Section 1 - Executive Summary

Grey Lists: Cameroon is not listed by FATF and isn’t included on the EU’s ‘Grey list’. According to the US INCSR in 2016, risks include “terrorism activities, illicit wildlife trafficking, and maritime piracy,” and also highlighting that, “trade-based money laundering is rampant and utilises the banking system, microfinance institutions, and the informal financial sector.”

NRA: Cameroon has yet to publish the findings from its national risk assessment.

Organised Crime: According to the OC Index, Low Criminality - High Resilience. Criminality 5.98/10, (ranked 13th highest of 54 African countries). Main criminal markets are illegal timber (7.5/10), illegal mining (7.5/10), wildlife crime (7.5/10) and drugs (synthetics (7/10). The main “Criminal Actors” are “State Embedded Actors” (8/10), “Criminal Networks” (7.5/10), Foreign Actors” (5/10) and “Mafia Style Groups” (3.5/10).

Corruption: TI CPI - 2019 - ranked 153/198, with a score of 25/100, a worsening from 2014, where Cameroon had a score of 27/100. TI & Afrobarometer 2019 reported survey results giving Cameroon a bribery rate of 48%, with the police perceived as the most corrupt at 63%.

Modern Slavery: Cameroon ranked 24/51 African countries, with 157,000 modern day slaves, and an incidence of 6.9/1000 people, and a “CC” response, in the 2018 GSI Index. US Trafficking in Persons - Tier 2 Watchlist country.

Sanctions & Terrorism: There are no sanctions against the country. Cameroon is a Tier 3 (Low threat) PPI 2019 (Proliferation) Index country, with a “moderate” response score of 499/1,300. Cameroon has a “High” impact score (6.62/10) in the Global Terrorism Index 2019. Cameroon is included in US Country Reports on Terrorism.

Response & Resilience: FATF MER 4th round evaluation has not started, and no date has been yet given for the review. Cameroon scored 3.33/10 for resilience (Low), ranked 32/54 for Africa in the OC Index.

Indices: Cameroon scored 18/100 and was rated “not free” in the 2019 Freedom in the World report, and 53.6/100 for economic freedom (Heritage Foundation) described as “mostly unfree”. The Mo Ibrahim Index of African Governance (IIAG) scored Cameroon 36/54 at 46.2/100. The Basel AML Index does not include Cameroon in the public Index.

Overall Ratings: Cameroon is rated the 37/40 worst rated country in SSA, and 6/8 in Central Africa, with an overall score of 24/100 - “Very High” risk, scoring 23/100 “High” level for Threats, and 25/100 “Low” level for Responses, with a “deteriorating” trend.

FCN Rating: “Very High” Risk 24/100 “Deteriorating Trend”
BETTER DECISIONS START WITH BETTER CONTEXT

By connecting the dots between internal and external data, Quantexa’s platform builds the context you need to uncover hidden risk.

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2. Country Information

People & Geography: Cameroon is located in Central Africa and is bordered by Nigeria, Chad, Central African Republic, Equatorial Guinea, Gabon and Republic of the Congo. The country is often referred to as 'Africa in Miniature' because it's landscape boasts all major climates and geographical features of the African continent - coasts, deserts, savannah, mountains and rainforests. Cameroon’s capital, Yaounde, lies in the central region of the country and acts as the administrative, economic, legislative and judicial centre for the country. Of its 25.2 million population, Cameroon has over 505,700 immigrants for 2019, and 383,000 emigrants.

Recent History & Leadership: Formerly a German colony, Cameroon was partitioned between France and Britain at the end of the First World War. In 1961 after a referendum, a United Cameroon emerged, though with a loss of territory to Nigeria amid widespread violence. Ahmadou Ahidjo became its first president, remaining in power for more than 20 years. Cameroon’s current leader- Paul Biya- who was handpicked and succeeded Ahidjo in 1982, has seen Cameroon through periods of violence, political instability and corruption. In 1998, Cameroon become described as the most ‘corrupt country in the world’, and since 2014, experienced increasing number of attacks by Boko Haram. Biya has been criticised for exhibiting authoritarian characteristics in his regime, evident in his re-election in 2018, where he won his seventh term, a vote marked by low turnout and voter intimidation.

Economy & Trade: In 2017, GDP was US$34.99 billion with government revenues amounting to US$5.363 billion. The GDP per capita in 2017 was US$3,700. Cameroon’s economy is made up of agriculture 16.7%, industry 26.5%, services 56.8% and these sectors encompass the coffee, cocoa, cotton textiles, oil and aluminium production, as well as financial services, information and communications, technology, education, hospitality and property development. Cameroon exports crude oil and petroleum products, lumber, cocoa beans, aluminium, coffee and cotton to Netherlands 15.6%, France 12.6%, China 11.7%, Belgium 6.8%, Italy 6.3%, Algeria 4.8%, Malaysia 4.4% (2017). Cameroon also imports machinery, electrical equipment, transport equipment, fuel and food from China 19%, France 10.3%, Thailand 7.9%, Nigeria 4.1% (2017).

Environment: Cameroon is not included in the Environmental Performance Index.

Tourism: Travel & tourism contributed XAF1,825.6 billion (USD3,102.7 million) in 2019, which represents 8% of Cameroon’s GDP. The labour force for this sector is more than 907,800 in direct employment, which represents 8.3% of the total employment rate in the country. The main tourist areas include: Kribi, Foumban Palace, Dschang and Korup National Park.

Finance: In terms of remittances, the country has estimated inflows of USD0.334 billion (0.9% of GDP) for the year 2019 according to the World Bank. Connectivity-wise, there is an internet penetration rate in 2020 of 30% & 23.62 million mobile connections. With regard to access to the banking system, 27% of the population (over 15 years of age) hold bank accounts, 3% of the population have a credit card, and 15% maintain mobile money accounts.
3. Country Ratings

Available information from leading sources produce almost 60 ratings for Cameroon, covering both threats and responses in fighting financial crime, sanctions, proliferation finance, terrorism & terrorism finance.

<table>
<thead>
<tr>
<th>Source</th>
<th>Cameroon</th>
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<th>Source</th>
<th>Cameroon</th>
</tr>
</thead>
<tbody>
<tr>
<td>World Economic Forum Organized Crime Index</td>
<td>3.1 / 100</td>
<td>Transparency International Corruption Perceptions Index</td>
<td>13/160</td>
<td>Proliferation Index - PPI Threat</td>
<td>Tier 3</td>
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<tr>
<td>OC Index Criminality</td>
<td>5.86/10</td>
<td>TI &amp; Afghanistan</td>
<td>68%</td>
<td>Global Terrorism Index</td>
<td>GTI - impact</td>
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<tr>
<td>OC Index Criminal Actors</td>
<td>6/10</td>
<td>TRACE Bribery Risk Matrix</td>
<td>6.9</td>
<td>US Dept of State</td>
<td>Country Reports on Terrorism</td>
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<tr>
<td>OC Index State Sponsored Actors</td>
<td>6/10</td>
<td>Global Slavery Index</td>
<td>5.98/10</td>
<td>Global Cybersecurity Index</td>
<td>2019</td>
</tr>
<tr>
<td>OC Index Criminal Networks</td>
<td>7.5/10</td>
<td>Global Slavery Index</td>
<td>No of estimated Modern Day Slaves</td>
<td>Mr Kobi Task Governance Index</td>
<td>(193 - All Africa)</td>
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<tr>
<td>OC Index Foreign Actors</td>
<td>5/10</td>
<td>Global Slavery Index</td>
<td>Country Response Rating</td>
<td>US Dept of State</td>
<td>Country Reports on Terrorism</td>
</tr>
<tr>
<td>OC Index Mafia Style Gangs</td>
<td>3.6/10</td>
<td>US Dept of Labor</td>
<td>100%</td>
<td>Freedom House</td>
<td>Freedom Index</td>
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<td>OC Index Drugs Trafficking</td>
<td>5/10</td>
<td>US Dept of State</td>
<td>Trafficking in Persons</td>
<td>Heritage Foundation</td>
<td>Economic Freedom Index</td>
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<tr>
<td>OC Index Arms Trafficking</td>
<td>4/10</td>
<td>IOM Migration</td>
<td>E - Emigration / I - Immigration</td>
<td>Base AMTI Index</td>
<td>Not Included</td>
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<tr>
<td>OC Index People Smuggling</td>
<td>5.5/10</td>
<td>Illegal/Unreported and Unregulated</td>
<td>2.69</td>
<td>FAO Expert Members</td>
<td>Yes</td>
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<td>OC Index Human Trafficking</td>
<td>6/10</td>
<td>EU Listing of Countries for Illegal Fishing</td>
<td>No</td>
<td>Internal Members</td>
<td>Yes</td>
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<tr>
<td>OC Index Illegel Cartel</td>
<td>7.5/10</td>
<td>US Dept of State</td>
<td>Wildlife Trafficking</td>
<td>Focus</td>
<td>Asset Forfeitures over 1% of Proceeds</td>
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<tr>
<td>OC Index Illegel Wildlife</td>
<td>7.5/10</td>
<td>Environment Performance Index</td>
<td>Not Included</td>
<td>Country National Risk Assessment</td>
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<td>OC Index Illegel Wildlife</td>
<td>7.5/10</td>
<td>SUPES &amp; OECD - Counterfeit Goods</td>
<td>0.126</td>
<td>Financial Information Sharing Partnership</td>
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<td>OC Index Illegel</td>
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<td>Tax Justice Network</td>
<td>Financial Integrity Index</td>
<td>US Dept of State</td>
<td>Country Reports on Terrorism</td>
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<td>OC Index ARJ</td>
<td>3.5/10</td>
<td>EU List of Non-Co operative Jurisdictions for Tax purposes</td>
<td>Not Included</td>
<td>European Union List</td>
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<td>OC Index Law Enforcement</td>
<td>4/10</td>
<td>OECD - Global Forum</td>
<td>Largely Compliant</td>
<td>FATF Standards</td>
<td>Not Available</td>
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<tr>
<td>OC Index International Co operation</td>
<td>5/10</td>
<td>Global Financial Integrity</td>
<td>US$375 Billion - 34.43% (2017)</td>
<td>FATF Standards</td>
<td>Not Available</td>
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<tr>
<td>OC Index Economic Regulatory Environment</td>
<td>2/10</td>
<td>Transparency International</td>
<td>Corruption Perception Index</td>
<td>FATF Standards</td>
<td>Not Available</td>
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<tr>
<td>Illegal Drug Dependency / Disorders Number/ Share</td>
<td>145,318.15/0.59%</td>
<td>Transparency International</td>
<td>Corruption Perception Index</td>
<td>FATF Standards</td>
<td>Not Available</td>
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<td>Numbers Crime Survey 2020</td>
<td>Not Included</td>
<td>OTAG Listed Parties with Local Addresses</td>
<td>Not Available</td>
<td>FATF</td>
<td>Country - Measure Strategic Deficiencies List</td>
</tr>
</tbody>
</table>

From all the available information collected and results summarised in Section 3 above, more than 20 ratings have been selected, covering a broad base of threats and responses in fighting financial crime, sanctions, proliferation finance and terrorism & terrorism finance. The results make up the FCN Country Threat / Response & Overall Risk scores and rankings for countries in Sub-Saharan Africa.

Ratings across Sub Saharan Africa, compared to other Countries:

For more details on the scoring model for FCN Ratings contact the Editor FCN directly for access to the Methodology.
AUTOMATED AML INVESTIGATIONS

The Caspian AML Investigator platform improves the efficiency of a financial institutions alert investigations team. It replicates expert human decision making and delivers detailed explanations for every investigation in a standardised format mitigating error and consistency risks.

THE PROBLEM

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THE SOLUTION

Manual Analyst Process

- Identify & review prior cases
- Retrieve customer’s KYC details
- Consolidate transaction history
- Account review
- Identify suspicious ties
- Transaction and alerts decision
- Write rationale narrative

Approx. 52 min for full analyst investigation

Caspian Automated Process

- Gather evidence
- Investigate & decide on alerts
- Generate Narratives

Automated investigation

The platform automatically gathers alerts and supporting data, before generating evidence and conducting a detailed risk investigation within seconds. A fully human readable and consistent report including risk factors and recommended decision is produced every time.

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From the available information, a number of indicators can be tracked over time to identify trends. A number of these indicators are identified below together with additional charts used in the long form “Deep Dive” Country Threat Assessment for Cameroon, available from Financial Crime News/Premium.