

CAMEROON

January through March 2016

COMMERCIAL

NEW LEGAL FRAMEWORK ON COMMERCIAL ACTIVITIES, INCLUDING PRICE FORMATION

Law no. 2015/018, of 21 December 2015 approved the new legal framework on commercial activities in Cameroon. This statute repeals the Law no. 90/031, of 10 August 1990.

The new law came into force on 21 December 2015 and regulates, *inter alia*, the following matters: (i) conditions for carrying out commercial activities; (ii) distribution and sale of products, including the rules on price formation; (iv) products' warranty and after-sales service; (v) conditions for the organization of commercial events; (vi) illegal, misleading and aggressive commercial practices.

Existing traders carrying out business in Cameroon are granted a 1-year grace period as from 21 December 2015 to ensure full compliance with the newly-enacted provisions. Failure to comply with the new obligations may trigger the application of penalties equal to a given percentage of the trader's turnover.

SOCIAL SECURITY

SOCIAL SECURITY CONTRIBUTIONS UPDATED

By way of Decree no. 2016/072, of 15 February 2016, the President of the Republic updated the rates for social security contributions, formerly set by Decree no. 90/198, of 3 August 1990.

According to the new statute, social security contributions due to the National Social Insurance Fund ("Caisse Nationale de Prévoyance Sociale") pertaining to family allowances shall now range from 3.7% to 7% of the employee's salary, depending on the relevant activity sector. Social security contributions for old age, disability and death pension shall now be equally split between employers and employees, both bearing a 4.2% share of the contribution.

The new decree also brings the relevant social security wage base to XAF 750,000.

For further information about the contents of this Legal News, please contact:

Margarida.Maia@mirandalawfirm.com

Miranda & Associados
Av. Eng. Duarte Pacheco, 7
1070-100 LISBON – PORTUGAL
T: +351 217 814 800 | F: +351 217 814 802
www.mirandalawfirm.com

mirandaalliance
www.mirandaalliance.com

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