

## **PRESS RELEASE**

### ***Business Consultation on soaring import prices***

This Tuesday, November 09, 2021, was held at the headquarters of GICAM an important consultation meeting between companies of various business sectors exposed to the unprecedented rise in the prices of imported products and sea freight.

In fact, since the beginning of the year, most companies have been facing an exponential increase in their supply costs, mainly due to external factors such as the general rise in world raw material prices and the explosion of sea freight, with increases ranging from 20 to 400%.

In view of the serious threats posed by this inflationary drift on business continuity for companies, their profitability and their survival, numerous alerts have been sent to the attention of the authorities. This has led to consultations at several levels, such as the one held at GICAM on Friday, October 1, 2021 with the Minister of Trade.

Today, despite the proposals for short and medium-term adjustments made on these occasions by GICAM, companies deplore either the absence of adequate measures or the ineffectiveness of those proposed in certain business lines, given their inability to significantly mitigate the impact of rising costs.

At the same time, we are unfortunately witnessing a proliferation of counterproductive regulations, which lead to an increase, albeit limited, in the production costs of companies.

At the end of today's consultation, it appears that we are facing a major impasse. The situation of companies continues to deteriorate due to supply disruptions and the lack of visibility on sales. This uncertainty is due to the difficulty of passing on the significant increases in supply costs to the selling prices of products, and more particularly products whose prices are subject to prior approval and that, at the same time, the cost-killing measures implemented by companies have shown their limits.

We continue to call for an urgent and genuine consultation between the government and the private sector, which would guarantee the chances of agreeing on appropriate measures to overcome the current difficulties.

It is clear that as soon as companies are no longer able to adjust, they will simply consider stopping their import and production activities on 1<sup>st</sup> January 2022.

From that moment on, the risk of market supply failure will become real, with the major corollary of a food crisis and inevitable social consequences that no one wants.

Done in Douala, on 09<sup>th</sup> November 2021.



**Celestin TAWAMBA**  
President

