

## **GROWTH AND ILLICIT PRACTICES IN INFORMAL PETROL TRADE IN CAMEROON: ASSESSING THE LEVEL OF IMPLEMENTATION OF OFFICIAL TEXTS**

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### **ABSTRACT**

*Since the occurrence of the economic whammy that racked many African countries in general and Cameroon in particular, the phenomenon of informal trade became a quotidian practice. From the mid-1980s, Cameroonians as individuals and as families were highly involved in informal trade to ameliorate their livelihoods. This saw the slow but steady growth of the informal trade in petroleum products (fuel) obtained from Nigeria. At least six (6) of Cameroon's ten (10) regions became sales-outlets for this product. These included the North West, South West, Littoral, Adamawa, North and Far North Regions. In spite of the underlying factors that favored the growth of this activity, the government passed numerous Texts, Laws, Circulars, Decrees and Orders both as pre-emptive and reactive measures to regulate the organization of the activity. Nonetheless, the sale of petrol along major streets in Cameroon continues to burgeon with far reaching attendant illicit practices. This has engendered the desire to engage a research to interrogate the effectiveness of government regulation in petrol trade sector in Cameroon. From this background, this paper attempts an inquest into the phenomenon of expansion and illicit practices in informal petrol trading activity amidst government regulatory efforts. The paper argues that the growth and excesses in the informal petrol trade in Cameroon has been a result of the non-implementation of official texts in the sector. It further suggests the need to enforce existing texts and bring sanity in a sector in which practices have exposed the populace to great dangers of fire disasters, health issues and even loss of revenue by government.*

**Key words:** Informal Trade, Petrol, Official Texts, Cameroon, Economic Crisis, Coping Strategy

### **Introduction**

The phenomenon of Informal Trade especially involving cross border activities has been expanding in the African Continent since the demise of colonial rule despite efforts to reduce it (Golub, 2015: 179). This practice has reduced the volumes of Official Intra-African Trade (OIAT) such that the latter accounts for only about 10 percent of total African exports and

imports, far below other regions of the world (Keane et al, 2010). The expanding informal trade sector which is very common on the entire African Continent is thus a deterrent to the formal trade sector.<sup>1</sup>In Cameroon,informaltrade (with Nigeria) in various goods became a common phenomenon especially when the two territorieswere linked by Britain for administrative convenience.<sup>2</sup>Informal trade in Cameroon is not an entirely new phenomenon. It began to be practiced in the territory as far back as the pre-colonial era in the form of long distance trade (Takor, 2001; 2010).In the colonial Cameroon, informal trade even became more determined and focused and also constituted part of anti-European boundary resistance by the local peoples of Cameroon (Fanso, 1982; 1986).During the Mandate and Trusteeship periods in (1922-1961), Cameroonians were still actively involved in informal trading activities (Kah, 2004; 2011: 67-82; Nfi, 2011: 175-186).This activity witnessed phenomenal growth in post-independent Cameroon especially following the occurrence of the economic quandary that bedeviled the country in the 1980s and 1990s.

During this period, the practice of informal trade expanded especially in recent years to include trade in petroleum products especially in the North West, South West, Littoral, Adamawa, North and Far North Regions (EnowNchong, 2014; Verla, 2016; Budi, 2018).Several towns and cities in these regions are replete with makeshift booths stationed by the roadsides for the sale of this product. This has invariably employed many youths of Cameroon who have improved their livelihoods from these sales. However, the manner in which the product is transported, handled, stored and sold has been a cause for concern for the government. Its transportation, handling, storage and sale has exposed many of its promoters and unwary victims to health hazards, risks of fire outbreaks and even loss of government revenue. This has necessitated government response in the passage of numerous official texts to regulate the practice. In spite of the passage of these texts, the activity continues to expand with far reaching attendant repercussions. This situation forms the crux of this paper. However, it is worthwhile dedicating this exordial part of the paper to examining the context of the growth in informal petrol trade in Cameroon.

### **Contexts of the growth of informal petrol trade in Cameroon**

The blossoming of the informal petrol trade in Cameroon occurs within peculiar economic, geographical and administrative contexts. In the economic domain, the economic crisis that smacked Cameroon in the 1980s engendered unpleasant outcomes that were injurious to family well-being. The crisis led to the pauperization of the masses, generalized loafing among the population as well as falling standards of living. In fact, Ngho(1996:299) maintains that;

From 1987 onwards, the worldwide phenomenon of the economic crisis hit Cameroon. There was a drop in the production capacity of the plantations. Industries began adjusting to the new conditions imposed by the economic crisis. Further investments were not carried out and farmers became disgruntled with the pay for their produce.

The grim economic condition of Cameroon was even further exacerbated by the Structural Adjustment Programs (SAPs) imposed by the Bretton woods institutions including the World Bank (WB) and the International Monetary Fund (IMF). This resulted in cutbacks in government social expenditure which had a direct toll on agriculture, health, education and other social development projects. (Fonchingong and Ngwa, 2006: 62). In fact, one of the WB/IMF-imposed SAP conditions on the country hinged on the need for a massive retrenchment of civil servants and salary cuts. This led to the loss of jobs by many family heads in Cameroon besides the fact that many others witnessed serious salary slashes which reduced their purchasing power. This economic disquiet pushed many a Cameroonian into seeking survival strategies and the informal petrol sector quickly proved attractive to many.

Natural or geographical consideration also greatly influenced the blooming of the informal petrol trade in Cameroonian towns and cities. This particularly had to do with propinquity of the various towns and cities involved in this trade to Nigeria-source of the product. It should be recalled that the informal petrol trade in Cameroon is a common practice in the North West, South West, Littoral, Adamawa, North and Far North Regions. All these regions have some direct or indirect contiguity to Nigeria which offers opportunity for the importation of the product. The North West Region for instance shares a long uninterrupted border with Nigeria, notably, in such Divisions as Menchum and Donga/Mantung (Budi, 2018: 49-50). The South

West Region even more directly adjoins Nigeria and further conjoins the North West and Littoral Regions to Nigeria. In fact, the Region remains one of the surest and most accessible ways by which petrol product enters the North West and Littoral Regions of the country. The three northern Cameroon Regions of Adamawa, North and Far North are all linked to Nigeria by a conspiracy of history, culture and geography. This also makes the trade interactions between the two peoples a prevalent occurrence. Based on these factors, the informal petrol trading industry in Cameroon has witnessed phenomenal growth that has imposed on the government the need to intervene to bring sanity in the sector.

Arguably, the near libertarianism that has suffused the informal petrol trade sector in Cameroon has also been a factor in the thickening of this practice in the country. Ostensibly, the almost complete non-respect of official texts regulating the informal petrol trade in the country did not only indicate a weakness or lack of political will on the part of the government but also promoted the growth of informal petrol trade in the country. A number of Laws, Decrees, Circulars and Orders have been passed by the government of Cameroon with the view of regulating trade in petroleum and related products. Most of these Laws were passed either as a reaction to the disarray that reined in this sector or intended to pre-empt possible disorder. The Laws, Decrees, Orders and Circulars were signed at different levels including the Presidency of the Republic, the Prime Minister and Head of Government's Office, the Ministry of Water and Energy, the Ministry of Industries and other Government Departments. However, these laws were hardly ever effectuated with austerity. This only promoted disorder in the sector and consequently the growth of the informal petrol trade in Cameroonian towns and cities.

Some of these legal instruments included Decree N° 76/372 of September 02, 1976, Law N° 90/031 of August 10, 1990, Prime Ministerial Decree N°95/135 /PM of March 03, 1995, Arête N° 01 /97 MINMEE of January 05, 1998, joined Arête N°0046/98/MINMEE/MINDIC of July 03, 1998 of the Ministers of Industrial and Commercial Development and The Minister of Mines, Water and Energy, Law N° 98/015 of July 14, 1998, Law N° 98/020 of December 24, 1998, Prime Ministerial Decree N° 99/81/PM of November 09, 1999, Law N° 99/013 of December 22, 1999 which dealt with the Petroleum Code, Prime Ministerial Decree N°2000/485 of June 30,

2000, Decree No. 2002/2044 of November 20, 2002, Law N° 2002/013 Of December 30, 2002 to Institute the Gas Code, Arête N° 00029/029 MINMEE of June 05, 2003, Prime Ministerial Decree No. 2008/0149 of February 01, 2008, Prime Ministerial Decree No. 2009/1593 of July 22, 2009. At the level of the regions, some Provincial/Regional Orders were also passed to regulate these activities in the respective regions.<sup>3</sup>All these Laws and Decrees articulated different aspects of the petrol business in Cameroon in general. However, the non-respect of these texts has given actors in this sector the temerity to carry out the informal trading activity with impunity.

### **Official Texts and Illicit practices in Informal Petrol Trading Sector**

The informal petrol trade in some Cameroonian towns and cities proliferated amidst plenteous official texts that were intended to sanitize the sector. Among these legal documents were the following;

As far back as the 1970s, the Government of the United Republic of Cameroon signed a Decree to put in place regulations for instituting Establishments considered dangerous and inconvenient to the public. This Decree was amended and supplemented by other Decrees in 1998 and 1999 respectively (Decree N° 76/372, 1999; Law N° 98/015, 1998; Prime Ministerial Decree N° 99/81/PM, 1999). In the latest version of its amendment in 1999, Articles two and three of Section One and Article fourteen of Section Two of this Decree spelled out perspicuously the conditions to be fulfilled by individuals wishing to create Establishments considered in the same Decree as dangerous, unhealthy and inconveniencing to the public. These Laws and Decrees did not exclude installations having to do with the distribution of petroleum products considering that they fall in the category of products considered dangerous, unhealthy and inconveniencing to the public.<sup>4</sup>In spite of this prime ministerial edict, the practice in the informal petrol trading sector generally still leaves much to be desired. The muddle that reins in this sector seems to suggest that this decree is far from being implemented. Makeshift petrol vendors mushroom on major streets in the major towns and cities of some regions in the country, imported fuel are stored in domiciles and living quarters which exposes the inhabitants to risk of fire disasters.

From the 1990s, more regulatory instruments were passed by government to superintend activities in the informal petrol trading sector. This was because the 1990s coincided with the period of global political and economic libertarianism which also hit Cameroon. This was characterized by a surge in informal trading activities in general and petrol trade in particular. Consequently, in 1990, another Law was passed which defined the general conditions for the regulation of commercial activities in the Republic of Cameroon (Law N° 90/031, 1990). This Law signed by the Head of State, President Paul Biyathough allows commercial activities open to all Cameroonians and residents at home and abroad also spelled out in it Article three that trading activities carried out in the Republic of Cameroon should conform to the regulations in force and should aim at the protection of the consumers. It further prescribes that trading activities should also aim at creating employment and opportunities for professional training, the amelioration of the quality of life and the animation of the urban and rural life (Law N° 90/031, 1990, Article 3). This Law seemed largely unknown to many of the actors in the informal petrol trade in Cameroon especially if one juxtaposes its terms with the daily practices in this sector. Though the informal petrol sector provides jobs to many a young Cameroonians as well as animates urban and rural life in compliance with the stipulation of this Law, the question of consumer protection in this sector remains a delusion. This is because the quality of the product remains doubtful given that the manner in which the product is transported and stored do not respect laid down rules and regulations.<sup>5</sup>

In 1993, the Prime Minister and Head of Government, Simon Achidi Ach signed another Decree which further clarified issues around involvement in petrol trading activities in the country (Decree N°95/135 /PM, 1993; Decree N° 77/528, 1977). Article nineteen (19) of this Decree spelled out that the right to be involved in petroleum activities would be granted by the Ministry in charge of petroleum products to any Cameroonian for a period of five (5) years renewable. Besides, the Decree further clarified the processes of transporting, storing and sales of petroleum products in Cameroon. The Decree was followed up by another Order of the Minister of Mines Water and Energy on July 13, 1995 (Order N° O16/95 MINMEE, 1995) which explicated the procedures to be involved in trading in petroleum activities in Cameroon. Among the issues

raised in these texts, were quality controls, storage of petroleum products and transportation in designated vehicles. Nonetheless, practices in the informal petrol trading activity in Cameroon largely spurn these regulations. While the question of quality in this sector remains moot, the manner in which the product is transported and stored increases public risks around its practice. Fuel imported from Nigeria is usually transported in ordinary vehicles and sometimes on motorbikes and stored in living homes or warehouses located in living quarters at the risk of the population.

In another administrative move to check excesses in the informal petrol trade sector, the Head of State in a Law in 1998 (Law N° 98/020, 1998) prescribed the regulations for the types and conditions for putting in place of equipment for the pumping of gas and other such liquid and vapor. The various sections of this Law elaborate the procedures for the Construction, Use, Maintenance and Repairs of such pumps; Administrative and Technical supervisions, Administrative Sanctions among others (Law N° 98/020, 1998, Chapters 2, 3 and 4). This Law was definitely passed with the risk of poor handling of gaseous and petroleum products in mind. By the spirit of this Law, the sale of flammable Liquids or Gas must not only be done with the use of prescribed pumps but such pumps must be constructed and rendered effectively functional according to laid down rules. Like other laws and regulations, this Law is also almost completely flouted by the very practice of informal petrol trade in Cameroonian towns and cities. Consequently, the practice in the informal petrol trade is antithetic to the prescriptions in this Law. Actors in the informal petrol trade sector do not use pumps in the sale of the product. The product is sold in gallons which were scaled down in smaller containers of at least One (1) liter with the use of funnels. This exposed both the sellers and the buyers to direct skin contact with the product with attendant far reaching health ramifications.

Still in 1998, the Minister of Mines, Water and Energy passed another Order which fixed modalities for the implantation of petroleum distribution stations (Order N° 01 /97 MINMEE, 1997). Article three (3) of this Order indicated that the distance between two filling stations should be at least 500 meters. While Article Four (4) stipulated a distance of 1000 meters away from the Presidency of the Republic, The Senate, The National Assembly, The Prime Minister's

Office, The Governor's Office, The Senior Divisional Officer's Office and The Divisional Officer's Office. It further stated that such installations should be 100 meters away from school establishments, hospitals, churches, sporting facilities, markets and administrative buildings. All these prescriptions were unambiguous in the said Order but sharply contradicted the presence of petrol selling kiosks almost everywhere on the streets in some towns and cities in Cameroon. The almost institutionalized practice in this sector was not just the fact that the actors do not sell in filling Stations but even so, they hardly ever respected the stipulated distances between two vendors and between the vendors and school establishments, hospitals, markets among others.

In addition, a joint meeting of the Ministers of Industrial and Commercial Development and The Minister of Mines, Water and Energy spelled out the types of petroleum products to be sold in Cameroon (Order N°0046/98/MINMEE/MINDIC, 1998). These specifications included; *pétrole lampant; jet AI; essence super; gasoil; fuel oil 1500; fuel oil 3500; gaz de pétrole liquéfié (GPL)*. By implication, any petroleum product other than these were not allowed to be sold in the country. This Order suggests a strict follow-up and the putting in place of quality controls to determine fuel products that were not in line with the stipulation of the text. However, the chaotic manner in which the practice of informal petrol trade in Cameroon was carried out made it difficult to determine both the type and quality of the fuel product that was sold along the streets (Mah, 2017). This situation abandoned the consumers at the mercy of the consciences of the sellers of this product. There was no doubt that the type and quality of the product is largely questionable because of variations in its hue and odor. All these variations cast doubts on the quality and type of the product. Meanwhile the absence of strict quality control gave some of the sellers the latitude to dilute the product with other substances to increase quantity thereby truncating the quality and endangering the consumers' automobile engines.

Apparently, the high point of the regulatory measures taken by the government to regulate petrol trade in Cameroon was the Petrol Code (Law n°. 99/13) passed in 1999.<sup>6</sup> Though the Law encompasses activities dealing with the exploitation of crude oil and natural gas, it equally touches on the sale of petroleum products in the entire Cameroonian territory. The Law signed by the President of the Republic, Paul Biya defined the processes of prospecting, exploration,

exploitation, transportation, storage and processing activities of petroleum products in the country. As far as petrol trade is concerned, the salient point of this Code is that it spelled out the conditions under which an individual could carry out petrol trade in the country. According to this Law, any individual wishing to invest in the petrol trade must be duly authorized by the competent authorities before such business could be engaged. Thus the non-compliance with the terms of this Law especially as far as the obtainment of authorization to carry out petrol trade was largely disrespected. Most of the actors in the informal petrol trade in Cameroon possessed no such authorization. It followed that makeshift kiosks were set up by individuals at strategic places in Cameroonian cities to carry out the business.

The non-respect/enforcement of the foregoing official texts intended to regulate the informal petrol trade in Cameroon led to the soaring of and expansion of illicit practices in the informal petrol in Cameroonian towns and cities. This was also associated with attendant adverse consequences on the populations. In another measure, the Prime Minister created the National Commission of Petroleum Products (Decree N° 2000/935/PM, 2000) to regulate activities in this sector. This Commission was placed under the Presidency of the Minister of Mines, Water and Energy. In his capacity as President of the National Commission for Petroleum Products, the Minister of Mines, Water and Energy, Joseph Aoudou signed an Order in 2003 (Order N° 00029/029 MINMEE) which laid down conditions for the functioning of the National Commission for Petroleum Products. By this Order, the activities of the Commission were officially launched and included the checking of practices in the petrol sector in general and in the informal petrol sector in particular. The Commission was therefore expected to extend its influence to the various Provinces (Regions) in order to be effective. However, in spite of the existence of this Commission, illicit activities in the informal petrol trade sector continued with near impunity.

The foregoing official regulatory instruments notwithstanding, the government continued to release more texts. Consequently, in 2008 another Prime Ministerial Decree was passed (Decree No. 2008/0149, 2008) which fixed modalities for the designation of Agents for the control of petroleum products in Cameroon. This Decree laid down conditions to be respected by the Ministry in charge of Energy Resources to appoint Inspectors and Deputy Inspectors for the

control of the quality of petroleum products in Cameroon. The duties of the Inspectors and Deputy Inspectors were to visit possible installations and petrol filling stations as well as manufacturing sites and vehicles transporting the petroleum products to check and determine the quality of the product before they were put on the market. While this Law in practice was applied in the formal petrol trade sector in the country, it was never applied in informal petrol trade sector. The quality of fuel sold along the streets in Cameroonian towns and cities was never checked and most often was doubtful due to deliberate adulteration by the sellers or accidental adulteration emanating from poor handling, transportation and storage.

In fact, the legal instruments passed to regulate petrol trading activities in Cameroon are far from being exhaustive in a single study. However, other legal instruments included the Prime Ministerial Decree of 2009 which modified certain dispositions of the Decree No. 2002/2044 of November 20, 2002 which created a committee for the fight against fraud in the petroleum products in the country (Decree No. 2009/1593, 2009). The Committee that was created by the Ministry in charge of petroleum products was charged with the responsibility of fighting against the importation, exportation, detention, transportation and consumption of petroleum products in the country. It was also to propose to the government the measures that could be taken to eradicate the trade in illicit petroleum products in the country. In 2001, the Minister of Mines, Water and Energy signed another Order (N°023/MINMEE, 2001).which fixed the levels and geographical zones for the storage and control of petroleum products in Cameroon and in 2004, a joined Order of the Ministers of Mines, Water and Energy and the Industrial and Commercial Development hinging on the specification of the quality of some petroleum products to be sold in Cameroon (Order N° 000012/ 2004/MINMEE/MINDIC, 2004).

The foregoing legal instruments duly deliberated and signed by the respective authorities were either largely unknown to the actors in the petrol trade in Cameroon or were disregarded with impunity by same. This led to the growth and illicit practices in the informal petrol trading activities in many Cameroonian towns and cities with attendant far reaching implications.

### **Reasons for non-implementation/respect of Official texts and Implication**

In spite of the numerous official texts taken to contain the informal petrol trading activities in Cameroon, it continued to thrive with much cacophony and the determination of the actors to remain glued to the business was evident. This indicated some setbacks in the measures taken to contain or regulate the activity. Government efforts to contain or regulate the activities were predicated on the far reaching economic ramifications and the social risks involved in the informal petrol trading activity. However, the ineffectiveness of the regulatory measures taken by government could be accounted for partly by the prevalence of corrupt practices in this sector and the lack of political will on the part of government.

The fight against informal petrol trade in Cameroon is shrouded in corrupt circumstances which greatly hampered the process. While the existing legal framework regulated the process of importation, transportation and sale of fuel in the country, many actors in this activity were able to literally “buy their way” through with the product (Lonyonga, 2017). Even within the Cities, the vendors paid money to the control teams to keep selling during periods of intense drive. In some cases, the security forces on drive openly asked us for bribes and when they were given, they allowed the vendors unchecked (Bawe, 2017). This indicated the double standard posture of the officials involved in the fight against the informal fuel in the Cities. While in the offices, the officials emphasize the texts regulating the petrol business in the country but in the field, their actions are antithetic to the legal framework in this sector (Lonyonga, 2017). Even more interesting is the involvement of some government functionaries and civil servants including lawyers, teachers, the military and officials of the Ministry of Water Resources and Energy in the business. It was confirmed that military trucks could be seen transporting petrol along the Mamfe-Ekok-Bamenda Road which linked the North West and south West Regions of Cameroon to Nigeria. In such cases, their colleagues on control hardly stopped them. This rendered the fight against the activity ineffective.

Another argument for the non-implementation of regulatory instruments in the informal petrol trade sector was the general lack of political will on the part of the government. While the need

for regulation is indisputable and the legal instruments available, follow up for implementation has remained a mirage. This situation is largely blamed on the lack of political will on the part of the government. The non-implementation of official texts is a common practice in many sectors of national life. The gap between regulation and implementation remained gulping and a veritable cause for concern in Cameroon.<sup>7</sup>

### **Implications of the Growth of Informal Petrol Trade in Cameroon**

The growth of ICBT anywhere in the world invariably affects official trade deal. Such effects were usually far reaching as the relations between the informal and the formal trade deals were usually a disproportion. As indicated in the earlier parts of this paper, the phenomenon of ICBT has been expanding in the African continent since the demise of colonial rule despite efforts to reduce it. (Golub, 2015: 179). This has reduced the volumes of OIAT which accounts for only about 10 percent of total African exports and imports, far below other regions of the world. (Keane et al, 2010). African states are thus made up of weak economies but strong informal sectors. Similarly, the buoyant informal petrol trade sector in Cameroon has tended to produce unpleasant outcomes on the official economy. To put it bluntly, the informal petrol trade robbed the state of millions of Francs CFA of revenue and helped to inhibit some of those involved in the formal trade sector (Sih, 2017).<sup>8</sup> This led to complaints from those involved in the formal petrol trade sector under the umbrella of the National Trade Union of Managers of Petrol Stations in Cameroon (SYNAGESSC).

In this respect, in a missive addressed to the Minister of Territorial Administration and Decentralization, SYNAGESSC complained that;

[...] we pay heavy taxes to government for the sale of fuel but cannot sell petrol at our petrol stations because illegal petrol from Nigeria is being sold along the streets of the South West, North West, North, Far North and Adamawa Territorial Regions. This illegal market has crippled our petrol stations as well as Government Revenue from petrol tax. According to the current price structure established by the Director General of the *Caisse de Stabilisation des Prix de Hydrocarbures (CSPH)*, we pay to Government, special tax of 80 and 60frs CFA per liter of petrol and gas respectively. You can imagine how much billions of CFA Government is losing per day!!! (SYNAGESSC, 2017).

This letter though written from a background of the desire to protect their interests guided by the mentality for profit maximization corroborates the fact that the petrol filling stations were hardest hit by the impact of this activity. This was largely in the form of falling turn-over and contraction of profit margins. According to the president of the Union of Petroleum Dealers, Ignatius Nkwenti, “[...] the greatest challenge remains the proliferation of the illicit fuel from Nigeria which has seriously crippled our sales in petrol stations and we can no more sell as before. The government also is losing [...]” (Nkwenti, 2017).

To further buttress this assertion, the Manager of a petrol filling station in the City of Bamenda in the North West Region illustrates with lucidity using statistics from December 2015 as follows;

Illicit petrol has seriously hampered our sector. My company is in crisis. Our monthly targeted sale of petrol in December 2015 was 177,700 liters (About 59,233 liters per sequence of 10 days). With this target, we realized 255,896 liters (85,298 liters) signifying an excess of 78,196 liters above our target. In January 2016, our monthly target was 198,000 liters and we realized 259,980 liters—another remarkable increase. This trend continued like this until December 2016 when we began experiencing diminishing returns. In January 2017, we had a target of 259,980 liters but we realized 162,842 liters experiencing a drastic fall of 97,138 liters. Since January 2017 till date (August 2017), we have never again met our monthly targets (Elame, 2017).

The petrol filling stations were therefore suffocating under the heavy weight of the informal petrol business in Cameroon. Another petrol Filling Station manager concurs in this view when she says “Our profit margins have really contracted but that has not yet started reflecting in laying off of workers” (Tanwie, 2017). This was however not the case with another Filling Station whose Supervisor submits that “Our sales have dropped so bad that we are trying to redundant some workers...from about 8,000 to 10,000 liters of petrol sold per day, we have dropped to about 3,000 to 4,000 liters per day” (Mah, 2017). Evidently, the petrol Filling Stations had borne the brunt of the growing informal petrol trading activity in the Cameroon and invariably threatened to push some out of business.

The informal trade in petrol in Cameroon also had social ramifications. One of the most obvious social implications of the trade is the ever increasing risk of fire outbreaks emanating from the

manner in which the product was either transported or stored by the major actors. As testified by one of the wholesalers who bought the product directly from Nigeria; “the risk in this business is great... indeed the risk is big, I have lost one of my cars to fire on the Ekok-Mamfe-Bamenda Road” (Lonyonga, 2017). This is because petrol is usually transported in ordinary cars rather than specialized cars designed for this purpose like petrol tankers. Even the manner in which the product is stored also posed great danger to life in some neighborhoods in the country. Some of the vendors store the product in their houses for fear of burglary (Fongoh, 2017). This was also the case with John Salle who said; “I used to keep the product in the warehouse but right now I store them in the house where I sleep because thieves have attacked my warehouse on several occasions” (Salle, 2017). This situation exposes the wholesaler and his neighbors to risk of fire disaster but as it is, most of them claimed they have no choice as far as storage of the product is concerned. In a Radio Announcement signed by Governor LeleLafriqueTchoffo Deben Adolphe of the North West Region, he stated unequivocally that;

[...] Petroleum products are extremely dangerous. Their manipulation exposes mankind to illnesses and several security risks such as fire outbreak or explosion with a lot of consequences (loss of lives, loss of property etc). To this effect, the Governor hereby invites the population of the North West Region to denounce to the Authorities of the Ministry of Water Resources and Energy the premises used by smugglers as stores of these products in order to preserve their lives. Therefore, anyone involved in this illicit activity exposes himself to sanctions by the laws in force (Ref. No. 019/L/E/GNWR/IG/RS, 2016).

In their letter to the Minister of Territorial Administration and Decentralization, SYNAGESSC also indicated that; “[...] Worst still, the proliferation of our towns and cities with this flammable liquid can cause devastating arson in our houses and establishments, like it happened some years ago at Nsam-Efoulan in Yaoundé” (SYNAGESSC, 2017). In the same vein, the President of the aforementioned Union argues that “petrol is flammable liquid and is very dangerous and this explains why government has been taking some regulatory mechanism like the case of petrol tanks which must be buried in the ground so that there is security and safety on the lives of people” (Nkwenti, 2017). He further explains that;

But unfortunately, the illicit fuel and its proliferation along the streets and at nearly all the corners of our towns and villages can cause terrible damages on

lives and property if proper care is not taken. Examples abound of fire accidents resulting from such carelessness in fuel management by untrained private individuals. With this illicit fuel which is being sold and kept in the houses, it is very dangerous especially when you consider the fact the business is in the hands of mostly young innocent children....this town will be on fire one day and all of us will suffer (Nkwenti, 2017).

The poor storage method of the product was further compounded by the manner in which the product was handled. Sometimes, unsuspecting children of tender ages are involved in the handling of the product.

In the same vein, the informal petrol trade in Cameroon is also a potent source of social tension. Many are those who wonder why fuel produced in Cameroon by the National Oil Refinery (SONARA) in Limbe sold fuel at a higher price than fuel imported from Nigeria.<sup>9</sup> The thorny question of oil exploitation, petrol refinery, and sale in Cameroon was usually a source of problems and social tension in the country especially as the Anglophones of the North West and South West Regions usually felt left out from the whole process of oil business. In the course of this study, the pestering question as to why the SONARA petrol was sold at 639 FCFA per liter while the petrol imported from Nigeria in some parts of the country is sold at between 450 and 600 FCFA per liter was recurrent. This question was critical and crucial and required careful consideration. Some of the consumers of the Nigerian-imported petrol did so simply because of its affordability. This position clearly captures the view of a cross section of Cameroon City dweller as far as informal petrol trade was concerned. It is therefore incumbent on government to consider subsidizing the petrol sector in Cameroon and make the product affordable for the citizens. This will also naturally contain the growth and illicit practices in the informal petrol trading sector.

### **Conclusion**

The advent of the economic crisis in Cameroon led not only to job redundancy and generalized poverty among Cameroonians but also generated a series of responses from to cope with the difficult economic situation. One of these responses was the involvement of many a Cameroonian in the informal sector of trade. Though it began with trade in food items, drinks

and household equipment, petrol trade soon proved to be lucrative and attractive to many. This met with an upsurge in informal petrol trade in major cities and towns in the Regions of North West, South West, Littoral, Adamawa, North and Far North of Cameroon. Though the business offered employment opportunities and assured livelihood for many in Cameroon, it became incumbent on the government to regulate the activity in order to salvage loss of government revenue; protect tax payers in the formal sectors as well as address social imperatives such as risks of fire disasters created by illicit activities in the trade.

As part of the regulatory process, a series of official texts were passed at different levels of government structure including the Presidency of the Republic, the Prime Ministry, Ministerial Departments as well as Gubernatorial levels. However, the passage of these official texts has been one thing and its effective implementation another. Consequently, the informal trade and illicit practices in the sector in Cameroon witnessed surges amidst the presence of an avalanche of regulatory instruments. Consequently, activities in this sector of public life in some regions of Cameroon continued largely unregulated in spite of the existing legal instruments. The result of this was in increasing risks of fire disasters in towns and cities, the implications on health, the down turn in government revenue and profit margins of official petrol vendors among others. The paper thus maintains that in spite of the presence of a number of official regulatory instruments in this sector, the organization of informal petrol trade in Cameroon remains problematic largely because of the non-implementation of these instruments. It thus calls attention to the need to revisit these texts if the informal sale of petrol in Cameroon must be addressed or regulated and sanitized.

## **NOTES**

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<sup>1</sup>Interestingly, this has been the situation all over Africa including countries like Somalia, Ethiopia, and Kenya in the Horn of Africa, South Africa, Zimbabwe, Malawi, Zambia, and Mozambique in Southern Africa, Kenya–Uganda, Congo-Uganda, Benin–Togo–Niger–Nigeria, Senegal–The Gambia, Ghana–Togo–Burkina Faso, Sierra Leone and Nigeria–Cameroon–Chad. See Golub, “Informal cross-border trade.” 179.

<sup>2</sup>When the British took the decision to administer the Southern part of her portion of Cameroon (Southern Cameroons) as an integral part of Nigeria, the indigenous peoples of this part of the

country traded and interacted freely across the borders. For instance, the huge presence of the Ibos in Southern Cameroon attested to this assertion. Many a Southern Cameroonians were also very present in Nigeria for social, educational, political and economic reasons. In this way, the people of both countries establish very strong trading, political and social ties which could not just be forgotten even after the Southern Cameroonians opted to reunify with their brothers of the Republic of Cameroon in 1961.

<sup>3</sup>For instance, at the level of the North West Region, on the June 23, 2004, the Governor, KoumpaIssa signed a Provincial Decision No. 000151/PD/E/GNW.10/SG/DAG by which he created the North West Provincial Committee for the fight against fraud in petroleum products. This Committee which was placed under the Chairmanship of the Governor himself had the task of ensuring that fraud in petroleum products were fought against in the all the Divisions of the Region. As a follow up to this measure, on July 14, 2005, the Governor again signed a Provincial Decision No. 006/PD/E/GNW.10/SG/CAE creating Divisional Brigades for the fight against fraud in petroleum products in the Divisions. Such Brigades were to be chaired by the Senior Divisional Officers of the various Divisions. The task of these Brigades was also to fight against fraud in petroleum products in their Divisions. By implication therefore a Divisional Brigade was to be created in Mezam Division in which Bamenda City was the center of activities.

<sup>4</sup>Apart from being flammable, the petroleum products especially that which is imported from Nigeria generally produces very exasperating malodor and also had the potential capacity of causing health hazards to those who were exposed to it.

<sup>5</sup>The doubtful quality of the product results not only from the fact the they are not subjected to periodical quality controls but also because sometimes they are deliberately adulterated with other substances by the actors to increase volume and profit margins. This makes the product quality doubtful and injurious to automobile engines.

<sup>6</sup>This law was followed up by the Prime Ministerial Decree No. 2000/ 485 of June 30, 2000 which fixed the modalities for the application of the Petroleum Code in Cameroon. As a result, the Petroleum Code went into effect in the year 2000. As a follow up to the Petroleum Code the Law N° 2002/013 of December 30, 2002 to Institute the Gas Code was passed to govern the downstream gas sector comprising transportation, distribution, processing, storage, importation, exportation and marketing of natural gas within the national territory.

<sup>7</sup>This has been the case the sale of plastic papers, the importation and sale of drugs along the streets as well as other products considered by the government as contraband.

<sup>8</sup>In the North West Region for instance, this was the focus of a meeting that held at the Governor's Office in Bamenda on Wednesday, June 14, 2017, in which the Regional Chief of Service for Petroleum products, Aime Nasser Mboussop announced that the state losses some 4 million FCFA daily from the illicit trade in petrol in the Region. On his part, the Regional Delegate of Water Resources and Energy for the North West, Antoine Bossong announced that there has been a drastic drop of sales at filling stations in Bamenda (Sih, 2017).

<sup>9</sup>SONARA created in 1973 and inaugurated in 1981 remained the lone oil refinery in the country. It was located in Limbe in Fako Division while its main source of crude oil was the Ndian Division all of which were found in the South West Region of Cameroon. Interestingly, South West Region was one of the main centers of this illicit petrol trading activity in spite of the presence of the SONARA.

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