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Insights

The Reality of Import Substitution Policy in Cameroon

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1. Introduction

The supply constraints that are characterised by inadequate quality infrastructure, climate volatility, science and technology adoption, access to credit, land tenureship, increasing input costs, government inconsistent policy and insecurity due to succession militancy have led to low food system performance, which over the years has led to rising food imports in Cameroon. Mitigating these challenges will expand the food system performance and serve as a resilience to the threatening food insecurity. Besides, the growing population, which is 29 million as of 2024 with an annual average of about 3%, increasing urbanisation and youth population, and the rising income and wealth in the cities have led to the expansion of food demand (USDA-GAIN, 2025) [1] that is not met domestically, but with a complement from food imports.

However, the devastating impact of the COVID-19 pandemic and the ongoing war in Ukraine has shed light on the unsustainability and unreliability of food imports, especially for staple foods such as maize, rice, wheat, fish and palm oil (Fuli, 2025). The food price hike and the consequences of the food imports for the domestic producers and the food system's income earners have led to policy tweaking and repurposing to encourage and ensure domestic food system self-reliance and self-sufficiency. Thus, to accomplish this, there is a need for a policy that ensures increased domestic food production and sectoral creation of wealth, which form the basis for the introduction and implementation of the Import Substitution Policy (ISP) from 2024 in Cameroon.

2. Food System Integration in the National Development Plan

The design and implementation of the import substitution policy (ISP) is within the framework of the National Development Strategy (NDS) 2020-2030, which was adopted in 2021 as a development activities template for the forthcoming decade, building upon the Growth and Employment Strategy Paper (GESP) and to accomplish the Vision 2035 aspirations (WTO, 2023)[2]. The framework of activities

[1] https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Exporter%20Guide%20-%20Cameroon_Lagos_Cameroon_NI2025-0001.pdf
[2] https://www.wto.org/english/tratop_e/tpr_e/s445-02_e.pdf

in the NDS rests on four key pillars: economic structural transformation, economic integration and employment promotion, human capital and well-being development, and governance, decentralisation and state strategic management. The priority sectors of NDS are agro-industry, energy, mining, manufacturing, construction and digital technology. The economy is expected to grow by 6% under the NDS implementation. Besides, the strategy involves investment and financing infrastructural projects, particularly in energy and road projects, that are essential for the transformation of the food system to ensure the reduction of food imports and food self-sufficiency.

The NDS component that deals with the food system is the Rural Sector Development Strategy (RSDS), which conforms with the Comprehensive Africa Agricultural Development Programme (CAADP) of the African Union New Partnership for African Development (NEPAD) and embeds the National Agricultural Investment Plan (NAIP) (WTO, 2023). The RSDS aims at ensuring national food self-sufficiency and food security across households, increasing agri-food producers' income, improving rural dwellers' living conditions, creating employment and contributing to economic growth through export, and ensuring sustainable agriculture. The structural transformation of the food system as envisaged in this strategy will create employment, reduce poverty and propel economic growth. The agri-food trade policy involves border measures such as tariffs, which are different from the regional economic community's common external tariffs, and sanitary and phytosanitary measures (SPS). However, agri-food farm inputs such as fungicides, fertilisers and pesticides are wholly imported and are exempted from value-added taxes, including for equipment and staple foods. The domestic food production, i.e. rice, maize and wheat, though has been increasing, but largely inadequate with the demand; thereby necessitating imports. The importation of rice, maize and wheat contributed to 90%, 15% and 100% of the total domestic demand (WTO, 2023).

This large food importation, particularly these cereals and fisheries, is seen as unsustainable for food and nutrition security and the transformation of the food system by the government. To this end, the revitalisation of food value chains becomes germane and is pursued through the implementation of an import substitution policy, with support from partner countries such as Japan and the Republic of Korea.

3. The Import Substitution Policy

The import substitution policy is a trade policy that protects domestic firms, enterprises or producers, emphasising the replacement of goods importation with domestic production through incentives and supports (IMF, 2024; Naseemullah, 2023)[3]. In other words, as regards the food systems, it is the act of incentivising and promoting domestic food production to replace imported foods. The Cameroonian government has embarked on an import substitution policy, 2024-2026, to expand local food production and transformation to reduce food import bills. It stimulates domestic demand by encouraging and promoting local consumption, especially through the connection of domestic producers with school feeding programmes and humanitarian interventions (Mbong, 2021)[4]. Besides, it incentivises, supports and stimulates the domestic food system to increase the performance of the food value chains to ensure self-reliance and sufficiency in food availability and accessibility. Moreover, this policy is expected to strengthen the indigenous and traditional food as well as food sovereignty, tackle inflation and reduce the trade deficit arising from imports, which is estimated at 1,500 billion CFA Franc ($2.67 billion) per annum (Guardian Post, 2024). The cereals such as maize, rice, wheat and others, as well as fisheries, dairy and palm oil contributed between 44%-71% of the trade deficits over

[3] https://www.sciencedirect.com/science/article/pii/S0305750X23000876. https://doi.org/10.1016/j.worlddev.2023.106269

[4] https://www.unfoodsystemshub.org/docs/unfoodsystemslibraries/convergence-initiative/global-touchpoint/cameroon_convergence-initiative_touchpoint-29-april-2025.pdf

the past decade (MINEPAT, 2023) [5] . The Ministry of Public Works (MINTP) and the Ministry of Agriculture and Rural Development (MINADER) have earmarked 7.2 billion CFA Franc ($13 million) and 3.3 billion CFA Franc ($5.9 million), respectively, to support ISP (Guardian Post, 2024). This will be through the expansion of agricultural, industrial and tourist production areas, as well as the rehabilitation and maintenance of local road infrastructure. However, the successful implementation of ISP depends on the national preference of guiding demands towards local product supply, protecting the economic space through adequate sectoral supply to the domestic markets, and the development and protection of the infant industry to improve competitiveness (Fuli, 2025)[6].

To accomplish these objectives, the government has engaged in the revitalisation of food production and processing, particularly the cereals, fisheries and other aquaculture. The cereal office was strengthened to deliver its mandate of storage, distribution and to smooth out sharp and sudden increases in the price of cereals. In the fisheries and aquaculture subsector, industrial fisheries development support, artisanal maritime fishing, inland fishing and aquaculture have been embarked upon to expand, intensify and diversify fisheries production. Moreover, the government has eliminated constraints militating against the responsible fisheries management and sustainable aquaculture development (WTO, 2023).

Some value chains' actors (public, private and civil societies) have been identified as the agents of change or drivers of the pathways of achieving import substitution in the food system. In the rice value chain, SEMRY and UNVDA are the main institutional actors that organise small- and medium-sized producers; for the maize value chain, given its importance in household food basket ahead of rice and millet, the main actors comprise state actors (the states, supervisory bodies, agricultural research system) and non-state actors (private sector, civil societies, value chain associations, local communities and donors and technical partners). The wheat value chain is dominated by firms including SGMC, OLAM, PASTA, SCTB, and SITRAB. The IRAD, MINADER, seed cooperatives, North Cereal Commercialisation Cooperatives (SOCOCCEN) and Regional Confederation of Farmers' Organisation of the North Part of Cameroon (CROPSEC) are the major actors in the millet/sorghum value chain (MINEPAT, 2023).

4. The Sustainability Effects of the Import Substitution

The sustainability impact of the implemented ISP has been incorporated in the "Integrated Agro-pastoral and Fisheries Import Substitution Plan" with the establishment of the 'National Spatial Planning and Sustainable Development Scheme' (SNADDT) (MINEPAT, 2023). The implementation of ISP will expand domestic economic activities in the food system, which would improve the livelihood and standard of living of the food system operators, thereby increasing employment, creating wealth and alleviating poverty, especially among the rural dwellers and the vulnerable groups. The expansion and transformation of the food system would motivate and serve as an incentive for the proliferation of agro-allied industry and light manufacturing firms that will benefit from the backward integration to minimise production costs, increase production and record a positive balance sheet. This stimulation of light industrialisation would encourage the provision of quality infrastructure that is essential for the firms to benefit from forward integration.

Moreover, the potential increase in domestic food production through this policy will largely reduce import bills and pressure on foreign exchange, thereby stabilising food prices and the macroeconomic environment as more finance and investment are mobilised to the system. Further, the customs exemption granted to some food imports such as rice, wheat, fish, milk, etc., will be reduced or

[5] https://minepat.gov.cm/wp-content/uploads/2022/01/Integrated-agro-pastoral-and-Fisheries-Import-Substitution-Plan.pdf

[6] file:///C:/Users/olayi/Downloads/FuliJulius2025-EconomicPatriotism-thedawnofimportsubstitutioninCameroon.pdf

gradually eliminated (Waigajo, 2021). This policy is driven by high productivity, then it cannot lead to inefficient production structure, especially with increasing returns to scale and economies of scale and scope production that can be pursued by policy-makers to guard against inefficiency. The labour-intensive food production can leverage innovation, new technology (Duarte, 2023)[7], cost-effective production and resilient small and medium-scale producers (IMF, 2024).

Despite the advantage of this policy, it will be hampered by inadequate institutional support and funding, particularly for the rice subsector, as was the case in the past attempt to stimulate a domestically competitive rice industry (Waiganjo, 2021). This is orchestrated by inadequate extension services that will equip farmers with information on soil preparation, fertilisers, quality seeds, agronomic techniques and pest control. Besides, given that the policy hampered food importation, there will be limited food varieties and cheap food products available to the people, especially sophisticated food products, which could erode their welfare and adversely impact the trading sector of the economy.

In terms of the social impacts, the import substitution policy has the tendency to reduce inequality and social exclusion. With the flow of support and incentives to the food system in the implementation of this policy to increase food production and improve the value chain, this would integrate traditional food crops, indigenous knowledge and food sovereignty in the food systems; thereby increasing the level of economic activities in the agri-food system. The increment in the economic activities will generate employment and improve the income level of not only the farmers but also the farm workers, which would reduce the tide of inequality and social exclusion associated with rural areas. Besides, since the majority of the food value chain economic activities take place in the rural and urban fringe areas, the implementation of this policy will enable the flow of quality infrastructure to these areas and thereby decrease the level of rural-urban migration. This would reduce the pressure on urban infrastructure and extend development to the rural areas.

Another social impact of this policy is the tendency to increase youth and women's inclusiveness and empowerment. Since the bulk of the Cameroonian population, 64% (UNFPA, 2025)[8], is within the youth age bracket (10-24) and the food system is dominated by women and the youth, the implementation of this policy would benefit the youth and women (Duarte, 2023). This would, to a large extent, benefit households as producers, consumers and income earners in the country with the implementation of appropriate government interventions. Further, the ISP implementation will increase technology adoption in the food system through improved food value chain training and education to the key actors in the system. In addition, there will be an infusion of socio-cultural practices and indigenous knowledge in the food production and processing, thereby increasing the food sovereignty of the people and the sustenance of culture and tradition.

Nevertheless, the socio-cultural consequences of this policy could be the displacement of indigenous agricultural practice and knowledge and imposition of agroecology knowledge by the state actors on the local producers, which could erode socio-cultural values and norms of the farming communities.

Furthermore, the environmental impact indicates that some of the prioritised crops in the ISP, particularly the cereals, are climate-resilient crops that can be produced with little environmental impact. Increasing the production of these foods will contribute to a secure agronomic production and the food system's resilience to food insecurity. The food production and processing environmental effects are localised and highly dependent on the producing communities, which affect land and water

[7] A Growing Middle Class and Continental Import Substitution: Connecting the Dots to Unlock "Made in Africa" | United Nations

[8] https://www.unfpa.org/data/adolescent-youth/CM

use, greenhouse gas emission and biodiversity (Zimmermann and Rapsomanikis, 2023) [9] . The extensiveness of food production and processing that will accompany the implementation of the policy through the expansion of the cultivated land has a tendency to affect the ecosystem and biodiversity, such that it increases the risk of environmental crises, including climate change. The unsustainable agricultural practices will have consequences on the environment and the available arable land. Moreover, the application of fungicides, herbicides and pesticides, as well as synthetic fertilisers, will have adverse effects on the ecosystem and environment, thereby affecting biodiversity. Deforestation could also occur in the course of expanding cultivated land, especially for crop plantations, which could lead to land degradation and erosion.

5. Conclusion

The volatility in the global environment has impacted the global economy, particularly trading systems, which have affected countries disproportionately. This volatile global environment has made countries, including Cameroon, take the food system as critical infrastructure and national security to ensure sustainable food availability with less reliance on food imports, but encouraging domestic food production. The exigency to achieve food security with little or no food imports motivated Cameroon to embark on the import substitution policy. The ISP is being implemented with the framework of the National Development Strategy. The structural transformation envisaged in NDS has the tendency to create jobs, reduce poverty and propel economic growth. The agri-food trade policy is more restrictive border measures such as tariffs and technical measures, while farm inputs such as fungicides, fertilisers and pesticides are wholly imported and are exempted from value-added taxes, including for equipment and staple foods. The extensive food imports, particularly cereals and fisheries, are unsustainable for national food and nutrition security and the food system transformation. Hence, the national food system is incentivised, supported and stimulated by the government through ISP to ensure improved performance of the food value chains for self-reliance and sufficiency in food availability and accessibility.

The ISP implementation will have sustainability consequences in Cameroon. It could propel economic activities in the food system, stimulate food system transformation, encourage light industrialisation and promote self-sufficiency in food production. Besides, with appropriate implementation, it could reduce inequality and social exclusion, stem the tide of rural-urban migration and increase youth and women's inclusiveness and empowerment. Moreover, some of the prioritised crops, i.e. the cereals, are nutrient-dense and climate-resilient, which would improve agronomic production and ensure resilience to food insecurity. However, the government's willingness to implement the ISP must be accompanied by adequate financing and investment abilities, extension services, as well as the ability to mitigate the eroded socio-cultural values and norms of the farming communities. While there would be biodiversity consequences of the unsustainable agricultural practices, the agrochemical application and deforestation.

Thus, the ISP for the food import, though, can encourage and propel domestic food production and self-sufficiency in food supply in the medium- and long-term, the short-term consequences of food shortage, limited food varieties, adverse effects on the trading sector and welfare losses of the Cameroonians should be considered and integrated in the implementation of this policy.

[9] A Growing Middle Class and Continental Import Substitution: Connecting the Dots to Unlock "Made in Africa" | United Nations

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