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ECONOMIC OUTLOOK || 3rd quarter 2016




SOMMAIRE

FOREWORD

« Mastering key indicators for better action »

One of the key concerns of the Cameroon National Shippers' Council (CNSC) is the continuing monitoring of international trade performance indicators with a view to mastering information relating to import, export and transit operations.

A regular analysis of these indicators and some highlights of transport and foreign trade updates in Cameroon are of great importance for us since we are committed to helping sector players anticipate their logistics arrangements and to make relevant decisions for the success of their activities.

The Economic Outlook, a publication of the CNSC, which is a supply chain monitoring tool that seeks to provide full information on a regular basis regarding the evolution of data throughout the entire chain, therefore seeks to provide inputs into private and public policy design.

This issue features a special dossier on the entry into force of the Trade Facilitation Agreement. It presents the instrument, the advantages of its implementation and actions to be taken after its entry into force.

As usual, this publication also contains an extensive analysis of the evolution of key freight transport indicators. It reveals that during the third quarter of 2016, 304 ships docked at the port of Douala, that is to say 10 more ships as compared to the second quarter of 2016. The month of August registered the highest number of vessels at anchorage with an average of 26 vessels per day. The overall dwell time for General Cargo ships that dropped by one day stood at an average of one week.

Between Q2 2016 and Q3 2016, air freight and rail freight dropped by 11.3% and 16.7% respectively.

This publication contains detailed information on these issues .

Have an enjoyable reading!

Auguste MBAPPE PENDA

General Manager

DOSSIER | Entry into force of trade facilitation agreement and scope of Cameroon's first commitments

What is Trade Facilitation Agreement?

The World Trade Organization's (WTO) Trade Facilitation Agreement (TFA) that was adopted in December 2013 contains provisions geared at expediting import, export and transit procedures. These include issues relating to the speed of movement, release and clearance of goods. Regarding the level of commitment, the TFA contains binding and flexibility provisions. Indeed, it offers developing and least-developed countries the possibility of linking compliance with the obligations of the agreement with their implementation capacities.

Benefits of TFA implementation

The TFA has raised a lot of hopes. The implementation of this agreement should lead to significant gains in terms of trade volume and trade costs, thereby stimulating trade between countries and increasing world income.

The 2015 World Trade Report shows that developing countries (including Cameroon) are expected to reap the highest benefits from TFA implementation. Indeed, they are currently facing a lot of procedural obstacles.

The report indicates that a reduction in their commercial costs is expected to stand between 13% and 15%. For households, this reduction will lead to increased consumption opportunities and access to a wider range of products. For companies, it translates into lower input costs and better foreign market penetration.

In addition, statistical data show that, through trade facilitation reforms, developing countries could increase the diversification of their exports, attract more foreign direct investments, increase revenue collection and cut the incidence of corruption.

How to implement the agreement

The applicability of the new measures was very much in the minds of Members when they negotiated the TFA.

From the outset, developing and least developed countries made it clear that they would not commit to rules that they lack the capacity to implement, and developed country members did not want implementation to be seen as a mere subsidiary issue.

After several years of consideration, it was finally decided to create a system of categories for these provisions, allowing each developing or least developed country to decide when she would implement the various provisions of the TFA and what support she would need in terms of capacity building. In return, these countries agreed that all Members would eventually apply all the provisions of the Agreement.

Article 14 of the TFA defines the following categories of provisions:

Category A contains provisions that a developing country Member or a least-developed country Member designates for implementation upon entry into force of this Agreement, or in the case of a least-developed country Member within one year after entry into force, as provided in Article 15.

Category B contains provisions that a developing country Member or a least-developed country Member designates for implementation on a date after a transitional period of time following the entry into force of this Agreement, as provided in Article 16.

Category C contains provisions that a developing country Member or a least-developed country Member designates for implementation on a date after a transitional period of time following the entry into force of this Agreement and requiring the acquisition of implementation capacity through the provision of assistance and support for capacity building, as provided for in Article 16.

On February 22, 2017, the WTO obtained the instruments of acceptance of two-thirds of its 164 Members required for the entry into force of the Trade Facilitation Agreement (TFA). Rwanda, Oman, Chad and Jordan submitted their instruments of acceptance to WTO Director-General Roberto Azevêdo, bringing the total number of ratifications over the required threshold of 110. The entry into force of this agreement, which seeks to expedite the movement, release and clearance of goods across borders, launches a new phase for trade facilitation reforms all over the world and creates a significant boost for commerce and the multilateral trading system as a whole.

What to do following the coming into force of the TFA ?

Upon coming into of the TFA, WTO Member States that have ratified the agreement should take a number of measures according to their level of development. Cameroon is classified as a developing country. To this end, the following actions should be carried out:

Upon entry into force

- Establish a National Trade Facilitation Committee: action already taken;
- Notify the WTO of the selection of category A measures: on 24 May 2016, Cameroon notified WTO members of its commitments regarding category "A" in accordance with the list of provisions relating to Articles 10.6 and 11.4;
- Notify the WTO of categories B and C, including indicative dates for implementation: action not yet carried out.

In February 2018

- Notify the WTO of the final dates for the implementation of Category B measures;
- Notify WTO Trade Facilitation Committee of arrangements made or concluded for the implementation of Category C provisions.

In August 2019

- Notify the WTO of the final dates for the implementation of Category C measures (dates may be postponed on request);
- Provide information to WTO Trade Facilitation Committee on progress in Supporting Technical Assistance and Capacity Building.

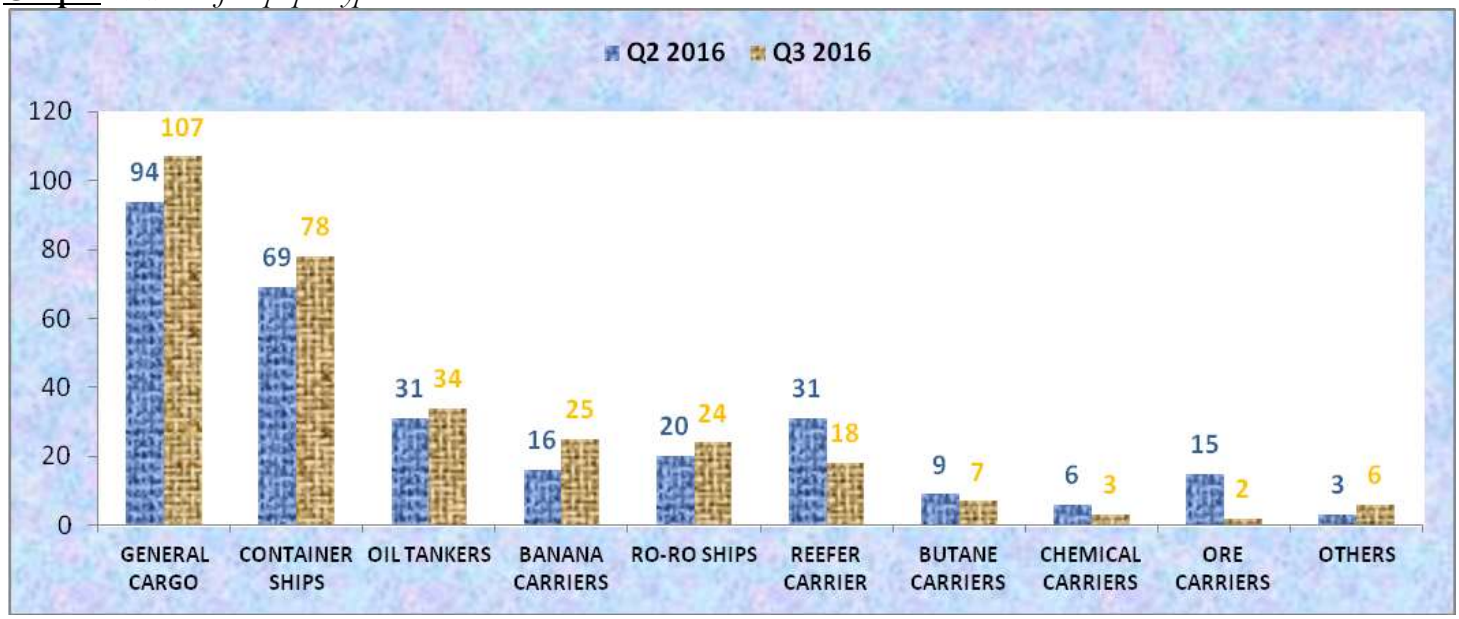
In view of the forgone, it is noteworthy that several urgent actions are still to be carried out by the government of Cameroon regarding TFA implementation. In view of the time-limits set for this purpose and which have already commenced for certain actions, such as the notification of category B and C measures and the indicative dates for their implementation, it is expedient that the required actions be carried out, notably through the National Trade Facilitation Committee (NFTC).

SHIPS | Type of ships that berthed

Simultaneous increase in General Cargo liner (13.8%) and Container Ships (13%) in the 3rd quarter 2016

In the third quarter of 2016, the number of vessels that called the Douala Port maintained its upward trend. It rose from 294 ships to 304 ships, representing an increase of 3.4%.

Graph: *Number of ships per type at the Douala Port*



Source: *PAD*

There was a slight change in the classification of main vessels that called the Douala Port during the 3rd quarter of 2016. General Cargo (35.2%) still ranked first, followed by Container Ships (25.7%) and Tankers (11.2%). Banana carriers (8.2%) ranked fourth at the detriment of Reefer Carriers (5.9%) that ranked sixth.

It should be noted that for the first five categories of vessels that docked at the Douala Port during the 3rd quarter of 2016, the number of vessels increased, while the number of vessels decreased for the other types of vessels.

General Cargo moved from 94 ships to 107 ships, representing an increase of about 14%. Container ships stood at 78 ships during the third quarter of 2016 - 9 more ships in the previous quarter.

Banana Carriers registered the most remarkable increase with a 56.3% growth rate. From July to September 2016, 25 of such vessels docked at the Douala Port.

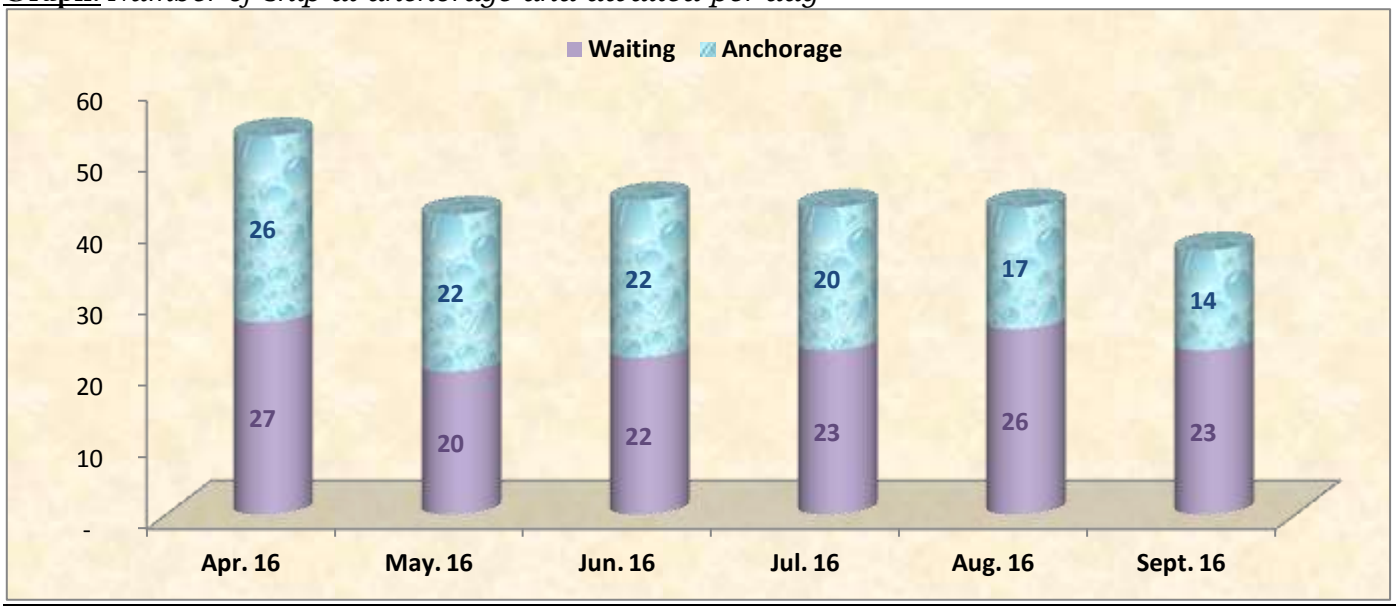
The most remarkable drop was registered by Ore Carriers. Their number dropped from 15 to 2 ships. During the referenced period, the Douala Port received 3 chemical tankers, representing half of the number received therein during the second quarter of 2016.

Reefer carriers, which numbered 31 in the second quarter of 2016, witnessed a decrease of 42% and recorded 18 ships between July 2016 and September 2016.

SHIPS | Number of ships at Anchorage per day / waiting

Gradual decrease in number of ships at anchorage *(14 ships on average per day in September)*

Graph: *Number of ship at anchorage and awaited per day*



Source : *PAD*

During the period from April to September 2016, the average number of vessels at anchorage per day witnessed a gradual decrease. From 26 ships on average per day it dropped to 14. The average number of ships awaited per day seesawed, ranging between 27 and 20 ships.

An analysis of the situation shows that during the second quarter of 2016, the number of ships at anchorage was much higher than in the third quarter of 2016. Indeed, during the first period, every other day, there were at least 20 ships waiting at anchorage.

In April, for example, there were some thirty ships in this port area. During the third quarter of 2016, the decline was quite significant; every other day, less than fifteen ships were at anchorage. The maximum number of vessels registered in one day at anchorage stood at 22.

The month of September seems to have registered the lowest number of ships (14 ships on average waiting per day). The maximum for this month being 20 ships at anchorage in a day.

SHIPS | Waiting per day

Overall General Cargo ship average increase (+ 2 days) and stable number of container ships

Table : *Average waiting time at anchorage per type of ship (hrs)*

Type of ships	Q2 2016	Q3 2016	Variation
REEFER CARRIER	186	99	-47.1%
GENERAL CARGO SHIPS	90	90	0%
OIL TANKERS	39	60	52.1%
CONTAINER SHIPS	17	12	-28.2%
ORE CARRIER	60	12	-79.6%
RO-RO SHIPS	10	12	24.4%
CHEMICAL CARRIERS	81	5	-94.4%
BANANA CARRIERS	21	2	-89.6%
BUTANE CARRIERS	21	2	-91.8%

Source : *PAD*

Generally speaking, most types of ships spent lesser time at anchorage than in the second quarter. On average, the waiting times are fairly close to those of the first quarter of 2016.

Reefer carriers still registered the longest waiting times at anchorage (4 days) despite the fact that it dropped by half. It is also noteworthy that vessels of this type spent up to 16 days at anchorage during the period under study and 50% of these vessels waited for less than 2 days before docking.

General Cargo registered the same waiting time (90 hours). During the 3rd quarter of 2016, 4 of such vessels stayed for more than a month in this port area. Half of them waited for not more than 12 hours while 25% waited at least 3 days before arriving at the dock.

The most impressive declines were recorded by Chemicals Carriers (-94.4%), Butane Carriers (-91.8%), Banana Carriers (-89.6%) and Ore Carriers (-79.6%).

Chemical Carriers that spent about 2.5 days on average at anchorage only spent half a day during the 3rd quarter of 2016.

Table: *Average quay waiting time per type of ship* (days)

Type of ships	Q2 2016	Q3 2016	Variation
ORE CARRIER	5.9	6.7	12.2%
GENERAL CARGO SHIPS	5.4	6.0	11.5%
REEFER CARRIER	2.8	4.7	68.8%
OIL TANKERS	2.0	2.0	0%
BUTANE CARRIERS	1.9	1.8	-5%
RO-RO SHIPS	2.0	1.8	-10.1%
CHEMICAL CARRIERS	0.9	1.6	73.1%
CONTAINER SHIPS	1.5	1.4	-0.7%
BANANA CARRIERS	1.4	1.3	-8.7%

Source : *PAD*

The waiting time for Banana and Butane carriers dropped from 21 hours to 2 hours on average.

Ore Carriers witnessed an average waiting time of 5 hours at anchorage, whereas in the preceding quarter they waited an average of three and a half days. During the study period, the maximum waiting time for this type of vessel was one day.

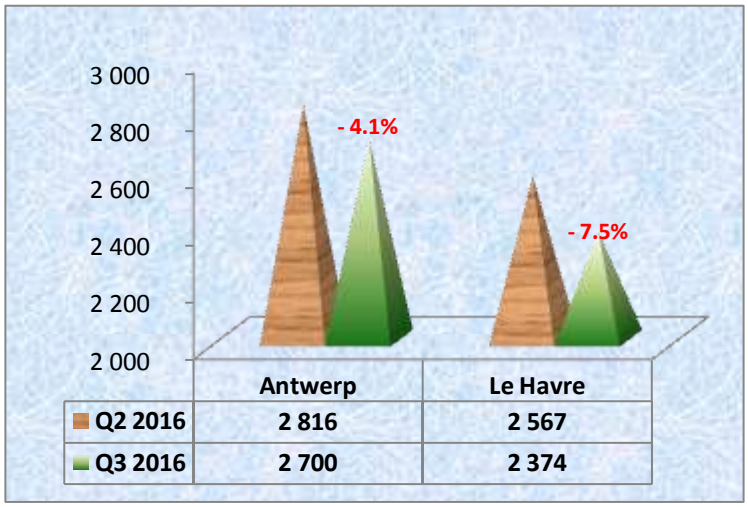
Chemical (+ 73.1%) and Reefer carriers (+ 68.8%) recorded the most remarkable variations in average stay at berth. For the first category of ships, the stay time increased from about 1 day to 1.6 days. The second category registered an average of 4.7 days as against 2.8 days for the second quarter of 2016. Ore carriers (+ 12.2%) and General Cargo (+ 11.5%) recorded an average berth stay time that increased by just over half a day compared to the second quarter of 2016. Other vessels showed a less than 10% variation.

Generally speaking, apart from Oil Tankers (+1 day) and General Cargo (+0.6 days) for which the overall stay at the Douala Port (anchorage and wharf) increased, all other types of vessels either maintained their overall stay time (Container Ship: 2.2 days and Ro-Ro: 2.4 days) or recorded a shorter stopover.

SHIPPING COST | 20'Container

Increase in the average cost of shipping a 20' dry container to the ports of Antwerp (1.7%) and Le Havre (1.1%)

Graph: *Average cost of shipping 20'refrigerated containers (in €)*



Source : *CNSC*

20' refrigerated containers

During the 3rd quarter of 2016, the cost of shipping a 20-foot refrigerated container decreased in the two main ports of loading (Le Havre and Antwerp) for this type of cargo. In Le Havre, shippers paid an average of € 2,374 per container - about € 200 less than in the previous quarter. Three out of four shippers reportedly paid less than € 2,600 to ship a container.

At the port of Antwerp, the decrease stood at 4.1% and almost all containers cost 2,700 € in terms of shipping cost during the third quarter of 2016.

Table: *Average cost of shipping a 20'dry container (in €)*

COUNTRY	PORT	Q2 2016	Q3 2016	Variation
Côte d'ivoire	Abidjan	1,218	1,237	1.5%
South Africa	Durban	1,420	1,375	-3.1%
Germany	Hamburg	1,654	1,640	-0.9%
Belgium	Antwerp	1,621	1,648	1.7%
Spain	Valencia	1,636	1,626	-0.6%
France	Le Havre	1,618	1,637	1.1%

COUNTRY	PORT	Q2 2016	Q3 2016	Variation
China	Qingdao	1,972	1,973	0.1%
	Shanghai	2,038	2,010	-1.4%
India	Nhava Sheva	1,990	2,002	0.6%
UAE	Jebel Ali	2,002	1,969	-1.6%
USA	Houston	2,333	2,309	-1.0%

Source : *CNSC*

The average cost of shipping a 20-foot dry container maintained its upward trend in the port of Abidjan (1.5%) during the third quarter of 2016. It stood at € 1,237. In the port of Durban, however, the upward trend observed in the second quarter was reversed. The average cost of shipping such a container to the port of Douala was € 1,375, representing a decrease of 3.1%. For each of these two African points of departure, 50% of shippers paid exactly 1,200 € to have their goods shipped. Among the main European ports of entry, Antwerp (+ 1.7%) had the largest variation and recorded an average shipping cost of € 1,648. The other ports had discrepancies of less than € 20.

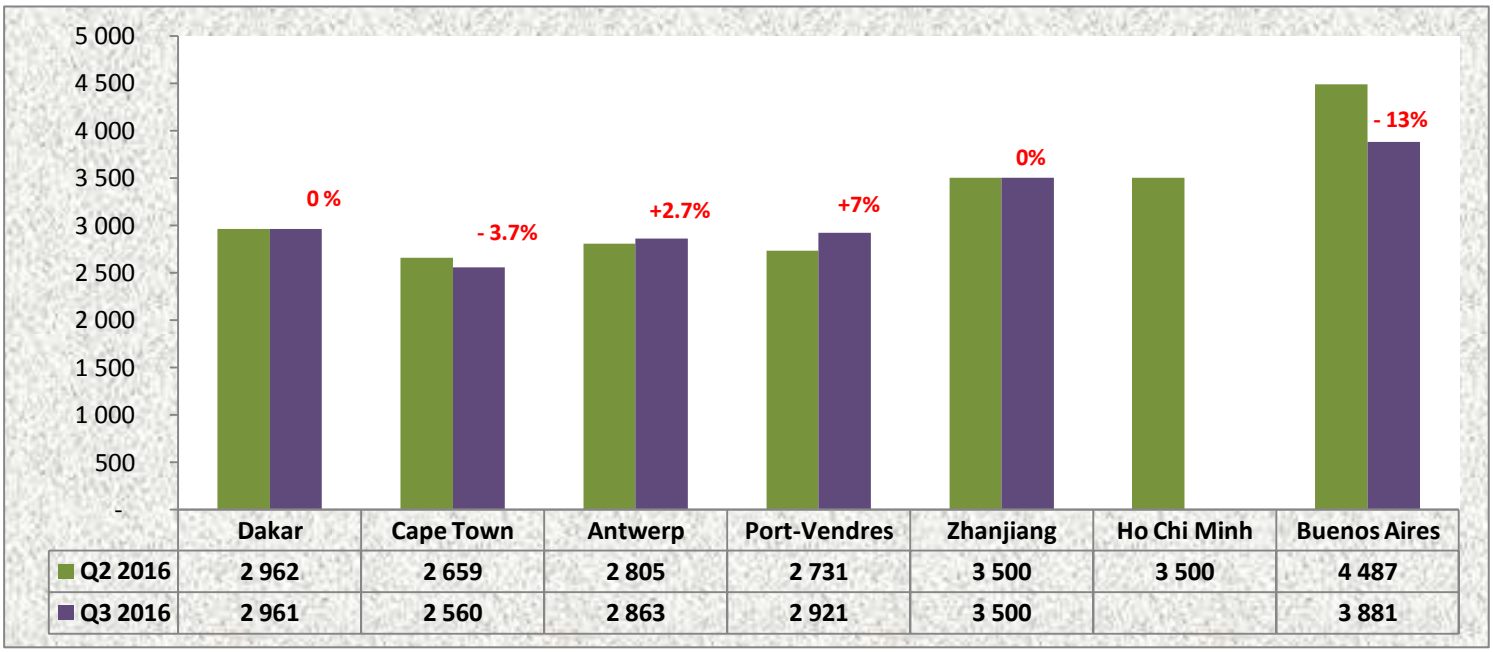
In the previous quarter, 25% of the shippers who used these ports paid more than 1,800 € for shipping a container to the port of Douala.

In Asia, the ports of Qingdao and Nhava Sheva recorded fairly stable average shipping costs. The other main ports of loading (Shanghai and Jebel Ali), on the other hand, saw their shipping cost drop by a little less than 2%. Tariffs in Chinese ports witnessed a higher volatility (roughly 200 € of the average) compared to other ports (roughly € 110 of the average). It is also noteworthy that for 80% of shippers, shipping of a container cost between 1,900 € and 2,000 €.

SHIPPING COST | 40' container

7% increase in the average cost of shipping a 20 'refrigerated container at the Port-Vendres Port and stability recorded at the ports of Dakar and Zhanjiang

Graph : *Average cost of shipping a 40' refrigerated container (in €)*



	Dakar	Cape Town	Antwerp	Port-Vendres	Zhanjiang	Ho Chi Minh	Buenos Aires
Q2 2016	2 962	2 659	2 805	2 731	3 500	3 500	4 487
Q3 2016	2 961	2 560	2 863	2 921	3 500		3 881

Source : *CNSC*

The average cost of shipping a 40-foot refrigerated container from the port of Dakar to the Douala Port remained the same (€ 2,961) as in the second quarter of 2016. The Port of Cape Town witnessed a downward trend (-3.7%). However, the rates charged therein were more dispersed (roughly 350 € of the average against 190 € in the Senegalese port).

In Europe, the main ports of loading witnessed an increase in their average shipping cost. In Port-Vendres, which witnessed the most remarkable increase (+ 7%), it rose from € 2,731 to € 2,921 between the second and third quarters of 2016. The deviation from the maximum average observed was € 450. In the port of Antwerp, the increase was 2.7% and the average value of transport-related expenses stood at 2,863 € during the 3rd quarter of 2016. At this port, tariffs deviated from the average by roughly 350 €. For these two main ports of loading, three out of four shippers reportedly paid between € 2,700 and € 2,900 for shipping a container.

The largest port of loading of 40-foot refrigerated containers in the Americas (Buenos Aires) witnessed the most significant variation. Indeed, the average shipping cost dropped from € 4,487 to € 3,881. The volatility of tariffs therein was less impressive than in Europe (roughly 250 € of the average). Half of the shippers paid at least € 3,860 for the transport of a container.

In Asia, it was observed that no 40-foot refrigerated container was loaded at the port of Ho Chi Minh during the 3rd quarter of 2016. The port of Zhanjiang, through which this type of cargo was shipped to the port of Douala, witnessed a stable shipping cost. All of such containers were shipped for € 3,500.

SHIPPING COST | 40' container

Decrease in the average cost of shipping a dry 40-foot container to the ports of Rotterdam (-7.8%) and Felixstowe (-6.9%)

Table: Average cost of shipping a 40'- dry container (in €)

COUNTRY	PORTS	Q2 2016	Q3 2016	Variation
South Africa	Durban	2,041	2,008	-1.6%
China	Ningbo	2,797	2,754	-1.5%
	Qingdao	2,948	2,913	-1.2%
India	Nhava Sheva	2,774	2,826	1.9%
UAE	Jebel Ali	3,082	2,987	-3.1%
Canada	Montreal	3,101	3,152	1.6%
USA	Baltimore	3,346	3,253	-2.8%

COUNTRY	PORTS	Q2 2016	Q3 2016	Variation
Germany	Hamburg	2,607	2,622	0.6%
France	Le Havre	2,576	2,568	-0.3%
Spain	Valencia	2,501	2,567	2.6%
UK	Felixstowe	2,664	2,480	-6.9%
Belgium	Antwerp	2,612	2,708	3.7%
Holland	Rotterdam	2,691	2,480	-7.8%
Italy	Genoa	2,790	2,760	-1.1%

Source: CNSC

During the 3rd quarter of 2016, the port of Durban witnessed a 1.6% decrease in its average cost of shipping a 40 feet dry container. Tariffs in this port were very close (roughly 50 € of the average) and nearly 75% of shippers paid 2 000 € for shipping a container.

In Asia, of the main ports of loading of this type of containers, only that of Nhava Sheva witnessed an average of 1.9% in its shipping cost. Here, it rose from 2,774 € to 2,826 €. Chinese ports witnessed a drop of just over 1% in average shipping cost. Tariffs variation was rather higher (roughly 350 € of the average). At the port of Jebel Ali, the decrease was much more significant (-3.1%). In the 3rd quarter, the average shipping cost stood at € 2,987. It registered the largest volatility in the continent (€ 450 or less). Half of the importers who used one of the main Asian ports mentioned above spent less than € 2,800 to have a container shipped to Douala.

In the 3rd quarter of 2016, it was observed that at the Port of Montreal, the difference between the various rates offered to shippers for shipping their containers were remarkable (around € 450 compared to € 350 in the second quarter). On average, shipping a container cost 3,152 €. In the port of Baltimore, the situation was different, as the average cost of transport dropped from € 3,346 to € 3, 25, representing a decrease of about 3%.

Moreover, tariffs showed a lower volatility (roughly 200 € of the average against 250 € in the 2nd quarter of 2016). However, almost 75% of shippers had their containers transported from the port of Montreal for less than 3,200 €, whereas with the same amount less than a third of the shippers did so in Baltimore .

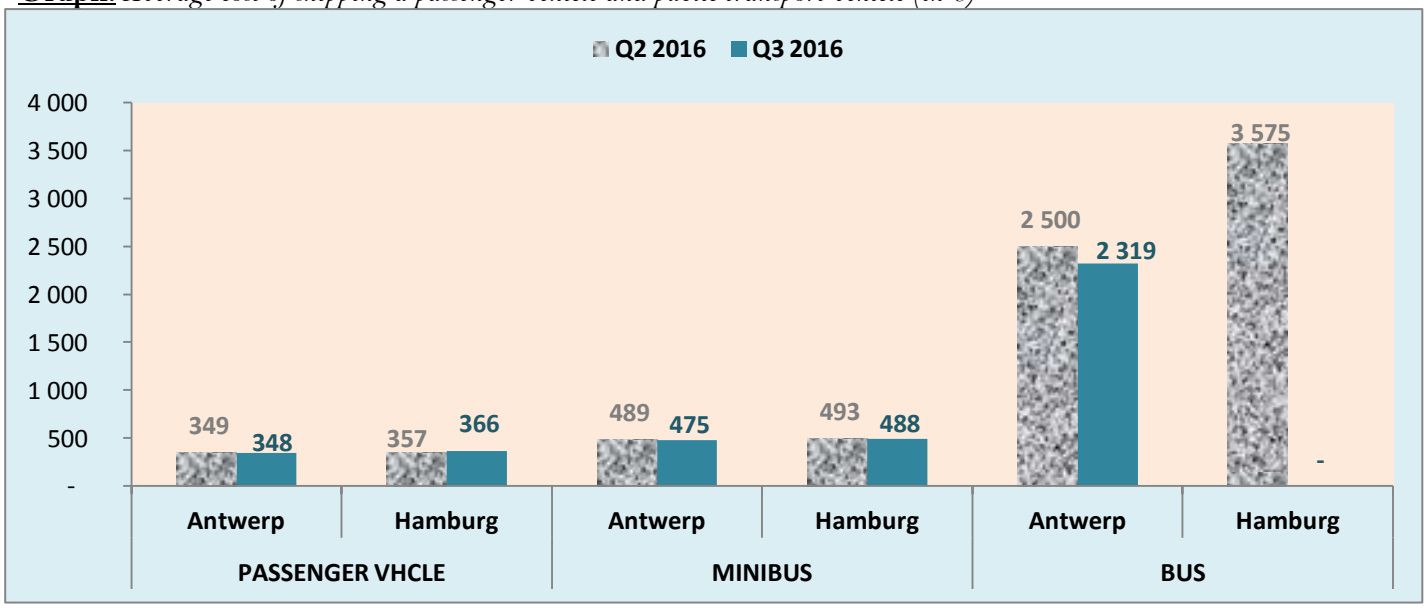
In Europe, the ports of Antwerp (+3.7%) and Valence (+2.6%) witnessed variations reflecting an increase in the average cost of transporting 40' dry containers. They stood at €2,708 and €2,567 respectively for the third quarter of 2016. The variations in tariffs charged were similar in the two ports (roughly € 200 of the average). The ports of Felixstowe (-6.9%) and Rotterdam (-7.8%) recorded the most significant average shipping cost reductions. The tariffs charged in these two ports during the study period were quite close. On average, a shipper paid 2,480 € to have a container shipped. Moreover, the maximum deviation from the average observed in the two ports stood at 250 €.

The ports of Le Havre and Hamburg each witnessed shipping a cost similar to those charged in the second quarter of 2016. No matter the port used, half of the shippers who had 40' dry containers shipped from Europe paid up to € 2,600 for such services.

SHIPPING COST | Vehicles

2.5% increase in the average cost of shipping a passenger vehicle from Hamburg and stability in

Graph: *Average cost of shipping a passenger vehicle and public transport vehicle (in €)*



Source : *CNSC*

During the third quarter of 2016, the average cost of shipping passenger cars remained the same ((€ 348).) at the port of Antwerp. The variation in the amounts paid by shippers was roughly 75 € of the average. Three out of four importers reportedly paid between € 300 and € 350 to have a vehicle shipped from the port of Antwerp to the port of Douala.

In the port of Hamburg, the average shipping cost increased from € 357 to € 366, representing an increase of 2.5% in the third quarter of 2016. The tariffs were slightly more volatile compared to those charged in the Belgian port (roughly € 100 of the average). One out of two shippers paid 350 € to have their cargo shipped from the port of Hamburg to the Douala Port.

The average cost of shipping minibuses decreased in the two main ports of loading. At the port of Antwerp, it dropped from € 489 to € 475, representing a decrease of 2.8%. The maximum deviation from the average was 200 €, showing that tariffs were closer to each other than in the 2nd quarter where the dispersion was greater (roughly 230 € of the average). 75% of shippers who used this port reportedly paid less than or equal to 450 € for shipping a vehicle.

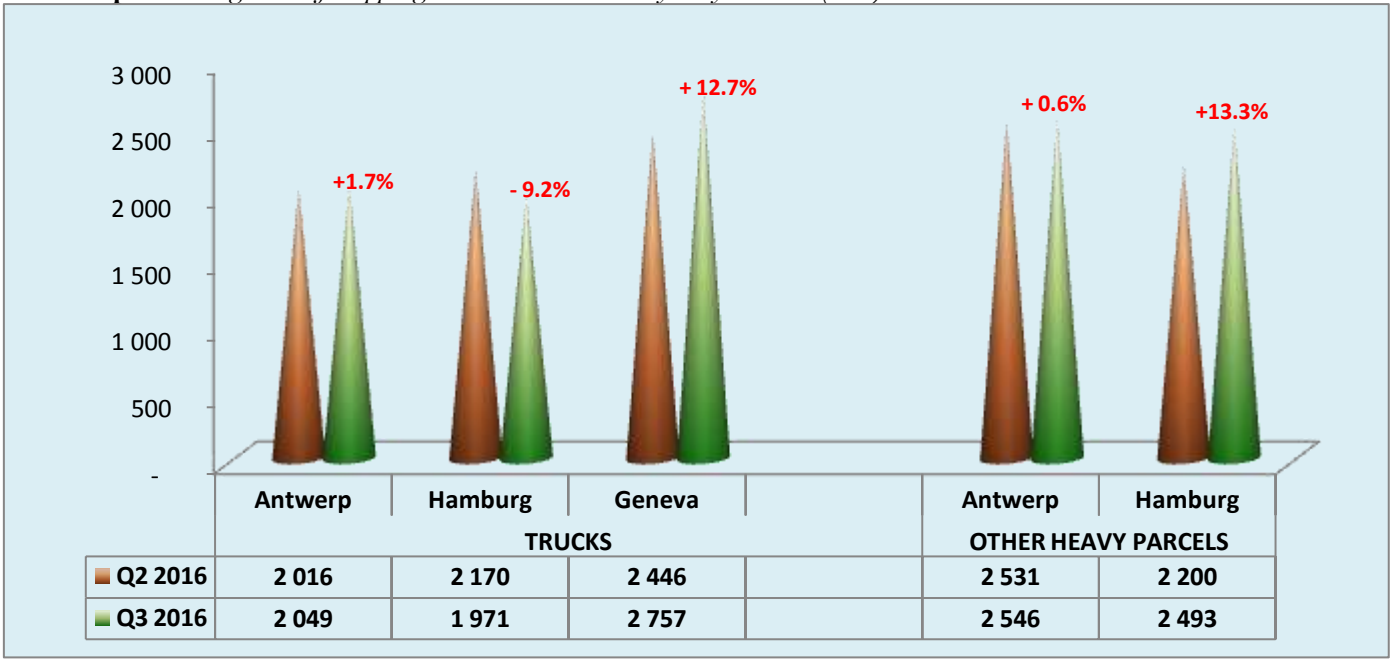
In Hamburg, the average cost of shipping a minibus dropped from € 493 to € 488, representing a 1.1% decrease. As in Antwerp, shipping costs were much closer than in the previous quarter (roughly € 75 compared to € 150 in the second quarter of 2016). Here, only 20% of the importers paid less than 450 € to have a vehicle shipped.

During the study period, no bus was shipped to Douala from the port of Hamburg. In the port of Antwerp, the average cost of shipping a public transport vehicle dropped from € 2,500 to € 2,319, showing a decrease of 7.2%. One bus in two was shipped to the Douala Port for at least € 2,800.

SHIPPING COST | Vehicles

Of the main truck departure ports, only Hamburg (-9.2%) showed a decrease in the average shipping cost

Graph: *Average cost of shipping a truck / other heavy duty vehicles (in €)*



	TRUCKS				OTHER HEAVY PARCELS	
	Antwerp	Hamburg	Geneva		Antwerp	Hamburg
Q2 2016	2 016	2 170	2 446		2 531	2 200
Q3 2016	2 049	1 971	2 757		2 546	2 493

Source : *CNSC*

The average cost of shipping a truck decreased by 9.2% at the port of Hamburg. In the third quarter of 2016, it stood at € 1,971. As in the previous quarter, the variation of prices charged were sometimes up to € 750 from the average. 75% of the shippers reportedly paid less than € 2,350 during the study period for shipping a truck.

At the ports of Antwerp and Geneva, the upward trend observed during the second quarter of 2016 was maintained. In the Belgian port, the average shipping cost increased from €2,016 to €2,049, representing a growth of 1.7%. Price volatility was the same as in the second quarter (roughly € 600 of the average). During this period, 50% of shippers paid less than 1,850 € as transport costs. In the port of Geneva, where the increase was 12.7%, the shipping cost in the 3rd quarter of 2016 was € 2,757.

Here, the rates differed from the average sometimes by up to 950 €. Half of the importers paid at least € 3,200 for the transport of their trucks.

The cost of shipping vehicles intended for buildings and public works remained virtually stable at the port of Antwerp. On average, shippers paid a little less than € 2,550 for shipping trucks. In the port of Hamburg, the downward trend recorded in the second quarter of 2016 was reversed during the third quarter of 2016. The average value of shipping cost rose from € 2,200 to € 2,493, representing an increase of 13.3%. The tariffs charged in this port deviated from the latter by roughly 600 €. However, there was a high concentration of prices between € 2,100 and € 3,000 (nearly 70% of shippers).

PORT DWELL TIME | Containers

In the 3rd quarter of 2016, September witnessed the worse record regarding import container clearance

Table: *Port dwell times for containers bound for Cameroon (in days)*

	Apr.-16	May.-16	Jun.-16	Jul.-16	Aug.-16	Sept.-16
Average	16.2	17.5	15.8	16.3	17.6	18.2
Variation	-2.1%	8.3%	-9.7%	3.2%	8%	-3.4%
1st Quartile	7	8	7	8	8	8
2nd Quartile	12	13	13	14	14	14
3rd Quartile	21	22	21	21	23	23

Source : *National Committee for the Facilitation of International Maritime Traffic (FAL Committee)*

In the third quarter of 2016, port transit time for import containers witnessed an increase. Indeed, during the second quarter of 2016, it took an average of 16 and a half days for a shipper to carry out all the formalities related to the removal of their container at the port of Douala. While in the 3rd quarter of 2016, it took an average of about 17 and half days to removal a container from the port.

Between the months of June and July 2016, average transit time increased by 3.2%. This was reflected in the fact that during July 2016, clearing a container took one and a half more days than in June 2016.

During each month of the third quarter of 2016, the average port transit time for import containers increased. Between July and August 2016, it rose from 16.3 to 17.6 days, representing an additional day.

In September 2016, importers spent on average 18.2 days to clear a container; half a day more than in August 2016.

In view of this development, the month of September recorded, on average, the worst record regarding the clearance of import containers at the port of Douala. The hypothesis that this month registered the longest periods generally speaking is confirmed when we look closely at the different quartiles. Indeed, although it is true that for every month of the quarter studied, 50% of shippers were able to remove a container from the port of Douala in less than two weeks, it is noteworthy that for the last two months (August and September) , one importer out of four took at least 23 days to remove their container from the port. The month of September witnessed the longest transit time.

PORT DWELL TIME | Vehicles

In the 3rd quarter of 2016, August witnessed the fastest transit time for vehicles

Table: *Port dwell time for vehicles (in days)*

	Apr.-16	May.-16	Jun.-16	Jul.-16	Aug.-16	Sept.-16
Average	13	24.6	15.2	15.9	14.4	16.8
Variation	-22.2%	89.2%	-38.2%	4.6%	-9.4%	16.7%
1st Quartile	6.8	9.1	7.2	7.1	5.9	7
2nd Quartile	9.4	15	10.2	11	11	11
3rd Quartile	14	28.2	16.1	18.1	17.1	22.9

Source : *Douala Mixed Fruit Terminal (TMFD)*

Generally speaking, imported second-hand vehicles witnessed a shorter transit time at the Douala Port during the third quarter of 2016. Indeed, during the second quarter of 2016, it took an average of 17 days for a shipper to remove a vehicle from the DMFT. Statistics show that it took on average 15 days, that is to say 2 days less to clear a vehicle.

Between the two quarters clearing an imported second-hand car witnessed an increase. In fact, on average, in June, clearing a second hand car took 15 days, one day less than in July, when a shipper needed an average of 16 days to complete the clearing process.

August 2016 shows the best performance on average. During this month, it took an average of 14 and half days for a shipper to clear a vehicle. This represents a decrease of about 10% compared to July.

The analysis of the situation for the month of September 2016 shows that the average time for clearing second-hand vehicles imported in the 3rd quarter of 2016 changed.

In fact, during this month, the speed at which vehicles were removed from the DMFT dropped significantly. On average, it took two days more than in August to remove a vehicle from the port of Douala.

The analysis of quartiles shows that in the third quarter of 2016, the month of August recorded the fastest second-hand car clearance time, while September witnessed the longest clearance time.

During the month of August 2016, 25% of imported second-hand vehicles were removed in less than 6 days. During the other months of the quarter, it took 7 days to complete the same process in DMFT. It is also noteworthy that, in the 3rd quarter 2016, one vehicle out of two spent at least 11 days in the port no matter the month.

The longest clearance time was observed during the month of September when more than 25% of imported vehicles spent more than three weeks at the port of Douala

RAIL FREIGHT | Tonnage

16.4% decrease in rail freight transport from Douala to Ngaoundere

During the third quarter of 2016, rail freight maintained its downward trend of the second quarter, the only difference being that the drop was much higher. The tonnage of goods transported by rail increased from 424,165 to 353,402, representing a decrease of 16.7%.

Table: *Import rail freight per cargo type (in tons)*

DOUALA -------> NGAOUNDERE	Q2 2016		Q3 2016		Variation
Type of goods	**Tonnage**	**%**	**Tonnage**	**%**	
Hydrocarbons	129,922	40.7	148,044	55.5	13.9%
Flours & cereals	28,652	9.0	26,277	9.8	-8.3%
Pipe-line Exxon	49,507	15.5	23,905	9.0	-51.7%
Containers	31,455	9.8	19,494	7.3	-38.0%
Building materials	6,593	2.1	7,777	2.9	18.0%
Home-made sugar	6,354	2.0	6,760	2.5	6.4%
Alumina (raw mat.)	1,765	0.6	4,070	1.5	130.6%
Fertilizers & insecticides	33,706	10.6	1,357	0.5	-96.0%
Consolidations	40	0.0	0	-	-100.0%
Other goods	31,415	9.8	29,257	11.0	-6.9%
TOTAL	**319,409**	**100**	**266,941**	**100**	**-16.4%**

Source : *CAMRAIL*

As in the first two quarters of 2016, rail freight transported from Douala to Ngaoundere accounted for 75% of all freight transported by rail. This declined by 16.4% in the third quarter of 2016, corresponding to a decrease from 319,409 tonnes to 266,941 tonnes.

This freight comprised mainly hydrocarbons (64.5%), flour and cereals (9.8%) and containerised cargo (7.3%). The evolution of tonnage between the 2nd and 3rd quarters of 2016 varied according to the type of goods. The most striking increase concerned Alumina whose tonnage more than doubled. It rose from 1,765 tonnes to 4,070 tonnes. This showed an upward trend while building materials (18%) witnessed a less pronounced trend.

Pipeline hydrocarbons maintained a downward curve. Initially at 49,507 tonnes in the second quarter of 2016, they declined by half in the third quarter of 2016. The other hydrocarbons which witnessed a decrease of 8% during the second quarter of 2016, recorded an increase with a tonnage of 148,044, representing an increase of almost 14%.

During the 3rd quarter of 2016, consolidations were not transported by rail, just as in the first quarter of the same year. Fertilizers and insecticides also dropped considerably from 33,706 tonnes to 1,357 tonnes.

Containerised goods increased from 31,455 tonnes to 19,494 tonnes, representing a decrease of 38%.

RAIL FREIGHT | Tonnage

17.5% decrease in rail freight transported from Ngaoundere to Douala

Table: *Export rail freight per cargo type (in tons)*

NGAOUNDERE -------> DOUALA	Q2 2016		Q3 2016		Variation %
Type of goods	**Tonnage**	**%**	**Tonnage**	**%**	
Wood logs	33,482	32.0	41,980	48.6	25.4%
Sawn wood	22,522	21.5	17,026	19.7	-24.4%
Cotton fibre	28,350	27.1	15,480	17.9	-45.4%
Seeds & oil cakes	7,807	7.5	5,189	6.0	-33.5%
Livestock	2,280	2.2	4,599	5.3	101.7%
Containers	10,315	9.8	2,186	2.5	-78.8%
TOTAL	**104,756**	**100**	**86,460**	**100**	**-17.5%**

Source : *CAMRAIL*

In the 3rd quarter of 2016, rail freight transported from Ngaoundere to Douala accounted for 25% of all rail freight. It decreased by 17.5% with 86,460 tonnes for the study period. It was mainly composed of Wood Logs (48.6%), Sawn Wood (19.7%) and Cotton Fibre (17.9%).

Livestock, which in the second quarter of 2016, ranked last with less than 3% contribution in export freight, saw their volume double and reach 4,599 tonnes for the third quarter of 2016.

Wood logs recorded a tonnage of 41,980 after a 25.4%increase. Cotton fibre, which represented 28,350 tonnes in the second quarter of 2016, saw its tonnage virtually halved in the third quarter of 2016.

Seeds and oil cakes dropped from 7,807 tonnes to 5,189 tonnes between the second and third quarters, representing a decline of 33.5% of its tonnage. Dressed lumber also witnessed a downward trend. It dropped by about 5,500 tonnes compared to the quantity transported in the second quarter of 2016 (22,522 tonnes). Containerised goods dropped sharply. Their volume was almost divided by five. Indeed, it dropped from 10,315 tonnes to 2,186 tonnes.

RAIL FREIGHT | Transport cost

Hydrocarbons (pipeline), containerised cargo as well as fertilizers and insecticides registered a two-digit variation in their export rail transport cost

Table: *Transport cost per cargo type (FCFA / ton /km) [Import]*

Type of goods	Q2 2016	Q3 2016	VARIATION
Pipe-line Exxon	44.3	76.4	72.7%
Hydrocarbons	61.7	62.7	1.5%
Alumina (Raw mat.)	57.2	57.2	0.0%
Fertilizer & insecticides	37.7	42.5	12.9%
Home-made sugar	38.7	35.2	-9.0%
Building materials	35.8	35.1	-1.9%
Flour and cereals	36.4	35.0	-3.9%
Containers	57.1	24.2	-57.6%
Consolidations	35.7		
Other goods	**37.8**	**36.4**	**-3.8%**

Source : *CAMRAIL*

The cost of transporting goods from Douala to Ngaoundere by rail changed considerably during the third quarter compared to the first two quarters of 2016. Apart from Alumina, the cost of transporting one tonne was still CFAF 57.2 per kilometre. All other goods witnessed variations of 1 CFAF per tonne per kilometre.

The most extraordinary increase concerned pipeline Hydrocarbons. Their cost of transport increased from CFAF 44.3 / tonne/km to CFAF 76.4 / tonne/km, representing an increase of about 73%.

The cost of transporting one tonne of fertilizers and insecticides per kilometre stood at 42.5 CFA francs, about 13% more than in the second quarter of 2016.

Containerised cargo recorded the most significant decrease. Their cost of transport halved between the 2nd and 3rd quarter of 2016. It dropped from 57.1 FCFA / ton/km to 24.2 FCFA / ton.

The cost of transporting home-made sugar decreased by 3.5 CFFA / tonne/km, representing a 9% decline. During the study period, the cost of transporting Building Materials and Flour as well as cereals stood at CFAF 35 per kilometre. They witnessed a decrease of 2% and 4% respectively.

RAIL FREIGHT | Transport cost

Approximately 16% increase in container transport costs from Ngaoundere to Douala

Table : *Transport cost per of type export goods (in FCFA / ton/km) [Export]*

Type of goods	Q2 2016	Q3 2016	VARIATION
Sawn wood	49.3	48.2	-2.2%
Wood logs	39.8	39.4	-1.0%
Livestock	35.3	34.2	-3.2%
Cotton fibre	32.7	32.5	-0.5%
Containers	24.7	28.6	15.9%
Seeds & oil cakes	16.5	16.1	-2.8%

Source : *CAMRAIL*

The cost of transporting containerised cargo from Ngaoundere to Douala witnessed the most significant variation. It rose from 24.7 FCFA/ton/km to 28.6 FCFA/ton/km, representing an increase of approximately 16%.

Apart from containerised goods, all others witnessed a decrease in their cost of transport, with variations less than or equal to 1.1 CFAF/tonne/km. Cotton fibre (32.5 CFFA /tonne/km) and wood logs (39.4 CFFA/tonne/km) virtually maintained their transport costs during the third quarter of 2016.

The cost of transporting one tonne of Seeds and oil cakes during the study period stood at 16.1 FCFA per kilometre, representing a decrease of 2.8%.The cost of transporting Livestock dropped from 35.3 FCFA/ton/km in the second quarter of 2016 to 34.2 FCFA/ton/km in the third quarter. This represented a decrease of 3.2%.

AIR *FREIGHT* | Tonnage

19.3% increase in air freight transport to Cameroon

During the third quarter of 2016, airfreight fell by 11.3%. It dropped from 5,935 tonnes in the second quarter of 2016 to 5,266 tonnes in the third quarter of 2016.

Table: *Import air freight per cargo type (in tons)*

Type of goods	Q2 2016		Q3 2016		Variation %
	Tonnage	%	Tonnage	%	
OTHERS PARCELS	1,203	56.6	1,380	54.5	14.7%
CONSOLIDATION	344	16.2	567	22.4	65.0%
DANGEROUS PRODUCTS	229	10.8	256	10.1	11.7%
PHARMACEUTICAL PRODUCTS	102	4.8	79	3.1	-22.4%
PERISHABLES	78	3.7	48	1.9	-38.0%
DIPLOMATIC PARCELS	48	2.2	22	0.9	-53.2%
OTHERS	121	5.7	181	7.1	49.9%
TOTAL	**2,124**	**100**	**2,534**	**100**	**19.3%**

Source : *ADC*

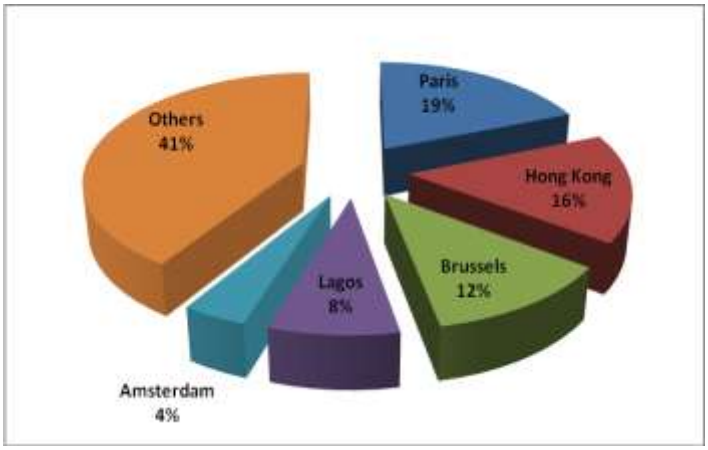
Import air freight witnessed a curve whose trend was reversed during the 3rd quarter of 2016. It rose from 2,124 tonnes to 2,534 tonnes, showing an increase of 19.3%. Import air freight accounted for 48% of the total freight, compared to about 36% in the second quarter of 2016.

Air cargo mainly consisted of miscellaneous parcels (54.5%), consolidations (22.4%) and hazardous products (10.1%). These three types of cargo each registered an increase in volume during the third quarter of 2016.

Consolidations recorded the most significant variation, from 344 tonnes to 567 tonnes, representing an increase of 65%. Miscellaneous parcels increased by 14.7% with a tonnage equal to 1,380 for the third quarter of 2016. Hazardous products, of which 229 tonnes were imported during the second quarter of 2016, increased by 11.7% and recorded 256 tonnes during the period of study.
The most significant decline concerned diplomatic parcels. They recorded a volume

They recorded a volume of 22 tons in the third quarter of 2016, reflecting a decline of 53.2%. Pharmaceuticals (-22.4%) and Perishables (-38%) also recorded a lesser tonnage than in the previous quarter.

The main cities of origin of products imported by air during the third quarter were Paris (19%), Hong Kong (16%), Brussels (12%) and Lagos (8%).



Airfreight | Tonnage

28.3% drop in air freight from Cameroon

Table: *Export airfreight per type good (in tons)*

Type of goods	Q2 2016		Q3 2016		Variation
	Tonnage	%	Tonnage	%	
FOOD	1,567	41.1	1,586	58.0	1.2%
PERISHABLES	1,584	41.6	584	21.4	-63.1%
OTHERS PARCELS	419	11.0	355	13.0	-15.3%
FLOWERS	50	1.3	41	1.5	-17.9%
CONSOLIDATIONS	4	0.1	35	1.3	779.3%
PHARMACEUTICAL PRODUCTS	29	0.8	15	0.6	-47.6%
DANGEROUS PRODUCTS	46	1.2	6	0.2	-86.2%
OTHERS	112	3.0	110	4.0	-1.9%
TOTAL	**3,811**	**100**	**2,733**	**100**	**-28.3%**

Source : *ADC*

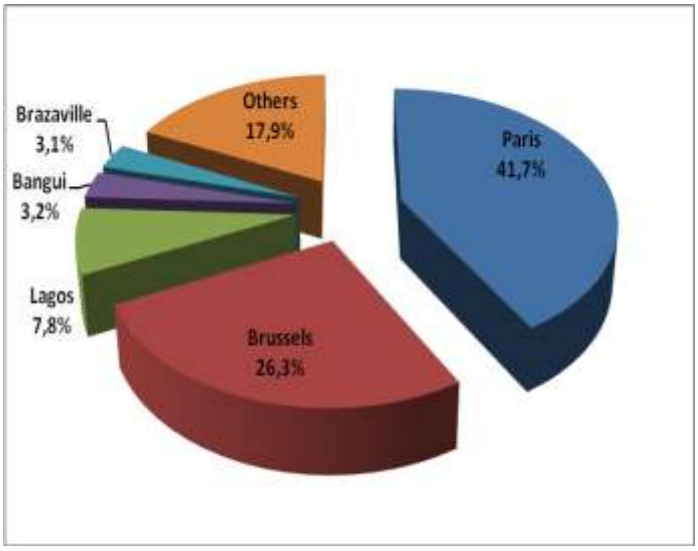
During the third quarter of 2016, export air freight accounted for slightly more than 60% of total air freight. Unlike the second quarter, when exports by air witnessed a positive growth (+ 25%), during the 3rd quarter of 2016, the volume of air exports decreased by 28.3%. The tonnage recorded during this period was 2,733.

Food (58%), Perishables (21.4%) and miscellaneous parcels (13%) constituted the bulk of goods transported from Cameroon by air.

Food witnessed an increase of about 20 tons, representing a 1.2% increase during the study period. The volume of perishables dropped from 1,584 tonnes to 584 tonnes. This reflected a drop of 63.1% in volume.

Pharmaceutical products stood at 15 tons, half of that observed in the second quarter of 2016. Hazardous products experienced a sharp decline, with 8 tons in the third quarter of 2016 against 46 tons in the previous quarter.

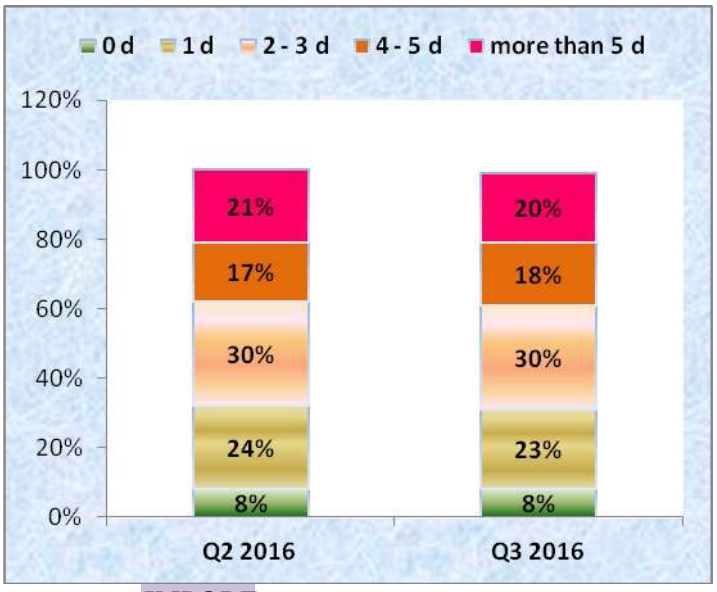
The main cities to which the cargoes were transported are: Paris (41.7%), Brussels (26.3%), and Lagos (7.8%). CEMAC countries consumed about 10% of Cameroonian goods exported by air.



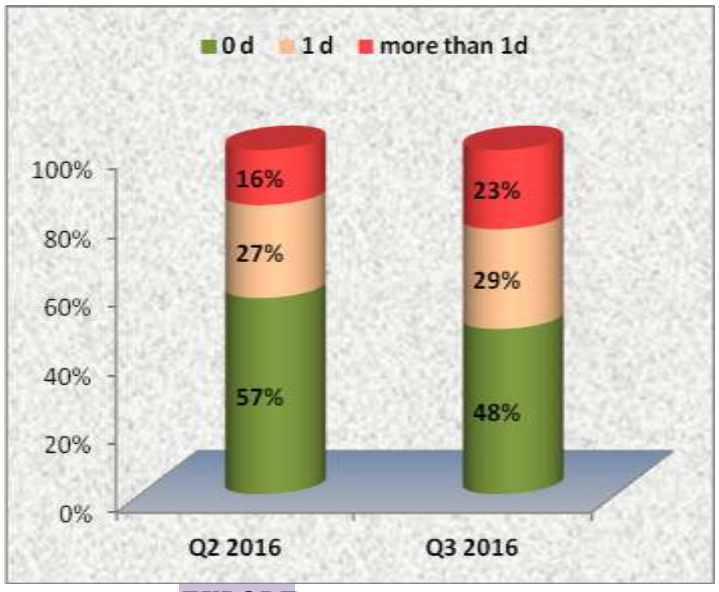
AIR FREIGHT | Airport transit time

Import cargo removal time was virtually unchanged in the second and third quarters of 2016. In the third quarter, export cargo clearance time was slightly longer than the previous quarter

Table: *Export air freight per cargo type (in tonnes)*



IMPORT



EXPORT

Source: *ADC*

Airport transit times for import remained virtually unchanged. On average, it took 4 days to remove cargo from the airport. This average is mainly constituted by long-staying cargo.

An analysis of quartiles confirms the hypothesis of similarity between the two quarters. During the period from April to September 2016, 8% of shippers were able to remove their cargo from the airport on the day of their arrival. Slightly less than one-quarter were able to clear their cargo one day after arrival at the international airport. 30% of Cameroon air imports were removed from the airport two to three days after their arrival. It is also noteworthy that one in five shippers cleared their cargo only after at least 5 days.

Exports recorded much shorter airport transit times than imports. It is also noteworthy that the second quarter of 2016 witnessed a shorter transit time than in the third quarter of 2016. Indeed, during the second quarter, 57% of air cargo exports were forwarded on the same day that they arrived at the airport. During the study period, just under half (48%) of the cargoes took off on the same day. In addition, 16% of shippers had their cargo dispatched to their final destinations after waiting more than one day in the second quarter of 2016. Conversely, in the next quarter, 23% of export cargo was dispatched after more than a day.

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