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BUSINESS IN CAMEROON

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- Toll Roads
- Telecommunications
- Tourism
- Other infrastructures

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Publication Director

Yasmine BAHRI-DOMON

Contributors

Agence ECOFIN, Ayissi LE BEAU, Beaugas-Orain DJOYUM, Mamadou CISSÉ, Jude VIBAN, John MACINTOCH
www.agenceecofin.com

Operator

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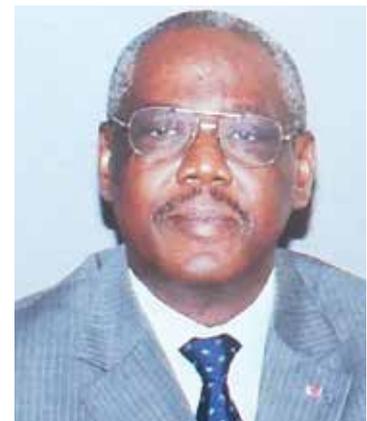
Séquence Media, Genève
Benjamin FLAUX
Tel +41 78 699 13 72
benjamin.flaux@sequencemedia.com
In Cameroon
regiepubcameroun@sequencemedia.com
Tel +237 99 41 60 15

Printing and Distribution

Ste GALMA (imprimerie du soleil Levant)
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Marlyse BIEME ONANA (DG)
Tel. : 00 237 22 21 97 84 - 99 59 11 95
biemem@yahoo.fr

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Four ongoing giant projects to boost the economy

Several giant projects are being implemented in Cameroon. Among these projects, three are in the energy sector: Lom pangar in the East, Memve'ele and Mekin dam projects in the South of the country. The last one is in the transport sector: Kribi deep seaport located in the Southern part of Cameroon.

“Without energy, there cannot be any development. There will be no industries, transformation of our primary products and minerals. Without energy, we would not talk of a modern economy”, President Paul Biya said on June 15, 2012 while laying the foundation stone of the Memve'ele hydroelectric power plant.

MEMVE'ELE DAM PROJECT

Estimated at CFAF 420 billion, the Memve'ele dam project, upon completion in late 2016 or early 2017, would pump about 201 megawatts into the national grid. It would comprise of a dam, a mill, and a transformation station. The latter would be built in Ebolowa with a



President Paul Biya laying the foundation stone of the Memve'ele hydroelectric power plant on June 15, 2012.

transmission line of 225 Kva (kilo volts amperes) that would serve as a bridge between the dam power station and Yaounde for a distance of about 300 Km. Work is being executed by Chinese engineers from Sinohydro Corporation Ltd while Egis Cameroun is supervising the work. The project is expected to create at least 3,000 direct jobs.

Chinese Eximbank, the African Development Bank (AfDB) and the Cen-

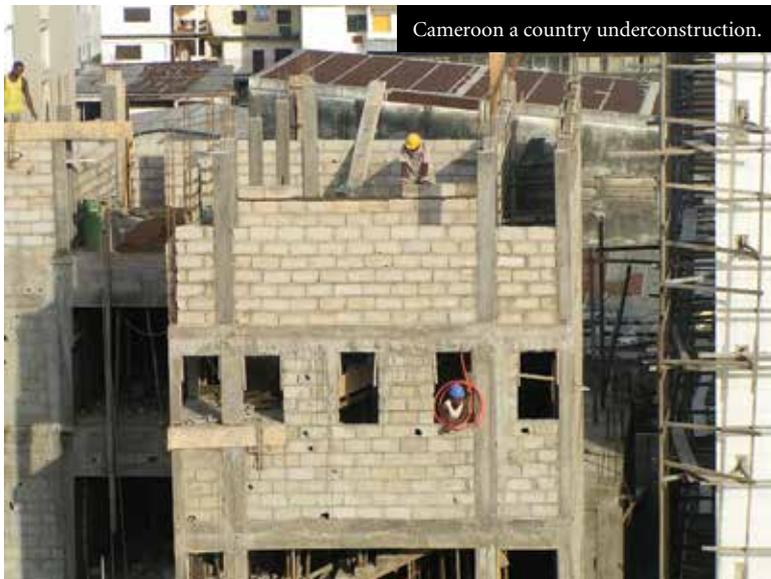
tral African States Development Bank (BDEAC) are some of the country's partners in the project. As per the project factsheet, Eximbank has already availed CFAF 243 billion as expected. The project is financed through build-operate-transfer (BOT).

LOM PANGAR

Lom Pangar project is relatively more advanced and the Chinese constructor, China International Water and Electric Corporation (CWE), is expected to complete work in 38 months so that the dam can go online in July 2014, said Electricity Development Corporation (EDC) general manager, Theodore Nsangou.

Coyne & Bellier/ISL Group is supervising the execution of the project, supervising work on the site, and assisting the executing authority during and after the project, as well as building the capacities of the personnel of EDC accordingly. They would earn CFAF 9.8 billion for the job according to the contract.

The project consists in building a six billion-cubic metre water reservoir, an electricity plant of 30 megawatts (for rural electrification schemes in the East region) and a high tension line of 90 kilovolts. With this, 170 megawatts of ad-



Cameroon a country underconstruction.



Kribi deep seaport currently under construction by the China Harbor Engineering Company.

ditional energy will be produced and the project will help sustain other project along the Sanaga River like the Nachtigal dam (to produce about 280 megawatts) and Song Mbengue dam (expected to produce about 900 megawatts).

Lom Pangar in its entirety would cost CFAF 247 billion according to EDC officials. The Lom Pangar Hydropower Project is a multi-donor partnership. The World Bank is part of an international partnership that is supporting the venture to help bring badly needed electricity to Cameroon. International par-

tners in the project include the African Development Bank (AfDB), the French Development Agency (AFD), the Central African States Development Bank (BDEAC), and the European Investment Bank. Financing from BDEAC and the AfDB for Lom Pangar were both signed in January 2012. One of the main beneficiaries from this megaproject would be Alucam, the alu-

minium smelter. As the largest electricity consumer in Cameroon, Alucam has vowed to triple its output if Lom Pangar were to provide them with enough power.

MEKIN DAM

As concerns the Mekin hydroelectric dam, 40% of the work has been completed in July 2012 according to government sources.

Authorities are hopeful that these scores of energy projects would reverse the energy deficit plaguing the country at

the first phase of the project which took off in December 2010, will ease the evacuation of minerals notably Bauxite, Iron, Cobalt and Nickel. Also, the port will have an off-shore container terminal that will eventually encourage transshipment.

Upon completion, the main port of five to 16 metres depth will receive big vessels with a capacity close to 100,000 tonnes. This will fill the gaps of the Douala Seaport which is only six to seven meters in depth and can at best receive vessels with a capacity of 15,000 tonnes.

The second and third phases of the project are expected to be financed by private companies on the “Build-Operate-Transfer (BOT)” system.

Of the CFAF 200 billion raised in treasury bonds, CFAF 21 billion were allocated to this project. China had disbursed a loan of CFAF 207.7 billion through Eximbank. Counterpart funding to the tune of CFAF 36 billion to meet the entire budget of the first phase evaluated at over CFAF 240 billion had equally been mobilised.

All those projects, upon achievement will lead Cameroon to an emerging economy by 2035 with a double digit economic growth.

JOHN MACINTOSH

All those projects will lead Cameroon to an emerging economy by 2035 with a double digit economic growth.

the moment, thereby laying the foundation for emergence.

KRIBI DEEP SEAPORT

As for the Kribi deep seaport in the South region, it is expected to go operational by 2014. This important project will not only serve Cameroon but the whole of the Central African sub region. Presently under construction by the China Harbor Engineering Company,

CFAF 15 trillion to implement Cameroon's railway plan

Cameroon has developed a new railway master plan that will connect the country with neighbouring states and also help reduce the relative isolation of agricultural and mining production areas.

With the proliferation of major projects, particularly in the field of mining (iron in the South and bauxite in Adama-wa) coupled with the construction of the Kribi deep seaport, Cameroon wants to expand its rail network, currently stands at 1000 km. The first draft of the national railway master plan was

Gross Domestic Product (GDP) of about 4.75% per year until 2040, according to the Ministry of Economy. "Similarly, the volume of imports of raw and secondary materials will be reduced in favour of an increase in the volume of

ment intends to start implementing the rail plan this year through 2020.

The following lines are scheduled for the first phase: Edea/Kribi (136 km, CFAF 468.7 billion), Mbalam/Kribi (602.6 km,

The new national railways will result in a steady GDP increase of an estimated 4.75% per year until 2040

presented to the press on April 28, 2011 by the then Minister of Planning, Louis Paul Motaze.

This national rail network will run along several cities. In addition to transporting mineral resources for export, it seeks to improve the sub-regional traffic. According to the Ministry of Economy sources, it will link major ports in mining areas, thus helping the Cameroon industry to emerge while boosting exports in the region.

The cities to be serviced by the rail network, is the Kousseri-Kribi section through Ngaoundere, Bertoua, Obala, Yaoundé, and Mbalmayo. Linear lines from Mbalam-Kribi and Limbe-Mbalam. Several other sections such as Bamtouri-Limbe are also earmarked.

BENEFITS

Starting 2015, this new national plan will result in a steady increase of the



exports in the Central Africa sub-region," the ministry added. The project could generate 348,300 short-term jobs and 256,000 medium-term jobs.

The new version of the national railway plan presented by the General Directorate for Economic and Public Investments Programming indicates that the total project cost is estimated at CFAF 14,977 trillion (€ 23 billion). Funding is currently being sought. The Cameroonian govern-

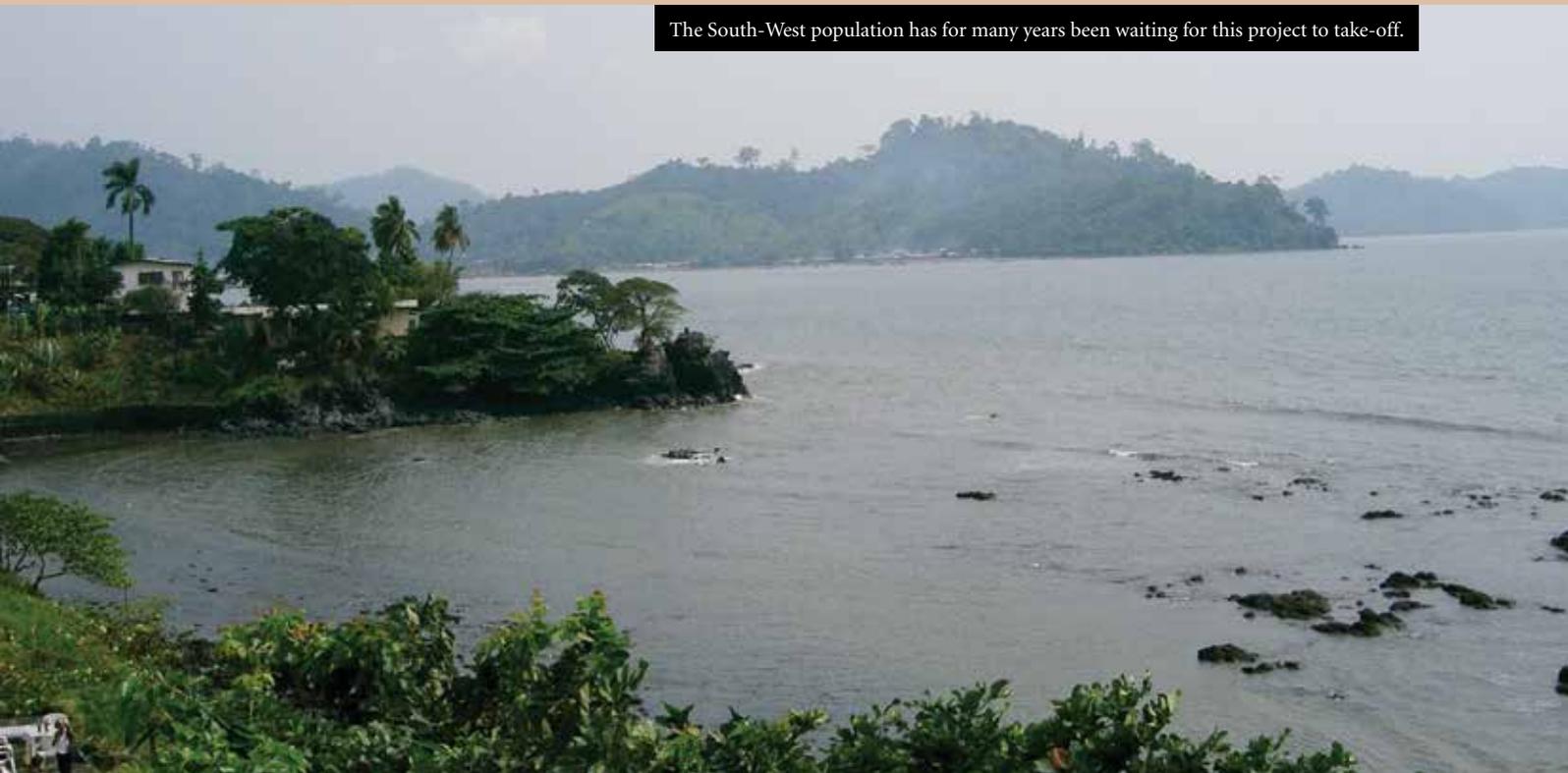
CFAF 310.9 billion), Douala/Limbe (73.5 km, CFAF 341 billion), and Ngaoundéré/Douala (907.5 km, CFAF 4,545 billion).

The railway will have 50 kg rails. The speed will be between 150 km/h and 170 km/h for passenger trains and between 70 km/h and 90 km/h for freight trains. The National Railway Master Plan was completed in partnership with a Korean company.

B-O.D., JV.

Limbe deep seaport: CFAF 426 billion to be mobilized

The South-West population has for many years been waiting for this project to take-off.



After the Kribi deep seaport, Cameroon will work towards another deep seaport, Limbe.

Feasibility studies were concluded in 2009. They were carried out by the Limbe Port Development Corporation (LPDC), a company incorporated in Cameroon but funded by the Republic of Korea. It will be built in the South-West region, west of the Atlantic. It will consist of four terminals that will receive containers depending on their size. The four sites are meant for both commercial and industrial activities, coastal shipping, container terminal and the oil terminal.

Traffic at the Limbe deep seaport is projected to reach 200,000 containers per year during the initial phase. By 2050, it is expected to soar to 1.6 million containers.

The project cost is estimated at 426 billion CFA francs (€ 650 million)-funds that the Cameroonian government is still trying to mobilize.

Mefiro Oumarou, already asserted in

zation between Limbé and the Cameroonian economic city of Douala.”

The South-West population has for many years been waiting for this project

Traffic at the Limbe deep seaport is projected to reach 200,000 containers per year during the initial phase.

2009 in the newspaper Entrepreneur that *“the construction of the deepwater port of Limbe, which integrates into the global vision of development of harbor facilities, constitutes an added value for the state economy with a plan of industrial-*

to take-off, as some 20,000 jobs have been announced with all the ripple effects it can have on consumption and services. Limbe is just 71 km away from the economic capital of Cameroon, Douala.

BOD

CFAF 15.3 billion to renovate Douala airport



Douala airport attracts the bulk of the traffic in Cameroon and Central Africa. It is the major hub for all airlines doing business with Cameroon. *“All passengers land here, before jetting off to Europe. Others arrive first in Douala from Europe, before taking off to their destinations, mainly countries in the sub-region,”* said the Minister Delegate for Transport, Mefiro Oumarou. The same argument was used by South African Airways

to end its contract with Air CEMAC, because Brazzaville in Congo was selected as headquarters of the sub-regional company instead of Douala as proposed by the South African company. However, despite periodic renovations, Douala airport is not yet fully secured and in keeping with international standards. That is why Aéroports du Cameroun SA (ADC) and the Cameroonian government plan to give

it a modern look by refurbishing parts of it. More specifically, ADC considers revamping the air conditioning system, constructing private lounges, automated car parks and partially rehabilitating the aircraft parking lot, among others.

PUBLIC-PRIVATE PARTNERSHIP

According to the Ministry of the Economy, part of the funding has already been secured - 5.3 billion CFA francs (€ 8 million) from the World Bank. The total amount of the project is 15.3 billion CFA francs (€ 23 million). The Ministry of the Economy said that the International Finance Corporation (IFC) had submitted a request for the implementation of a public-private partnership for Douala and Yaoundé Airports. According to the Ministries of Transport and Economy, the search for additional funding is still on. This project, which started in 2011, should normally be completed in 2013.

Once it materializes, the international airport of Douala could be listed among the model airports of Africa. **ALB**

DOUALA INTERNATIONAL AIRPORT

- Status: International Airport
- Manager: les Aéroports du Cameroun SA (ADC)
- Capacity: 1.5 million passengers and 50 000 tons of freight per year
- Parking spaces: 12
- Capacity operated: 31%
- Distance city / airport: 5 km
- Weather: heavy rains from March to November, temperature 26, 9° C
- Regions served: Littoral and Southwest
- Population: 3,348,948 people
- Main export products: Tea, coffee, green beans, pineapple, carrots, tomatoes
- Main products Import: electronic appliances, medicines, textiles
- Accommodation capacity: 4,706 beds

Source: Civil Aviation Authority in Cameroon.

“Sawa Beach”, a tropical Venice in Douala

In 2004, the former Government Delegate to the Douala City Council, Edward Etonde Ekoto dreamt and initiated the “Sawa Beach” titanic project made up of business center hotels, a convention center, a cultural center, an administrative area, a marina, a swimming arena, parks and public gardens, an amusement park, commercial space, and 10,000 social houses, all built on 1,000 hectares between the seaport and the airport.

During the election campaign in Douala, ahead of the October 2004

presidential race, Edouard Etonde Ekoto presented this project to Paul Biya in these words: *“This is a par excellence project in Douala (Paul Biya). It will settle the main problems of jobs, housing and offices, gardens, parks and leisure areas.”*

The project was put on hold in 2006. Today, the Cameroonian government wants to revive it. In February 2012, on the instruction of Prime Minister Philemon Yang, Minister of Housing and Urban Development, Jean Claude Mbwentchou went to

Douala to clear all obstacles blocking the realization of the project and requested the Douala City Council to reactivate it.

Although the technical studies are not yet fully completed, parts of the studies have been available since 2003.

The total project cost is estimated at 550 billion CFA francs (€ 840 million) according to the Ministry of the Economy and investments are being invited.

MAMADOU CISSÉ



143 km road to link Chad, Nigeria, and Cameroon

This is a road linking the Federal Republic of Nigeria to the Republic of Chad through Cameroon. Dubbed “tarring the road Maltam-Fotokol and Bodo-Makary-Hilealifa-Karena-Katekime stretch,” it consists of 73 km from Nigeria to Cameroon and 70 km to Chad.

Maltam-Fotokol is located in the Logone and Chari, in Extreme North Region of Cameroon. The Logone River creates the natural border between Cameroon and Chad. This road is the most important request of the people of this area.

In March 2012, during a “thank you” rally to Paul Biya for appointing Alamine Ousmane Mey, Minister of Finance and

maintaining Adoum Gargoum in the government (both sons of the region), indigenous people did not fail to remind authorities about the need to rehabilitate the Maroua-Kousseri and Maltam- Fotokol routes-a priority to them.

This project will open up the Lake Chad area, strengthen sub-regional integration (Chad-Cameroon-Nigeria) and facilitate the movement of people and goods in the sub-region.

Technical studies are 80 percent through, says the Ministry of Public Works. The total cost of funding being sought is estimated at 72.6 billion CFA francs (€ 110 million). **ALB**

Cameroon's project of 10,000 social houses in gestation

In major cities in Cameroon, the problem of accommodation is crucial. Social houses are inadequate, rare and expensive. *"There are no social houses in Cameroon. What is being referred to as 'social houses' is unaffordable to the average Cameroonian. Only top government officials live in SIC houses because the cost is high and they are also rare to find,"* Sylvain Samba, a young student, explained.

According to the Ministry of Housing and Urban Development, at present, it is estimated that over a million houses are needed to fill the gap, and with an annual growth rate of 10% the government decided to

At present, it is estimated that over a million houses are needed to fill the gap.

launch in 2010 a program to build 10,000 social houses and develop over 50,000 building plots.

The program aims to build 10,000 social houses in the cities of Yaoundé and Douala, as well as the administrative headquarters of the regions, divisions and university towns like Dschang. This project is funded by la Société immobilière du Cameroun (SIC), la Mission d'aménagement et d'équipement des terrains urbains et ruraux (MAETUR) and Crédit foncier du Cameroun (CFC), with the support of foreign partners. *"Given the extent of needs, I think the program is not advancing*



at the desired pace, in consultation with all the institutional sectors involved," observed the President of the Republic, Paul Biya, addressing supporters of his party on September 15, 2011. *"I have therefore instructed the Prime Minister to reactivate it as soon as possible,"* he said.

Minister Jean-Claude Mbewntchou of Housing and Urban Development pointed out that *"the government of Cameroon has a firm commitment to implement this program with the aim of providing decent housing to the population thereby reducing the housing deficit."*

Funding is still being sought, according to the Ministry of the Economy, Planning and Regional Development, in the amount of about 725.7 billion CFA francs from foreign partners. The total project

cost is estimated at 907.1 billion CFA francs (€ 1.38 billion).

MEASURES TAKEN

Measures taken by the government at the institutional level to offer solid housing to its citizens, include the restructuring of SIC (State-owned real estate company), MAETUR (real estate developer) and MIPROMALO (a structure created by government to promote the use of local materials in building), *"and especially redefining the role of Crédit Foncier Cameroon in real estate banking."*

"Legally, the institution of texts on real estate and condominium is, also in the pipeline. Texts will also be introduced on housing cooperatives which will provide a solution to the concerns of the most disadvantaged," says Jean-Claude Mbewntchou. **MC**

Two interchanges to be built in Yaoundé



The pleasure of rush hours.

It is a traffic nightmare for Yaoundé residents to cross the “*carrefour Trois statues*”

roundabout during rush hour. “*The secret is to get out early in the morning. Otherwise, you will always be late because of traffic jam,*” a taxi driver advised a worried passenger. The roundabout was redesigned a year ago. But so far, traffic is not always very fluid. The situation is similar to that of the Tropicana roundabout at the south entrance of the city.

The former Minister, Clobert Tchatat, said “*Yaoundé will breathe better*” and the “*Cameroon will live better*”. It was inspired by Paul Biya’s: “*As long as*

Yaoundé breathes, Cameroon is alive”.

This is why government is planning to build two interchanges at these roundabouts in these areas. The Ministry of the Economy, Planning, and Regional Development declared that the feasibility studies of these projects are almost completed.

Some 41.7 billion CFA francs (€ 63 million) are needed for these projects and the Cameroon government is still looking for partners to fund the projects.

BOD

24 billion CFAF to build the bridge over Sanaga in Natchigal

It’s a real ordeal for the populations of Ntui, a rich agricultural locality situated in the Central region of Cameroon. To transport their farm products to the cities, they have to cross the Sanaga River by ferry. The same applies to the cattle, which are also transported by ferry or by boat. An average of CFAF 5,000 per head is paid to carry them across by boat. In addition, the ferry-boarding fee has to be paid and this contributes to increasing the price of foodstuffs, according to farmers.

Worse still, when the ferry breaks down, the food rots and patients die in villages because they have no means of being evacuated to Yaoundé, the capital. Cocoa producers are deducted 10 CFAF per kilogramme of cocoa sold to touts (buyers). This amount is said to cushion extra costs generated by the breakdown of the ferry, which lengthens transportation to Yaoundé. The same situation was experienced very recently in March 2012 when the populations of Ntui spent seven months without a ferry due to its breakdown. “*7 months with no ferry on the Sanaga, a disaster for the Mbam and Kim economy*”, was the title of an article

wrote at that time by the paper ‘*La Voix du Paysan*’, which sounded the alarm. When the ferry is operational, one boards it almost trembling with fear. In November 2010 for example, the ferry which connects Natchigal village to the city of Ntui, with close to 200 passengers and seven vehicles on board diverted 10 km away from the landing point, near Ntui.

Fortunately, there were no human casualties.

LONG WAIT

Actually, Ntui is linked to Yaoundé, the capital, by three exits. However, the shortest and most used exit goes via Obala. It covers about 80 km. Travelling through this exit, one has to necessarily cross River Sanaga by ferry. The river is situated 12 km from the city of Ntui. According to ‘*La Voix du paysan*’, it is also the shortcut for cattle transported from the ‘Grand Nord’ of Cameroon.

The populations have been expecting the construction of the bridge on this route for over three decades. Mr Ayissi introduced as head of Ehongo village near River Sanaga said he was disgusted to talk about this problem. A retired



civil servant, he told ‘*La voix du Paysan*’ that he cannot go to Yaoundé with his car anymore because the trip will be too expensive. “*When will there be a final solution to this problem? Is it forbidden to build us a bridge like that of Ebebda?*” he wondered.

In response, officials of the Ministry of the Economy, Planning and Territorial Development say that the technical studies for the construction of the bridge over the Sanaga in Natchigal have been available since September 2010.

It involves building a 850 m bridge over River Sanaga in Natchigal which links the localities of Batchenga and Ntui. The overall cost of the project is estimated at CFAF 24 billion (€ 40 million).

Financing which still needs to be sought. It is a project which can be delivered within three years and the Cameroonian government would like the bridge to be operational in 2015. **MC**

A Ring Road to open up a rich agricultural region

The construction of the Ring Road has been among the huge expectations of the North-West since 1983. President Paul Biya told cheering crowds that he will “*personally supervise*” the tarring of the Ring Road.

According to the Ministry of the Economy and that of Transport it is a heavy task to find partners capable of mobilizing 143 billion CFA francs (€ 220 million) to carry this project to completion. As of now, part

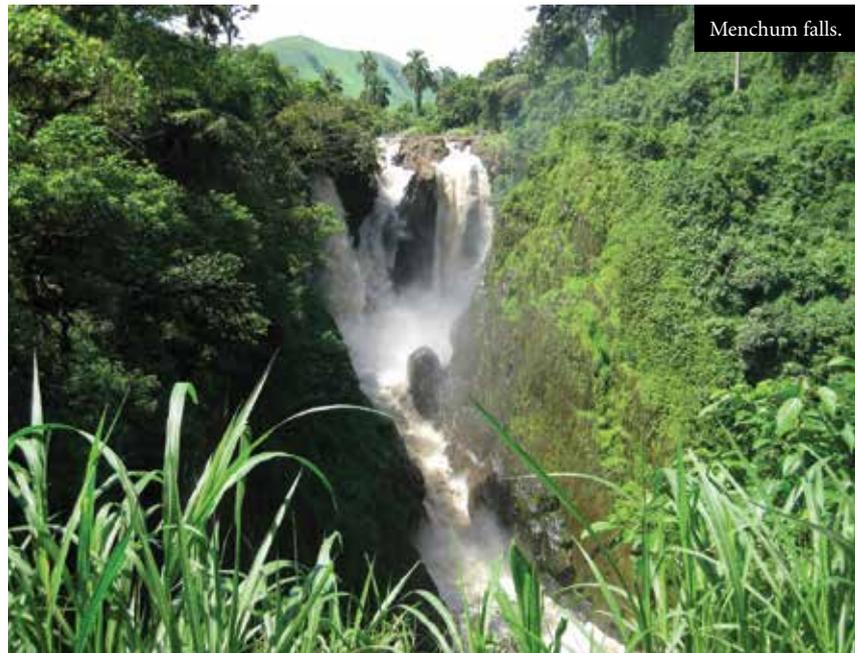
The Menchum falls and the majestic rocks in Ndop have been left unexploited.

of the road is under construction; the 61 km stretch from Ndop to Kumbo is under construction. Sogea Satom Cameroon is carrying out the work at the cost of 22 billion CFA francs.

Winding across valleys and over hilltops, the Ring Road is seen as the key to unlocking the economic potential of the region, whose people are among the most dynamic in the country.

The road leads to the country’s largest tea farm and factory in the chilly Ndu subdivision and a vast palm oil production basin in the warm Mboh plain.

Also the country’s largest cattle producers after the Adamawa, a dairy and beef processing industry have failed to develop because of transportation difficulties. And touristic potentials like the Menchum falls and the majestic rocks in Ndop have been left unexploited. **BOD**



215 km stretch to boost trade with Central Africa Republic

Bus Saviem: it is the kind of vehicle that you encounter on the Bertoua-Batouri road. Drivers will tell you that this bus can easily adapt to the almost unusable state of the road.

The road Bertoua - Batouri – Kenzou (Cameroon) – Republic of Central Africa border, 215 km long, will link Bertoua, the regional capital of the East and Kenzou, a border town within the Republic of Central Africa. The project consists of three lots: Bertoua-Akokan (46.3 km) Akokan-Batouri (49.1 km) and Batouri - Kenzou RCA-border (120 km).

It will open up Kadey, Lom and Djerem divisions in the East region, thereby linking the region to the rest of the country and facilitating the movement of goods and persons. This region has a high agricultural potential. This road would also increase trade with Equatorial Guinea.

The project cost is estimated at 70 billion CFA francs (€ 110 million). Technical studies of the first to lots are available at the Ministry of Public Works, but funding is still being sought. The estimated duration for completion is 72 month according to the studies available. **MC**

Kribi-Campo road seeks funds



The inhabitants of the South region eagerly await the construction of this road as it would put an end to their struggle to evacuate their farm products from the countryside to the cities. Campo is the last town on the Cameroon-Equatorial Guinea border.

The 75 km long Kribi-Campo road is impassable in the rainy season, and is equally difficult in the dry season. Once completed, this road will link Kribi, headquarters of the Ocean division and the marine terminal of Campo. Forest, agriculture and aquacultural products from Campo will easily reach markets in Cameroon and neighboring countries.

With the construction of the Kribi deep seaport, the Kribi-Campo road would offer multiple trade opportunities with Gabon and Equatorial Guinea.

Estimated at 26.5 billion CFA francs (€ 40 million), funding is still sought, according to the Ministry of Public works. Once funding is available, a call for tenders will be launched for the selection of the companies to construct the road and supervise the execution of works.

AYISSI LE BEAU

79.6 billion CFAF to link Cameroon-Congo

The Mintom-Congo border road is of dual importance for Cameroon and the Central African sub-region. At national level, its com-

This Mintom - Congo border road is 132 km long. It includes two lots which may be reduced to one, according to the Ministries of Public

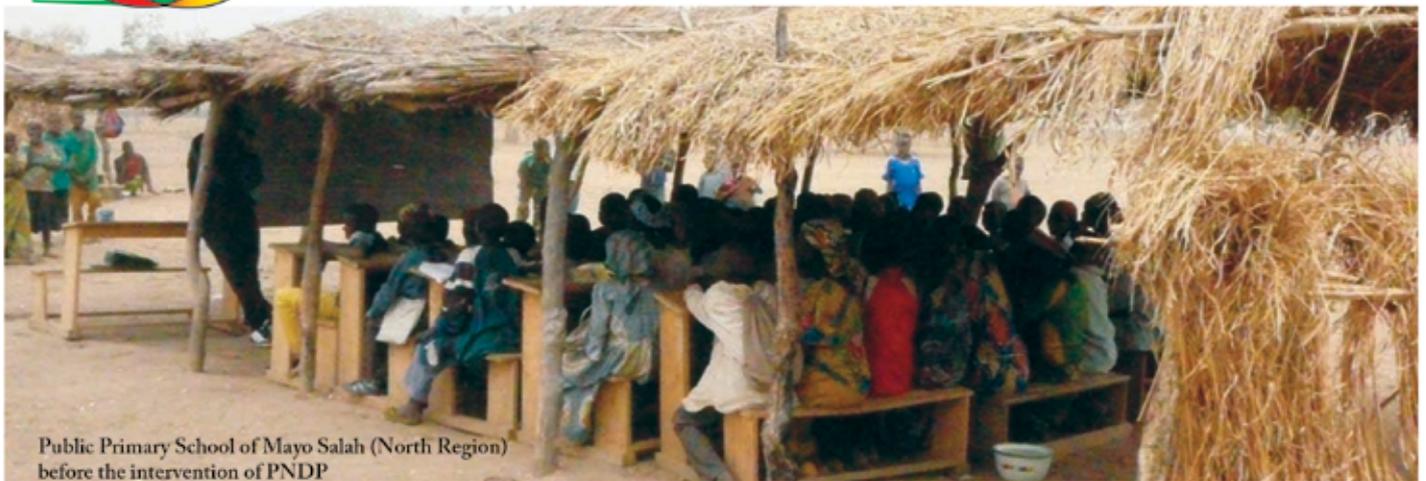


pletion would improve traffic on this part of the priority network and facilitate the transportation of food stuffs in this region which has a high agricultural potential. At the international level, the Mintom-Congo border road will strengthen the sub-regional integration, particularly between Yaoundé and Brazzaville through Mbalmayo, and thus develop trade between the two countries further.

Works and of the Economy, Planning and Regional Development. These are Mintom - Lele (62 km) and Lele - Congo border (71 km). Feasibility studies for the project are available at the Ministry of Public Works. The road is estimated at 79.6 billion CFA francs (€ 121 million). Funding is still being sought, according to a statement on the website of the Ministry of the Economy. Once funding is available, the project could be completed in 48 months. **BOD**



National Community Driven Development Programme: Some 1247 micro projects amounting



Public Primary School of Mayo Salah (North Region) before the intervention of PNDD

The mention of “Greater Achievements”, tends to remind out of hand of structuring projects such as the Lom Pangar and Memvele dams, the Yaoundé-Douala highway, and the Kribi deep sea port complex . But for the people of Sa’a, Kolofata, Tonga, Bangourain and so on, the “Greater Achievements” can be the supply in drinking water, the development of a rural track, the construction of an integrated health centre or power supply in their respective municipalities or within their villages. This means, the concept of “Greater Achievements” includes both macro and micro infrastructures that promote growth, employment and access to basic social services benefiting to the overall Cameroonian people.

Mindful of the need to share the windfalls of the economic growth with every social stratum, in a bid to improve the welfare of Cameroonians, especially those in rural areas, the government, acting in anticipation and supported by its partners set up the National Community Driven Development Programme (PNDD). This Programme undergoing its second implementation phase after a first phase of four years considered successful by the development partners and the government, has adapted over time to nowadays be one of the pivotal tools to implement the Growth and Employment Strategy Paper at the local level

“Greater achievements” in 2012

The Programme currently spans all rural divisional councils in the ten regions, that is 329 councils and reflections are underway to extend its activities to sub divisional municipalities. The PNDD, under the leadership of the Minister of Economy, Planning and Regional Development, Mr Emmanuel NGANOU DJOUMESSI, intends to carry through about 1247 micro projects amounting to 12 871 367 288 (twelve billions eight hundred and seventy one million three hundred and sixty seven thousands two hundred and eighty eight) CFAF in 2012.

In this regard, a first wave of 618 micro projects from Council Development Plans, are being carried out and most are about being completed.

A second series of 629 micro-projects will be launched in the very short term and will be carried through in the current financial year after the completion of technical feasibility studies relating thereto. All measures have been taken by the Minister of Economy, planning and regional development through a national campaign to

raise the awareness of all the stakeholders organized in the ten regions, intended for administrative authorities and mayors to complete the projects on the deadline.

These projects identified by the people themselves and the council during the drawing up of the Council Development Plans, are from different sectors: agriculture and livestock, water and sanitation, rural electrification, economic development infrastructure such as markets, women empowerment, Sport and leisure, health, rural tracks, and so on. The identification method which takes into consideration the priorities of population, now seems to be the way forward in terms of programming and budgeting public investments at the local level. Indeed, the Presidential Circular on the drafting of the 2013 budget stressed the need to take into account the people’s priorities as contained in Council Development Plans while drafting the PIB (Public Investment Budget).

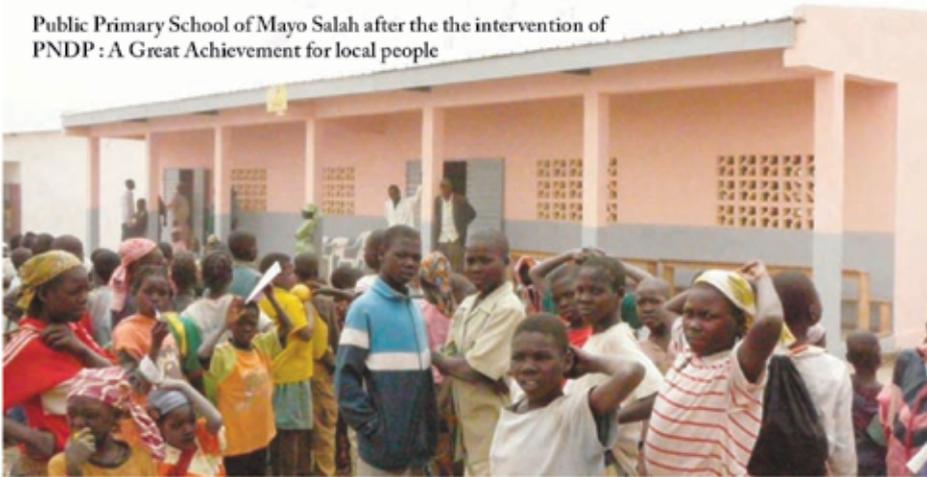
For this second phase, the programme benefited from several sources of funding: the State of Cameroon through the Public Investment Budget (PIB), the World Bank (40 million USD), the French Cooperation through C2D second generation funds, and the contributions of councils. Compared to the first phase, the C2D resources were almost tripled (about 38 billion CFAF) and will be used to finance the activities of the classical PNDD, the development of agricultural competitiveness poles, within councils as well as the execution of a project to support 40 community radios and the set up of 15 community radios. The World Bank’s contribution is envisaged to be moved upwards.

Concerning the first achievements of the second phase, which are in line with those of

an enabling tool for the “Greater Achievement” policy at the local level.

to more than 12 billion to be achieved in 2012.

Public Primary School of Mayo Salah after the the intervention of PNDP : A Great Achievement for local people



The TASK Force of PNDP	
Supervisory Ministry	Minister of Economy, Planning and Regional Development (MINEPAT) Mr Emmanuel NGANOU DJOUMESSI
National Orientation and Steering committee Chairman	Secretary General of MINEPAT Mr Gilbert Didier EDOA
National Coordinator	Mrs Marie Madeleine NGA
PO Box : 660 Yaoundé	Phone : 237 22 21 36 64
Email : pndp_cameroun@yahoo.fr	Web site : www. pndp.org

phase 1, we can list without being exhaustive: drawing up of 178 new Council Development Plans, provided with elements mapping, taking the number at 329. Thus, all PNDP spanned councils are henceforth supplied with this strategic management and operational tool. This will facilitate the financing of investments in councils through the “Budget Programme” approach from the 2013 financial year, in accordance with the government policy. Similarly, the Council Development Plan is a prerequisite for plan contracts between the government and municipalities by decree N 2012/O709/PM of 20th march 2012 establishing the general scheme of the State/Council plan-contract and which will be implemented from 2013.

Achievements of the first phase

Strategically, the first phase has enabled the development of a planning methodology at local and council level. This procedure enabled the drawing up of 151 Council Development Plans. These plans have proven to be effective

tools to initiate and establish citizen dialogue in order to set out the development at the local level. Those tools which are therefore a compass for councils, have permitted the identification and funding to the tune of 19 billion:

- 325 classrooms;
- 32 integrated health centres, 548 water catchment points (wells, drilling, standpipes);
- 161 Km rural track;
- 974 trading posts, 32 sheds, and 325 stores.

According to an independent study conducted by the National Institute of Statistic (2009), those handiworks have helped to improve the living conditions of more than one million people in the areas covered by the Programme.

PNDP, one of the powerful levers of the decentralization

In terms of support to the decentralization process, PNDP has carried out strategic

studies which led to Law N° 2009/019 of 15th December 2009 on local taxation and Law N° 2009/011 of 10th July 2009 setting the financial regime of local and regional authorities, as well as decree N°2009/A/MINATD/DCTD of 24th august 2009 making standard tables of council’s employments enforceable. These institutional supports and the various actions to build the operational capacities of councils had a noticeable impact on the improvement of the council’s contractorship. Therefore, we observe: (i) an increase of more than 50 percent of the level of council’s revenue collection in more than 70 percent of the 151 covered councils, and (ii) an improvement of the budgetary implementation rate of over 50 percent in 101 councils. When the first phase was being completed in late 2009, the disbursement rate of IDA credit of World Bank was around 100 percent as concerns PNDP.

SUMMARY OF THE STATE OF MICRO PROJECTS IMPLEMENTED IN 2012 BY PNDP

Distribution by sector

Sector	Numbers of micro-projects	Amount of micro-projects (in CFA F)
Agriculture	4	12 600 000
Water and Sanitation	742	3 931 552 415
Education	272	4 191 545 559
Electrification	54	1 144 183 632
Breeding	1	21 186 057
IED	78	2 517 371 539
Women empowerment	2	40 602 289
Health	27	259 898 239
Sport et Leisure	15	309 023 054
Transport	52	1 369 677 954
Total	1247	12 871 367 288

Distribution of micro-projects by region

Regions	Numbers of micro-projects	Amount in CFA F
Adamawa	116	1 197 336 492
Centre	316	3 261 709 754
Far-North	82	846 393 037
East	139	1 434 739 417
Littoral	160	1 651 498 610
North	123	1 269 589 556
North-West	58	598 668 246
Ouest	94	970 255 433
South	88	908 324 235
South-West	71	732 852 508
Total	1247	12 871 367 288

Cameroon: Abounding in all forms of energy

Cameroon possesses Africa's greatest hydroelectric potential after the Democratic Republic of Congo. Its potential is 55.2 gigawatts (GW), of which only 3% has been harnessed. "We have the largest natural gas deposits in Africa. We also have great hydroelectric potential. The economy here is going to take off with energy, electricity and oil, and these areas are open to partnerships with investors," the former Minister of Mines, Water Resources, and Energy Henry Kibuh Tume stated.

For a very long period, Cameroon, while under the structural adjustment program, could not invest in energy projects. As a result, for

close to three decades, few energy projects were implemented. "This is where the problem lies in Cameroon," according to Jacques Noutang Betchem, senior research assistant for studies and forecasting in the Ministry of Water and Energy. "The country has an energy deficit that prevents it from engaging in certain projects." Without energy, development efforts are forestalled. According to the Minister of Water and Energy, Basil Atangana Kouna, today the energy gap in the interconnected grid that serves the southern part of Cameroon, for example, stands at 150 MW in 2012. Without energy, says the Head of State, Paul Biya, "there

can be no real development, there can be no industry, and there can be no transformation of our agricultural raw materials or minerals and our economy into a modern one." And "this energy deficit heavily penalizes the industry and other sectors", he admits. Already in 2007, he stated that "it is important that this problem be dealt with as soon as possible." Hence, the desire of Cameroon today is to turn this dark page of its history and develop its energy infrastructure in collaboration with foreign partners.

With Lom Panger, Memve'ele and Mekin hydro dams under construction as well as the Kribi gas plant, the total energy output is projected





to reach 1,500 megawatts by 2016, according to Minister Kouma.

NATURAL GAS DEPOSITS

Cameroon has immense untapped reserves of natural gas. According to the agency in charge of regulating the energy sector in Cameroon (ARSEL), the proven reserves are estimated at 180 billion cubic metres or close to 6 Tcf, while the harnessed potential is presently nil.

SOLAR AND WIND

With regard to solar energy, Cameroon has an abundant potential especially in its northern part. The average irradiation in the northern part of the country is 5.8 kWh/m²/day and 4 kWh/m²/day in the southern part of the country, states ARSEL. To the regulator, there is an average irradiation of 4.9 kWh/m²/day across the country. But at present this potential remains under-utilized.

According to recent studies by AR-

SEL, the Cameroon's has a significant and economically exploitable wind potential in its western regions and in Adamawa.

Projects in the various energy sectors are now available and Cameroon is looking for partners for

The desire of Cameroon today is to turn this dark page of its history and develop its energy infrastructure in collaboration with foreign partners.

their take-off. Ministry sources, say a renewable energy policy is being prepared with the aim of increasing the share of renewable

power and heat generations and to involve private capital in the delivery of energy.

At the moment, several investors are already in Cameroon to harness this solar energy potential. This year, the Ministry of Water and Energy signed a contract with the Chinese company Huawei to install public solar lights from Yaounde to Soa, a university town on the outskirts of the capital. Also during the Sino-African summit this year, Cameroon signed an MOU with China for the electrification of 1,000 villages through solar power plants. In the same vein, the Ministry of Energy recently signed another with Fides Gestion, a French company for the construction of a 550 MW photovoltaic power plant. In the years ahead, Cameroon will have sufficient energy to meet the population's increasing energy demand and sell to other countries if there is a surplus.

BEAUGAS-ORAIN DJOYUM AND JUDE VIBAN

Noun-Wouri dam: A ripe opportunity



Noun River.

The Noun-Wouri hydroelectric dam project has a huge potential. “Noun-Wouri is the confluence of two watersheds: the Noun and the Wouri. Here, the falls are very favorable for exploitation,” said Jacques Noutang Betchem, Senior Research Officer at the service for studies and forecasting in the Ministry of Water and Energy. According to him, investors seem interested in this project, but nobody is truly committed. Funding necessary to realize this project is estimated at CFAF 2.5 trillion (€ 3.8 billion).

“Some companies have signed MOUs with the government. This is not the first time that these MOUs are signed. Government has already carried out studies but partners must update them before constructing the dam,” said Jacques Noutang Betchem. The project would be carried out in two phases: the construction of a dam and reservoir, and the construction of a hydroelectric plant. The role of the dam is to reserve water to enable waterfalls to drive the turbines, and then produce electricity. This project would not only be beneficial to Cameroon. Cameroon’s neighboring countries, Nigeria in particular, constitute

a huge market. According to the African Energy Company Ltd. (AEC), which conducted the study on this project, “Nigeria currently generates only 3,500 MW while it needs 100,000 MW to become an industrialized economy. According to the World Bank, one of the biggest obstacles to the development of the

This project would not only be beneficial to Cameroon. Cameroon’s neighboring countries, Nigeria in particular, constitute a huge market.

private sector in Nigeria is energy. Also, many companies (commercial, residential, industrial) have resolved to use generators to meet their electricity needs, which increases cost both for themselves and for the national economy.”

“10 TURBINES OF 250 MW EACH”

According to AEC, the main features of hydroelectric development which will be constructed on the River Noun-Wouri are “average turbines under 606: 119 m per second and a maximum flow of 606: 240 m

per second”. African Energy Company SA believes that several alternatives will be analyzed in the feasibility study in order to minimize costs and optimize production. “An alternative would be to equip the plant with 10 turbines of 250 MW each. Based on these characteristics, the



Wouri River.

average annual volume of water that could be used would be 80%. The annual production can be estimated at 21,900 GWh. This production can be significantly enhanced by improving the performance, from 80% to 95%.

The feasibility study should answer the question of optimization. (...) In terms of returns, annual power would be 20,000 MW, 80% guarantee, or 17.52 million MWh sales,” says AEC.

BEAGAS-ORAIN DJOYUM AND JUDE VIBAN

Features the Noun-Wouri hydroelectric dam project :	
Tank Height	600 m
Reservoir area	154,000 ha
Power Station	2,500 MW
Annual production	21,900 CW

Njock Dam seeks investors



Nyong River.

The construction of this dam will strengthen the south interconnected network i.e. le Réseau Interconnecté Sud, RIS, increase access to electricity for the local population and ensure the development of all sectors of the economy. The Njock hydroelectric dam project is located near Eséka in the Centre Region. The 75 km Nyong river, flows from an altitude of 620 m to 150 m.

NYONG BASIN

By its size (27,900 km²), the Nyong basin is the second-largest river basin in Cameroon, after that of Sanaga (140,000 km²). Studies by the Research Institute for Development (IRD) shows that the Nyong has its source near Abong-Mbang at an altitude of about 700 m. The river passes through a series of ra-

Cameroon needs to mobilize CFAF 180 billion to achieve the culmination of this project.

pid falls, the most important of which are those of Mpoume near Makak and Njock near Eseka. The total length of its course is 670 km while the longest of its basins is 400 km. The Njock hydroelectric project on river Nyong covers six

regions: Centre, South, Littoral, West, Southwest and Northwest.

€ 270 MILLION (CFAF 180 BILLION)

The dam is estimated to generate 200 MW of power. According to the Ministry of Planning, technical studies are

in progress and funding is being sought. Cameroon needs to mobilize CFAF 180 billion to achieve the culmination of this project. According to the studies already available, the project can be completed in 48 months.

AYISSI LE BEAU

CFAF 85 billion to construct Warak Bini dam

This is one of the most important projects in the Ministry of Water and Energy (MINEE) intended to improve energy supply in Cameroon. The proposed hydroelectric dam on the Bini and

The Warack Bini Dam will allow export of electricity from Cameroon to Chad and Nigeria.



Theodore Nsangou, Director General of the Electricity Development Corporation.

Warak rivers in the Adamawa region is part of the 2012 ministerial roadmap. This year, the government plans to “finalize supplementary studies and to start considering developers for this project”, the roadmap states. The budget for this work is included in this year’s MINEE budget. Geotechnical and hydrological studies are due to be completed in November 2012. A partial report on the studies is already available. Feasibility studies were contracted to a U.S. firm, Delphos International Ltd since 2009.

FINANCIAL PARTNERS

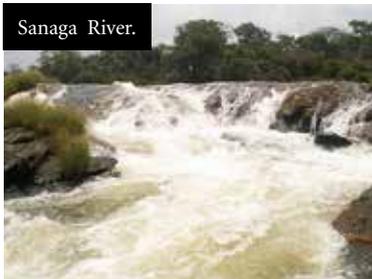
Hydroelectric development in the Bini Warack involves the construction of a hydroelectric dam with a capacity of 75 MW and an energy distribution line. As of now the project is estimated at € 130

million (CFAF 85 billion) including the distribution line. According to the Ministry of Economy, Planning and Regional Development, financial partners for the execution of this project are still being sought.

EXPORT TO CHAD, NIGERIA

According to the Director General of the Electricity Development Corporation, Theodore Nsangou, whose corporation is working on this project with the Ministry of Water and Energy, the dam will prevent energy deficit in northern Cameroon. MINEE said, the project will strengthen the Northern Interconnected Grid (RIN) and allow the export of electricity from Cameroon to Chad and Nigeria. **BOD, J.V.**

Dong Song holds 280 MW



Sanaga River.

In Cameroon, the Sanaga River is the largest river with a catchment area of 14,000 km². It is on this river that the hydroelectric dam of Dong Song with a capacity of 280 MW is being earmarked.

According to Ernest Nnanga, an engineer and senior statistician at the agency in charge of giant projects in the Ministry of Economy, Planning and Regional Development, the objective of the project is to boost

electrical energy and reduce its cost at the level of households and industries. This is a project that will receive an additional supply of water from the Lom Pangar reservoir (the foundation stone was laid in August) as Dong Song is downstream of Lom Pangar which has a 6 billion m³ storage capacity of water. With its drop in height from 24 m, it is expected, according to Electricity Development Corporation (EDC), that Dong Song will have an additional 274 GW/h because of the water from Lom Pangar. The project is estimated at CFAF 184.2 billion (€ 280 million). The funding is not yet available. Technical Studies are still in progress, but the duration of the project is estimated at 96 months.

JV

CFAF 40 billion to export electricity to Nigeria



Cameroon wants to export its energy to Nigeria. Once the ongoing hydroelectric dam projects are completed, Cameroon would have enough energy and is already thinking of exporting its surplus energy. But before we get there, we need to develop the transport infrastructure and distribution of electrical energy in the localities of Adamawa and the North, the frontier with Nigeria, government sources said. This is one of the components of the Cameroon-Nigeria electricity interconnection project from Garoua-Yola.

According to the General Directorate for Economy and Public Investment Programming, the project will also electrify the border communities of the two countries with an increase in the rate of access to electricity and improve social conditions of the population while ensuring the development of all sectors of the economy.

Technical studies are in progress. The project can be completed in four years if funding is found. In fact, Cameroon estimates the cost of this project at CFAF 40 billion (€ 60 million).

B-O.D., JV

CFAF 13.3 billion for the construction of mini hydropower plants

In the rural electrification project, Cameroon intends to build hydropower plants in 25 localities thereby empowering people in villages who, because of lack of electricity, have no access to modern energy services such as lighting, audio-visual and quality health care. The Ministry of Economy, Planning and Regional Development believes that this project will contribute to the improvement of decentralized management and support private initiatives. Within the project, there is also training



for the local population to maintain the project and the creation of small businesses related to hydroelectric energy technology.

Technical studies are already available at the Ministry of Water and Energy. The total project cost is estimated at CFAF 13.3 billion (€ 20 million). The Cameroon government intends to give incentives to potential investors such as tax and customs duty exoneration on equipment required for its implementation.

JV

Rural electrification: AfDB shows interest



Donald Kaberuka, AfDB President has expressed his bank's intention to fund the project to the tune of CFAF 54.5 billion. The rehabilitation project – building electrical infrastructure and rural electrification – is part of the rural electrification program in Cameroon, which covers about 649 localities, more than 91 of them being headquarters of administrative units spread all over the national territory.

This project will help increase rural access to the electricity network extension via high voltage (HV) to existing suburban areas. More specifically, it will be the construction of mixed lines MT / BT and simple BT, rehabilitation and extension of HV / MV / LV, construction of distribution substations, and overhead switches for making connections and installation of home lighting,

electrification of suburban areas and the restructuring of the distribution network in urban centers.

According to the African Development Bank *“specific commercial procedures will be undertaken to increase the number of subscribers, to reach the maximum population, especially the most disadvantaged.”*

To AfDB, rural areas in Cameroon are characterized by dispersed settlements and a limited purchasing power, with a very low consumption of fuel (300 kWh/subscriber/year on average). Clearly, according to the Bank, the market is structurally deficient and private operators cannot invest in the development of rural electrification without an initial investment by the State combined with other special incentives. Therefore, the General Directorate

of the Economy and Public Investment Programming said the government of Cameroon has already promised incentives and CFAF 7.3 billion (€ 11 million).

Technical studies of the project are already available at the Ministry of Water and Energy. The project im-

According to the Bank, the market is structurally deficient and private operators cannot invest in the development of rural electrification without an initial investment by the State combined with other special incentives.

Donald Kaberuka, AfDB President has expressed his bank's intention to fund the project to the tune of CFAF 54.5 billion.

plementation period is 48 months if all funds are available. Meanwhile, the total cost of the project is CFAF 68.7 billion (€ 100 million).

AfDB would provide CFAF 54.5 billion (€ 80 million). AES Sonel plans to contribute CFAF 3.6 billion (€ 5.5 million).

JUDE VIBAN, B-O.D.

Opportunities exist in energy distribution



Jean-David Bilé, General Manager of AES-SONEL.

ject to specific obligations imposed on them in line of the public service requirements, including the supply of electricity to any legal entity established in the territory of their concession, according to the conditions laid down in their contract.”

HUGE PERSPECTIVES

Long before this law, however, the President had, on October 10, 2010, created Hydro Mekin, a State company. It will be responsible for “ensuring the production, and possibly the transmission, distribution, sale, export and import of electrical energy.”



In Cameroon, one company is responsible for the distribution of energy throughout the nation. This is the American group AES-Sonnel, operating in Cameroon since 2001. Its monopoly in the distribution of energy lasted for over 10 years, until the law of 2011 on electric power ended the AES-Sonnel monopoly

km of lines 220 to 380 KV. AES-Sonnel as of now accounts more than 780,000 customers with about 45% in the cities of Douala and Yaoundé. Under the new law governing the electricity sector, “a management concession on the distribution network has been reached between the State and management of the dis-

“The distribution of electricity is a very important component for access to energy. Because even if all plants are built and there are no power lines, people will not have access to electricity.”

in this sector. But at the moment, AES-Sonnel is the sole distributor of power in Cameroon. Its distribution network consists of 11,450 km line from 5.5 to 33 KV and 11,158

tribution Company”. It defines the rights and obligations of managers of the distribution networks. Article 28 of this law states that “managers of the distribution networks are sub-

But all this is still insufficient said Jacques Noutang Betchem, Senior Research Assistant at the studies and forecasting service in the Ministry of Water and Energy. “The distribution of electricity is a very important component for access to energy. Because even if all plants are built and there are no power lines, people will not have access to electricity. Much remains to be done in this area, as currently, the distribution is limited to the major cities”, he said. According to him, “the prospects are even greater than expected as stipulated in the law of 2011 on the creation of the distribution Company.”

BEAUGAS-ORAIN DJOYUM AND JUDE VIBAN

CFAF 10.3 billion to provide solar power to 150 villages



Authorities at the Ministry of Economy, Planning and Regional Development seem to give an important place to rural electrification by solar energy in 150 localities. The Growth and Employment Strategy Paper (GESP) indicates that “Cameroon will focus on promoting the use of renewable energy” in order to become an emerging country by 2035.

Data from the Agency in charge of regulating the electricity sector (Arsel) indicates that the average insolation in the northern part of the country where there is huge potential is 5.8 kWh/m²/day and in the southern part 4 kWh/m²/day. “So there is an average insolation of 4.9 kWh/m²/day for the whole country,” said Arsel, an important potential which must be capitalized on to provide electricity to people living in villages. According to officials of the Ministry of Water and Energy, the national rural electrification coverage varies between 25 and 30%. However, 60% of Cameroon’s population lives in rural areas. This means that nearly 70% of the rural population lives in the dark. With this solar energy project, 150 villages could have access to reliable energy and at a low cost.

According to the President of the Republic, Paul Biya, it is important to consider the use of solar energy. “We will save our resources and oil, while contributing to the fight against global warming,” he suggests.

This project involves the electrification of 150 localities in Cameroon by small solar power plants. The project also includes training professionals for

monitoring this project and training of beneficiaries.

Technical studies of the project are available at the Ministry of Water and Energy, and the Ministry for Planning and Regional Development. The total project cost is estimated at 10.3 billion CFAF (€ 15.7 million). The work can be finished within two years. Funding is still being sought by the government of Cameroon that already promised a reduction of taxes and customs duties for equipment related to the project.

AYISSI LE BEAU

Studies to assess Cameroon’s biofuel potential



“I see an advantage in studying the possibility of developing biofuels from certain agricultural waste in Cameroon, as it is done with success in some African countries apparently,” President Paul Biya said on December 31, 2007 in his traditional end of year message to the Cameroonian people. Since 2007, Cameroon is yet to identify crops and the appropriate site to be used.

At the Ministry of Water and Energy, the Biofuel Development Project is still in its early stage.

It would take a budget ranging between CFAF 50 and 60 billion (€ 91 million) to research on the biofuel potential of Cameroon, according to Jacques Noutang Betchem, Senior Research Assistant at the Studies and Forecasting Unit of the Ministry of Energy and the Water. “The government has already taken the first studies that simply need to be validated. Based on these studies, investors can inquire about investment opportunities in the biofuel sector in Cameroon,” he says.

“Currently, the government is calling on investors to support the completion of this project,” notes Jacques Noutang Betchem.

B-0.D/J.V

EMMANUEL BONDE

“Cameroon’s sub soil is rich, even if only 40% has been explored”



The Minister of Mines, Industry, and Technological Development presents the mining potential of Cameroon.

Business in Cameroon: What is the mining potential of Cameroon?

Emmanuel Bonde: Let me first of all thank you for the opportunity you have given to us to talk about activities and projects in our Ministry. Nature has endowed our

country with a huge and varied mining potential. Many experts have said that Cameroon is a geological promised land. This sector, excluding oil is a valuable lever for economic recovery and a real axis of the government political struggle against poverty.

In the past few decades, research has helped to highlight important minerals, sometimes at a world class level. These include: iron

Emmanuel Bonde: Minister of Mines, Industry, and Technological Development.

in Mbalam and Kribi, bauxite in Ngaoundal, Minim Martap Fongo and Tongo, Lomié’s nickel-cobalt, titanium in Akono-linga, tin in Mayo Darla, uranium in Poli and Lolodorf as well as gold and diamonds in the Eastern Region.

In summary, the following deposits are explored and developed: three Bauxite deposits (Ngaoundal, Minim-Martap, Fongo-Tongo), two Iron deposits (Mbalam



in the east and the Udders Kribi) deposits of Nickel-Cobalt and Manganese (Lomié), Uranium (Poli and Lolodorf), Gold (Battouri, Bétaré-Oya, Bindiba), Diamond (Mobilong) and Tin (Mayo Darla). With this potential, Cameroon can avoid impoverishing the state and its population, but rather use it as a lift to sustainable development.

BIC: What are the mineral resources of Cameroon that could interest investors?

EB: Mining in Cameroon represents 40% of national resources. The geology of Cameroon counts substances such as gold, diamonds, cobalt / nickel, manganese, iron, uranium, bauxite, petroleum (oil, natural gas), sapphire etc. These are some resources that may be of interest to foreign investors.

The sub soil of Cameroon is rich, even if only 40% has been explored. Let me use this platform to appeal to companies that have an interest in our country that a huge potential exists and is just waiting to be exploited.

BIC: How many licenses have been awarded in Cameroon and for which minerals?

EB: Following the April 16, 2001 Mining Code Law and its decree of implementation, Cameroon which had virtually no mining exploration licenses and currently has 160 research licenses and five exploitation licenses *i.e.* two exploitation licenses for minerals namely nickel, cobalt and manganese from Nkamouna to Lomié and the other for diamond in Mobilong. The other three licenses were granted for marble.

« In the past few decades, research has helped to highlight important minerals, sometimes of a world class level. »

BIC: What are the minerals that are already being exploited in Cameroon?

EB: Apart from useful substances like marble and limestone, only two exploitation licenses for industrial mining have been issued to GEOVIC Cameroon in 2003 for cobalt and nickel and C & K Mining in 2010 for diamond. The actual exploitation has not yet started, research are ongoing to determine the quality of the deposits as well as the technology to be adopted.

BIC: With 160 exploration licenses, there are very few exploitation licenses. What is the problem?

EB: The provisions of Articles 60 and 65 in the mining code law clearly define the composition of application files for the award of exploration permits and licenses

respectively. First, the applicant must comply with the administrative procedures to obtain a license. Then, it should be noted that researching can take a long time. We must make every effort to determine the amount of the deposit and there are other technical aspects. We must carry out a feasibility study and there is also accompanying infrastructure project to build. Finally, there is, of course, the thorny issue of funding, you cannot ignore that mining projects require substantial financial resources for their implementation. Mining is not like agriculture, it takes time and patience. The government on its part also takes all the steps to protect the interests of the people of Cameroon.

BIC: Are there other areas where we can find diamonds in Cameroon?

EB: It is in the south-eastern part close to the border with the Central African Republic, specifically in Mobilong, Batouri and Yokadouma. The presence of diamonds in Moloundou is not yet confirmed, but there are clues. But as I have stated previously, the Cameroonian subsoil is explored only at 40%. So to date, we cannot say exactly the amount of diamonds in the country.

BIC: To date, what is the real diamond potential of Cameroon?

EB: You cannot take the risk of engaging in rhetoric, the committee put in place to conduct studies on the real potential of our alluvial diamonds must present its findings, and it is at this level that we could give reliable figures. As for the quantities which are in the rock, the evaluation process is in progress. Summarily, it should be noted that the diamond potential of Cameroon is still awaiting evaluation by experts.

BIC: What is the gas potential of Cameroon and which companies will exploit it?

EB: The gas potential of Cameroon is estimated at 500 billion cubic meters and proven quantities are estimated at 115 billion cubic meters. The President of the Republic promulgated Law No. 2012/006 on gas code on April 19, 2012. Just like the old law, the new gas code governs the downstream gas sector which includes: activities of transmission, distribution, processing, storage, import, export and sale of natural gas and its derivative products in the national territory.

This new law has so many special tax incentives, *“to accompany gas projects and investments that have considerable expected economic benefits.”* Remarkable advances are underway in implementing gas projects. These include the proposed gas field development by Rodeo Development Ltd in Logbaba, the project to supply gas to the Bipaga

“Emphasis will be placed on the processing of local raw materials, scientific research, technology and training, SMEs, exports, etc.”

gas plant in Kribi and the construction of a natural gas liquefaction plant at Mboro in Kribi.

BIC: If given a lot of investors to select from, what kind would Cameroon like to have in the mining sector?

EB: The Cameroon encourages investment, because it is a necessary factor for the revival of the economy to achieve the objectives found in the Growth and Employment Strategy Paper (GESP). This is one of the reasons why the Head of

State, His Excellency Paul Biya, has ordered the writing of the industry's codes of investment. Today, there is even a single code that is in preparation. Investment remains low in our country, which is why it is imperative to develop this single code with incentives that will focus on investment rather than on general industry. All sectors are covered in the GESP. Emphasis will be placed on the processing of local raw materials, scientific research, technology and training, SMEs, exports, etc. To this end, all investors who specialize in these areas and many more, are welcomed in Cameroon.

BIC: With such enormous potential, investors will certainly be interested in Cameroon, what kind of guarantees can you give them?

EB: In view of the great resources available in our country, we are open to all proposals. In all economic sectors, the state has provided incentives for investment. The mining and industrial sectors are no exception to the rule. Wishing to establish a relationship based on trust and mutually beneficial partnership with all investors who wish to do business. Cameroon offers through its investment policy, attractive incentives to businesses in order to improve the investment rate, to guarantee the security of enterprises and to enhance their competitiveness.

Moreover, Cameroon is at the centre of Africa with a thousand possibilities, among others: geographical location-bordering the Gulf of Guinea has become a strategic issue, a country of contrasts, diversity and above all a remarkable stability since thirty years. With these significant assets adds among other things: a population of twenty million people, literate, industrious, competent and integrated at the heart of large economic blocks like the CEMAC countries, the CEEAC and Nigeria.

INTERVIEW BY BEAUGAS-ORAIN DJOYUM

Sharing of revenue from mineral exploitation

In Cameroon, Decree No. 2002/648/PM of March 26, 2002 spells out conditions for income sharing from artisanal mining and industrial exploitation of mines as well as quarries. This prime ministerial decree stems from Law No. 001 of 16 April 2001 which is basically the country's mining code.

Two types of taxes are paid by operators with either exploration or exploitation permits: the tax on the extraction and *ad valorem* tax. The first depends on the volume of minerals extracted. It is set as follows:

volume of material extracted in the previous month.

AD VALOREM TAX

Existing texts indicate that mineral substances extracted from the seabed or subsoil are subjected to a tax proportionate to the value of product extracted, named *ad valorem* tax. These substances subject to the *ad valorem* tax products are extracted merchant state or not having undergone treatment without altering their chemical composition. According to article 144 of the decree, this value tax is set as follows:

DISTRIBUTION OF MINING TAXES PAID TO THE STATE

- State treasury: 50%
- Directorate of Mines and Geology: 25%
- Local council: 15%
- Local population: 10%

The regulations describe that in case of non-payment within the deadline, the *ad valorem* tax is increased by 10 percent. "60 days after notification, the mining license can be withdrawn," reads the decree signed by former Prime Minister, Peter Mafany Mosongue.

ADMINISTRATIVE AND TECHNICAL SUPERVISION

Paul Hubert Ndonguissop Zekeng, general engineer of mines and Deputy Program Coordinator for securing mining, water and energy revenue (PSRMEE), recently said at a mining forum in Yaounde that the aim of sharing the *ad valorem* and extraction tax is to ensure that the local population benefits from mines in their localities and also that country's mines and geology are managed better.

The implementation of the sharing system of these taxes "was effective" in 2009 as provided in the 2001 Mining Code, according to Mr Ndonguissop Zekeng. Till date, there is little awareness about this decree at several levels. Hence there is a "sensitization need at the level of operators so that they incorporate the sharing scheme in their management, and for the local populations to organize themselves into development committee to better manage these revenues, then the directorate of Mines and Geology so that these shares are exact figures from mining activities," said engineer Ndonguissop Zekeng.

B-O.D/J.V



Sapphire.

unconsolidated materials (clays, gay, laterites, pozzolans, sands, etc.): CFAF 150/m³, hard materials (stones): CFAF 300/m³.

Article 143 of the Decree states that before the tenth of each month, the holder of an authorization or a license to a quarry shall submit to the delegate of mines with territorially competence, a report on the

- precious stones (diamond, emerald, ruby, and sapphire): 8%;
- precious metals (gold, platinum, etc.): 3%;
- base metals, and other minerals (iron, nickel, bauxite, etc.): 2.5%;
- geothermal deposits, spring water, mineral water, and thermal mineral: 2%.

Kribi deep seaport, national rail plan to ease evacuation



The Kribi Seaport is Cameroon's main infrastructure that will allow the export of minerals and industrialization. Two specialized terminals—multipurpose and container—will be created: The construction of this port by the Chinese company, China Harbour Engineering Company (Chec) is underway. The first ship would dock at the port by 2014. But other specific terminals will be developed as from 2015.

The first ship would dock at the port by 2014.

port which will be used to export large masses of minerals found in Cameroon (iron, bauxite and natural gas in particular) and import raw materials for local industries, will be a real lever to the industrialization of Cameroon and the competitiveness of its products.” This port will thus enable miners to ship their ore overseas.

Alongside this deep seaport, another infrastructure is available for the exploitation of minerals in the country. This is the 1,009 km Douala-Yaounde-Ngaoundere railway. Once constructed, it will further facilitate the export of minerals from

“The Kribi deep seaport will be a real lever to the industrialization of Cameroon and the competitiveness of its products.”

facilitating the development of the infrastructure sector, in general and of the rail network in Cameroon, in particular.”

In his view, no sub-regional com-



These terminals include aluminum, oil, alumina, ore, liquefied natural gas, etc.

According to the Secretary General at the Prime Minister's office, Louis Paul Motaze, also Chairman of the Steering Committee of the Kribi industrial port complex, “the

Once constructed, it will further facilitate the export of minerals from the country.

the country. The Minister of the Economy, Planning and Regional Development, Emmanuel Nganou Djoumessi explained that thanks to this new rail “our iron ore would be easily exploited; likewise the establishment of a steel industry for the local production of steel, hence

community will prosper without reliable infrastructural linkages. And no country will be industrialized without a viable rail infrastructure. “But first, we need to find funds to implement the plan—the national railway plan,” Nganou Djoumessi added.

BEAUGAS-ORAIN DJOYUM

Mineral potential of Cameroon

From 1960 to 1990, the Cameroonian government, in collaboration with internationally renowned institutions such as the UNDP and the Office of Geological and Mining Research (BRGM) carried out studies to trace the mineral potential of Cameroon. Following these studies, over 167 exploration licenses have been granted, proof of the country's wealth. However, only about 50% of the national territory mining data is available suggesting

that there are still enormous mineral resources to explore in Cameroon.

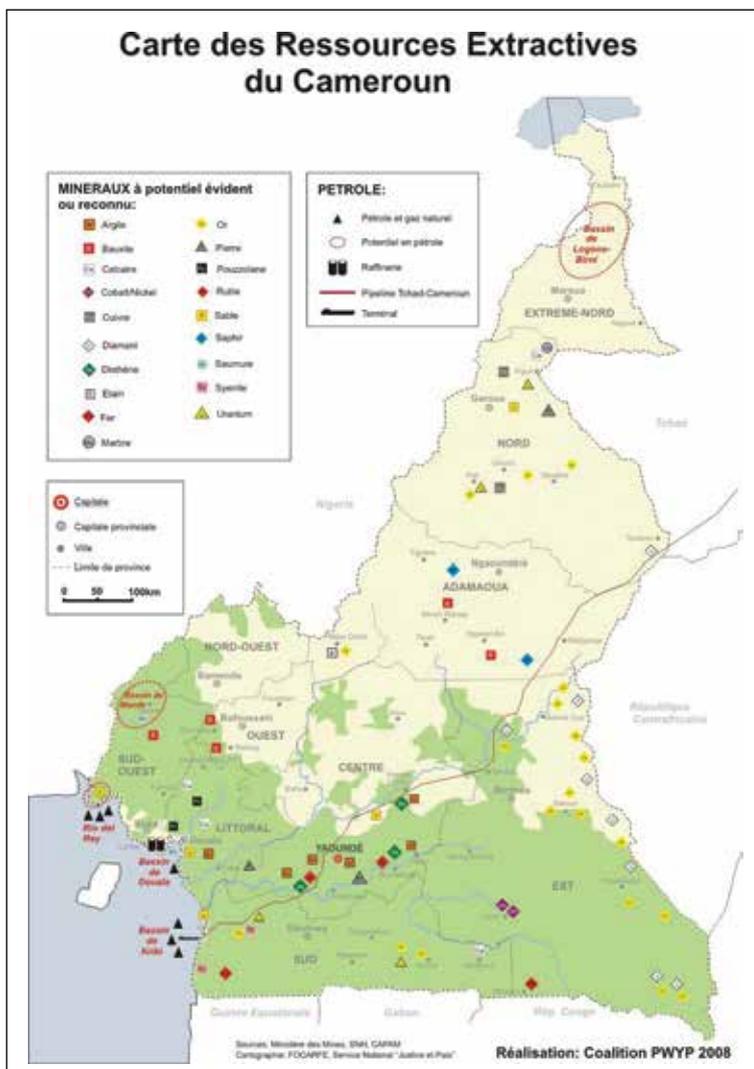
CURRENT PROJECTS

Five mining licenses have already been granted: Geovic Company for the exploitation of nickel, cobalt and manganese in Nkamouna (Lomié), C and K Mining Company Inc for diamond and accompanying substances in Mobilong (Yokadouma), and three operating permits



Uranium.

were granted for the extraction of limestone and marble.



The following companies are currently negotiating mining agreements with the State of Cameroon: Cam Iron, a subsidiary of Australia's Sundance Resources for the mining of iron ore at Mbalam and Cameroon Alumina Limited for the bauxite deposits at Mini Martap near Ngaoundal (Adamawa).

RUTILE

A deposit of three million tons of rutile reserves exists in Akonolinga, Centre Region. These reserves are larger and extend over a vast area of more than 30,000 km on the outskirts of Centre, South, Coastline, East and West. Their economic weight is not clearly evaluated.

Inventories and volumes of deposits of 35 mining zones in Cameroon

Interpretation of satellite imaging	Products	Estimated unexploited reserves	Path/ Row
Akonolinga	Titanium, rutile, garnet gemstone, ilménite Wolframite, pechblende, chromite, pyrochlore	3,000,000 tons	185/56
Bamboutos	Aluminium, bauxite	5,000,000 tons	185/55
Bassin de Kadeï	Gold	5 tons	184/56
Batouri	Gold	5 tons	184/56
Bétaré Oya	Gold, bismuth, lead molybdenum, wolfram diamond	20 tons of gold	184/56
Bouendjo Edéa Eboundja Kribi	Wolframite, pechblende, chromite, pyrochlore	400,000 tons	185/54
Paro Lawel	Sapphires	10 tons	186/56
Centre-Ouest	Bauxite, alcrètes	500,000 tons	184/57
Colomines	Gold, diamond, gemstones	20 tons of gold	183/55
Dubreuil	Titanium, ilménite, wolframite, pechblende, chromite, pyrochlore	400,000 tons	185/54
Eboundja	Syénite, néphélinique, feldspath	20 tons	185/54
Fokoué Fokamezoun	Bauxites, alcrètes	1,000,000 tons	187/56
Garga-Sarali	Ilménite, wolframite, pechblende, chromite, pyrochlore, niobium - columbium tantale (Ta ₂ O ₅), tin, gold	1,000,000 tons	183/57
Tamonéguézé Ketté Inderé	Industrial diamonds, diamond gemstones	10,000 carats	183/58
Kambélé	Gold, diamond, gemstones	100 tons	183/57
Kongo Nkamouna Lomié Mang Messea	Gold, diamond, gemstones	500,000 tons 55 million tons 61 million tons 17 million tons	185/58
Kribi Les Mamelles	Iron	10 million tons	185/58
Mboutoundou	Gold	2 tons	183/57
Mewongo	Iron, manganese	100,000 tons	183/58
Minim Martap	Bauxites, alcrètes	1,000,000 tons	185/55
Nange Eboko	Ilménite, wolframite, pechblende, chromite, pyrochlore, titanés	1,000,000 tons	185/57
Ngaouandal	Bauxite	200 million tons	185/55
Mbalam	Iron	2,400 million tons	186/58

Source Africommodities – Les Afriques

URANIUM

Fifty uranium targets have been identified, most of which form geochemical anomalies that were identified by systematic mining inventory work conducted from 1978 to 1987 in the Southeast by the UN and in the Southwest by the French Bureau of Geological and Mining Research. Mega Uranium Company holds exploration permits, and is currently carrying out research work at Poli and Teubang in the North, Lolodorf in the South and Ngombas in the Centre.

According to Minepat, a uranium deposit of more than 1,300 tons was discovered at Poli. But the real potential of Cameroon is unknown.

GRAPHITE

At least five targets are identified in Lom around Bétaré-Oya, Yingui to the North-East of Douala and Mayo Boula in the Far North. As for Titanium, more than 65 targets were identified.

OTHER MINERALS

Tin has 17 targets. There are two indices of Copper, about 50 targets of Lead, approximately 12 indices of Zinc.

2.5 million tons of marble, Limestone about 600,000 tons of reserves, large deposits of Pozzolana in volcanic areas of the Southwest, West and Northwest, sand and gravel river. Not only are there industrial quantities of sand as a building material and servicing, but there is also pure sand for glass.

Distribution, by region of "proved" and "developed" deposits of raw materials		
Interpretation of satellite imaging	Localisation of "proved" and "developed" deposits	Products
1. East region	Bétaré Oya to Dimako	Gold
2. South-east region	Gulf of Guinea, South region coastline, Douala-Kribi, Rio del Rey, Limbé, Lokélé, Bakassi	Oil, petrochemistry, Natural gas
3. South region	Kribi to Ebolawa	Iron
4. Centre region	Yaoundé to Akonolinga	Rutile, tin, limestone, uranium
5. South region	Kribi	Bauxite
6. Coastline region	Edéa	Aluminium
7. South-east region	Bonaberi, scattered deposits, Figuil	Cement, diamond, limestone

Source Africommodities – *Les Afriques*



BOD

Cameroon: a vast diamond potential



Officially, the artisanal alluvial diamond is around five million carats per year, but the actual amount of diamond conglomerate is yet to be figured out. The Korean company C and K Mining stated that Cameroon had the largest diamond reserves in the world (736 million carats). These figures have created a controversy as the claims of C and K Mining were not based on solid research.

Cameroonian authorities have no exact figures of the country's real diamond potential. But officially, there is talk of a potential of 5 million carats of alluvial diamonds and diamond conglomerate. This is why the country has initiated studies to determine its real potential, especially at Mobilong, east of the country where an exploitation license has been granted to C and K Mining, a joint ven-

ture of a South Korean company and the Cameroonian Government.

SOME CERTITUDE

However, on August 21, 2012, the Minister of Industries, Mines and Technological Development, Emmanuel Bonde, said *"our pool lies between the Central African Republic and the Republic of Congo, two diamond-producing*



cess, states that “BRGM (Office of Geological and Mining Resources) experts have conducted updating studies that bring to 41, areas where artisanal exploitation of diamond takes place. The study suggests an estimate between 3 and 5 million carats of alluvial diamond. But we have no knowledge of the conglomerate potential.”

tion from the Ministry of Mines. Therefore, import and use of rough diamonds is only permitted with the countries that are members of the process (Kimberly Process) and in accordance with the principles and recommendations of the Process.”
“Once the diamond is evaluated by experts from the Permanent National Secretariat

“There is no doubt about the existence of an exploitable amount,” reassured Emmanuel Bonde, Minister of Industries, Mines and Technological Development.

Jean Kizito added that it is likely to find diamonds in several other regions of the country where studies have not been carried out yet.

17 DIAMOND ZONES

According to Cadre d’appui et de promotion de l’artisanat minier (CAPAM), a structure that supports and promotes artisanal mining diamond deposits were identified in 17 zones so far in Cameroon: 9 zones within the large gold stretch that integrates west of the Central African Republic, southern Chad and Cameroon (parts of the East, Adamawa, North, Far North and including 7 in the boroughs of Kette, Ndélélé, Kndzou (East Region), 7 are in the districts of Moloundou, Monguele, Kandja, Lobéké, and Yokadouma. The last target is over 15 km in the district of Touboro. Moreover, in the district of Poli (North Region) and the Mamfe Basin (Southwest Region), some clues of the presence of diamond have been uncovered. All these areas could be explored by potential investors.

MARKETING

Cameroon has already set the terms of diamond marketing. The Minister in charge of Mines in June 2012 signed an order to that effect.

According to this decision, “the import, export, transit and marketing of rough diamonds are subject to prior authoriza-

tion from the Ministry of Mines. Therefore, import and use of rough diamonds is only permitted with the countries that are members of the process (Kimberly Process) and in accordance with the principles and recommendations of the Process.”
“Once the diamond is evaluated by experts from the Permanent National Secretariat of the Kimberly Process, the product is then placed in batches in a tamper-resistant container bearing the seal of the Secretariat. For tracking purposes, any holder of a marketing authorization of rough diamonds must keep a receipt book stating his name, with reference to the card collector or craftsman, the date of the transaction, the weight, carats of diamonds, and the amount paid,” says the order. With this, everything is in place to allow the export of diamonds. **BOD**

KIMBERLEY PROCESS



Ambassador
Gillian A. Milovanovic.

Today, the country is a member of the Kimberly Process. On August 14, 2012, Ambassador Gillian A. Milovanovic, Chair of the Kimberly Process, notified Cameroon, through a letter to the Minister in charge of Mines, announcing the country’s admission to the Process. It also sent a letter to the 77 members of this Process: “I am pleased to announce that the Republic of Cameroon is now officially a member of the Kimberly Process. [...] we encourage all members of KP to offer Cameroon technical assistance if need be,” read the letter from Gillian A. Milovanovic.

countries. The presence of alluvial diamonds in this area is an indication of the existence of a large stock. Pending the outcome of research in the block indicated, there is no doubt about the existence of an exploitable amount. I want to reassure the people of Cameroon on the existence of the diamond and of its quality too.” For more precision, Jean Kisito Mvogo permanent national secretary of the Kimberly Pro-

Cameroon: A country in gold

Cameroon is a country rich in gold. For the moment, gold is not an industrial product, but artisanal. CAPAM (Framework for the support and promotion of mining), says Cameroon will produce close to 16,653.3 kg of gold on a small scale from 2010 to 2015. Artisanal production in 2012 is estimated at 224.8 kg.

STIMULATE ENTREPRENEURSHIP

The Mining Code of Cameroon authorizes artisanal mining, as well as other forms of mining. For the moment, only C and K Mining has a license to “dig” gold industrially although it is yet to

For the moment, only C and K Mining has a license to “dig” gold industrially although it is yet to start exploitation.

start exploitation. But with the increased mechanization of artisanal mining, many companies are interested. In Bétaré-Oya, a locality in Eastern Cameroon, the main gold producing region, eight companies are on the ground. Many of them have an average production of 10 kg per month, according to CAPAM.

CHANNEL THE PRODUCTION

According to CAPAM at least 140 gold deposits have been identified in Cameroon, the majority being of an artisanal mining nature. The gold produced in the traditional way does not always follow formal channels. Out of 100 kg each month, 90 kg go to traffickers. In 2011, Cameroon launched the “Operation



According to CAPAM at least 140 gold deposits have been identified in Cameroon, the majority being of an artisanal mining nature.

Gold” drive in collaboration with the Police to instill order and increase the state’s gold reserves at the Central Bank of Central African States (BEAC). The estimated monthly domestic production is 170 kg. Through this operation, CAPAM secures 100 kg with the support of the defense forces.

According to the Ministry of Economy, studies are underway to evaluate the gold potential of Cameroon. But artisanal mining is effective in the eastern, northern and southern parts of the country. Gold reserves spread over an area of 20,000 km², according to government sources. **BOD, J.V.**

Iron: Cameroon is built on solid ground

Three major Iron Ore deposits are being evaluated: Mbalam, Nkout, and Kribi. It is said that the potential of these three areas can make Cameroon a major producer of iron in the world.

According to data published by the Australian company, Sundance Resources on June 20, 2012, there are 775.4 million tons of hematite deposits in Mbalam with 57.2% iron. According to the company, 95% of the deposit is classified as "indicated" - a point where an estimate has been made with a reasonable level of confidence in accordance with the Australasian Joint Ore Reserves Committee Code (JORC Code).

MBALAM UNDER NEGOTIATION

However, according to data from the Cameroon Ministry in charge of mines, iron reserves of Mbalam mine are estimated at 200 million tons of rich iron and 1.2 billion tons of enriched iron. For a better opinion, the government has secured the services of three firms of international reputation who will also help negotiate the mining agreement with Sundance Resources and the Cameroon Subsidiary, Cam Iron SA. They are BMCE Capital for Central Africa, Patton Boggs and SRK Consulting. The negotiations are underway.

According to the Ministry of Economy, Planning and Development (Minepat), the total project cost is estimated at CFAF 1,650 billion. The same Ministry says that funding is being sought. "*Sundance resources is financing the scheme by 80%, CAMIRON, Cameroonian partners - 10% and 10% by the Cameroonian government,*" says Minepat.

NKOUT DEPOSIT UNDER EVALUATION

Besides Mbalam, there is another iron ore deposit at Nkout, a town about twenty miles away from Djoum, in the South Region of Cameroon. It has the same geological environment as Mba-



According to data from the Cameroon Ministry in charge of mines, iron reserves of Mbalam mine are estimated at 200 million tons of rich iron and 1.2 billion tons of enriched iron.

lam, that is to say, it falls on the same iron belt as Gabon and Congo.

Cameroon Mineral Exploration (Caminex), the Cameroon subsidiary of the English group, Afferro Mining will operate in this area.

According to Caminex, the iron ore deposit at Nkout is more than Mbalam's. To complete the geological studies, the preliminary economic studies, the economic feasibility studies and the final feasibility studies, Administrators of Caminex in December 2011, allocated additional \$ 115 million, or about CFAF

8 billion. The total amount of funding for this project is not yet defined.

KRIBI IRON

There is a huge iron ore deposit in Mamelles near Kribi. A research permit was granted on March 22, 2008 to SINOSTEEL CAM SA, a subsidiary of Chinese state SINOSTEEL over an area of 978.3 km². Here, 50% of the studies show a potential of 661 million tons with 37% Fe. Total estimates should be known by the end of this year, 2012.

BOD, J.V.

Cameroon wants to be the number one African producer of Bauxite

According to the Cameroonian government, the bauxite potential of Cameroon ranks fifth in the world. There are deposits in Minim Martap near Ngaoundal, north of Cameroon. Hydromine Inc. that obtained the exploration license of the two deposits in 2005 passed it to Cameroon Alumina Limited (CAL) in August 2009. CAL is a joint venture of Dubai Aluminium (45%), Hindalco Indian (45%) and American Hydromine (10%).

Based on the exploration results, the bauxite reserves are estimated at 554 million tons. Mineable reserves are valued at 458 million tons of ore, while CAL believes that additional reserves from 100 to 200 million tons could also be defined. CAL envisages the exploitation of 1.5 million tons of bauxite per year, thus making Cameroon the first

African producer ahead of Guinea Conakry with 700,000 tons.

6 BILLION DOLLARS

According to the Cameroon government, the total project cost is estimated at 6 billion dollars (100 million is planned for the mine and 4 billion for the refinery and other infrastructure).

The company has applied for a permit and expects to obtain the mining agreement after negotiations. Discussions are centered on the construction of railway to enable the transportation of bauxite to the port of Kribi because in the financing plan with CAL the construction of a rail is not included. The company wants the State of Cameroon to construct the railway. Alpha Barry, the project representative in Cameroon, stated that the

CAL envisages the exploitation of 1.5 million tons of bauxite per year, thus making Cameroon the first African producer ahead of Guinea Conakry with 700,000 tons.

company had agreed to carry out the studies for these infrastructures. "CAL endorses bankable expenses of feasibility studies on the transport infrastructure to be built and then we look for a partner to provide the funds to bear costs," he had told the country's bilingual daily, Cameroon Tribune in 2010.

OTHER SITES

At Fongo Tongo near Dschang in the Western Region, there are 46 million tons at an average grade of 47% alumina. Studies are still underway to determine the cost of the project. In Bangem, South-West Region, reserve deposits are estimated at 19 million tons, expandable to 30 million tons. Another four million tons are located in Foumban in the West Region, says CAPAM.



Cobalt, manganese, nickel: Geovic starts operation soon



Manganese.



Cobalt.



Nickel.

Despite a great potential, in terms of resources Cameroon cobalt, nickel and manganese are untapped and in some areas still unexplored.

Although the award of the license to exploit cobalt, nickel and manganese was granted to the American Geovic Cameroon Plc in 2003, the exploitation of these minerals has not yet started. There are about 100 million tons of ore deposits with 0.2% cobalt, 0.72% nickel

and 0.5% to Cameroonians, states Geovic Mining Corporation President, William A. Bukovic. SNI and the State of Cameroon have already invested about CFAF 20 billion.

DOUBTS ABOUT GEOVIC

In April 2011, Geovic had submitted its bankable feasibility study approved by its Board of Directors. Then proof of finances to commence the construction of the mine in September 2011, then a

blem, but it does not belong to Geovic alone. The State of Cameroon through the SNI controls 39.5% stake in the company. Geovic has 20% equity, and SNI has 19.5%. When doing fundraising, someone pays. However, I believe that today, all pledges have not been honored. So we are also to be partly blamed for the delay," he explained.

To date, information on its launch scheduled to begin in 2012 is neither confirmed nor refuted.

However there are still many fields to assess. In Cameroon, there are laterite deposits of cobalt, nickel, manganese in Lomié, East region.

Annual production could reach: 4,160 tons of cobalt, 3,280 tons of nickel, 450,000 tons of manganese, and 4,000 tons of scandium.

and 3.71% manganese. SNI (National Investment Company of Cameroon) holds 20% of shares of Geovic, 19.5% belong to another shareholder group

sudden halt. The former Minister of Mines, Badel Ndanga Ndinga, tried to explain the reasons in the Cameroon Tribune. *"There may be a funding pro-*

According to the Ministry of Mines and Geovic, annual production could reach: 4,160 tons of cobalt, 3,280 tons of nickel, 450,000 tons of manganese, and 4,000 tons of scandium. **BOD**

Agriculture: Mainstay of Cameroon's economy

It involves about 70% of the economically active population and accounts for as much as 80% of the primary sector's contribution to GDP. It also provides 1/3 of foreign exchange earnings and 15% of budgetary resources.

Richly endowed with agricultural products, Cameroon has ideal conditions to ensure its food security and consequently achieve more

effective agricultural exports. Production is diversified between cash (export) and food crops, making Cameroon, Central Africa's bread basket. As regards export crops, Cameroon ranks 5th in world Cocoa and 8th in Coffee production. Agro-industrial production essentially focuses on these and other export crops like banana, palm oil, sugar, rubber and tea. While coffee

Oil palm plantation in Cameroon.

and cotton production is recovering from the hard weather conditions that forced a decline in the two sectors, an upturn is being experienced in palm oil, banana and rubber production.

"With new agricultural techniques in place, palm oil yield per hectare will increase from 7 tons/ha to 15-20

It involves about 70% of the economically active population and accounts for as much as 80% of the primary sector's contribution to GDP.

tons/ha. At its peak, 85,000 tons of FFB per year will be expected," according to forecasts by the Cameroon Development Corporation, (CDC) the country's biggest agro industrial company.

As concerns banana, the government's policy is to increase its export tonnage from 200,000 tons to 400,000 tons this year.

ANIMAL HUSBANDRY

Animal husbandry is among the major activities of Cameroon's economy. Due to natural and human factors, this activity is carried out in different ways throughout the





Cotton production in northern Cameroon.

national territory predominantly using traditional methods. Being self-sufficient in animal products the country annually exports cattle to neighboring Nigeria, cows, sheep and goats to Gabon, and about a thousand heads of small ruminants to Congo and Equatorial Guinea. Cattle in Cameroon are found in the Adamaoua, in the North and North-west regions. While goats are raised almost everywhere in the country, sheep are reared only in the North and the Adamaoua. Pigs are in the West, Littoral, Centre, East, and South-west while horses and donkeys are bred in the North, West and Northwest regions. Poultry is found in all the regions of the country.

MAJOR AGRO-INDUSTRIAL COMPANIES

The Cameroon Development Corporation (CDC) which is the largest single employer after the

State, with 25,000 employees, produces: palm oil and palm nuts, tea, rubber and banana (makossa and sawa banana). Cameroon Rubber Company (HEVECAM) manages

Richly endowed with agricultural products, Cameroon has ideal conditions to ensure its food security and consequently achieve more effective agricultural exports.

15,000 hectares of rubber plants and a manufacturing industry with a capacity of 26,412 tons of rubber (94/95) and an employment roll of 4,300 full-time workers. The

Cotton Development Company (SODECOTON) based in Garoua has 1,527 workers operating 8 factories that produce 152,815 tons of cotton, 62,808 tons of fiber, 76,340 tons of triturerated grains and 11,345 million litres of oil on average per year. Cameroon Sugar Company (SOSUCAM) produces more than 60,000 tons of sugar per annum and employs 4000 people. Cameroon Oil Palm Company (SOCAPALM) for its part produces more than 50,000 tons of palm oil and more than 9,000 tons of palm nuts per annum. Palm Oil Plantation (PAMOL) based in Lobe, South West region, produces palm oil, laundry soap and, to a certain extent, rubber. Others such as SEMRY in the North and Upper Noun Development Authority (UNVDA) in the North West region are involved in rice production.

J.V.

Funding: a perennial problem facing Cameroon



Cameroonian Minister for Agriculture, Mr. Essimi Menye.

Due to the oil boom in the early 1980s, agriculture began suffering from neglect and consequently lack of financing. Things were further compounded by the economic crisis that hit Cameroon starting in the mid-1980s forcing the country into a structural adjustment

program. This saw an almost 50% cut in the salaries of civil servants leaving Cameroonians with little or nothing to invest in any sector.

Though blessed with fertile soil and regular rainfall in most parts, Cameroon's agricultural output is still far

below demand. This under-productivity costs the State treasury over 500 billion CFAF on food importation in 2010. Scores of projects are underway under the auspices of the Agriculture Ministry to boost the production of food and cash crops for which the demand is very high. These include corn, cassava, millet, sweet potatoes, Irish potatoes, bananas, cocoa, coffee, rubber and peanuts, among many others.

In order to expand, farmers need capital. Cognizant of the difficulty for farmers to obtain loans from commercial banks in Cameroon, an agricultural bank created by the Head of State, Paul Biya, will become operational as soon as the Central Africa Banking Commission, COBAC gives its approval, Essimi Menye, Minister of Agriculture said in an interview on State Radio. Interest rates on loans for farmers in commercial banks are as high as 15 %, while studies have revealed that less than five percent of Cameroonians have bank accounts. When the agricultural bank takes off, farmers would have greater access to loans at comparatively low interest rates.

Meanwhile, development partners such as the European Union have given Cameroon a non-refundable loan of CFAF 13.11 billion to boost agricultural production against the backdrop of a scheme dubbed "program for the improvement of agricultural productivity", to span through the next five years.

Also, the Ministry of Economy, Planning and Regional Development is putting in place a program called "agropoles" which, according to its coordinator, Jean Claude Medou "will begin with large producers of corn. Six billion CFAF will be distributed to them in the months ahead to enable them boost production as a way of curbing importation." The money is part of the 200 billion CFAF that government raised from the sale of treasury bonds.

J.V

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IPHONE, IPAD, AND ANDROID APPLICATIONS (COMING SOON)



Cocoa : A bright future for Cameroon

The 2012-2013 cocoa season is definitely on track after the opening ceremony presided over by the Minister of Trade, Luc Magloire Mbarga Atangana in Mbanga in the Littoral region on 1st September 2012. All stakeholders of the Cameroonian cocoa sector are strongly mobilized to improve the Cameroon brand in order to meet the new demands of the world cocoa economy

production in some production belts. Despite this drop in production, government authorities, National Cocoa Coffee Board (NCCB), Cocoa and Coffee Inter-professional Board (CICC), Cocoa and Coffee Development Fund (FODECC) and seven other projects are optimistic about next season. Despite the fact that other major producing countries like

duction this year, there is no need to worry especially as efforts have been made to protect the crop against parasites. Furthermore, the Support Project for the Use of Fertilizers in the Cocoa and Coffee Sectors (PAUE-F2C) has ordered more than 800 tons of fertilizer to be distributed to farmers' organizations. In recent years, emphasis has been



All stakeholders in the cocoa sector in Cameroon are strongly mobilized to improve the Cameroon brand.

which now lays emphasis on consumer protection. The results of the past season show a slight drop in production-207,697 tons, against 218,871 tons in 2010-2012.

However, many experts, say that this decline in production was due to a dry season which was longer than expected and which prevented the normal flowering of the plants. Similarly, there were many attacks by pests such as the bugs and caterpillars during the same period. These also contributed to a decline in

Côte d'Ivoire, Ghana, Nigeria and Indonesia, have cultivated almost all their arable land and even grow cocoa on old plantations, Cameroon's production potential is ever intact. The country has large areas of unexploited arable land within the seven production belts. Moreover, it has a highly conducive climate for the cultivation of this crop. In addition, with the introduction in recent years of high-yielding varieties, some of which will begin pro-

placed on the training and sensitization of farmers, who are now better equipped with modern production methods to ensure better yields that may fluctuate around 1,000 tons per hectare.

These new opportunities, combined with the gradual increase in production would guarantee a bright future for Cameroonian cocoa. Cameroon's objective is to produce 600,000 tons of cocoa by 2020.

J.V.

Cocoa transformation: only one chocolate factory

Cameroon currently has just one local cocoa processing firm, Sic-Cacaos, based in the economic capital, Douala, with an annual grinding capacity of 30,000 tons. Although the country has the necessary tonnage and policies to encourage the transformation of Cocoa, its realization is still very much awaited by the authorities. However, Morocco's leading chocolate-making company, Compagnie Cherifienne de Chocolaterie, said it will build a 40,000 ton-per-year chocolate factory in Cameroon this year, according to Reuters.

The attraction of cocoa farming in Cameroon is that it often allows farmers to plant food crops for subsistence and cocoa for cash on the same piece of land. In most parts of Cameroon the labour intensive nature of cocoa production allows for large farm sizes, with most farms being about 0.5 to 13 hectares in size.

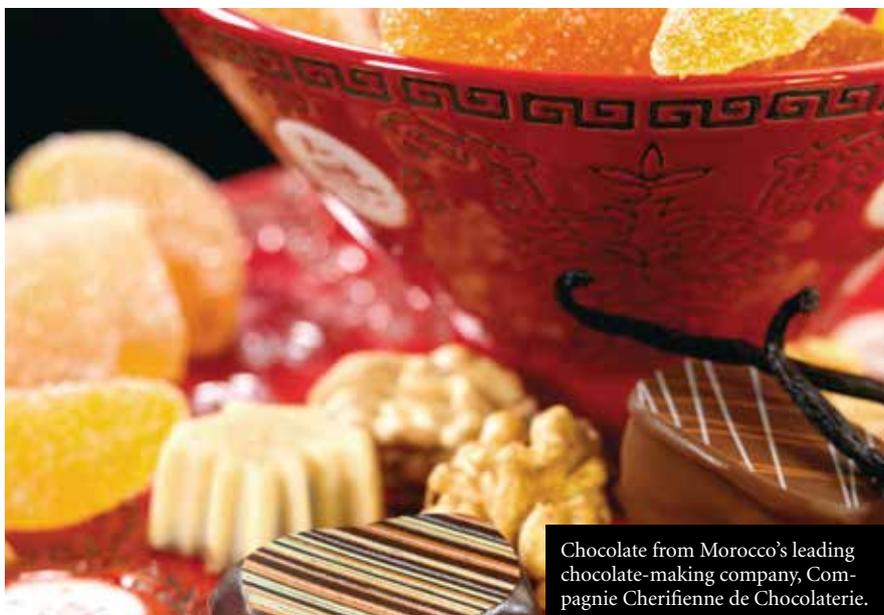
Perked up by the upsurge in prices and the measures taken by the government, according to the African Report, the production of cocoa rose from 170,000 tons in 2007, to 230,000 tons in 2009 and 250,000 tons in 2010, placing the country fifth amongst global producers. Statistics from the Cocoa and Coffee Inter-professional Board (CCIB) show that cocoa production and exports have been on a steady rise in the past five years. Production moved from 190,870 metric tons in the 2009-2010 season to 219,000 metric tons in the 2010-2011 season. Authorities of the Ministry of Agriculture and Rural Development put the 2010-2011 production at 240,000 metric tons. Production is projected to hit 350,000 metric tons in 2015.

JM



New demands of the world cocoa economy now put an emphasis on consumer protection.

The attraction of cocoa farming is that it often allows farmers to plant food crops for subsistence and cocoa for cash on the same piece of land.



Chocolate from Morocco's leading chocolate-making company, Compagnie Cherifienne de Chocolaterie.

Strengths of coffee growing in Cameroon

Cameroon has major strengths for the production of coffee: fertile soil and an ideal climate for coffee growing; farm expansion possibilities; an active and young population; a long tradition of coffee production and thorough knowledge of the product by producers; a diverse production (Arabica and Robusta). Also, the country has good product processing services in the production zones; Good handling services at port level in Douala (warehouses, warehouse receipt etc.); Cameroon coffee has an intrinsic quality which is appreciated in the market, particularly in Europe. In production zones, the coffee sector in Cameroon has kept its image as a sector which facilitated the education of many of the elite and substantially contributed to the development of Cameroon. This is why many of its stakeholders are prepared to either remain or re-enter the sector. However, the coffee sector in Cameroon

also has weaknesses.

Following active participation and funding from the Cameroonian government in tune with the radically changing fundamentals of the industry, coffee trade is indicating an upsurge.

In 1996, Cameroon, the 12th largest producer, harvested 132,000 tons of coffee. In 2008, production fell to 43,000 tons. In 2010, it was estimated at 50,000 tons of Robusta and 12,000 tons of Arabica. By 2015, the government hopes to produce 125,000 tons including 25,000 tons of Arabica and 100,000

tons of Robusta respectively and to export at least 80,000 tons, comprising 15,000 tons of Arabica and 65,000 tons of Robusta.

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By 2015, the government hopes to produce 25,000 tons of Arabica and 100,000 tons of Robusta.



Makossa banana: 100% Cameroon brand

With its newest brand, the Cameroon Development Corporation's (CDC) "Makossa banana", serious efforts are being made to increase crop production in order to meet international de-

and Côte d'Ivoire put together but there was a huge potential yet to be exploited. Stakeholders in the sector envisage an



mand. Cameroon plans to begin exporting to South East Asian countries, notably China, soon. Conquering the vast Chinese market is one of the paramount concerns of the country's producers. In an intergovernmental experts meeting organized in collaboration with the Food and Agri-

annual banana production of 500,000 tons in the country by 2015. Cameroon exported 281,282 tons of bananas in 2008, some 254,610

The Minister of Agriculture revealed that Cameroon's production is more than that of Ghana and Côte d'Ivoire put together but there was still a huge potential to be exploited.

cultural Organization, the then Minister of Agriculture, Jean Nkuete revealed that Cameroon's production is more than that of Ghana

in 2009 and 237,942 in 2010. This information contained in the economic magazine "Investing 2012" shows a steady decline in the pro-

duction of this cash crop at a time when stakeholders seek to step up not only the quantity but also the quality on the international market. In value terms however, the sector has benefitted from higher prices, standing at 40,520 billion CFAF against 33,487 billion in 2009, showing an increase of 21 per cent. Cameroon has considerable wealth and a huge production potential. All that is needed is additional financing and assistance to facilitate competitiveness on the international market in the future. With this support, the Cameroonian banana sector could, within years, be the leader in the country's agricultural sector.

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Rubber: Upsurge in world demand provokes gov't interest

Cameroon holds the 11th position of the world's producers of natural rubber and is one of the few African members of the International Study Group on rubber (similar to OPEC for oil). And the demand for rubber is on the increase. The economic crisis that shook the major industrial countries had a severe impact on the rubber sector in Cameroon. "At the end of 2009," said the Cameroonian authorities, "the production of na-

tural rubber stood at 52,497 tons, down by 1.8% compared to 2008". The Cameroonian government puts the 2010 figures at 53,433 tons. These statistics represent a 10,000 tons decline in production in recent years. Although there has been a steady increase in the output, it is still short of the volume in the years 2000s. But rubber remains an essential component of the Cameroonian economy, with nearly 30,000 jobs and export

earnings of about CFAF 20 billion per year. This industry provides 2 percent of Cameroon's export revenue.

MAJOR PRODUCERS

In Cameroon, three agro-industrial companies are the big producers of rubber. These companies have been carrying out reforms to boost output. HEVECAM taken over by GMG International (a Singapore giant) contributes over 50% of total production while the Cameroon Development Corporation (CDC), a State enterprise produces 40%. The investments, intended to consolidate CDC ahead of future privatization, would raise rubber production by 5 percent and banana production by 10 percent, CDC Communications Officer, Charles Endeley said. CDC produced 22,356 tons of rubber in 2008, mostly for export to Asia. The third operator, SAFACAM, has an output of 5,000 tons per annum.

VILLAGE PLANTATIONS

Currently, the village plantations provide 10% of the national production (from an area of 400 hectares) and the authorities want to increase this share by at least 50% in 10 years. A study conducted in 2011 on the issue, showed that the establishment of a plantation of one hectare is equivalent to about 1 million CFAF. Cameroonian strategy relating to rubber embraces the recovery of volume of production, renovation of plantations (some date back to some 40 years), the search for competitiveness, quality improvement and development of processing industries. On this last aspect, the country lags behind. Only 10 % of the output is processed locally, the rest is currently exported mainly to the EU and to a lesser extent, to Asia.



Natural rubber from Cameroon.

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