privées formelles sont de très petites entreprises.
- Le chiffre d'affaires cumulé (annuel) des entreprises du secteur de la construction est en augmentation. Il en va de même de la part du secteur dans le chiffre d'affaires cumulé de l'ensemble de l'économie.
- Les entreprises du secteur de la construction sont confrontées à de nombreuses difficultés, en particulier un accès insuffisant au financement – surtout pour les PME –, le non-respect des délais de paiement par l'administration publique, le manque de matériel, la pénétration généralisée du secteur par des acteurs informels, la concurrence étrangère et le manque de compétences dans des domaines comme l'ingénierie ou la gestion de projet.
- Le climat des affaires est très défavorable aux investissements privés.

S'agissant de la chaîne de valeur de la construction :

- Plus de 87 % des facteurs de production (intrants) du secteur sont des matériaux et des produits manufacturés. Les services représentent un peu moins de 13 % des facteurs de production.
- Les facteurs de production utilisés par le secteur de la construction appartiennent en grande partie à la catégorie des « Produits de la sylviculture et de l'exploitation forestière ». Viennent ensuite les catégories « Autres produits minéraux non métalliques », « Produits métalliques de base » et « Produits du travail du bois et articles en bois ».
- Les politiques et réglementations relatives à la préférence nationale et à la teneur en éléments d'origine nationale sont peu appliquées.
- Les principaux facteurs de production intermédiaires – matériaux et produits manufacturés – utilisés par le secteur de la construction au Cameroun, qui appartiennent notamment aux catégories « Produits de la sylviculture et de l'exploitation forestière » et « Produits du travail du bois et articles en bois », sont des productions nationales.
- En revanche, d'autres matériaux et produits manufacturés intermédiaires essentiels appartenant aux catégories « Autres produits minéraux non métalliques » et « Produits métalliques de base » sont importés à hauteur de 39,5 % et 46,6 % respectivement. Les facteurs de production de la catégorie « Autres produits d'extraction » sont importés à hauteur de 15,6 %.
- Parmi les services utilisés comme intrants intermédiaires par le secteur de la construction, les « Services professionnels, scientifiques et techniques » sont ceux qui sont le plus importés. Ils comprennent notamment les « Services d'architecture et d'ingénierie ».
- Le Cameroun importe de Chine une partie des matières minérales, des produits chimiques, métalliques, en caoutchouc et en plastique, des machines, des appareils électriques et des matériels utilisés par le secteur de la construction.
- Une partie de ses importations de pétrole raffiné provient de l'Inde, de la France et du Nigéria.
- Les produits qui dépendent fortement du secteur de la construction et inversement appartiennent notamment aux catégories « Produits de la sylviculture et de l'exploitation forestière », « Autres produits minéraux non métalliques », « Produits métalliques de base », « Produits du travail du bois et articles en bois » et « Autres produits d'extraction ».
- La majeure partie des investissements publics (60,8 %) est consacrée aux infrastructures. Pour ce qui est du financement des investissements publics, les deux principaux partenaires bilatéraux du Cameroun sont la Banque d'import-export (Eximbank) de Chine et la France. Ensemble, ils représentent plus de 90 % de la dette publique bilatérale du Cameroun. La plus grande partie du budget d'investissement public (BIP) est consacrée aux « Routes et pistes rurales ».
- Ce constat amène plusieurs recommandations pour stimuler la création d'emplois décents au Cameroun.
- Dans l'immédiat, le simple respect de la réglementation, notamment dans les domaines précisés ci-dessous, pourrait avoir un impact positif considérable sur le nombre d'emplois décents créés.
- **De meilleurs salaires et de meilleures conditions de travail** pourraient améliorer la participation des jeunes et des femmes au marché du travail dans le secteur de la construction.

- **Le recours à des technologies à haute intensité de main-d'œuvre** pourrait multiplier par quatre, voire cinq le nombre de travailleurs permanents dans le secteur formel de la construction. À cet effet, il conviendrait de :
 - Compléter le corpus réglementaire favorisant l'approche HIMO en validant les textes suivants :
 - Le projet de décret fixant les procédures d'attribution de marchés HIMO ;
 - Le projet de décret fixant les modalités spécifiques d'exécution des projets selon l'approche HIMO ;
 - L'élaboration d'un dossier type de consultation des entreprises spécifique aux approches à haute intensité de main-d'œuvre.
 - Intensifier la formation et le renforcement des capacités des principaux acteurs de la planification, de la programmation, de la budgétisation et de l'exécution de projets d'investissement public dans le domaine des approches HIMO, en mettant particulièrement l'accent sur les collectivités territoriales décentralisées ;
 - Introduire l'enseignement des approches à haute intensité de main-d'œuvre dans les programmes de formation des ingénieurs et techniciens du secteur de la construction ;
 - Encourager la création d'un syndicat des travailleurs de la construction.
- Le respect des **politiques et réglementations relatives à la teneur en éléments d'origine nationale et à la préférence nationale** permettrait d'accroître l'utilisation de matériaux locaux et le recours à des entreprises nationales en tant que sous-traitants et, par conséquent, de stimuler la création d'emplois et de réduire l'impact des investissements sur le déficit des comptes courants.
- Respecter **les délais de paiement** pourrait améliorer la capacité des entreprises, et en particulier des PME, à se financer et à s'équiper.
- **Les transferts de compétences et de ressources** aux municipalités, dans le contexte de l'accélération de la décentralisation, devraient renforcer la contribution des communes au développement du pays par la construction d'infrastructures et la création d'emplois dans les zones urbaines et rurales.

À moyen terme, une meilleure gouvernance pourrait renforcer la création d'emplois dans le secteur de la construction. Sur le plan des compétences, il conviendrait de **réglementer les apprentissages** pour inciter les entreprises à prendre part à la formation des travailleurs.

Le processus de dématérialisation des marchés publics devrait être accéléré pour améliorer la transparence dans ce secteur.

L'amélioration du climat d'investissement et la stabilisation du cadre macroéconomique, en matière de dette publique notamment, pourraient avoir comme effet un recul du secteur informel, une augmentation des investissements privés nationaux et étrangers, et la création d'emplois dans le secteur de la construction.

À long terme, **il convient de réfléchir aux moyens de fabriquer localement les facteurs de production et les équipements** qui, pour la plupart, sont importés.

1. Introduction

This study explores the construction industry in Cameroon with the aim of highlighting the opportunities for creating more and better jobs in this sector. It is undertaken as part of the International Labour Organization (ILO)'s STRENGTHEN2 project and will contribute to the achievement of the objectives Cameroon's National Development Strategy over the period 2020 - 2030 (NDS30) in terms of job creation.

The STRENGTHEN2 project titled "Employment impact assessment to maximize job creation in Africa" is a joint initiative of the European Union (EU) and the ILO that focuses on job creation through investments. The project is helping to better measure the employment impact of investment-support actions and identifying opportunities for employment generation by analyzing specific sectors.

NDS30 has identified the Employment Intensive Investment (EII) approach as one of the key tools to create job opportunities for youth, women and vulnerable persons and to ensure their skills development. In particular, the NDS30 aims to: (i) reduce the underemployment¹ rate from 77 per cent in 2014 to 50 per cent in 2030; and (ii) reduce the poverty rate from 37.5 per cent in 2014 to less than 25 per cent in 2030.

The construction sector occupies a prominent place in the economy. This sector is not only among those which create the most wealth, but it also employs a significant part of the population. According to the National Institute of Statistics (NIS) of Cameroon, in 2021, the construction sector contributed more than 6 per cent to Gross Domestic Product (GDP) and almost 7 per cent to permanent jobs. It is made up of: (i) residential building (construction of building for residential use); (ii) non-residential building (construction of buildings for industrial or commercial, public buildings); and (iii) public works (construction of roads, ports, airports, railways, hydraulic development, etc.).

In Cameroon, the construction sector has benefited from significant public investments during the period 2010-2020. During this period, the Public Investment Budget (PIB) represented 30.1 per cent of the State Budget against only 17.2 per cent over the period 2000 - 2010 (according to the settlement acts from 2000 to 2020). The Government has launched the construction of major infrastructure projects to provide the country with dams, highways, bridges, football stadiums, etc. The government also launched a three-year emergency programme for the acceleration of growth in 2017, of which a significant part of the financing was intended for infrastructure works.

The overall objective of this study is to analyze the construction sector and related sectors in Cameroon. Specifically, this will be to:

- Describe the situation for the construction sector (investments, jobs, production, etc.) in the economy;
- Examine employment in the construction sector in terms of quantity, skill, gender, productivity, informality, working conditions, etc.);
- Provide a description of enterprises in the construction sector;
- Analyze the construction industry with particular emphasis on related sectors and subcontracting; and
- Identify key activities and sub-sectors that provide inputs to the construction sector, distinguishing those that are produced locally from those that are imported.

The rest of the study consists of six further chapters. Chapter 2 describes the contribution of the construction sector in the economy, chapter 3 is dedicated to the orientations of the development policy of the construction sector, and chapter 4 assesses the use of labour-intensive approaches in the construction sector. The fifth chapter deals with the productivity and skills of the work force in the construction sector and chapter 6 provides some characteristics of the enterprises in the construction sector. Chapter 7 provides an overview of the construction sector value chain in Cameroon and chapter 8 concludes.

¹ Visible underemployment is a situation which characterizes employed workers involuntarily working less than 35 hours per week in their main job, for reasons linked to the employer or because of poor economic conditions. Invisible underemployment is the situation of the employed person whose hourly income from the main job during the reference month is lower than the standard set by the regulations in force.

2. Scale and importance of the sector in the economy

This chapter analyzes the contribution of the construction sector to the economy. The importance of the sector in production is analyzed through the share of the sector's value added in GDP and the evolution of real and nominal value added. The analysis of the sector's contribution to job creation is approached through the shares in formal and informal jobs and the distribution of jobs in the sector according to socio-professional category, nationality and gender.

2.1. Contribution of the sector to GDP

The contribution of the construction sector to GDP in Cameroon increased over the period 2015 - 2021. The share of value added of the construction sector in GDP has continuously increased from 5.1 per cent in 2015 to 6.2 per cent in 2020, before falling slightly to 6.1 per cent in 2021 (see Table 1). Over the same period, the share of value added of the construction sector fell on average in the countries of Central Africa. On the other hand, it increased on average in Africa and remained quite stable in the world (see Table 1).

► **Table 1. Evolution of the share of value added of the construction sector in GDP**

Year	Cameroon	Côte d'Ivoire	World	Africa	Central Africa
2015	5.1%	4.9%	5.6%	5.9%	9.5%
2016	5.2%	4.2%	5.6%	6.1%	8.7%
2017	5.4%	4.0%	5.7%	6.1%	8.9%
2018	5.6%	3.9%	5.7%	6.2%	6.3%
2019	5.6%	4.0%	5.8%	6.6%	5.9%
2020	6.2%	3.9%	5.8%	6.8%	4.7%
2021	6.1%	3.9%	5.8%	7.0%	4.1%

Source: Calculations from national accounts data (1995 - 2021) of the NIS Cameroon and statistics by UNCTAD.

This performance in Cameroon is the result of an increase in value added of the construction sector that is higher than that in GDP. In particular, the evolution of the value added of the construction sector was faster than that of the secondary sector (see Table 2).

Cameroon's national development strategy for the period 2010 - 2020 has focused on infrastructure development. During this period, the Government launched the construction of major infrastructure projects in the road, port and energy sectors. The Public Investment Budget experienced strong growth from US\$ 1.1 billion in 2010 to US\$ 2.6 billion in 2020, or 10.3 per cent on average annually. During this decade (2010 - 2020), the share of the Public Investment Budget in the State Budget was 30.1 per cent against only 17.2 per cent during the decade before (2000 - 2010).

Financing the construction of major infrastructure projects contributed to Cameroon's high level of public debt. The country's public debt-to-GDP ratio has increased from less than 12 per cent in 2010 to over 40 per cent in 2020. In 2022, Cameroon's public debt is US\$ 19.8 billion, and the public debt-to-GDP ratio is 46.3 per cent.

At the same time there is a slowdown in the growth of value added in the construction sector. Figure 1. shows that the growth of real value added in the construction sector has been falling. It fell from 12.0 per cent in 2016 to 3.2 per cent in 2021.

► Table 2. Growth of real value added and GDP

Year	Construction Sector	Secondary Sector	GDP
2015	5.7%	6.4%	5.7%
2016	12.0%	5.0%	4.5%
2017	8.5%	1.4%	3.5%
2018	7.7%	4.4%	4.0%
2019	7.9%	3.8%	3.5%
2020	6.8%	1.4%	0.3%
2021	3.2%	3.2%	3.6%

Source: Calculations from national accounts data (1995 – 2021) of the NIS Cameroon.

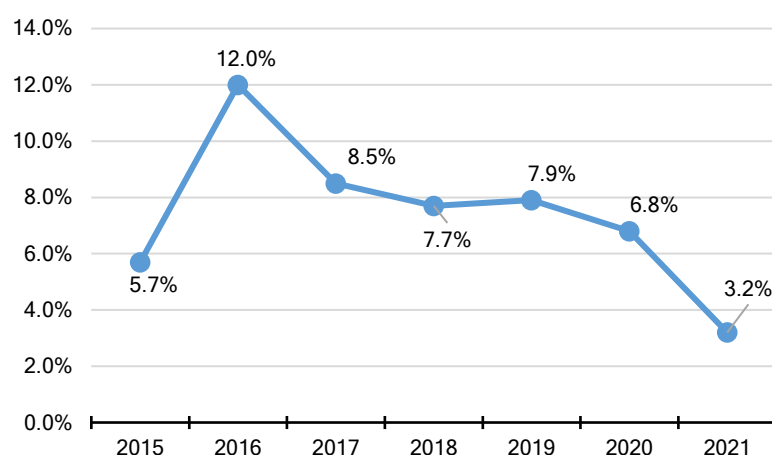
This decline in performance in the construction sector is linked to the multiple crises that have affected Cameroon and several other countries in the Central African sub-region. Since 2014 Cameroon is undergoing several crises which lead the Government to reduce investments in infrastructure.

Crises began with the fall in world prices for a barrel of crude oil, impacting Cameroon as an oil exporter. The average price fell from 108.4 US dollars in June 2014 to 47.1 US dollars in January 2015, then to 29.8 US dollars in January 2016. In less than two years, world crude oil prices lost more than 72 per cent of their value.

Security crises came on top of the fall in the price of a barrel of crude oil. They affect five of the ten regions of Cameroon. The most significant security crises, due to their violence and duration, are those that have taken place in the Far North region, and in the so-called English-speaking North-West and South-West regions.

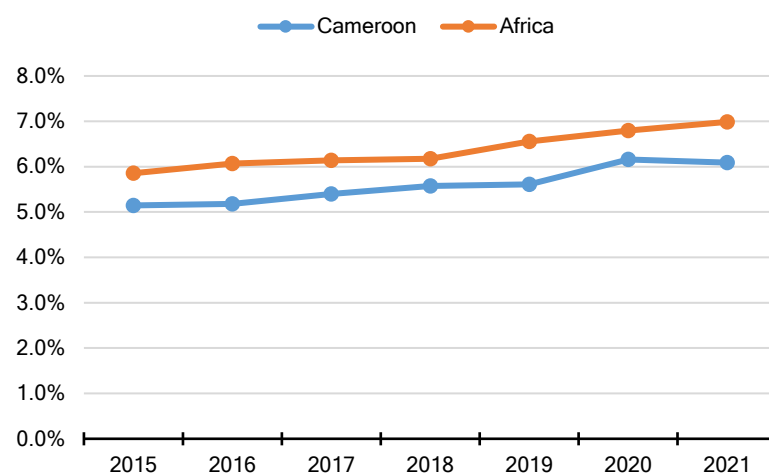
At the end of 2019, the health crisis of the Covid-19 pandemic occurred, affecting the world economy in general and that of Cameroon in particular. All these crises will contribute to slowing down of economic activity in Cameroon.

► Figure 1. Growth of real value added of the construction sector



Source: Calculations from national accounts data (1995 – 2021) of the NIS Cameroon.

However, by 2021, the construction sector occupies a more important place in the economy in Cameroon than is the case in Côte d'Ivoire and the countries of Central Africa as a group (see Table 1). On the other hand, the share of the construction sector in GDP in Cameroon remained below the average for Africa over the period (see Figure 2).

► **Figure 2. Evolution of the share of value added of the construction sector in GDP**

Source: Calculations from national accounts data (1995 – 2021) of the NIS Cameroon and statistics by UNCTAD.

The value added of the construction sector nevertheless recorded a continuous increase in nominal and real terms over the period 2015 – 2021. In nominal terms, it increased from US\$ 1,657 million in 2015 to US\$ 2,761 million in 2021 (see Table 3). In real terms, it increased from US\$ 927 million in 2015 to US\$ 1,442 million in 2021 (see Table 4).

► **Table 3. Evolution of nominal value added and GDP**

Year	Construction Sector	Secondary Sector	GDP
Billion XAF			
2015	980	4 778	19 043
2016	1 038	4 846	20 039
2017	1 132	5 016	20 961
2018	1 237	5 480	22 203
2019	1 304	5 538	23 244
2020	1 445	5 407	23 469
2021	1 531	6 159	25 142
Million US\$			
2015	1 657	8 082	32 210
2016	1 752	8 177	33 814
2017	1 949	8 639	36 099
2018	2 228	9 866	39 974
2019	2 225	9 452	39 671
2020	2 511	9 393	40 773
2021	2 761	11 107	45 338

Source: Calculations from national accounts data (1995 – 2021) of the NIS Cameroon.

► Table 4. Evolution of real value added and GDP

Year	Construction Sector	Secondary Sector	GDP
Billions XAF			
2015	927	4 617	19 169
2016	1 038	4 846	20 039
2017	1 126	4 914	20 748
2018	1 213	5 128	21 569
2019	1 309	5 321	22 318
2020	1 397	5 397	22 376
2021	1 442	5 571	23 193
Million US\$			
2015	1 568	7 810	32 423
2016	1 752	8 177	33 814
2017	1 939	8 463	35 732
2018	2 183	9 232	38 832
2019	2 234	9 081	38 092
2020	2 428	9 377	38 876
2021	2 599	10 046	41 825

Source: Calculations from national accounts data (1995 – 2021) of the NIS Cameroon.

2.2. Contribution of the sector to employment

The population of Cameroon is growing at nearly 2.5 per cent on average per year. Over the period 2016 – 2021, it increased from 23.9 million in 2016 to 27.2 million in 2021. According to data from NIS of Cameroon, the share of the employees in the population increased from 85.5 per cent in 2016 to 91.1 per cent in 2021 (see Table 5).

► Table 5. Evolution of the population and number of employees

Year	Number of employees	Population	Share of employees in the population
2016	20 455 988	23 926 549	85.5%
2017	21 563 944	24 566 070	87.8%
2018	22 427 800	25 216 261	88.9%
2019	23 363 260	25 876 387	90.3%
2020	23 921 194	26 545 864	90.1%
2021	24 800 158	27 224 262	91.1%

Source: Calculations from national accounts data (1996 – 2021) of the NIS Cameroon and WDI.

The number of employees in the construction sector grew by 4.1 per cent on average per year from 570 thousand in 2016 to 696 thousand in 2021, keeping the share of the sector in total employees stable. Over the period 2016 – 2021, the contribution of the construction sector to the number of employees was stable. The share of the construction sector in the number of employees remained constant at 2.7 per cent – 2.8 per cent over the period considered (see Table 6). This is well below the average for Africa of 4.2 per cent and the global average of 7.8 per cent for 2021 (ILO).

► Table 6. Evolution of the number of employees in the construction sector

Year	Construction Sector	Overall Economy	Share of the construction sector
2016	569 503	20 455 988	2.8%
2017	580 801	21 563 944	2.7%
2018	616 486	22 427 800	2.7%
2019	637 278	23 363 260	2.7%
2020	675 061	23 921 194	2.8%
2021	695 719	24 800 158	2.8%

Source: Calculations from national accounts data (1996 – 2021) of the NIS Cameroon.

Most jobs in the construction sector (more than 95 per cent) are informal (see Table 7). Less than 5 per cent of jobs in the construction sector are formal, of which 91.3 per cent are permanent and 8.7 per cent are temporary.

► **Table 7. Evolution of the number of informal employees in the construction sector**

Year	Informal Construction Sector	Overall Construction Sector	Share of the informal construction sector
2016	548 510	569 503	96.3%
2017	556 300	580 801	95.8%
2018	593 636	616 486	96.3%
2019	608 613	637 278	95.5%
2020	647 302	675 061	95.9%

Source: Calculations from national accounts data and report on modern companies (2016 - 2020) of the NIS Cameroon.

The number of permanent employees in the construction sector grew faster than in the economy as a whole. Consequently, the share of the construction sector in the number of permanent employees increased from 4.3 per cent in 2017 to 7.0 per cent in 2020 (see Table 8).

► **Table 8. Evolution of the number of permanent employees**

Year	Construction Sector	Overall Economy	Share of the construction sector
2014	12 986	303 315	4.3%
2015	14 171	324 752	4.4%
2016	19 167	360 426	5.3%
2017	22 369	360 912	6.2%
2018	20 862	354 214	5.9%
2019	26 171	374 189	7.0%
2020	25 344	364 091	7.0%

Source: Calculations from national accounts data and report on modern companies (2014 - 2020) of the NIS Cameroon.

The analysis of permanent jobs in the construction sector according to professional category and nationality shows that non-Cameroonians occupy more than 30 per cent of senior executive's positions. In the other professional categories, this proportion is less than 2 per cent (see Table 9 for absolute numbers).

► **Table 9. Evolution of the distribution of permanent jobs by professional category and nationality**

Year	2016	2017	2018	2019	2020
Senior executives	942	1 101	1 026	1 288	1 247
Cameroonians	649	775	722	906	878
Non-Cameroonian	293	326	304	381	369
Senior technicians and middle managers	1 402	1 588	1 481	1 858	1 799
Cameroonians	1 359	1 562	1 457	1 828	1 770
Non-Cameroonian	42	26	24	30	29
Technicians, supervisors and skilled workers	4 734	5 384	5 021	6 299	6 100
Cameroonians	4 714	5 354	4 994	6 264	6 066
Non-Cameroonian	20	30	28	35	34
Employees, labourers, workers and apprentices	12 089	14 296	13 333	16 726	16 198
Cameroonians	11 993	14 165	13 211	16 573	16 049
Non-Cameroonian	96	131	123	154	149
Total	19 167	22 369	20 862	26 171	25 344
Cameroonians	18 715	21 856	20 384	25 571	24 763
Non-Cameroonian	452	513	478	600	581

Source: Calculations from report on modern companies (2016 - 2020) of the NIS Cameroon.

► Table 10. Distribution of permanent jobs in the construction sector in 2018

	Number of employees	Share of Total
Senior executives	1 026	100.0%
Male	899	87.5%
Female	128	12.5%
Senior technicians and middle managers	1 481	100.0%
Male	1 248	84.3%
Female	233	15.7%
Technicians, supervisors and skilled workers	5 021	100.0%
Male	4 384	87.3%
Female	637	12.7%
Employees, labourers, workers and apprentices	13 333	100.0%
Male	11 133	83.5%
Female	2 201	16.5%
Total	20 862	100.0%
Male	17 724	85.0%
Female	3 138	15.0%

Source: Calculations from report on modern companies of the NIS Cameroon.

Table 10 shows the distribution of permanent jobs in the construction sector in 2018 by professional category and gender. We note that women are generally less represented in all professional categories. They represent only 12.5 per cent of senior executives, 15.7 per cent of senior technicians, 12.7 per cent of technicians, and 16.5 per cent of workers.

2.3. Summary of chapter 2.

In summary, this chapter highlighted the following main findings:

- The contribution of the construction sector to the economy has increased in recent years due to the massive public investments made by the government in infrastructure.
- However, the share of the construction sector to GDP remains below the African average,
- The growth rate of the real value added of the construction sector is in decline.
- Employment in the construction sector is less than 3 per cent of overall employment and mostly informal (more than 95 per cent).
- However, the evolution of the number and share of permanent jobs in the formal sector is on the rise.
- Non-Cameroonians occupy more than 30 per cent of management positions. For the other professional categories, the proportion of non-Cameroonians is less than 2 per cent.
- Women are under-represented in construction trades (15 per cent).

3. Overview of construction sector related policies

This chapter provides an overview of the construction sector related policies and measures from the National Development Strategy of Cameroon 2020-2030. It also presents some key elements of the regulatory framework of the construction sector relevant to the promotion of job creation in Cameroon.

3.1. Orientations of the development policies of the sector

During the decade 2010-2020, the construction of infrastructure, particularly in the Road, Port and Energy Sectors, was the main pillar of the government's Growth and Employment Strategy. In the road sector, the government's strategy aimed to improve the level of service via the extension of the national road network, the maintenance and rehabilitation of the existing network as well as the intensification of the asphaltting of roads in earth. A particular emphasis was put on rural areas through a policy of opening up rural roads. In the port sector, the government's objective was to develop new infrastructure. Likewise, in the energy sector, the government aimed to provide the country with new dams to overcome the energy deficit.

In the field of buildings, the government's objective was to increase the availability of inputs (cement, concrete iron, etc.) to meet demand. It also aimed at promoting the local production of materials. With regard to civil constructions, the government was planning to provide central and decentralized administrations with adequate working environments, by rehabilitating and building according to assessed needs.

The use of Employment-Intensive Investment (EII) approaches in the execution of certain types of work, in the construction sector (notably the maintenance and construction of rural roads) and generally in public investments was made compulsory (paragraph 325, page 91 of the growth and employment strategy document over the period 2010 - 2020).

The evaluation of the implementation of the growth and employment strategy of Cameroon over the period 2010-2020 showed mixed results. In particular, the construction of several major infrastructure projects has suffered from significant delays.

As part of the Cameroon National Development Strategy over the period 2020 - 2030, the Government has committed to the completion of major infrastructure projects started during the period 2010 - 2020, and to develop new infrastructure especially in the field of transport, energy and road development.

The construction sector remains one of the main growth and employment levers for the national development strategy of Cameroon. The government's plan to continue, with the assistance of the private sector, the development of new infrastructures (roads, highways, ports and dams) and the rehabilitation of existing infrastructure will make it possible to support the dynamics recorded in the construction sector. The average annual growth rate per year of the value added of the construction sector is projected to be around 7.9 per cent over the period 2021-2030.

In general, despite the strong performance of the construction sector recorded during the period 2010 - 2020, the infrastructure deficit remains significant. This situation stems from several causes, notably from: (i) low project management capacity for construction projects; (ii) slowness in the process of releasing rights of way and compensation for land required; (iii) absence of prior studies in infrastructure projects; (iv) low application of cities' urbanization plans; (v) low multimodal integration of projects; (vi) limited consistency and insufficient coordination of interventions in different projects; (vii) ineffectiveness of the public procurement system; (viii) insufficient valuation of subcontracting; and (ix) ineffective research in the sector.

To achieve its objectives in the field of infrastructure development, the government is implementing the following measures during the period 2020 - 2030: (i) finalizing the implementation of major first generation projects; (ii) ensuring optimal functionality of existing infrastructure; (iii) rehabilitating public facilities destroyed or made obsolete because of their users; (iv) rationalizing the start-up of new projects respecting the standards for the preparation of projects; (v) formulating projects in an integrated manner to optimize their impact on the economy; (vi) systematizing counter-expertise for the evaluation of the costs of major

infrastructure undertakings; (vii) setting up cost benchmarks; and (vii) strengthening the process of prioritization and selection of projects.

In addition, in the national development strategy for the period 2020 - 2030, the State is committed to bring to at least 60 per cent the share of public procurement in goods and services awarded to local businesses and industries. This approach will offer opportunities for local industrial production of goods and above all services, in particular by SMEs. ,

3.2. Overview of the sector regulatory system

The construction sector in Cameroon is governed by several regulatory texts including:

- Law No. 2023/008 of 25 July 2023, fixing the general regime of public - private partnership (PPP) contracts;
- Decree No. 2018/366 of 20 June 2018, on the public procurement code;
- Decree No. 2014/0611/PM of 24 March 2014, fixing the conditions of recourse and application of high-intensity of labour approaches;
- Circular No. 002/CAB/PM of 12 March 2007 relating to the use of local materials in the construction of public buildings;
- The Prime Minister's directive, after the cabinet council of 28 June 2012, to increase the integration of EII approaches in public investment projects.

This section highlights the provisions of these texts related to employment promotion in the construction sector.

3.2.1 Law No. 2023/008 of 25 July 2023, fixing the general regime of PPP contracts

The law defines that a PPP contract governs collaboration between a public authority and one or more private persons, with a view to carrying out a public project. It can also constitute a modality of delegated management of the public service, whose public authority is responsible. Subject to this law are PPP contracts concluded by the State, decentralized local authorities, a public establishment, a public company or any other public entity. The provisions of this law apply to all economic and social sectors, excluding those that are governed by specific laws.

Through this law, the government has a new instrument for financing its national development strategy in general and infrastructure in particular. It gives the private sector the possibility of funding and increasing its investments in the construction of infrastructure and in other sectors in partnership with a public entity. It therefore opens a large window to the creation of jobs in the construction sector in particular.

In particular, the decentralized nature of this law, which gives several types of public actors that operate in various sectors, and are present in various environments, multiple possibilities of job creation both by large companies and by SMEs and micro enterprises , in urban areas as in rural areas.

3.2.2 Decree No. 2018/366 of 20 June 2018, on the public procurement code

This decree governs the system for the handover, execution and control of the execution of public procurement in Cameroon. It contributes significantly to the promotion of the creation of decent jobs through public procurement. In particular, this decree defines the decentralization of public procurement, the categorization of businesses, the use of the EII approach, national preference, sub-contracting and co-contracting and the requirement for an insurance policy for all workers in the sector.

- **Decentralization of public procurement**

In accordance with articles 6 and 7 of the public procurement code, the preparation of the procedure and the award of a public contract fall under the competence of the contracting authority.

The contracting authority can entrust all or part of this responsibility to a delegated contracting authority who may be a person of public or private law. In addition to the regional and departmental delegates of public administrations, and public establishments benefiting from services, the delegated contracting authority are also the heads of Cameroonian diplomatic missions abroad, the managers of grouped public orders and centralized purchases, and project managers benefiting from external funding.

- **The categorization of private companies**

In its article 53, the Public Procurement Code gives the possibility to contracting authorities and delegated contracting authorities to reserve the access of certain public works contracts to companies in the construction sector of a certain category. The contracting authorities and delegated contracting authorities can through this provision give more possibilities to SMEs, local businesses, and those that use the EII approach or local materials, to carry out public works.

- **The use of the EII approach and the promotion of decent work**

Article 54 of the public procurement code stipulates that prior studies must be carried out to determine as exactly as possible the nature and extent of the needs to be met.

In its article 55, the public procurement code stipulates that these studies must take into account the promotion of employment through the valuation of local resources such as workforce, equipment and local materials through the EII approach in particular, in accordance with the regulations in force.

Article 57 of the same public procurement code indicates that the conditions of execution of public procurement must integrate social, economic and environmental considerations, likely to promote local workforce, decent work and if necessary, achieve sustainable development objectives. These include:

- a. Integration into the contracting and execution process, and environmental protection standards;
- b. The inclusion of clauses explicitly imposing compliance with labour standards ratified by Cameroon;
- c. The establishment of an appropriate inspection system during contract execution to verify compliance with working conditions;
- d. Protection of monuments, cultural sites and social values.

Article 70 of the public procurement code establishes that certain contracts are reserved for artisans, small and medium-sized national businesses, grassroots community organizations and civil society organizations and implemented using EII approaches. The application of this provision is translated through order No. 402/A/MINMAP/CAB of 21 October 2019 setting the nature and thresholds of markets reserved for artisans, small and medium-sized national enterprises, grassroots community organizations and civil society organizations and terms of their application.

In addition, the public procurement code indicates that the conditions of execution of public investment projects must favour each time possible, the use of the EII approach.

- **National preference**

The public procurement code provides in its article 106 that when the procurement is undertaken internationally, a margin for national preference is granted, to equivalent offers. These preferences are in order of priority: a) a natural person of Cameroonian nationality or a legal person under Cameroonian law; b) a company whose capital is fully or mainly held by people of Cameroonian nationality; c) a natural person or a legal person justifying an economic activity in the territory of Cameroon; d) a group of companies associating Cameroonian companies.

- **Sub-contracting and co-contracting**

Sections V and VI of the decree relating to the public procurement code are respectively devoted to the use of sub-contracting and co-contracting in the context of public procurement. In its article 131, it stipulates that subcontracting can be used in any public procurement exercise. In its article 135, this decree indicates that co-contracting takes place when the services, the subject of a procurement, are carried out by separate companies within the framework of a group.

- **Subscription to an insurance policy**

Article 143 of the public procurement code obliges any holder of a public contract to subscribe to one or more approved insurance policies, covering the risks related to the performance of the services, subject of its market. Said policy must cover bodily, material and immaterial damage caused to third parties.

3.2.3 Decree No. 2014/0611/PM of 24 March 2014, fixing the conditions of recourse and application of high-intensity of labour (EI) approaches

This decree encourages all public administrations and territorially decentralized communities, Project Owners and Delegated Project Owners, Project Managers, companies, and public contract service providers to use the labour-intensive approach. It stipulates in its article 4 that the use of labour-based approaches is a technological alternative which is necessary whenever it is technically possible and economically profitable, in particular in the following cases:

- a. Construction works and/or rehabilitation of basic infrastructure:
 - Rehabilitation of rural roads;
 - Construction of irrigation canals;
 - Installation of a mini hydroelectric dam;
 - Construction of rural bridges;
 - Shaping and paving of tracks or alleys;
 - Construction of public toilets;
 - Construction of public buildings (schools, sheds, markets, parking lots, public gardens);
 - Construction of sanitation works;
 - Construction of crossings;
 - Paving of steeply sloping areas;
 - Military encampments.
- b. Roads and drainage:
 - Construction and maintenance of concrete and masonry gutters;
 - Installation of metal nozzles;
 - Tree stump removal;
 - Demolition of masonry or concrete constructions;
 - Construction of cobblestone or stone roads.
- c. Sanitation:
 - Cleaning of drainage or irrigation channels;
 - Collection of household waste;
 - Military encampments;
 - Development of water points;
 - Reforestation;
 - Cleaning of streets or tracks;
 - Construction and maintenance of purification basins;
 - Sanitation;
 - Cleaning of watercourses.
- d. Housing and urban beautification:
 - Laying paving stones;
 - Foundation tiles;
 - Manufacture of concrete blocks and other materials made of sand mortar;
 - Miscellaneous handling;
 - Public buildings;
 - Urban horticulture.
- e. Agriculture:
 - Land development;
 - Earthworks;
 - Slaughter;
 - Clearing;
 - Culture;
 - Harvest;
 - Stitching;
 - Construction of small water intake and reservoir structures;
 - Supply and drainage canals;
 - Construction of silos;
 - Construction of ponds;
 - Nurseries;
 - Logging.

The use of labour-intensive approaches entails the priority use of available local material and human resources.

3.2.4 Circular No. 002/CAB/PM of 12 March 2007, relating to the use of local materials in the construction of public buildings

This circular instructs the Deputy Prime Minister, the Ministers of State, the Ministers, the Governors, the Prefects and Mayors, the Directors General of Public Establishments and public and parastatal enterprises, to ensure that public buildings up to R + 1 are now built with locally available materials and produced locally.

3.2.5 Directives of the Cabinet Council of 28 June 2012

The Prime Minister, during the Cabinet Council of 28 June 2012, instructed the Minister in charge of public investments “to do everything possible to achieve the objective of integrating labour-based approaches up to 20 per cent in the Public Investment Programs”.

3.3. Summary of chapter 3

This chapter shows that in Cameroon the development orientations over the period 2020 - 2030 and the regulatory framework, particularly in the construction sector, offer a large number of opportunities for the creation of decent jobs both by large companies and by SMEs and in both, urban and rural areas.

It is clear though that all these job creation channels have not yet produced the expected results. In particular, the level of jobs created by labour-based technologies remains well below potential. The reasons are many; key among them are:

- The poor knowledge or poor promotion of these mechanisms among contracting authorities and delegated contracting authorities; and,
- Weak human and financial resources capacity to implement or seize opportunities offered under the National Development Strategy over the period 2020 - 2030.

4. Assessing the use of employment-intensive investment approaches in the sector

The previous chapter gave an overview of the regulatory framework of the construction sector in which the promotion of labor-intensive approaches occupies a crucial place in terms of job creation and poverty reduction. In Cameroon, the equipment Intensive (EQI) approach is the most widely used approach in road construction. However, there is a real political will to promote EII approaches. This chapter gives an evaluation of the implementation of EII approaches in Cameroon. It includes two sections. The first presents the EII Technical Unit of the Ministry of the Economy, Planning and Regional Development (MEPRD), focusing on achievements, problems encountered, and prospects. The second section gives an overview of the implementation of EII approaches in other public structures.

4.1. Assessment of the EI technical unit of MEPRD

The EI Technical Unit of MEPRD was created in 2011 and made operational in 2013. Its main aim is to contribute to the mastery of EI approaches and their use for the realization of public investments with a view to massively creating jobs for young people and stimulate the local economy of Decentralized Territorial Collectivities.

As part of the popularization and dissemination of labour-intensive approaches, MEPRD has undertaken the construction of demonstration works in direct partnership with the Decentralized Territorial Communities in order to promote the uptake of the EI approach.

The target of labour-intensive demonstration projects in terms of jobs is made up of Cameroonians aged 15 to 40. The main areas of intervention are: construction / rehabilitation of roads, construction of buildings, construction of sanitation and crossing structures, and beautification of urban areas.

The main achievements of the EI Technical Unit of MEPRD since its establishment in 2013 are:

Labour-intensive demonstration works carried out in partnership with 52 Decentralized Territorial Communities:

- XAF 12.58 billion injected into the local economy.
- More than 10,500 direct jobs created, including 1,650 in localities in the North-West and South-West regions in crisis areas.
- 230 internally displaced persons due to the security crisis in the North-West and South-West regions recruited.
- XAF 4.4 billion in wages and other income paid to local populations.
- More than 3,500 unskilled workers trained in various specialties of the construction sector.
- 15 km of roads cleaned up and paved with concrete or cobblestones, more than 69 km of dirt roads cleaned up and rehabilitated.
- 35 social housing units built from compressed earth blocks.
- 27 classrooms built with local materials in public primary schools.
- More than 50 shops, 5 hangars with 28 counters built in markets.
- A multifunctional youth promotion center built and operational; and
- Around a hundred culverts (underground canals) built from rubble masonry.

Capacity building of actors:

- Training of 330 staff from SMEs and technical studies offices in the construction sector in mastering labour-based technical skills.
- Capacity building for public administration executives on the consideration of labour-intensive approaches in the planning, budgeting and public procurement process.
- Popularization and support of actors in the appropriation of texts relating to the promotion of labour-intensive approaches.

- Production of a national guide to labour-intensive practices.
- Development, with the technical assistance of the ILO, of a tool for assessing the job creation potential of Public Investment Budget (PIB) projects.
- Production, in collaboration with the ILO, of a documentary on labour-intensive demonstration projects.
- Development, with the technical assistance of the ILO, of the health and safety principles applicable in the context of labour-intensive work in a Covid-19 health crisis.
- Support for the North-West regional assembly in assessing the feasibility of labour-intensive approaches for basic infrastructure projects.

Proposing legal measures aimed at promoting labour-based approaches in public investments:

- Preparation of the draft decree setting the procedures for awarding contracts and implementing projects following the EI approach.
- Preparation, in collaboration with the ministries and structures of the construction sector, of the draft EI-type tender documents.
- Development, in collaboration with the administrations of the construction sector, of the grid of selection criteria for labour-based projects and Decentralized Territorial Communities benefiting from labour-based demonstrative achievements.

Exchanging experiences:

- Active participation of Cameroon in the regional seminars of labour-based practitioners, which constitute a biennial meeting for sharing experiences between the countries of Africa, and for improving knowledge and EI practices.

The EI Technical Unit of MEPRD has validated a national support programme for the Integrated Development of Decentralized Territorial Communities using EI approaches, with the aim of creating 100,000 jobs for youth in five years through the implementation of construction activities using the EI approach.

In terms of prospects, the EI Technical Unit of MEPRD envisages:

- The continuation of work to carry out the EI demonstration works in progress.
- Continuing to strengthen the capacities of stakeholders.
- The establishment of the regulatory framework governing the Validation of Acquired Experience of workers on EI sites.
- The introduction of EI training modules into the training curricula for Civil Engineering.
- The implementation of the national programme to support the Integrated Development of Decentralized Territorial Communities using EI approaches.

4.2. Implementation of EI approaches by other public structures

EI approaches are also implemented by several public structures including: the National Participatory Development Program (NPDP); the National Employment Fund (NEF); the Social Safety Net Programs; the Ministry of Housing and Urban Development (MHUD); and the Special Fund for Equipment and Intercommunal Intervention (SFEII).

4.2.1 Implementation of the EI approach by the NPDP

Since 2015, the NPDP has been implementing EI approaches in the Far North region, financed by the French Development Agency AFD. The NPDP's EI operation is divided into two axes: the implementation of micro-projects and social mobilization.

Micro-development projects are carried out in rural areas and intensively involve young rural people from communities exposed to the consequences of attacks by Boko-Haram terrorists in order to offer them lasting economic opportunities and facilitate the development of agropastoral activities.

As for social mobilization, this concerns in particular: the mobilization of local residents during the carrying out of feasibility studies; supporting workers during the works; and the establishment and support of management committees during and after receiving the work.

The implementation of micro-projects involves several actors with whom the NPDP makes contractual commitments. For example, a partnership agreement is signed between the NPDP and microfinance "Crédit du Sahel" for the transfer of funds to pay the salaries of workers and offers of financial services. With the Mission for the Promotion of Local Materials (MPLM), this includes carrying out soil identification studies and

training young people. Collaboration agreements are also established with sectoral ministries for the development of topographical studies on micro-project sites, the carrying out of periodic medical examinations of workers, and the control and supervision of construction work. Finally, contracts are given to Non-Governmental Organizations for social mobilization, to consultants for the development of funding requests for micro-projects, and to companies for carrying out the work and for monitoring.

The people targeted by the NPDP's EI operation are unemployed young people aged between 18 and 35. The micro-projects within the framework of the EI operation in the Far North particularly concern: the rehabilitation of roads; the construction of mini water supply systems; the construction of artificial ponds; and, the construction of storage stores.

The main difficulties encountered within the framework of the EI operation implemented by the NPDP in the Far North region are as follows:

- The complexity of micro-projects which requires careful maturation and rigor during identification, technical and financial feasibility studies.
- The absence/deficit of tools and equipment, appropriate for project management (need to strengthen the capacities of actors in social engineering, project management, etc.
- The coordination of social mobilization activities (mobilization, awareness-raising, training, youth coaching, integration, etc.) consistent with the execution of micro-projects.
- Cash management of project accounts to guarantee regular payment of services.

4.2.2 Implementation of the EII approach by the NEF

The "Urban Special Employment Program (USEP)" is designed and implemented by the National Employment Fund (NEF). Its main objective is the creation of local jobs through EII activities in the cities of Cameroon by contributing to the sanitation and improvement of the public living environment of these cities and by fighting unemployment.

USEP is executed based on a Memorandum of Understanding between the NEF and the Decentralized Territorial Authorities. In this system, the NEF is fully responsible for welcoming and evaluating the abilities of candidates in the areas of salaried employment and self-employment, while the municipalities recruit the necessary workforce, contribute to the financing of programme activities and ensure its smooth running.

USEP especially benefits unemployed young people aged 15 to 35, registered with the NEF, presenting the attitudes and physical aptitudes appropriate to the activities to be carried out and who reside in the municipalities concerned. The programme generally intervenes in city works, in particular sanitation, urban beautification and the construction of certain roads.

USEP's employment related outputs achieved include the participation of 2,087 youth. Among these beneficiaries, 907 are inserted into the self-employment economic circuit and 489 are inserted into local businesses. 235 beneficiaries who could not be integrated followed additional training in several areas such as office automation, sewing, car mechanics, African embroidery, etc.

The main difficulties encountered concern the lack of material, logistical, human and financial resources.

4.2.3 Implementation of the EII approach by the Social Safety Nets Project

The Social Safety Net (SSN) Project has developed a public works programme using EI approaches aimed at helping vulnerable people cope with exogenous shocks (such as droughts, floods, etc.) through the financing of small community projects which will provide 60 days of work to each beneficiary. In this context, each beneficiary receives remuneration in the amount of XAF 1,300 per day of actual work for a total of 60 days of work in community micro-project sites.

The EI component of the SSN project targets idle, unemployed young people. It concerns community micro-projects: rehabilitation of rural roads, sanitation of urban areas, development of water ponds, and development of protective dikes and irrigation canals.

The PFS EI Program created 52,000 temporary rural jobs in 27 municipalities from 2016 to 2021. The jobs thus created made it possible to rehabilitate or create 227 community micro-projects for the benefit of around 850 villages.

The main difficulty observed during the implementation of labour-intensive approaches is strict compliance with the schedule for implementing activities.

4.2.4 Implementation of the EII approach by the MHUD

As part of the promotion of EII approaches in public investment projects in urban areas, the Ministry of Housing and Urban Development (MHUD) places emphasis on the implementation of micro community

projects with a view to participating in a significant manner in the fight against unemployment in urban areas, through the provision of local jobs and training for young people, and to improve the living conditions of vulnerable populations, by providing them with basic services such as drinking water, sanitation infrastructure, service roads in neighborhoods, etc.

The management of MHUD labour micro-projects is done through procurement at the central administration level. The works are identified, at the request of the municipalities, by a team made up of the MHUD, sectoral staff, officials of the municipalities concerned and those responsible for the local populations.

Several actors are involved, including:

- The MHUD which initiates the project, makes the funds available, launches calls for tenders for the recruitment of companies carrying out the work and calls for applications for the recruitment of the head of mission, his/her assistant, and a social facilitator.
- The decentralized services of the MHUD which validate the works and provide technical expertise during the realization of the project.
- The beneficiary municipality that contacts the MHUD to request the works and recruit the workers to be deployed on the site.
- The control mission which ensures control of the quality of services, ensures the conformity of the works and compliance with EII principles.
- The social facilitator who ensures the social mobilization of the site.

The micro-projects implemented using the EI approach by MHUD primarily benefit unemployed populations in so-called precarious neighborhoods in cities. These are precisely young urban people in difficulty who are, for the most part school dropouts.

The main areas of intervention are:

- Roads: construction of masonry ditches, manufacturing and laying of paving stones.
- Buildings and
- Sanitation works in urban areas.

The difficulties encountered relate in particular to the numerous interruptions in the execution of works due to the limited financial capacities of SMEs. This leads to demotivation and loss of enthusiasm among young recruits whose salary payments are irregular. Under these conditions, cases of dispersal or abandonment are recorded.

4.2.5 Implementation of the EII approach by FEICOM

FEICOM, as part of the pilot phase of the Social Development Program for Secondary Cities Exposed to Factors of Instability (SDPSCEFI), is leading the “School of my dreams” project. This involves the construction and equipment of classrooms following the EI approach, including the intensive use of local labour and materials made in Cameroon.

The “School of my dreams” project is carried out under the management of a social facilitator for the supervision of the workforce recruited in the project.

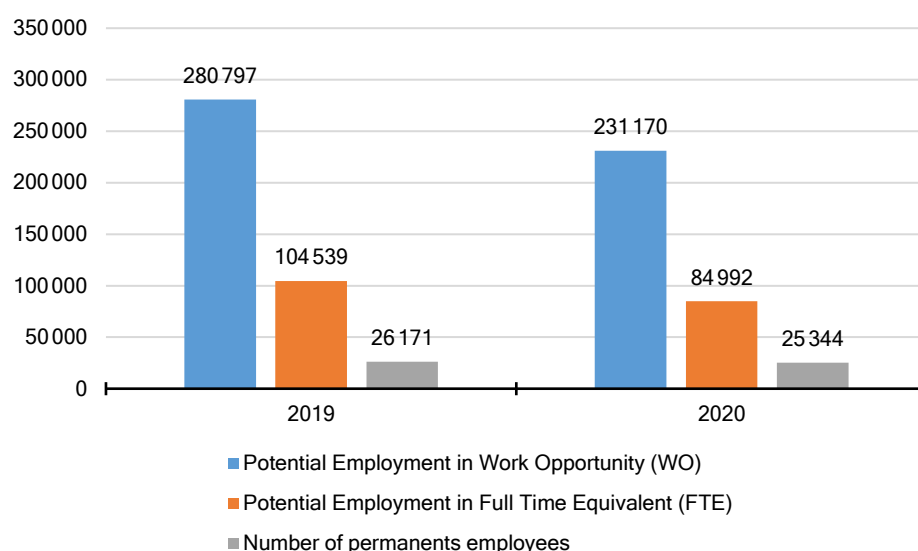
The projects mainly target young people: residents of the projects, internally displaced persons and refugees. For the pilot phase, as part of the implementation of the “School of my dreams” project, FEICOM is mainly involved in the construction of classrooms, offices and toilet blocks as well as classroom equipment.

The difficulties encountered are technical and regulatory. On a technical level, it was not easy to find local craftsmen capable of supplying the project with local materials: terracotta bricks, extraction and cutting of stones, etc.

From a regulatory perspective, it is not easy to transfer resources to a local community for the payment of salaries or the purchase of materials without breaking regulations, which may have slowed down the work because you had to have a compliant employment account. The consequence is the high risk of intermediaries appearing who not only increase the cost but also claim almost all of the profit which should have accrued to the local communities.

4.2.6 Overall employment outcomes

Despite all these initiatives, the level of jobs created using EII approaches remains relatively low. Figure 3 gives the estimated number of jobs that would have been possible to create in 2019 and 2020 with the Central Administration PIB of US\$ 2.276 million EII approaches and compares this with the number of permanent employees in the sector.

► **Figure 3. Evolution of potential employment and the number of permanent employees²**

Source: Final report on the estimation of the employment potential expected from the 2019 and 2020 public investment budget of the State of Cameroon, Ministry of Employment and Vocational Training (MEVT).

The potential for full-time equivalent jobs is three to four times greater than the number of permanent employees in the construction sector as a whole.

4.3. Summary of chapter 4

The implementation of the EII approach by these different structures highlights experiences to be capitalized on.

- The implementation of projects using EII approaches requires the mobilization of additional stakeholders with an impact on the cost of said projects. This is for example the case of the NGO which ensures the social engineering of projects. The NGO intervenes at each stage of the process, notably: encouraging and mobilizing young people; education and awareness raising of workers on the rational use of income; training and support for young people in setting up and developing income-generating activities; and the organization of local populations in the maintenance of the structure post-completion.
- The question of availability of financial resources to facilitate the rapid payment of EII services is a major concern, particularly with regard to the weekly payment of workers' salaries.
- The question of availability of local materials used as input for the implementation of projects following the EII approach does not arise in terms of existence, but rather in terms of limited skills for their exploitation. Indeed, one of the criteria for choosing projects is indeed the availability of local materials in the vicinity of the project site. This concern is therefore resolved during the maturation of EII projects. During implementation, the problem of lack of skills locally may arise and at this time expertise is imported with the main mandate of training young people in the locality.

Beyond these experiences, the promotion of EII approaches which are among the Government's priorities requires implementation in accordance with article no. 15 of the Decree setting the conditions for recourse and application of EII approaches, texts aimed at facilitating the award of contracts and the execution of works following EII approaches. To this end, the following texts are currently being examined:

- The draft order establishing the procedures for awarding EII contracts.
- The draft order establishing the specific procedures for executing projects following the EII approach.
- The development of a standard business consultation file specific to labour-intensive approaches.

² The number of Work Opportunities (WO) is based on the number of people who obtain jobs but do not take into account the duration of the working time and Full Time Equivalent (FTE) are determined based on the total number of working days. Typically if 230 days of employment are created these amount to 1 FTE.

5. Productivity and skills in the sector

This chapter examines productivity and skills in the construction sector. The evolution of productivity is compared with that of wages, in the formal and informal sectors and according to professional category and gender. The examination of skills and education are carried out together. The demand for skills is understood through the observations made during the implementation of some public projects in the construction sector during the period 2020 - 2022.

5.1. Productivity and wages in the construction sector

Over the period 2016 - 2021, productivity in the construction sector, measured by the value added per employee, rose from US\$ 3,077 in 2016 to US\$ 3,969 in 2021, an increase of almost US\$ 900 or 29 per cent.

On the other hand, over the same period, the average salary in the construction sector declined. In 2016, it stood at US\$ 1,626. It fell to US\$ 1,382 in 2017 with a slight increase to reach US\$ 1,515 in 2021, an increase of only US\$ 133 over the period 2017 - 2021 and over the 2016-21 period a decline - in US dollar terms - of US\$ 111 or 7 per cent.

► **Table 11. Evolution of the average salary and value added per employee in the construction sector**

Year	Average annual salary	Value added per worker		Average annual salary	Value added per worker
	XAF			US\$	
2016	963 487	1 823 184		1 626	3 077
2017	802 543	1 948 809		1 382	3 356
2018	818 111	2 007 032		1 473	3 613
2019	831 133	2 045 953		1 419	3 492
2020	838 634	2 140 682		1 457	3 719
2021	839 997	2 201 047		1 515	3 969

Source: Calculations from national accounts data of the NIS Cameroon.

► **Table 12. Evolution of the average wage and value added per employee in the formal sector**

Year	Average annual salary	Value added per worker		Average annual salary	Value added per worker
	XAF			US\$	
2016	3 450 530	5 260 880		5 823	8 878
2017	3 196 493	5 426 168		5 505	9 345
2018	4 207 309	7 438 045		7 575	13 391
2019	3 879 388	6 878 189		6 621	11 739

Source: Calculations from report on modern companies (2016 - 2019) and national accounts data of the NIS Cameroon.

The average salary in the formal sector increased slightly over the period 2016 - 2019. On the other hand, it recorded a drop in the informal sector despite the increase in value added per employee (see Tables 12 and 13).

► **Table 13. Evolution of the average wage and value added per employee in the informal sector**

Year	Average annual salary	Value added per worker		Average annual salary	Value added per worker
	XAF			US\$	
2016	876 869	1 703 457		1 480	2 875
2017	706 649	1 809 517		1 217	3 116
2018	699 403	1 816 808		1 259	3 271
2019	700 590	1 839 010		1 196	3 139

Source: Calculations from report on modern companies (2016 - 2019) and national accounts data of the NIS Cameroon.

► **Table 14. Evolution of the ratio of average annual salary and value added per employee in the formal sector to the informal sector**

Year	Average annual salary	Value added per worker
2016	3.9	3.1
2017	4.5	3.0
2018	6.0	4.1
2019	5.5	3.7
Average	5.0	3.5

Source: Calculations from report on modern companies (2016 - 2019) and national accounts data of the NIS Cameroon.

► **Table 15. Annual salaries of permanent employees in the formal sector by professional category and gender in 2018**

	Sum of salaries paid	Average salary	Sum of salaries paid	Average salary
	Thousand XAF		Thousand US\$	
Senior executives	5 598 015	11 063	10 078	20
Male	5 209 129	11 759	9 378	21
Female	388 886	6 173	700	11
Senior technicians and middle managers	5 497 777	5 969	9 898	11
Male	4 617 377	5 950	8 313	11
Female	880 400	6 072	1 585	11
Technicians, supervisors and skilled workers	12 343 983	3 198	22 224	6
Male	11 486 888	3 409	20 680	6
Female	857 095	1 749	1 543	3
Employees, labourers, workers and apprentices	12 457 374	1 878	22 428	3
Male	11 876 739	2 144	21 382	4
Female	580 635	530	1 045	1
Total	35 897 149	3 011	64 628	5
Male	33 190 133	3 277	59 754	6
Female	2 707 016	1 510	4 874	3

Source: Calculations from report on modern companies and national accounts data of the NIS Cameroon.

The analysis of the average annual salary of permanent employees in the formal construction sector in 2018 by professional category and gender shows that women have on average lower salaries than men for the same professional category (see Table 15). For example, the average salary of female senior managers is US\$ 11,000 while that of men is US\$ 20,000.

5.2. Education and skills in the construction sector

There are several universities and colleges that provide education and vocational training for the construction sector. Among the large national public schools we note in particular: the National Advanced School of Public Works, the National Advanced Polytechnic Schools of Yaoundé, Douala, Bamenda and Maroua, the National School of Technical Education, the Technological University Institutes of Douala, Bandjoun and Ngaoundere. Several private training institutions also provide training for construction sector related trades.

Despite the existence of several major schools and training institutes, the construction sector is faced with the scarcity of experienced labour in technological innovations. This situation is less linked to the number of graduates because, the National Advanced School of Public Works (NASPW) alone, the main training institution of reference in the construction sector, in 2021, produced 236 graduates at the Engineer or Masters level (see Table 17).

According to the main players in the construction sector, the main problem of training and competence is the quality of technical training. Most schools and training institutes are sorely lacking appropriate equipment for practical training.

Faced with this difficulty, schools sign partnerships with companies to welcome students on professional internships or apprenticeships. However, the absence of a regulatory and incentive framework for hiring trainees and offering apprenticeships limits the contribution of companies to skills development in the construction sector in particular and in the economy in general.

► **Table 16. Number of NASPW graduates in 2021**

	Enrolment	Graduates	Success rate
Civil Engineering	112	101	90.2%
Environmental Engineering	15	13	86.7%
Land Surveying	61	56	91.8%
Town Planning	14	11	78.6%
Architecture	77	55	71.4%
Total	279	236	84.6%

Source: Activity Report of NASPW.

Moreover, one of the major difficulties in the promotion of labour-based approaches is the lack of training of the main actors in these techniques. In 2022, the ILO and the NASPW signed a memorandum of understanding for technical cooperation with a view to promoting EII approaches through applied research and the introduction of labour-based approaches into the curricula of construction trades training cycles.

On the skills demand side, there has been a huge deficit in the implementation of major infrastructure projects during the period 2010 - 2020. In general, the design and implementation of these projects has been made by non-Cameroonian architects and engineers. Unfortunately, almost all of these projects did not have a skills transfer dimension.

5.3. Summary of chapter 5

In summary, the main findings of this chapter are:

- Productivity as measured by value added per employee in the construction sector has increased. However, average salaries have not increased, with wages in the formal sector having increased while they have decreased in the informal sector.
- Productivity is 3.5 times higher in the formal sector than in the informal sector. The average salary is 5 times higher in the formal sector than in the informal sector.
- The construction sector is characterized by the scarcity of skilled labour. However, there are several universities, colleges and private institutions that train in construction trades.
- The main problem of competence in the construction sector lies in the level of the quality of training in both public and private training structures. These are sorely lacking in appropriate equipment.
- There is a national collective agreement for companies in the construction sector which is not applied and this situation used to create lack of decent and productive jobs in the construction sector.
- To remedy this situation, the training structures have signed internship and apprenticeship agreements with companies. However, the absence of regulations on internships and apprenticeships limits the contribution of companies to training.

6. Characteristics of enterprises in the sector

This chapter highlights some of the characteristics of enterprises in the construction sector. It presents the structure of enterprises in the construction sector according to variables such as activity, origin of capital, and size. The performance of companies is evaluated based on the evolution of their cumulative or average turnover.

6.1. Structure of enterprises in the construction sector

6.1.1 Activities of enterprises in the construction sector

Activities in the construction sector can be grouped into three main groups:

Group 1. On-site Construction (execution): covering all aspects of the on-site execution of construction works, from site preparation to building completion for 'new-build' activities, together with any subsequent renovation (or retrofitting) activities, through to the ultimate demolition phase and possible site remediation activities. (Companies active in this group are generally referred to as contractors.)

Group 2. Construction Services: for which we can distinguish between:

- a. *Professional construction services:* encompassing activities such as architectural, engineering (civil, structural and building services), building control, surveying, project management, etc., which primarily intervene in the preparation, design and execution phases of the construction life-cycle. (Generally referred to as consulting firms.)
- b. *Building operational services:* covering activities, such as building maintenance and property/facility management services, which are associated more closely to the 'use' phase of the construction life-cycle. (Generally referred to as facility management enterprises.)

Group 3. Construction Supply (materials and equipment): for which we can distinguish between:

- a. *Construction materials and products:* which stretches backwards to include, for example, extractive industries providing raw materials, processing and manufacturing industries that turn raw materials into building products, and wholesale and retail chains that supply materials and products to the construction sector;
- b. *Construction equipment:* covering the production and supply of construction machinery and equipment (e.g. earthmoving machines, road making equipment, construction site hoists / lifting equipment, and concrete equipment).

Furthermore, these core activities can be extended to include the **Real Estate sector**, which occupies a critical role in the functioning of markets for construction. This is evident from the sector's role in the provision of management services for both commercial and residential properties and, also, its involvement in diverse activities throughout the construction life-cycle, e.g. planning, financing and investment, valuation, brokerage, facilities management, refurbishment and renovation, etc.

In the context of public procurement, there is a categorization of enterprises of group 1 which can also be called "construction enterprises" or "contractors" and enterprises of groups 2 and 3 which can be designated "offices and consulting firms" in the construction sector governed by Order N°166/A/MINMAP/ of 07 June 2022. This provision aims to classify companies according to the following criteria:

- a. Size of the turnover.
- b. Experience in performing the services.
- c. Number and level of expertise of permanent staff.
- d. Extent of the technical and logistical means available.
- e. Level of compliance with the labour legislation in force in Cameroon.
- f. Experience of key personnel for companies newly created or entering the construction sector for the first time.

Subject to the satisfaction of these criteria, the works enterprises are classified into five categories, in ascending order of importance codified by the letters E, D, C, B and A as in the following table.

► **Table 17. Categorization of construction enterprises in the construction sector**

Categories	Turnover (TO)	
	XAF	US\$
E Smaller or low complexity work	TO ≤ XAF 15 million	TO ≤ US\$ 25 258
D Work of medium scale or intermediate level of complexity	XAF 15 million < TO ≤ XAF 250 million	US\$ 25 258 < TO ≤ US\$ 420 968
C Fairly large-scale work or work of a relatively high level of complexity	XAF 250 million < TO ≤ XAF 3 billion	US\$ 420 968 < TO ≤ US\$ 5.05 million
B Large-scale or highly complex work	XAF 3 billion < TO ≤ XAF 10 billion	US\$ 5.05 million < TO ≤ US\$ 16.8 million
A Very large-scale works, whatever the level of complexity	TO > XAF 10 billion	TO > US\$ 16.8 million

Source: Order N°166 / A / MINMAP / of 07 June 2022.

Still subject to the criteria mentioned above, offices and consulting firms operating in the construction sector are classified into five categories, in ascending order of importance codified by the letters E, D, C, B and A as in the following table.

► **Table 18. Categorization of offices and consulting firms in the construction sector**

Categories	Turnover (TO)	
	XAF	US\$
E	TO ≤ XAF 15 000 000	TO ≤ US\$ 25 258
D	XAF 15 000 000 < TO ≤ XAF 50 000 000	US\$ 25 258 < TO ≤ US\$ 84 193
C	XAF 50 000 000 < TO ≤ XAF 300 000 000	US\$ 84 193 < TO ≤ US\$ 505 161
B	XAF 300 000 000 < TO ≤ XAF 1 000 000 000	US\$ 505 161 < TO ≤ US\$ 1.7 million
A	TO > XAF 1 000 000 000	TO > US\$ 1.7 millions

Source: Order N°166 / A / MINMAP / of 07 June 2022.

The initial main objective of this categorization was to improve the quality of the services provided by enterprises within the framework of public markets by specializing them in the market segments where they have the most resources and capacities.

In addition, as provided for in the Public Procurement Code, the categorization of companies can also contribute to the promotion of decent jobs. Indeed, the categorization by contracting authorities and delegated contracting authorities can give more opportunities to SMEs, local businesses, and those that use the EII approach or supply local materials, to participate in public procurement.

6.1.2 Origin of capital of enterprises in the construction sector

Based on the origin of the capital, we can also distinguish between public enterprises, foreign private enterprises and national private enterprises.

With regard to public enterprises, we have Military Engineering which can be classified as a contractor (Group 1), the National Civil Engineering Laboratory (NCEL) as a professional firm (Group 2), and the National Civil Engineering Equipment Park (NCEEP) as an equipment supplier (Group 3).

The Government entrusts some of the construction work to Military Engineering. It has existed since 1962. In partnership with public administrations, it has carried out various types of infrastructure, including the construction and rehabilitation of schools, particularly in areas that are not easily accessible or in crisis, and the rehabilitation and construction of roads.

NCEL was created in 1953. It is a public enterprise which ensures the periodic control of approved private laboratories of civil engineering, development of standards relating to the construction and maintenance of civil engineering infrastructures, and evaluation of construction quality. It also carries out geotechnical studies and controls.

As for NCEEP, it has existed since 1967. It was reorganized in 2019 according to Decree No. 2019/201 of 23 April 2019, which in its article 3 paragraph 1 stipulates that NCEEP's mission is to constitute and develop for the account of the State, the stock of civil engineering materials and equipment and to provide services relating to civil engineering and mechanical engineering.

NCEL and NCEEP, which are public capital enterprises, can bid for public contracts and compete with private enterprises in the construction sector.

Decentralized territorial communities are also public entities that carry out various construction works on their own account. This work often concerns the maintenance and rehabilitation of roads, the construction of markets and party halls, the development of car parks, etc.

With the acceleration of the decentralization process, decentralized territorial communities must play an important role in development, particularly through the construction of local infrastructure.

Foreign private enterprises are relatively few. However, they represent an important part of the construction sector. They are very often in the “A” category of enterprises that are qualified to carry out very large-scale work regardless of their level of complexity. A multitude of SMEs often subcontract to these companies to intervene on an ad-hoc basis on major construction sites.

National private enterprises are present in all categories from “E” to “A” whether they are construction enterprises or offices or consulting firms. Most of them have their headquarters in the big cities.

Depending on the formalization, private enterprises in the construction sector can be broken down into two groups: formal private enterprises and informal private enterprises. Formal private enterprises are formally declared, which is not the case for informal private enterprises.

6.1.3 Size of enterprises in the construction sector

According to size, formal private enterprises are classified into four categories based on turnover as in the following table, which has some similarities to, but differs from the categorization used in public procurement.

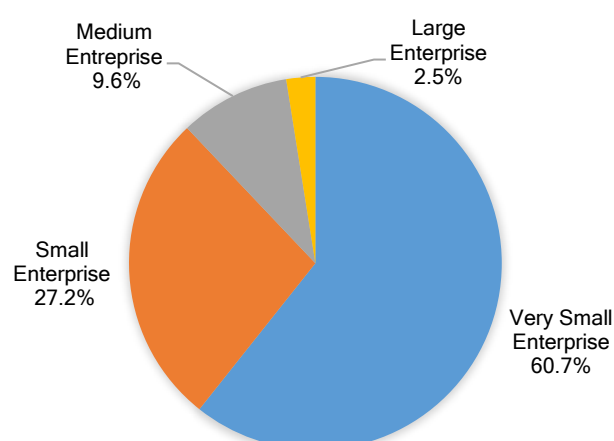
► **Table 19. Categorization of enterprises based on turnover**

Categories	Turnover (TO)	
	XAF	US\$
Very Small Enterprise (VSE)	TO ≥ XAF 15 million	TO ≥ US\$ 25 258
Small Enterprise (SE)	XAF 15 million < TO ≤ XAF 250 million	US\$ 25 258 < TO ≤ US\$ 420 968
Medium Enterprise (ME)	XAF 250 million < TO ≤ XAF 3 billion	US\$ 420 968 < TO ≤ US\$ 5.05 million
Large Enterprise (LE)	TO > XAF 3 billion	TO > US\$ 5.05 million

Source: Law n°2015 / 010 of 16 July 2015.

The structure of enterprises by size (see Figure 4) shows a predominance of VSEs (60.7 per cent). They are followed by SEs (27.2 per cent), MEs (9.8 per cent) and LEs (2.5 per cent).

► **Figure 4. Distribution of formal private companies in the construction sector**

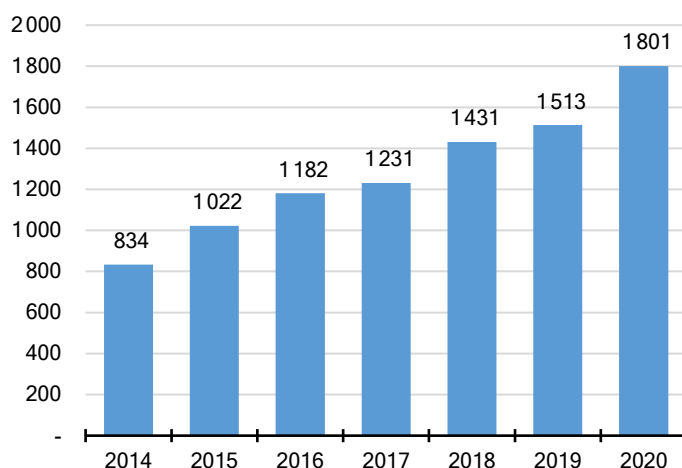


Source: Enterprises census report (2016) of the NIS Cameroon.

6.2. Performance of enterprises in the construction sector

The number of formal private enterprises in the construction sector has been steadily increasing (see Figure 5). However, this growth has been slower than that of the number of formal private enterprises in the economy as a whole. Consequently, the share of the construction sector in formal enterprises has declined (see Table 20).

► **Figure 5. Evolution of the number of formal private enterprises in the construction sector**



Source: Calculations from report on modern companies (2014 - 2020) of the NIS Cameroon.

► **Table 20. Evolution of the number of formal private enterprises**

Year	Construction Sector	Overall Economy	Share of the construction sector
2014	834	18 597	4.5%
2015	1 022	23 427	4.4%
2016	1 182	28 872	4.1%
2017	1 231	31 512	3.9%
2018	1 431	34 688	4.1%
2019	1 513	37 954	4.0%
2020	1 801	47 267	3.8%

Source: Calculations from report on modern companies (2014 - 2020) of the NIS Cameroon.

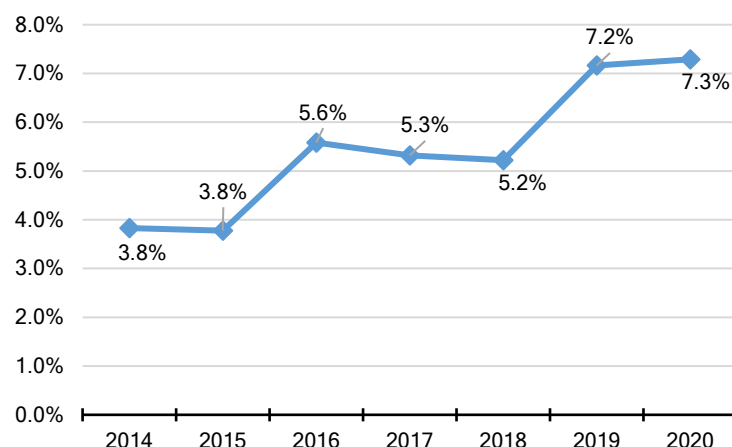
The cumulative (sum over a year) turnover of formal private enterprises in the construction sector has been rising steadily (see Table 21). This growth was faster than that of the cumulative turnover of formal private enterprises in the whole economy. Consequently, the share of the construction sector in formal enterprises has increased (see Figure 6). The increases observed are linked in particular to the major infrastructure projects built over the period.

► **Table 21. Evolution of the cumulative turnover of formal private enterprises**

Year	Construction Sector	Overall Economy	Construction Sector	Overall Economy	Share of the construction sector
		Billions XAF			Millions US\$
2014	422	11 010	854	22 298	3.8%
2015	434	11 481	733	19 419	3.8%
2016	645	11 551	1 088	19 493	5.6%
2017	640	12 035	1 102	20 727	5.3%
2018	661	12 655	1 189	22 784	5.2%
2019	944	13 175	1 611	22 486	7.2%
2020	939	12 885	1 632	22 386	7.3%

Source: Calculations from report on modern companies (2014 - 2020) of NIS Cameroon.

► **Figure 6. Share of the construction sector in the cumulative turnover of formal enterprises in the economy**



Source: Calculations from report on modern companies (2014 - 2020) of the NIS Cameroon.

More than 97 per cent of the turnover of the construction sector is generated by large companies.

From interviews conducted with several stakeholders in the sector, the difficulties encountered by companies in the construction sector are linked to:

- Insufficient access to finance, particularly for SMEs: this problem is intensified by the extension of payment delays.
- Foreign competition and lack of engineering/project management skills.
- Insufficient access to quality equipment: this problem is related to insufficient access to finance; the situation is improving slightly thanks to alternative financing modes such as leasing and the facilities offered by the government to import equipment at a lower cost. We can cite the law on investment incentives which exempts customs duties on the importation of equipment and the Economic Partnership Agreements with the European Union.
- The participation in the sector by informal actors, particularly in the construction of private buildings, which poses the problem of non-compliance with construction standards and the approximate quality of the works, and the quality of employment.

6.3. Summary of chapter 6

Ultimately, the main findings of this chapter are:

- In the context of public procurement, there is a categorization of companies according to the degree of complexity of the work.
- There are public enterprises in the construction sector. These companies are sometimes in competition with private companies in the context of public contracts.
- The State entrusts part of the work in the construction sector to a public sector firm (Military Engineering);
- With the acceleration of decentralization, town halls will play an increasingly important role in development through the construction of basic infrastructure.
- The number of formal private enterprises in the construction sector continues to increase. More than 60 per cent of formal private enterprises are very small enterprises.
- The cumulative turnover of enterprises in the construction sector is increasing. As well as its share in the cumulative turnover of the whole economy.
- Companies in the construction sector are faced with many difficulties, in particular insufficient access to financing, particularly for SMEs, non-compliance with payment delays by the public administration, insufficient equipment, and the participation of a vast number of informal actors in the sector.

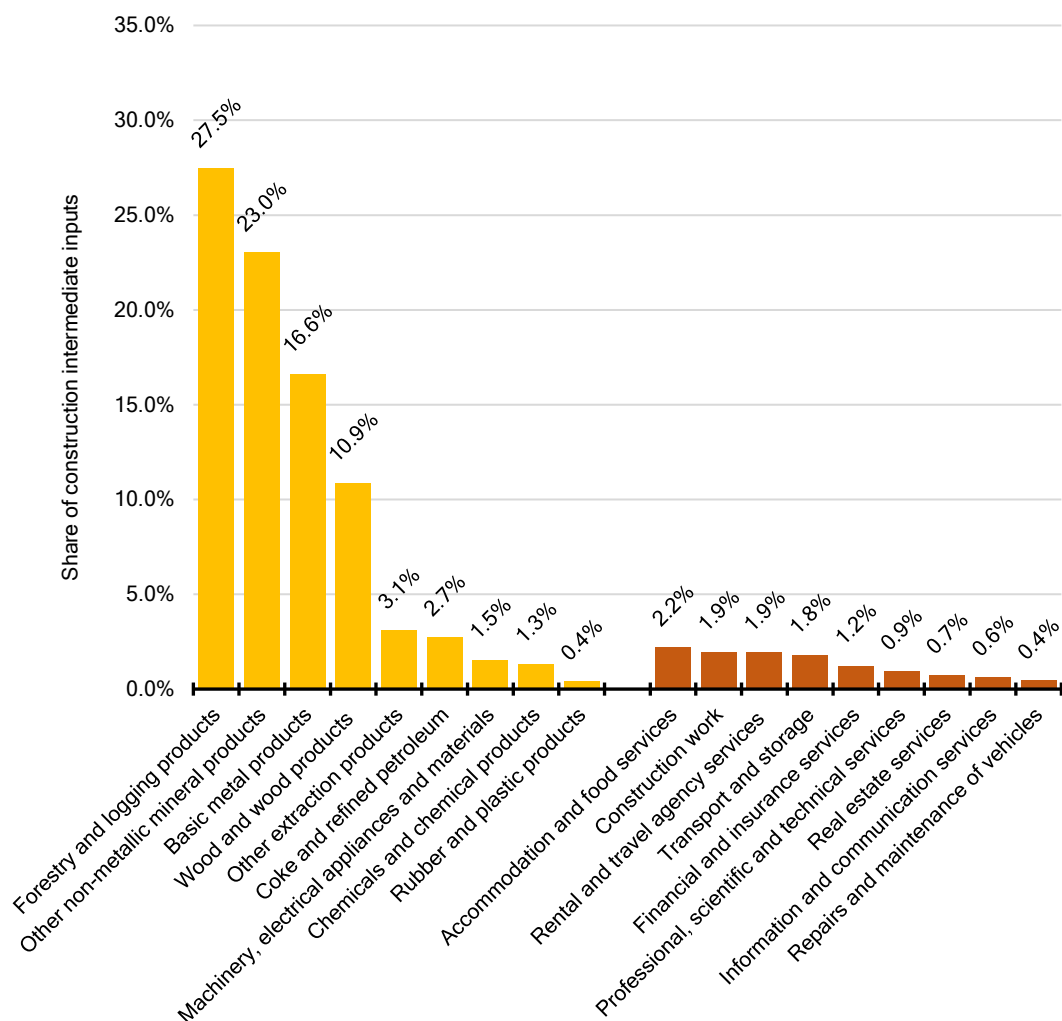
7. Overview of the construction value chain

This chapter describes what constitutes the Construction Value Chain, its main parts, size and structure as well as its interdependencies.

7.1. Upstream construction value chain

Figure 7 shows the breakdown of the main goods and services inputs used by the construction sector in Cameroon. Over 87 per cent of inputs to the construction sector consist of materials and manufactured goods. The largest category of inputs used by the construction sector is “Forestry and logging products”, which accounts for 27.5 per cent of total intermediate inputs used by the sector. It is followed by “Other non-metallic mineral products” (23.0 per cent), “Basic metal products” (16.6 per cent), “Wood and wood products” (10.9 per cent), “Other extraction products” (3.1 per cent), “Coke and refined petroleum” (2.7 per cent), “Machinery, electrical appliances and materials” (1.5 per cent), and “Chemicals and chemical products” (1.3 per cent).

► **Figure 7. Breakdown of intermediate inputs used by the construction sector in 2021**

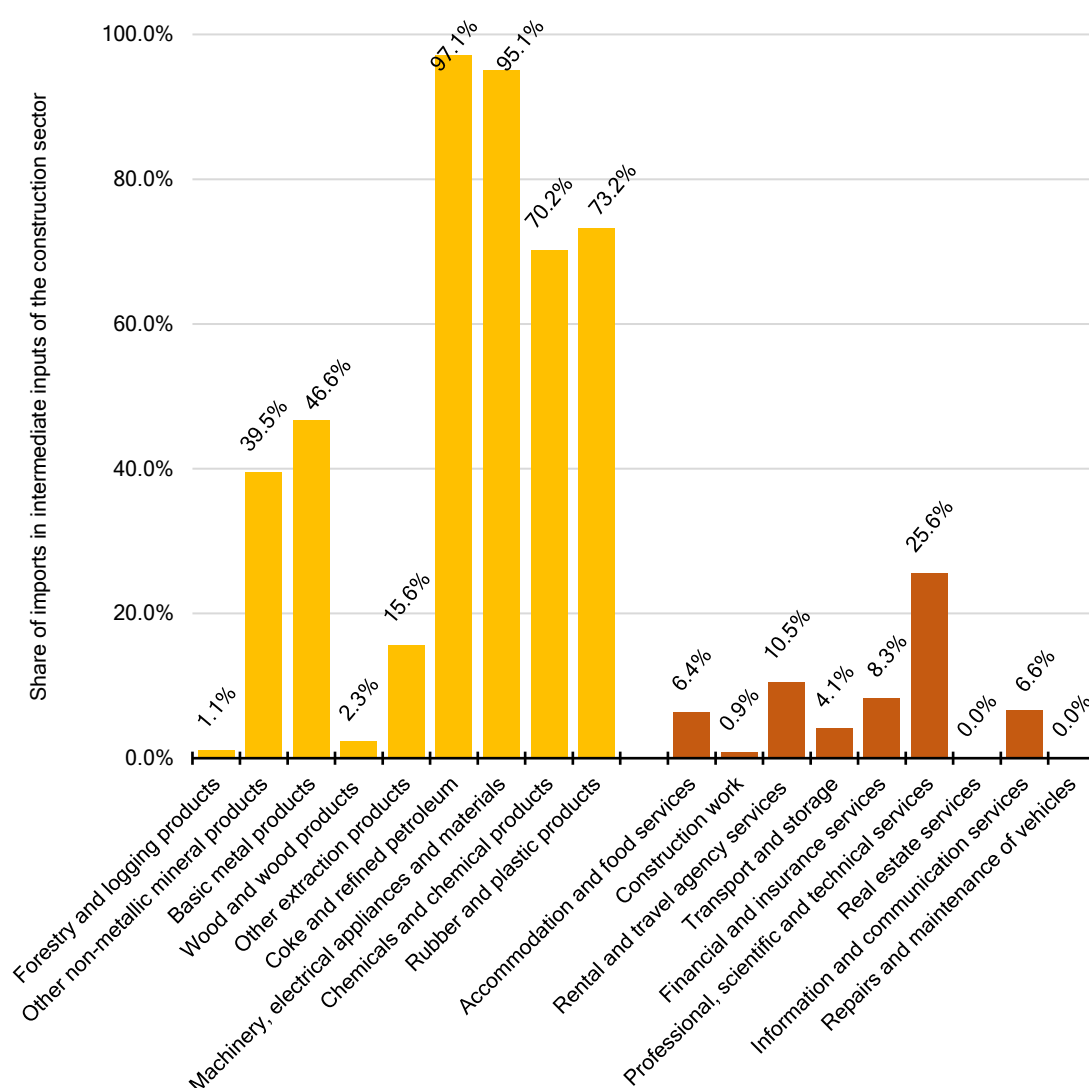


Source: Calculations from national accounts data of the NIS Cameroon.

Just under 13 per cent of inputs are accounted for by services, notably “Accommodation and food services” (2.2 per cent), “Rental and travel agency services”, (1.9 per cent) “Transport and storage” (1.9 per cent), “Financial and insurance services” (1.2 per cent), “Professional, scientific and technical services” (0.9 per cent) which includes in particular “Architectural and engineering services”, “Real estate services” (0.7 per cent) and “Information and communication services” (0.6 per cent).

“Construction work” accounts just for 1.9 per cent of total intermediate inputs. This consist of construction inputs that are supplied from one construction firm to another firm, referred to as “own supply”. Such transactions may occur, for example, when a construction sub-contractor supplies goods or services to a main contractor.

► **Figure 8. Share of imports in intermediate inputs of the construction sector in 2021**



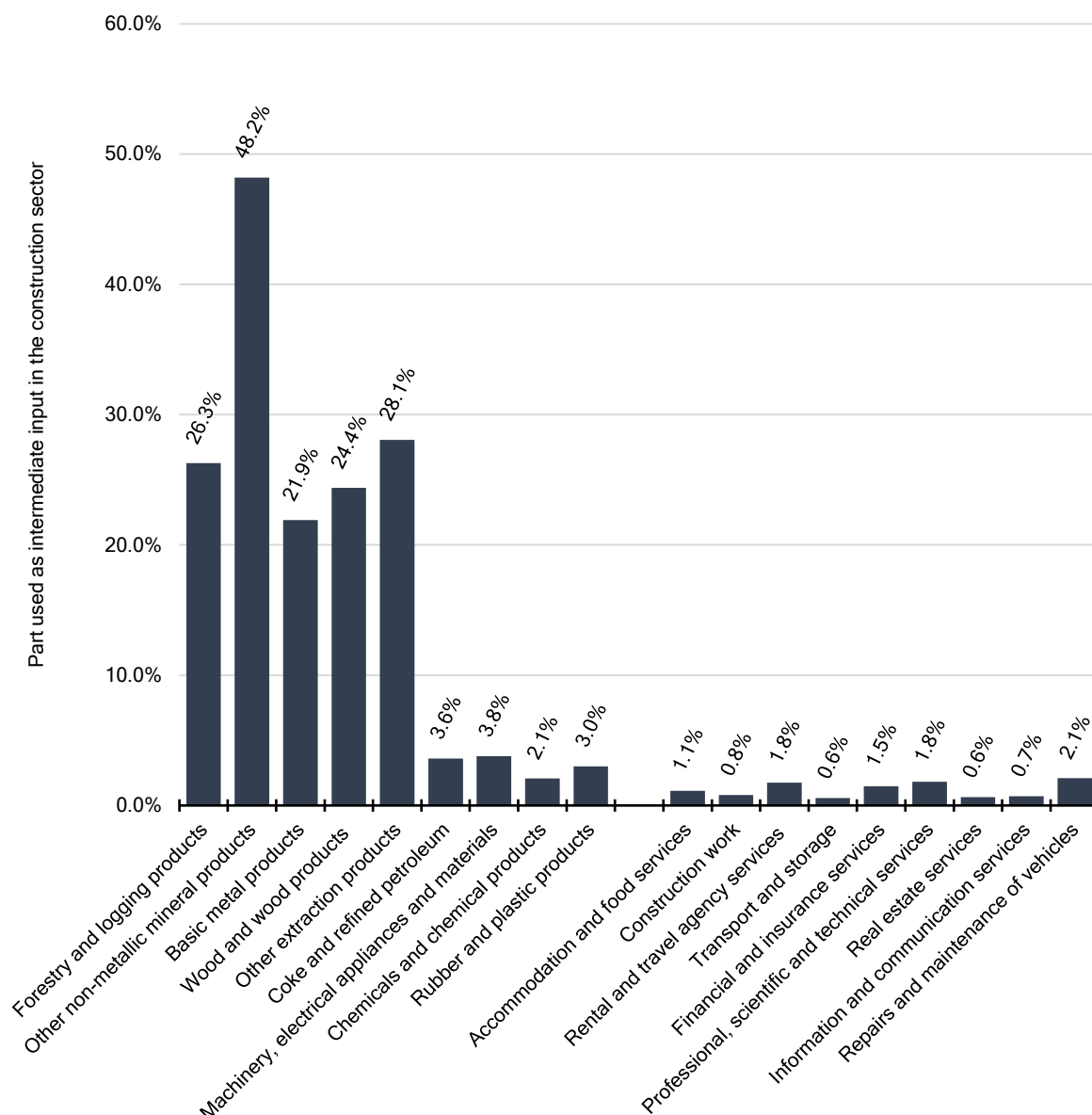
Source: Calculations from national accounts data of the NIS Cameroon.

The main intermediate inputs materials and manufactured goods used in the construction sector of Cameroon such as “Forestry and logging products” and “Wood and wood products” are supplied from within Cameroon. However, the share of other main intermediate inputs materials and manufactured goods such as “Other non-metallic mineral products” and “Basic metal products” that are imported are 39.5 per cent and 46.6 per cent respectively. “Other extraction products” are imported at a share of 15.6 per cent. Considering the importance of these three sectors in the construction value chain (Figure 7), there could be opportunities to increase local value added by increasing local production of these. Other intermediate input materials and manufactured goods such as “Coke and refined petroleum”, “Machinery, electrical appliances and materials”, “Chemicals and chemical products” and “Rubber and plastic products” are mostly imported.

The most imported services used as intermediate inputs of the construction are “Professional, scientific and technical services”. These services include “Architectural and engineering services”.

Cameroon imports from China a part of minerals, chemical, metal, rubber and plastic products, machinery, electrical appliances and materials. Part of its imports of refined petroleum come from India, France and Nigeria.

► **Figure 9. Share of output used as intermediate input in the construction sector**



Source: Calculations from national accounts data of the NIS Cameroon.

Figure 9 shows that the products that are highly dependent on the construction sector and vice versa are notably “Forestry and logging products”, “Other non-metallic mineral products”, “Basic metal products”, “Wood and wood products” and “Other extraction products”. Respectively 26.3 per cent, 48.2 per cent, 21.9 per cent, 24.4 per cent and 28.1 per cent of these products are used as intermediate inputs in the construction sector.

“Professional, scientific and technical services” and “Real estate services” are used at 1.8 per cent and 0.6 per cent respectively in the construction sector. Professional construction services seem not yet sufficiently used in the construction sector in Cameroon.

By combining part of product used as intermediate input in the construction sector and the value added and number of employees, we estimate that the construction value chain could accounts for around XAF 3,253 billion or the equivalent of US\$ 5,864 million of value added in 2021 or around 13.0 per cent of the GDP of Cameroon of that year. In term of employment, the construction value chain could account for more than 1.3 million jobs (5.3 per cent of total Cameroon employment in 2021) (see tables 22 and 23).

► **Table 22. Nominal value added of the main components of the construction value chain in 2021**

	Billions XAF	Millions US\$	Per cent of GDP
1. Forestry and logging products	920	1 658	3.7
2. Other extraction products	45	81	0.2
3. Wood and wood products	329	593	1.3
4. Other non-metallic mineral products	218	393	0.9
5. Basic metal products	210	378	0.8
6. Construction	1 531	2 761	6.1
Sub Total (Lines 1 to 6)	3,253	5,864	13.0
<i>Total GDP (Cameroon, All sectors)</i>	<i>25 141</i>	<i>45 338</i>	<i>100.0</i>

Source: Calculations from national accounts data of the NIS Cameroon.

► **Table 23. Employees of the main components of the construction value chain in 2021**

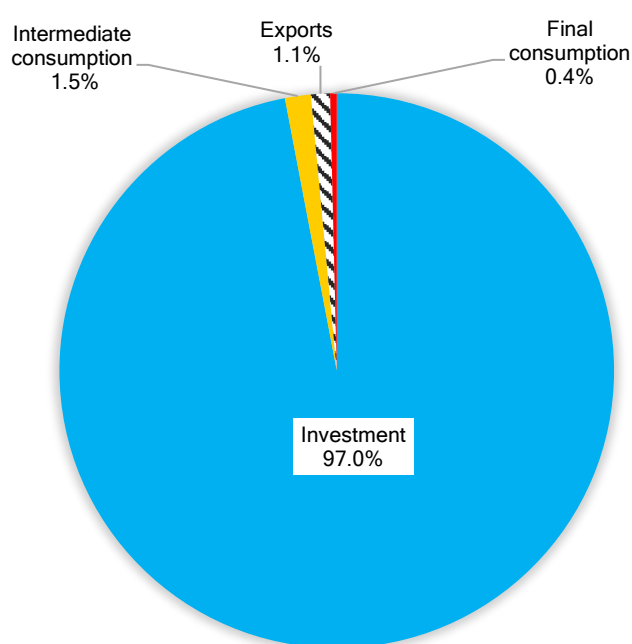
	Number of employees	Percent of TOTAL
1. Forestry and logging products	141 873	0.6
2. Other extraction products	80 133	0.3
3. Wood and wood products	214 102	0.9
4. Other non-metallic mineral products	62 346	0.3
5. Basic metal products	114 848	0.5
6. Construction	695 719	2.8
Sub total (Lines 1 to 6)	1,309,021	5.27.4
<i>Total employment (Cameroon, All sectors)</i>	<i>24 800 158</i>	<i>100.0</i>

Source: Calculations from national accounts data of the NIS Cameroon.

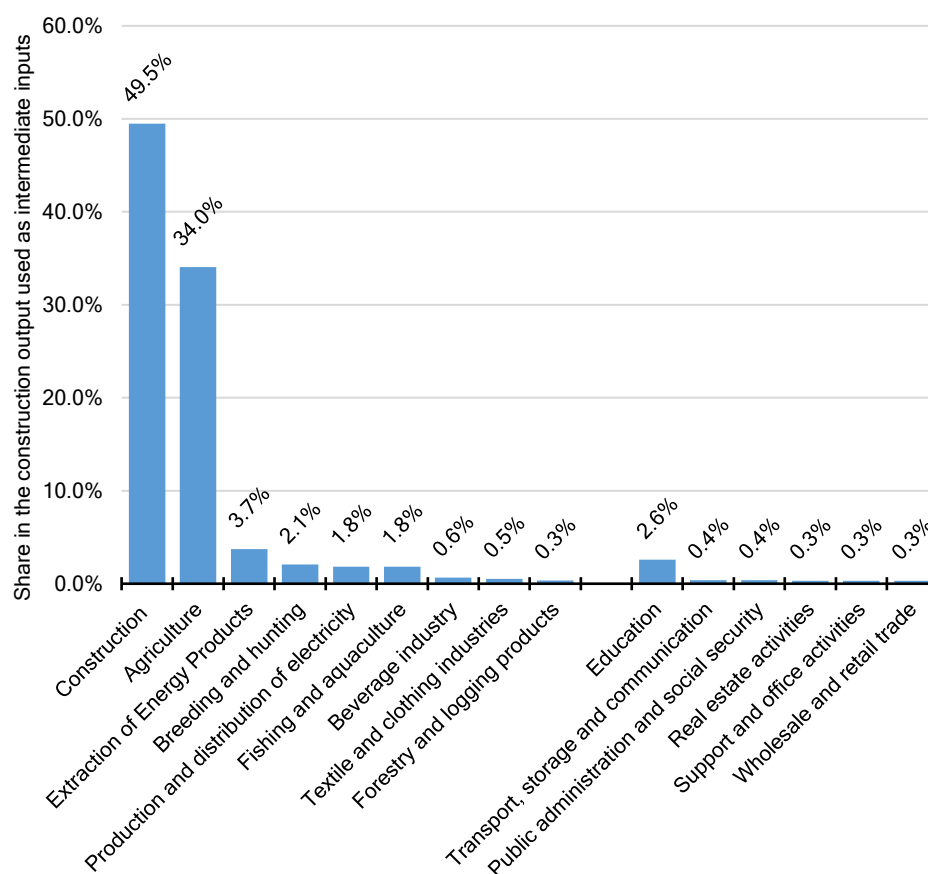
7.2. Downstream construction value chain and investment

Almost all construction sector output (97.0 per cent) is categorized as investment. These are essentially investments in housing, other buildings and infrastructure.

Figure 10 shows that only 1.5 per cent of construction sector output are used as intermediate inputs by all economic sectors. The remaining construction sector output, an insignificant proportion, goes to final consumption (0.4 per cent) and exports (1.1 per cent).

► **Figure 10. Composition of construction sector outputs in 2021**

Source: Calculations from national accounts data of the NIS Cameroon.

► **Figure 11. Breakdown of the construction output used as intermediate inputs in 2021**

Source: Calculations from national accounts data of the NIS Cameroon.

When we consider only the construction sector output used as intermediate inputs, almost half are used in the construction sector itself. This consists of construction inputs that are supplied from one construction firm to another firm, referred to as “own use”. More than 34 per cent is used in agriculture sector. This may include the construction of roads to open up production basins, lands enhancement, and acquisition of agropastoral and halieutic seed. The remainder of the construction sector output is used as intermediate inputs, notably by the “Extraction of Energy Products sector” (3.7 per cent), “Education” (2.6 per cent), the “Breeding and hunting sector” (2.1 per cent), the “Production and distribution of electricity and gas sector” (1.8 per cent), and the “Fishing and aquaculture sector” (1.8 per cent). The sector of “Public administration and social security” and “Real estate activities” used respectively only 0.4 per cent and 0.3 per cent of the 1.5 per cent of construction sector output used as intermediate inputs (see Figure 11).

There is a strong relationship between the construction sector and total investment. As already mentioned, 97 per cent of the output of the construction sector is categorized as investment, and 62 per cent of total investment is composed of construction sector output. The rest of the chapter is devoted to the analysis of total investment by sector, by nature and by source of financing. They have increased over the period 2015 - 2021, rising from US\$ 5,995 million in 2015 to US\$ 8,541 million in 2021. The share of investment in GDP has remained almost constant over the period around the average of 19 per cent.

► Table 24. Evolution of investment

Year	Public Investment	Private Investment	Total Investment
Billion XAF			
2015	996	2549	3544
2016	1151	2748	3899
2017	1062	2983	4045
2018	1236	3105	4341
2019	1268	3169	4437
2020	951	3318	4270
2021	1013	3723	4736
Million US\$			
2015	1684	4311	5995
2016	1943	4636	6579
2017	1829	5137	6966
2018	2226	5589	7815
2019	2164	5409	7573
2020	1653	5765	7418
2021	1827	6714	8541
Percentage			
2015	28.1%	71.9%	100.0%
2016	29.5%	70.5%	100.0%
2017	26.3%	73.7%	100.0%
2018	28.5%	71.5%	100.0%
2019	28.6%	71.4%	100.0%
2020	22.3%	77.7%	100.0%
2021	21.4%	78.6%	100.0%

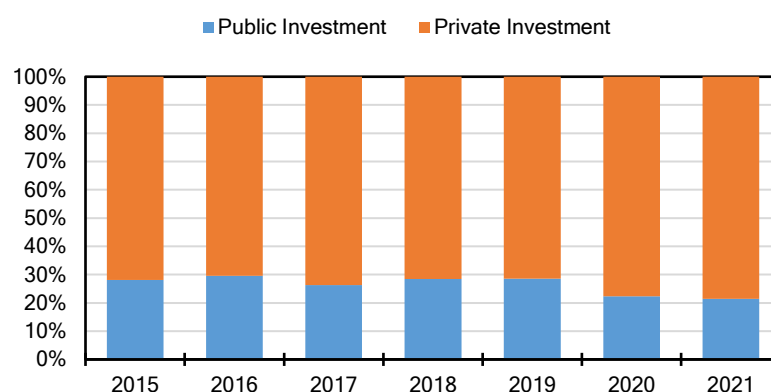
Source: Calculations from national accounts data of the NIS Cameroon.

Figure 12 shows the evolution of the distribution of investments. The weight of public investment records a significant drop from 2019 to 2021. From 2015 to 2019, it fluctuated between 28.1 per cent and 29.5 per cent. In 2020, it plummets to 22.1 per cent and in 2021, it stands at 21.4 per cent. This sharp drop is the result of the decrease in the volume of public investments of -24.9 per cent between 2019 and 2020.

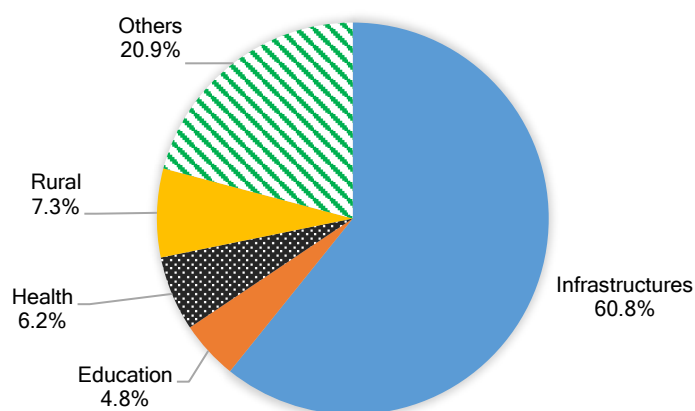
In 2021, the bulk of public investment (60.8 per cent) was devoted to infrastructure (see Figure 13), including 30.1 per cent in the Ministry of Construction, 16.3 per cent in the Ministry of Water and Energy, 8.3 per cent at the Ministry of Housing and Urban Development.

The rural sector received 7.3 per cent of public investment, the health sector 6.2 per cent and the education sector 4.8 per cent.

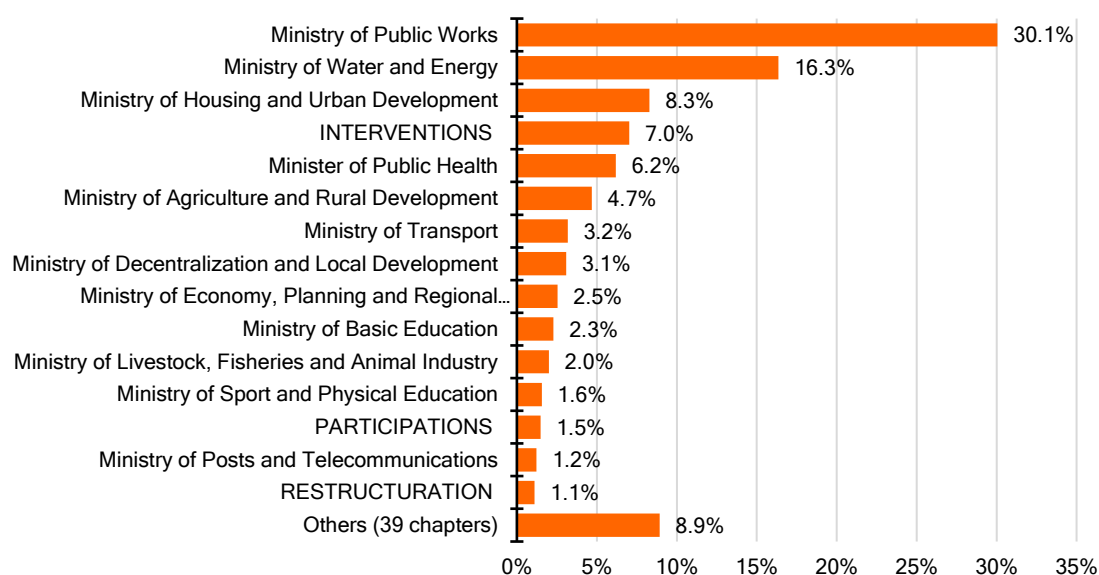
► Figure 12. Evolution of the distribution of investment



Source: Calculations from national accounts data of the NIS Cameroon.

► **Figure 13. Breakdown of public investments budget by sector**

Source: Financial Law 2021.

► **Figure 14. Breakdown of public investments budget by ministry**

Source: Financial Law 2021.

► Table 25. Breakdown of Cameroon's public debt

Year	2021	2022	2021	2022
	Billions XAF		Millions US\$	
External debt	7 558	8 153	13 630	13 071
Multilateral debt	3 267	3 742	5 891	5 999
Africa Development Bank	508	593	917	951
Arab Bank for Economic Development in Africa	26	27	48	43
Development Bank of Central African States	25	24	46	38
Islamic Development Bank	320	394	577	632
International Bank for Reconstruction and Development	174	233	314	373
African Development Fund	398	413	717	661
International Fund for Agricultural Development	54	60	98	96
International Monetary Fund	671	789	1 211	1 265
FS Organization of the Petroleum Exporting Countries	13	11	24	18
International Development Association	1 039	1 165	1 873	1 867
European Union	38	34	68	54
Bilateral debt	3 297	3 405	5 946	5 459
GERMANY	18	17	32	26
BELGUIM	9	8	16	13
SPAIN	3	2	6	4
FRANCE	931	862	1 679	1 381
JAPAN	56	51	100	81
NORWAY	26	22	47	35
SWISS	1	1	2	1
SAUDI ARABIA	9	9	16	14
CHINA	3	3	6	5
SOUTH KOREA	45	47	81	76
EXIMBANK CHINA	2 043	2 229	3 684	3 573
EXIMBANK TURKISH	82	75	148	121
INDIA	59	68	106	109
KUWAIT	12	12	22	19
Commercial debt	994	1 006	1 793	1 613
Domestic debt	2 929	3 301	5 282	5 292
Debt of public enterprises	866	896	1 562	1 436
Debt of DTC	-	10	-	16
Total Public Debt	11 353	12 360	20 474	19 815

Source: Caisse Autonome d'Amortissement 2022 and 2023.

Cameroon's two main bilateral partners in terms of public investment financing are EXIMBANK CHINA and France. They weigh together more than 90 per cent of Cameroon's bilateral public debt (see Table 25).

"Roads and rural tracks" receive the largest portion of the public investment budget (PIB). In 2021, they received 31.1 per cent of the PIB. They are followed by "studies" (13.7 per cent), "buildings" (11.5 per cent), and "boreholes and mini water supply" (7.5 per cent).

The business climate is very unfavourable to private investment. The downgrading of Cameroon's rating will aggravate the situation. The public debt ratio is considered high. It is becoming difficult for the country to take on additional debt to invest.

► Table 26. Breakdown of public investments

	Billion XAF	Million US\$	Share of Total
Studies	185	333	13.7%
Equipment in imported goods	35	64	2.6%
Acquisition of rolling stock	7	12	0.5%
Equipment in local goods	12	21	0.9%
Acquisition of agropastoral and halieutic seeds	0	1	0.0%
Lands Enhancement	62	111	4.6%
Buildings	155	280	11.5%
Sanitation and irrigation	15	27	1.1%
Rural roads and tracks	420	758	31.1%
Artwork	20	36	1.5%
Boreholes and mini water supply	101	183	7.5%
Rural electrification	26	46	1.9%
Electrical / telephone networks	72	130	5.3%
Roads, highways, major bridges	27	49	2.0%
Bridge, dams, stadium	80	143	5.9%
Compensation	2	3	0.1%
Cash grants to private companies	0	0	0.0%
Financial support for CIGs / COOPs / Ops	6	11	0.5%
Domestic debt clearance	0	0	0.0%
Investment grant to EPAs	48	87	3.6%
Matching Funds	76	137	5.6%
Undetermined	2	4	0.1%
Total	1 352	2 438	100.0%

Source: Financial Law 2021.

7.3. Summary of chapter 7

Finally, the main findings of this chapter are:

- Over 87 per cent of intermediate inputs to the construction sector consist of materials and manufactured goods. Just under 13 per cent of inputs are accounted for by services.
- The largest category of inputs used by the construction sector is “Forestry and logging products”. It is followed by “Other non-metallic mineral products”, “Basic metal products”, and “Wood and wood products”.
- Some of the main intermediate input materials and manufactured goods used in the construction sector of Cameroon such as “Forestry and logging products” and “Wood and wood products” are supplied from within Cameroon.
- However, other main intermediate input materials and manufactured goods such as “Other non-metallic mineral products” and “Basic metal products” are imported respectively at 39.5 per cent and 46.6 per cent. “Other extraction products” are imported at 15.6 per cent; considering the importance of these three sectors in the construction value chain, there could be opportunities to increase local value added by increasing local production of these.
- The most imported services used as intermediate inputs of the construction are “Professional, scientific and technical services”. These services include “Architectural and engineering services”.
- Products that are highly dependent on the construction sector and vice versa are notably “Forestry and logging products”, “Other non-metallic mineral products”, “Basic metal products”, “Wood and wood products” and “Other extraction products”.
- Almost all of the construction sector output (97.0 per cent) is categorized as investment. These are essentially investments in housing, other buildings and infrastructure.
- The construction sector output is the main source of investment in Cameroon, constituting 62 per cent of total investment.
- The bulk of public investment (60.8 per cent) is devoted to infrastructure. Cameroon’s two main bilateral partners in terms of public investment financing are EXIMBANK CHINA and France. Together they account for more than 90 per cent of Cameroon’s bilateral public debt. “Roads and rural tracks” receive the largest portion of the Public Investment Budget (PIB).

8. Conclusion and recommendations

This study provides an analysis of the construction sector in Cameroon. It reveals the existence of several job creation opportunities in the sector despite the difficulties encountered by the country in the implementation of its National Development Strategy of which one of the main pillars is infrastructure construction. The main findings highlighted by the study are:

Regarding the contribution of the construction sector to the economy:

- The contribution of the construction sector to the economy has increased in recent years due to the massive public investments made by the government in infrastructure.
- The development of the growth rate of the real value added of the construction sector is downward, due notably to several economic, security and health crises.
- Employment in the construction sector constitutes about 3 per cent of total employment, remaining relatively low compared to regional and global averages.
- Employment in the construction sector is mostly informal (more than 95 per cent).
- However, the share of permanent jobs in the formal sector is on the rise.
- Non-Cameroonians occupy more than 30 per cent of management positions. For the other professional categories, the proportion of non-Cameroonians is less than 2 per cent.

Concerning the orientation of development policies of the construction sector:

- The orientation of development policies and of the regulatory framework in the construction sector in Cameroon offers a large number of opportunities for the creation of decent jobs both by large companies and by SMEs, and in urban areas as in rural areas.
- Unfortunately, job creation channels have not yet produced the expected results. In particular, the level of jobs created by labour-based technologies and adopting EII approaches seems to remain well below potential.

As for productivity and skills in the construction sector:

- Productivity as measured by value added per employee in the construction sector has increased. However, salaries remained stable. In particular, wages in the formal sector have increased while they have rather decreased in the informal sector.
- Productivity is 3.5 times higher in the formal sector than in the informal sector. The average salary is 5 times higher in the formal sector than in the informal sector.
- In the formal sector, a significant share of enterprises do not respect the regulations in terms of wages and working conditions of employees.
- There are significant wage inequalities by gender within professional categories.
- The construction sector is characterized by a scarcity of skilled labour. However, there are several universities, colleges and private institutions that train in construction trades.
- The main problem of competence in the construction sector lies in the quality level of training in both public and private training structures. These are sorely lacking in appropriate equipment and normative reference.
- There is a National Collective Agreement for companies in the construction sector, but since it is not properly applied, it did not contribute to the creation of decent and productive jobs in the construction sector.
- Many training structures have signed internship and apprenticeship agreements with companies. However, the absence of regulation on internships and apprenticeships limits the contribution of companies to training.
- Women are under-represented in construction trades (15 per cent). In addition, they are paid less than their male counterparts for the same jobs.

Regarding the characteristics of enterprises in the construction sector:

- The number of formal private enterprises in the construction sector continues to increase. More than 60 per cent of formal private enterprises are very small enterprises.

- The cumulative turnover of enterprises in the construction sector is increasing. As well is its share in the cumulative turnover of the whole economy.
- Companies in the construction sector are faced with many difficulties, in particular insufficient access to financing, particularly for SMEs, non-compliance with payment deadlines by the public administration, insufficient equipment, and the participation of a vast number of informal actors in the sector.

Concerning the construction value chain:

- Over 87 per cent of inputs to the construction sector consist of materials and manufactured goods. Just under 13 per cent of inputs is accounted for by services.
- The largest category of inputs used by the construction sector is “Forestry and logging products”. It is followed by “Other non-metallic mineral products”, “Basic metal products”, and “Wood and wood products”.
- The main intermediate input materials and manufactured goods used in the construction sector of Cameroon such as “Forestry and logging products” and “Wood and wood products” are supplied from within Cameroon.
- However, other main intermediate input materials and manufactured goods still hold potential for further local sourcing such as “Other non-metallic mineral products” and “Basic metal products”, which are imported respectively at a rate of 39.5 per cent and 46.6 per cent. “Other extraction products” are imported at 15.6 per cent. Considering the importance of these three branches in the construction value chain, there could be opportunities to increase local value added by increasing local production of these.
- The most imported services used as intermediate inputs by the construction sector are “Professional, scientific and technical services”. These services include “Architectural and engineering services”.
- Products that are highly dependent on the construction sector and vice versa are notably “Forestry and logging products”, “Other non-metallic mineral products”, “Basic metal products”, “Wood and wood products” and “Other extraction products”.
- The bulk of total investment (62 per cent) in Cameroon is generated through the construction sector through the creation of housing, buildings and infrastructure.
- The bulk of public investment (60.8 per cent) is devoted to infrastructure.
- Cameroon's two main bilateral partners in terms of public investment financing are Eximbank China and France. Between them, they account for more than 90 per cent of Cameroon's bilateral public debt.
- “Roads and rural tracks” receive the largest portion of the Public Investment Budget (PIB).

These findings suggest several recommendations to increase the creation of decent jobs in Cameroon.

- Generally improved compliance with regulations could have a considerable positive impact on job creation.
- In addition, the application of the following specific regulations would enhance employment outcomes of the sector in Cameroon be improved:
 - (a) **Improved salary and working conditions of employees** could improve the participation of young people and women in the construction labour market.
 - (b) **Use of labour-based technologies** and EII approaches could increase employment in the formal construction sector. For this purpose:
 - Complete the regulatory corpus promoting the EII approach by validating the following texts: The draft order establishing the procedures for awarding EII contracts; and the draft order establishing the specific procedures for executing projects following the EII approach.
 - (c) **Local content and national preference** could increase the use of local materials and enterprises as subcontractors and consequently increase job creation and reduce the impact of investments on the current account deficit.
 - (d) **Respecting payment deadlines** could improve the financing and equipment capacity of enterprises especially SMEs.
 - (e) **Transfers of skills and resources** to local government in the context of accelerating decentralization should improve their contribution to development through the construction of infrastructure and the creation of jobs in both urban and rural areas.
- Improving governance could strengthen job creation in the construction sector. In terms of skills, there should be regulations on apprenticeships that encourage enterprises' participation in training of workers.
- Intensify the training and capacity building of the main actors in planning, programming, budgeting, execution of public investment projects in EII approaches with particular emphasis on Decentralized Territorial Communities.

- Introduce the teaching of labour-based approaches in the training programmes for engineers and technicians in the construction sector.
- Encourage the establishment of a workers' union in the construction sector.
- Improving the investment climate and the stability of the macroeconomic framework, particularly in terms of public debt, could reduce the informal sector, increase private local and foreign investment and job creation in the construction sector.
- Consideration should be given to increasing local manufacturing of inputs and equipment which are currently imported.

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Annex

► Table 27. Official Exchange Rate (XAF per US\$)

Year	XAF per US\$
2010	494,8
2011	471,2
2012	510,6
2013	493,9
2014	493,8
2015	591,2
2016	592,6
2017	580,7
2018	555,4
2019	585,9
2020	575,6
2021	554,5
2022	623,8

Source: Official exchange rate (LCU per US\$, period average) | Data (worldbank.org).

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