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BUSINESS IN CAMEROON

MAJOR PROJECTS
AGRICULTURE
ENERGY
MINING
INDUSTRY
SERVICES
FINANCE

Unlocking the Wealth Underground

P 4-7

Oil exploration: Cameroon signs 19th contract P 14

Boertien Matthijs Johannes new GM of Camair-Co P 20

How Viettel Cameroun outsmarted Bharti and Maroc Telecom P 8

CONTENTS

BUSINESS IN CAMEROON
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Free – cannot be sold

Brute diamond: Exploitation officially begins in Cameroon!

After obtaining the green light from the Kimberley process in August last year, Cameroon wants to begin exploitation immediately. Emmanuel Bonde, Minister of Mines and Industrial Development, has presided over the activities to launch this phase in Yaoundé on January 16, 2013. During the ceremony, the Minister symbolically hand the national Kimberley certificate to C&K Mining, the company chosen by the state to exploit diamond at Mobilong in the East region. Cameroon's diamond would be exported to 77 countries that are members of the Kimberley process.

Following the laws binding the sector, exploitation, importation, transit and commercialization of this precious stone can only be done with the authorization of the Ministry of Mines.

5 MILLION CARATS

Studies by a geological and mining lab based in France indicate that Cameroon counts 41 deposits of alluvial diamond, a majority of which are found along a trans-border line called BYE (Berberati-Yokadouma-Enyele). Artisanal production is estimated at 5000 carats/year. Meanwhile, the national potential is between 3 and 5 million carats.

JV

Mineral endowment, an old dream but new revelations

Bauxite.

Cameroonians tread on a plethora of minerals underneath their feet in the country's sub soil, a known fact for ages, but authorities are more than ever before poised to exploit these riches for the development of the country. No doubt, the country's President, Paul Biya has made it a must talk about subject in his speeches. In his end of year message and New Year wishes, Paul Biya made reference to mining as a sector that would aid Cameroon in its desire to be an emerging economy by 2035.

An upsurge of activities is expected in this sector in the coming years as Cameroon has become the destination of so many investors, willing to invest their money in the mining sector. "*The mining sector is expected to witness intense activities in the coming months… the resources*

of our subsoil have also awakened the interest of foreign companies for their exploitation," Mr Biya said in a speech.

Recently, Naveen Jindal, the managing director of Indian conglomerate, Jindal Steel and Power Ltd. (JSPL), announced it will build a thermal electricity plant, a railway line, and build a new iron ore factory in Cameroon – a total investment of about 500 million dollars, the state radio reported. The announcement was made late December 2012, after the Jindal executive, heading a three-man delegation, held talks with President Paul Biya at the presidential palace.

Concerning iron ore, "*the Mbalam iron ore project entered its final phase with the recent signing of the agreement between Cameroon and CamIron*," remarked Biya. Last November, the Cameroon government signed a convention on the development of the Mbalam iron-ore project. The convention underpins an agreement between CamIron SA and the government, outlining the fiscal and legal terms, and the conditions for the development and management of the Mbalam project. The convention, with a number of other conditions, including an endorsement by the Cameroon National Assembly, would lead to the mining permit and the start of construction. Stage one of the Mbalam project would comprise a minimum lifespan of ten years, producing some 35 million tons of ore per year, while Stage two would extend the project life by an additional 15 years, and would produce high-grade itabirite hematite concentrate. The project currently has a capital cost of 4.7 billion dollars.

In the domain of diamond, the Mobilong "diamond" project is in the exploitation phase in the hands of C&K Mining (last January, Cameroon's Minister of Mines, Emmanuel Bonde handed a 25-year, first license to the company). To show proof of field work, C&K mining handed 607 carats of gold worth 74 million francs CFA to the ministry. Besides, Cameroon in 2012 adhered to the Kimberley Process which ensures traceability of diamond from Cameroon. The Kimberley Process is a joint government, industry and civil-society initiative, which tries to stem the flow of so-called conflict diamonds, according to its website.
C&K Mining Inc, a joint venture between Cameroon and South Korea started Construction at the Mobilong site in March 2012 which has license for the site according to Alvine Dongoua, a communications officer at the ministry. However, anarchy reigns in the sector, and thus it derails money from entering the state coffers. "*Strict order will be restored in gold exploitation*."

In the meantime, the exploitation of other minerals is expected to kick-off as soon as all mechanisms are put together. "*Exploitation of the Lomie cobalt deposit and other associated minerals should start as soon as financing arrangements are completed,*" confirmed the Head of State. While exploitation is ongoing, "*negotiations for the exploitation of bauxite in Minim-Martap and Ngaoundal are continuing normally*," to quote the Head of State.

The non-transformation of the country's minerals is a major concern now, a situation that reduces the benefits to be made from the exploitation of these resources. 15 percent of the minerals exploited in Cameroon must be transformed locally, according to the country's mining code. "*Our attitude should be guided by two concerns: on the one hand, the State – that is the general interest – should derive due to benefit from it; on the other hand, our minerals should, as much as possible, undergo primary processing before exportation*," President Biya urged in his 2012 end of year speech.

POTENTIAL

This sector, excluding oil is a valuable lever for economic recovery and a real axis of government's political struggle against poverty. In the past few decades, research has helped to highlight important minerals, sometimes of world class. These include: iron in Mbalam and Kribi, bauxite in Ngaoundal, Minim Martap Fongo Tongo, Lomié's nickel-cobalt, titanium in Akonolinga, tin in Mayo Darla, uranium in Poli and Lolodorf as well as gold and diamond in the Eastern Region. In summary, the following deposits are explored and developed: 3 Bauxite deposits (Ngaoundal, Minim-Martap, Fongo-Tongo), 2 Iron deposits (Mbalam in the east and Udders in Kribi) deposits of Nickel-Cobalt and Manganese (Lomié), Uranium (Poli and Lolodorf), Gold (Batouri, Bétaré-Oya, Bindiba), Diamond (Mobilong) and Tin (Mayo Darla). With this potential, Cameroon can use it as a lift to sustainable development.

"*The mining sector is expected to witness intense activities in the coming months… the resources of our subsoil have also awakened the interest of foreign companies for their exploitation*," Mr Biya said in a speech

Jude Viban

How Viettel Cameroun outsmarted Bharti and Maroc Telecom to become Cameroon's third mobile telephone company

"*… the Vietnamese company had the most complete and coherent technical offers, in terms of a significant impact on the telecommunications sector in Cameroon 24 months after the granting of its license*," reads an anonymous communiqué in *Le Quotidien de l'économie* of January 25, 2013.

Viettel cameroun plans to cover 92% of the national territory in 24 months, and an internet penetration of 50% in 15 years compared to Bharti and Maroc Télécom penetration of below 20% within the same period.

The company wants to build 1851 base stations in 2 years, compared to Bharti which could do same but in 15 years. It should be noted that the quality of a mobile telecommunications network is a function of the total coverage as a result of the number Base Transceiver Stations (BTS).

Till date, the existing mobile telephone companies, Orange Cameroun and MTN Cameroun, count about 1000 BTS each, after 13 years in business. Bharti could be on the same footing as these two, according to the offer the company proposed to the inter-ministerial commission charged with the examination of the various offers.

The company wants to build 1851 base stations in 2 years, compared to Bharti which could do same but in 15 years

JV

Nigeria beats France as Cameroon's number one trade partner

The country's neighbor to the west buys 14.4% of Cameron's export, according to the 2012 financial year report on the economic situation of the country. On the other side of the coin, 22.6% of the nation's imports come from Nigeria, followed by France – 12.8% (One time Cameroon's leading trade partner). Other main buyers are Spain with 14.3% of the total exports and Netherlands, 10.1%.

By geographic region, European Union is still Cameroon's leading trader partner with 28% of all trade compared to 43% in 2010. It is followed by Africa with 27.1%, Asia with 23.7% and America with 10.1%.

Exports increased from 1,924.2 billion francs CFA in 2010 to 2,171.5 billion in 2011. This jump is due to an increase in oil products and lubricants, crude oil, raw cotton, raw rubber, sawn timber, fresh banana and coffee. However, the export of cocoa beans, aluminum and log timber dropped.

On the other hand, the report says, there was an increase in crude oil and equipment for the implementation of giant projects (Kribi deep seaport, Lom Pangar, Mekin, etc.). Exports of non-oil imports (mainly due to the purchase of capital goods), frozen sea fish, cereals and pharmaceutical products also increased.

John MacIntoch

38,000 tons of coffee produced last farming season

The figure represents a close to 31% increase in production, up from 26,322 tons in the 2010/2011 season. The National Coffee and Coffee Board (NCCB) revealed these statistics during the launch of the new coffee season in Dschang, in the West region of Cameroon on January 17, 2013. It was the first time the Menoua division was hosting a ceremony of this nature although it is the highest producer of this cash crop. This production belt produces 12,500 tons of Arabica and 3,670 tons of Robusta.

In the future, Cameroon wants to up its production to 90,000 tons per year in 2015. This figure is close to that of 1985 when the country used to produce 75,000 tons of Arabica. The Minister of Agriculture, Essimi Menye asked the farmers to redouble the efforts during the ceremony.

However, authorities are concerned about the quality of coffee produced in the country. Micheal Ndoping, Director General of NCCB, thinks the period of sensitization is over and sanctions have to follow. "*We have agents in all production belts of the country, and they have the power to confiscate, destroy or resale products of farmers who do not respect regulations,*" the Director General said. According to him, it is a competitive sector, and the "*difference is made only in terms of quality. We have to make a choice between quality and bad crops*," he concluded. To promote quality, the Ministry of Agriculture and Rural Development, announced it will continue to distribute young plants and pesticides to farmers.

Jude Viban

New CDC GM called to innovate

Installing Franklin Ngoni Ikome Njie into his functions on January 12, 2013 at the Corporation's headquarters in Limbe, the Minister of Agriculture and Rural Development, Essimi Menye told the new boss to innovate and make business profitable.

Before an imposing crowd of CDC staff, State personalities, friends and well-wishers, Menye told the new GM, "*Some innovation should be in your radar screen because the company needs to be at the forefront of agricultural revolution as required by the Head of State, Paul Biya.*"

CDC is a highly strategic corporation in Cameroon's economy, second job provider after the State (22,000 jobs). It is the leader of the agro industrial sector in Cameroon. During its 66 years of existence, the main agricultural products of the company have included Banana, Rubber, and Palm oil. Under the impulse of the former General Manager of the company, Henry Njalla Quan, CDC embarked in recent years on the transformation of its agricultural products, the most recent investment in that regard is the construction of the palm oil processing plant in Iluani.

However CDC is currently witnessing a number of difficulties at the time Mr Njie is taking command. "*Issues related to the productivity and competiveness of its value chains, the down trends in the production of some products,*" are some of these problems, the Minister of Agriculture cited. Faced with these challenges, Mr Njie said, "*We have done some studies, identified the problems and we have come up with strategy plans in all the sectors. We are now called upon to seat down to work and bring those strategies we have put on paper to materialization.*"

For the CDC to be in good business, it has to cut cost. One of its major costs

is the transportation of its produce to Douala for shipment abroad. This huge cost could be heavily reduced if the Limbe "natural" deep seaport was developed. "*This is an indispensable infrastructure that not only the CDC needs but other corporations based in the South West region or close to the region,*" the Limbe City Delegate, Andrew Motanga, said in his address.

It should be noted that government has plans to further privatize other sectors of the company -- a process that started with the tea sector.

Jude Viban

Cameroon Cocoa: CFAF 400 drop on the World Market

According to the Cocoa and Coffee Inter-professional Board (CICC) the quality of the beans is at the origin of this impairment. Omer Maledy Gatien, the Executive Secretary of the board said that Cameroon cocoa sales are CFAF 400 lower than the world market price at around CFAF 1400 per kilogram.

The revelation was made on December 27, 2012 at Bafia in the Mbam and Inoubou Division at the end of a repressive operation to combat drying of cocoa on tarred roads - a common practice amongst farmers living along the highway from Yaoundé to Ntonga.

"*It's a 'show of strength' awareness tour to demonstrate to the international community that we have taken steps to eradicate the bad practices in the cocoa-coffee sector,*" said Omer Maledy Gatien. According to him, the CICC is firmly committed to salvage this economic sector from the several difficulties it is facing.

Cameroon has seen over the past years and even decades its cocoa production downsize to such an extent that it is fast losing its position as the fifth largest exporter worldwide.

Figures from the National Cocoa and Coffee Board (NCCB) show a sharp drop last year. The 2011/12 production was marketed at 207,698 tons against 218,702 tons in the 2010/11 season - a decrease of 5%. On the other hand, exports fell by 9,056. While the cocoa production from Cameroon is facing problems, the productions from Ivory Coast, Nigeria and Ghana are reportedly doing quite well.

John MacIntoch

Government will offer five million plant suckers in 2013

A Memorandum of Understanding (MoU) to this effect was signed between the Ministry of Agriculture and Rural Development (MINADER) and Cameroon's Institute of Agricultural Research for Development (IRAD), last January 12, 2013 in Ekona, South West region. Minister Essimi Menye signed for the ministry, while the Director General of IRAD, Dr. Noe Woin signed for IRAD. This was accomplished in the presence of the Secretary General of the Ministry of Scientific Research and Innovation.

The protocol warrants IRAD to quickly produce 5,000,000 quality and disease-free Vitro-Plants of plantains, enough to cultivate 3,500 hectares of land this year. After this first phase that will cost around CFAF 100 million, the venture will extend to tubers like yams, Irish potatoes, cassava, banana, cocoyam, taro, and mushroom.

Researchers of the bio-technological laboratory at the IRAD branch in Ekona had distinguished themselves in the world of research by developing rapid plant propagation methods based on tissue culture techniques. Added to individual expertise, IRAD marshals 10 reference laboratories with the PJ Bio-technology Laboratory installed at their Ekona branch.

AE

Cameroon spent CFAF 96.7 billion on rice importation last year

It is the sum authorities paid to import 366,600 tons of rice in the first half of 2012. Since 2004, the demand for rice has kept rising and supply of locally produced rice dwindling.

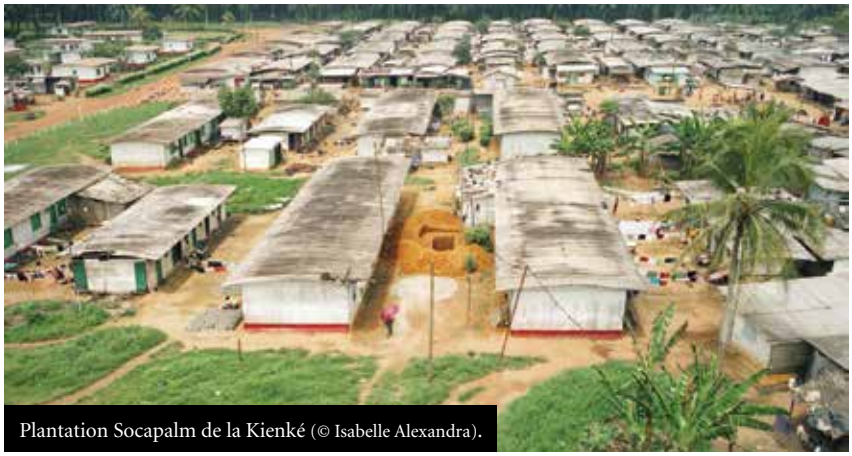
In the local markets instead of finding Ndop, SEMRY rice or rice from Santchou on the stands, Pakistani, Thailand's or Vietnamese rice occupy the shelves. Although projects has been initiated to boost production, some of them even coming from experienced nations such as Japan, South Korea, and China, even though researchers keep working to introduce high yielding species into farms, the results remain discouraging in the field.

But as this is happening, demand continues to skyrocket leading the authorities to continue accepting more foreign rice into the country. Statistics indicate that Cameroon shipped in 545,000 metric tons of rice in 2011 at an amount estimated at CFAF 145 billion up from 350,000 metric tons bought a year earlier.

What is more disturbing is the fact that the country has enormous arable land fertile enough for rice cultivation. The country possesses 240,000 hectares of cultivable land. Unfortunately, barely 25,000 hectares have been developed, 13,000 of which are for the Yagoua Rice Production agro industry (SEMRY), 3,000 for the Noun Valley Development Authority (UNVDA) and the rest shared between Santchou, Nanga Eboko, and Kousseri among others. Experts say, if just 50 per cent of the available rice land were put to use depending on the quality of production, it would feed the rest of the country and the Central African sub region.

Rice in effect has become a staple food for most Cameroonian with annual demand estimated at between 600,000 and 650,000 metric tons. But local production remains staggering at only 40 per cent of this amount. **Jude Viban**

SOCAPLAM, SAFACAM sign tripartite agreement with ANAFOR to protect the environment



Plantation Socapalm de la Kienké (© Isabelle Alexandra).

Two palm oil production companies have signed a contract with ANAFOR to embellish villages were they are located. Conservation of biodiversity, preservation of the environment, restoration of destroyed forest ecosystems and embellishment of camps hosting personnel of the company, are some of the obligations expected from them. The accord signed on Friday January 25, 2013, indicates that ANAFOR (National Forestry Development Agency) will support the setting up of plantation forest within these two structures.

SOCAPALM (Societé Camerounaise d'Huile de Palmes) and SAFACAM (Société Africaine Forestière et Agricole du Cameroun) through a vast planting of selected trees will ameliorate environmental conditions around their plantations and conserve biodiversity.

Each company is expected to reserve parcels of land measuring 2 hectares for conservation and plant 25 trees with umbrella sheds in each school and a line of trees across the camp.

Besides, these companies are expected to provide the human, material and financial resources for the execution of these works with ANAFOR personnel. Also, they are expected to protect the trees against animals and bush fires among other things.

JV

More than 80,000 used vehicles imported last year

This market is dominated by vehicles from Japan, Europe and North America, claims *Le Quotidien de l'economie*. Familiar trademarks imported into the country include among others Toyota, Mercedes, Nissan, BMW… stationed in the economic capital, Douala at L'hotel Le Nde, a familiar spot for buyers and users of second hand cars.

Prices of these used cars have dropped considerably from 5 to 3 million francs CFA, the paper said while quoting Felix Kouogang, a dealer in used cars. To him, the economic crisis reduced the purchasing power of Cameroonians, and also many families have loved ones abroad who send them cars, the demand is relatively low.

Imported through the Douala seaport, some of these second hand cars are as old as 20 years, despite the 2011 financial law of the country permitting only the entry of cars of maximum seven years of age. Mercedes Benz MB 100 D that was first manufactured in 1981 is still being imported into the county. Nicknamed "cargo," this wagon carries up to 25 persons within the Douala city.

Similarly, vehicles on Cameroonian roads such as taxis date between 1980 and 1990, states the paper.

AE

1,000 heavy-duty equipment drivers and mechanics on the job market yearly

These are the fallouts expected from a convention signed in Yaoundé on Wednesday January 23, 2013, between the Ministry of Employment and Vocational Training (MINEFOP) and the National Civil Engineering Equipment Pool (MATGENIE).

According to the convention the aim is to enable job seekers to pick up jobs in giant construction sites after training. In Cameroon several giant projects are ongoing while some are in gestation. As of now these jobs are in the hands of foreigners. To solve this problem, the country has opened many training centres such as the Professional Operators Training Centre MATGENIE Yaoundé, to train youths in search of jobs.

MATGENIE, recently received 120 heavy-duty (bulldozers and compactors) equipment worth 8 billion francs CFA, but according to its Director, Niwa Long Othon, the structure lacks well trained drivers.

In the meantime, the company would receive interns from authorized training centres, offer-pre-employment internship, according to article three of the convention. The article furthers states that MINEFOP and MATGENIE will oraganise examination sessions and issue certificates.

Meanwhile, both parties will cover the cost of training, reads article six of the convention.

Jude Viban

Spain signs an accord worth 66.5 billion with Cameroon next month

On February 7, an accord will be signed between the Bank of Spain and the government of Cameroon for the development of projects concurrent to the emergence of the country, Spanish Ambassador to Cameroon, Marcellino Cabanas Ansorena told State radio.

The construction of a slaughter house and the relooking of the Yaoundé municipal lake are among some of the projects to receive a Spanish touch.

Ambassador Marcellino made the intentions of his country known after an audience with Cameroon's Minister of Economy, Planning and Regional Development, Emmanuel Nganou Djoumessi on January 22, 2013. "*It is proof of the bank's confidence to develop these projects on the public/private basis*," Ambassador Marcellino said in an opinion about his country's bank.

Yaoundé municipal lake to be relooked.

John MacIntoch

Kribi Power Development Company: Biya instructs SNH to supply gas by February 28

Kribi Power Development Company.

Information we gathered, say that the office of the President instructed SNH to supply the required natural gas by February 28 for effective energy supply by the plant beginning last week of March, 2013.

Initially the plant was programmed to go operational by the end of February 2013. The delay is blamed on the unavailability of gas to drive the plant. At least 99 per cent of work at the Kribi Power Development Company (KPDC) has been executed, making it ready for energy supply – Dr Basile Atangana Kouna, Minister of Energy and Water Resources, confirmed after visit on the site last Thursday, according to Cameroon Tribune.

According to KPDC Technical Director, Jeremie Bitanga, the company will from March 1 to 7 be filling, testing and adjusting its machines. Between March 7 to the beginning of the last week of March, the machines will be permanently on to confirm their effectiveness to transmit energy; after which it will begin steady supply of energy to supplement current energy supply by AES-Sonel, reports Cameroon Tribune.

JM

Oil exploration: Cameroon signs 19th contract

This information is contained in a joint press release from the National Hydrocarbons Corporation (NHC), and PERENCO Cameroon, signed on January 15, 2013. Named "production sharing contract," it would permit the later to explore oil on the Moabi block (former Mondoni Concession), situated offshore in the Rio Del Rey Basin, covering a total surface area of 137.13 km^2.

"*PERENCO undertakes to realize a work program on this acreage for a first period of three (3) years comprising the reprocessing and interpretation of existing 3D seismic data and the drilling of two wells to a minimum depth of 1100 meters. The corresponding investment to this program is estimated at thirty five (35) million US dollars,*" reads the press release.

However, depending on the results obtained during this first period, this program could be extended to two other additional periods of two (2) years each, during which the drilling of one exploration well each is previewed to a minimum depth of

1100 meters. The total minimum investment for the three periods for the total of seven (7) years is estimated at 65 million US dollars, states the release, signed by the Executive General Manager of NHC, Adolphe Moudiki and the General Manager of PERENCO, Denis Clerc-Renaud.

PERENCO Cameroon is an affiliate of the PERENCO Group which is active in exploration and production of liquid hydrocarbons and natural gas worldwide. The company has at present, a cumulative production of 45,000 barrels/day accounting for 75% of the total national daily production.

Jude Viban

Cameroon to import 50,000 metric tons of cooking gas to satisfy domestic demand this year

A calendar for the importation of cooking gas has just been published and partitioned quarterly, by the Hydrocarbons Prices Stabilisation Fund (CSPH). 1500 tons of gas would be made available in each quarter. For the first quarter, the period of delivery is fixed between January 6 and March 17. Concerning this period, importation was stopped following a notification from Tradex SA (a hydrocarbons distribution company owned by the National Hydrocarbons Corporation, NHC) of a 20,000 stock for this period.

The second quarter runs from March 22nd to May 31st while the third quarter starts from June 7th to August 16th. The last, is between August 22nd and October 31st.

This programming is subjected to at most 5% adjustment, according to CSPH authorities.

It should be noted that, 50,000 tons represents 71% of the total amount of gas consumed the country, according to CSPH statistics.

JV

Kribi gas-fired power plant: an increase from 216 to 330 MW considered

In an extraordinary session of the Board of Directors of the Kribi Power development Company (KPDC), held on January 24, 2013, the board authorized the General Manager to commence studies with a view to increasing the capacity of the plant.

The GM, Hans Francis Simb Nag is expected to present the results to the board within a 3 months deadline, according to a communiqué signed by the Board Chair.

Simb Nag was "*authorized to request and receive support or assistance from any entity of the AES group and the competent departments of the state for the conduct of these studies,*" the communiqué reads.

Held at Hilton Hotel, Yaoundé, the board meeting was attended by Basile Atangana Kouna, Minister of Energy and Water Resources.

AE

New customs tariff in place since January 1st

Minette Libom Li Likeng, Director General of Customs (DGC), told traders during a party with partners in Douala, on December 28, 2012 that, according to her, the new customs tariff was introduced to reflect the growing trend of international trade, technological progress and the requirements of cross-border flow for traders.

"*Several training sessions will be organized for greater understanding by the users,*" reassured the DGC.

At the Douala office, there are a little more than 239 tariff heads which have been modified. The list of products belonging to each tariff head are yet to be disclosed, however, importers of milk can rejoice, the positions of this product has been revised downwards in the new document. This is not the case for products such as notebooks, paper, etc.

SHIFT

According to the head of the IT division at the DGC, the migration was successful. "*It was necessary to insert the new tariff into the SYDONIA program, so that it comes to play as from January 1st 2013. Everything went well,*" Edwin Fongod Nuvaga told *Journal du Cameroun*. For the former Chief of the Littoral I customs sector, the new national Customs tariff was an urgent necessity. "*With advances in technology, there are new products entering the market. Before, when we talked about tricycle, it was only for use by persons with disabilities. Now, tricycles are already carrying people and goods. These technological advances and the introduction of new products require us to change our prices,*" Edwin Fongod said.

This measure is in conformity with the Custom Harmonized System, OMD 2012, which is now applicable in Cameroon, as well as in all other countries of the sub region. With this new regulation, the customs administration will experience a decrease in revenue from certain products, while in others, the revenue will explode. It should be noted that the budgetary target of the customs for the year 2013 is set at 638 billion CFAF.

Jude Viban

24,000 pirated books seized

These books were confiscated following a raid by Messa Presse and elements of the Ndogbong gendarmerie brigade on January 9, 2013.

Books on mathematics, French, Spanish, English, cookery etc. were among some of the books seized. The culprits are believed to be part of a well-structured network in the Nkololoun market. The cargo was stored in a four room house, three stuffed with books.

Speaking to *Cameroon Tribune*, Sylvain Mbassi, director of Messa Presse in Cameroon seemed shocked: "*We do not know how they manage to get the contents of these books before the finished products.*"

Sylvain Mbassi adds that this is the first time they have laid hands on such a large consignment. While waiting for light to be shed on this network and its ramifications, the books were sealed and kept in a safe place. Olivier Bankui, the main suspect and his accomplices are helping the police in their investigations.

AE

CFAF 656 million for medicinal plant studies in 2013

Voted in Yaoundé on Thursday January 18, 2013, the 2013 budget for the Institute of Medical Research and Medicinal Plant Studies (IMPM) is of CFAF 656 million.

Functioning under the tutelage of the Ministry of Scientific Research and Innovation, the institute will use the money to carry out extensive research on diseases as well as plant studies, according to Board Chair, Prof. Rose Leke née Gana.

Of this amount, CFAF 191,110,000 will be used for investment while CFAF 465,000,000 will go into the different programs being piloted by the institute.

IMPM has five research programs: Malaria, HIV/AIDS, emerging diseases, medicinal plants and traditional medicines as well as food and nutrition. The institute intends to acquire state-of-the-art modern research equipment as well as ensure a conducive working environment for its staff, according to *Cameroon Tribune*. The institute will equally finalize the rehabilitation of its laboratories, put in place a data bank of research publications and in-house research results.

Created in 1974 and reorganized in 1993, the Institute of Medical Research and Medicinal Plant Studies has as mission to lead research, prevent, diagnose and treat priority pathologies caused by the problems of public health in the country, develop appropriate technologies for improved traditional medicines and promote research results, among others.

John MacIntoch

Former Minister of Health back in Court

Urbain Olanguena Awono is accused of embezzling CFAF 287 million from the Malaria Fund. Those who took to the stand, have testified against Olanguena Awono. For instance, State Control Inspector, Mpouli Mpouli Joseph told the court that the former Minister awarded a fake contract for the supply of insecticide-treated mosquito nets to Vision Sarl. Funds obtained from the Highly Indebted and Poor Countries Initiative (HIPC).

According to *Cameroon Tribune*, Mpouli Mpouli Joseph was testifying on Friday, January 4, 2013 at the Special Criminal Court as a prosecution witness after leading an audit mission to the National Malaria Control Programme in 2007. The hearing was part of proceedings pitting the State of Cameroon against former Health Minister and five others for the embezzlement of over CFAF 287 million attributed for fighting AIDS, malaria and tuberculosis.

Mr. Mpouli Joseph said irregularities observed in the contracts included the payment of CFAF 80 million although the mosquito nets had not yet been delivered.
"*After payment of an advance of CFAF 16 million in January 2004, Vision Sarl had 60 days to supply, which it failed to do. As contracting authority in the contract and vote holder of the HIPC funds used for the purpose, the Minister of Health failed to terminate the contract but instead ordered the total payment of CFAF 80 million*," he explained.

JV

Bubinga suspension slows wood work business

Since November 9th 2012, the ban on the exploitation of this species has rendered business difficult for carpenters. "*The Bubinga wood is the strongest, the most decorated and the most requested. We hope that Bubinga addicts will turn to other species,*" says *Cameroon Tribune* citing Vasco Kano, a carpenter in Yaoundé. "*The absence of Bubinga influences our business because customers are quite demanding. If I have a big job to do now with Bubinga, I cannot and it penalizes me*," said Jean Paul Tankeu, a furniture maker. To deliver the last command of 20 beds in Bubinga he obtained recently, the carpenter says, he had to move to Ebolowa

(192 Km from Yaounde) before manufacturing. "*Customers do not understand that Bubinga has become scarce and expensive. Before, a board sold at 8,000 franc CFA, but it now sells at 15,000* ," Says Gerome N., dealer in wood and manufacture of furniture.

In the absence of Bubinga and Wengue, users could fall back to other species available. "*When my Stock will finish, it would be difficult to get more because my suppliers say they cannot find Bubinga. Not to feel this scarcity, I decided to invest in other species,*" says Jules F., a wood dealer in Nkomo, a neighborhood in Yaoundé. According to some carpenters, some species such as Moabi, Sapelli or Zebrawood can substitute Bubinga. "*We use the Padua, which by its colour is similar to Bubinga. If someone insists on Bubinga, you must first place an order,*" says another furniture maker. Concerning Wengue, carpenters are not really looking for it, given its high cost and rarity. They prefer to limit its use to decoration.

Ministerial decision n°2401/Minfof/Cab of November 9, 2012 by the Minister of Forestry and Wildlife, Philip Ngole Ngwesse, suspended the exploitation of Bubinga and Wengue till further notice. According to the decision, a study will be conducted regarding export quotas for these species.

Jude Viban

Illegal logging: Logo on wood to trace and track products from Cameroon

Authorities want a logotype label affixed on wood products destined for the European Markets from the country. With assistance from the Forest Law Enforcement, Governance and Trade Support Program for African, Caribbean and Pacific countries (ACP-FLEGT Support Program), Cameroon has in the last two years worked on how to identify wood from here. "*It will consist in putting on each wood that leaves Cameroon a kind of a stamp, FLEGET-Cameroun*," according to Samuel Ebia Ndongo, project coordinator. With the stamp, competiveness of the country's wood will increase, and it will show compliance with legislation.

Moreover, it will, according to authorities, ensure a sustainable management of the country's forest and the effective eradication of illegal logging in the country. "*There is a legality verification system that has been put in place through which there is traceability of timber from the forest to the market. You can certify that this timber comes from this forest and has been produced in respect of all the legality needed of forest products*," Ebia Ndongo, explains the *raison d'être* of certifying Cameroon wood.

A decision from the Ministry of Forestry and Wildlife will institutionalize the label as well as schedule a promotion plan in Cameroon and abroad.

ACP-FLEGT Support Program is a collaborative effort among the Food and Agriculture Organization of the United Nations, the European Commission and the African, Caribbean and Pacific Group of States (ACP) to address forest law enforcement, governance and trade issues in ACP member countries.

JV

Construction of Photovoltaic Power Plants to begin by March 2013

Named "*Photovoltaic Power Plants 2020*," the project aims at constructing mini-plants to use solar energy in 250 localities across Cameroon. Estimated to cost CFAF 580 billion, the project would provide close to 500 megawatts of energy in rural areas specifically.

According to *Cameroon Tribune*, the project would provide 25,000 direct jobs and 4,000 indirect jobs.

As of now, recruitment of young Cameroonians is ongoing while results are expected by January 20, 2013. Reports say that the pilot phase will employ 1,000 people and will be launched in Sangmélima and Maroua. Other localities like Yingui, Meyomessala and Bengbis make up the five localities chosen for this phase and that have already sites handy, according to John Bothe Youtou, coordinator of the project, "*at Sangmélima, we have 77 hectares, in Maroua, a little more than 200 and in all the cities involved in the project, we have land that the state has allocated to us*."

JV

Gov't pledges sustainable management of Douala-Edea Mangrove

The government of Cameroon is ready to assist in the sustainable management of the resources of the mangrove the Secretary of State in the Ministry of Forestry and Wildlife, Mrs. Koulsoumi Alhadji Boukar confirmed during a national workshop to endorse the management plan of the reserve's mangrove zone on January 10, 2013 at the Yaounde Mont Febe Hotel. This reserve stretches from Tiko in the South West Region to Kribi in the South Region.

The government representative said that sustainable management of the mangrove ecosystem will also help to improve the livelihoods of community people.

"*Mangroves contain a lot of resources and offer protection against rising water levels as well as mitigating the effects of climate change. The management plan will help to ensure the sustainable management of the area's resources through the proper coordination of different industrial and construction activities*," Emmanuel Ze Meka, the Executive Secretary of the International Tropical Forest Organisation confirmed.

John MacIntoch

Boertien Matthijs Johannes becomes the new General Manager of Camair-Co

A presidential decree signed on January 3rd by the Head of State, Paul Biya, appointed the Dutch to replace his fellow countryman, Alex van Elk, whose contract with the Cameroonian authorities ended in July 2012. Mr. Boertien Matthijs was the Director of Exploitation at the Cameroon Airlines Company until his resignation last July, like most of the senior staff of the company.

However, his appointment does not bode well with the employees of the company who, according to sources within the company that refused to be named, had planned a strike following rumors that started on December 21st (date of the Camair-Co's last board meeting) of Mr. Boertien Matthijs's possible appointment as General Manager.

Camair-Co since its inaugural flight on April 28, 2011 is yet to stand on its feet. Born out of the ashes of Camair, the national airliner is surviving thanks to funds that the Cameroonian government is pumping into the company, according to Okala consultancy firm's report in June 2012. Robert Nkili, Minister of Transport confirms that the company achieved with difficulty 50% of its 2012 objective. To date, subventions to the corporation stand at CFAF 30 billion meanwhile the company's expenditure figure stands at CFAF 45 billion, to quote the Minister of Transport.

NEW DIRECTOR FACES TROUBLED WATERS

Many challenges await the new boss of the national carrier. Since its take off, Camair-Co is said to have transported a total of 110,000 passengers. According to its Deputy General Manager, Emmanuel Mbozo'o, "*Camair-Co was able to raise CFAF 15 billion of the 32 billion invested by the government for its take off in the first 9 months of operation. We hope to begin making profits by 2014.*" In addition to the CFAF 32 billion invested by the government, the outgoing Dutchman Alex van Elk is said to have requested an additional CFAF 19 billion to enable Camair-Co to run "*properly*."

For an airliner with just three aircrafts in its fleet, Camair-Co, according to air transport expert, Nyounai Nyounai, is overstaffed with over 500 employees. According to William Pascal Balla who returned from Brazil via Paris by a Camair-Co flight, not only there are too many workers for such a young company, but also some of the personnel (especially hostesses) are incompetent. For his part, Pius Ottou, an Economist who has also travelled on one of the company's flights wondered why Van Elk went out to recruit hostesses from abroad. "*Is it that we do not have intelligent, beautiful and trained ladies in Cameroon that can do the job?*" he quizzed. It is common place for flights to be cancelled at Camair-Co without the company catering for passengers as they wait for a new flight.

It has also been pointed out that Camair-Co preferred Lufthansa technicians for its maintenance (reportedly at exorbitant rates) rather than Cameroonian civil aviation engineers who rank among the most sought for in the world. "*Thanks to Cameroon's resource in this area, Boeing was set to make Cameroon its focal point on the African continent if not for the collapse of Camair*," said Nyounai Nyounai on State television, CRTV. It is also unclear why, Camair-Co which by right owns all property of the defunct Camair has decided to invest in new buildings for its activities. In Douala for example, the former Camair head office in Bonanjo is unoccupied while Camair-Co is renting office space at the PMUC complex in Akwa-Same in Yaounde. The headquarters has been abandoned in favor of a space at the hotel Hilton.

Jude Viban

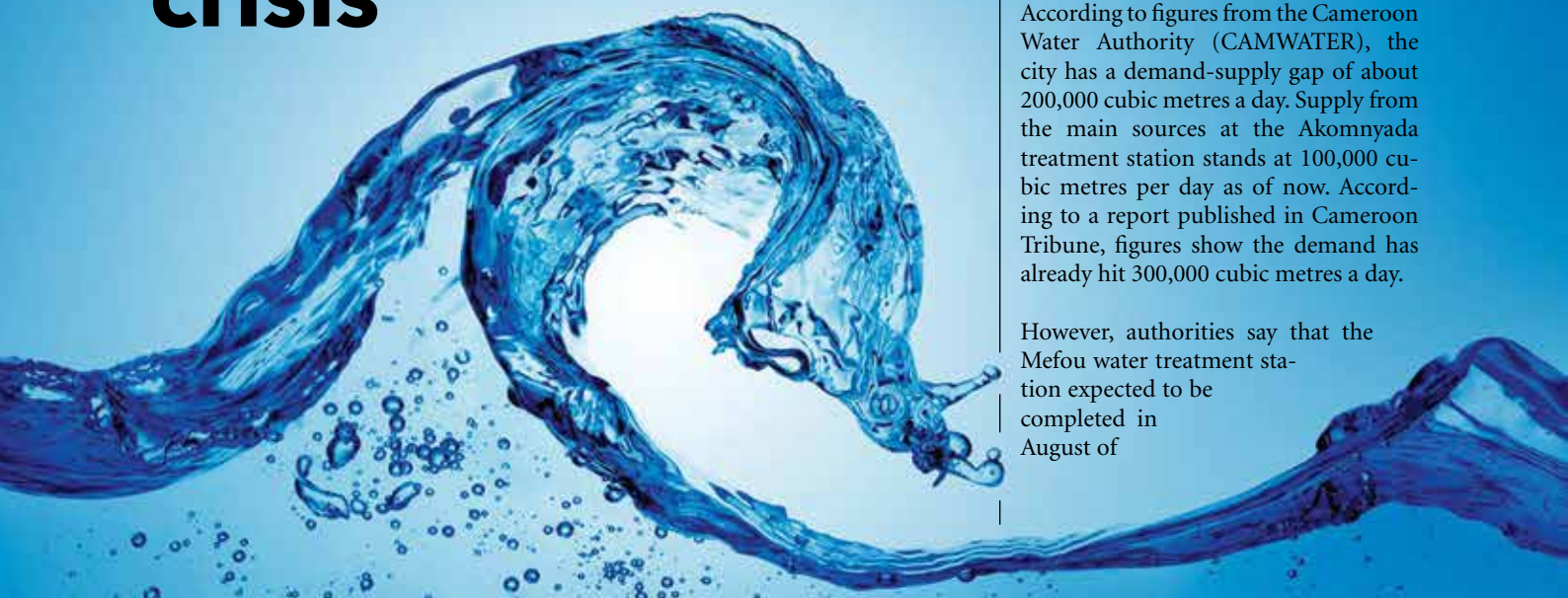
NEW CAMAIR-CO GM DETERMINED TO IMPROVE SERVICES

Speaking to reporters after his installation on Wednesday January 9, 2013 in Douala, the sixty-year-old Matthijs Johannes Boertien said he would do his best to help the national carrier satisfy its customers.

"*My plans are to work towards greater profitability, respect flight time, improve service quality and especially towards a brighter future for the company. This I will do in close collaboration with the board of directors*," the second General Manager of Camair-Co said.

Mr. Matthijs Boertien had been Chief Executive Officer of Amsterdam Airlines from 2000 to 2008. Before becoming Chief Operating Officer for Camair-Co from December 2010 to March 2012, he worked with the defunct Cameroon airlines as a consultant. The ceremony was presided over by the Minister of Transport, Robert Nkili.

CFAF 113 billion investment in the water sector to combat water crisis



Cameroon Water Utilities Corporation (CAMWATER) voted 113.5 billion francs CFA as investment budget for this year. In its 12th board meeting held last Friday, CAMWATER voted a total package of 128.7 billion francs CFA. Most of the investment carried out by this corporation is yet to bear fruits as the access to potable water is difficult especially in the major cities of the country.

In 2008, CAMWATER adopted an investment program aimed at improving the distribution of potable water within urban centers, but midway into the program it appears that most of the construction sites will not be finished before 2014.

Nevertheless, CAMWATER has put in place new measures of urgency to be executed in 12 months. It concerns, extension works at the Akomnyada (outskirts of Yaounde) water station that will see its production capacity increase from 100,000 to 130,000 cubic meters, pumped to Yaoundé. While in Douala, 11 bore holes are planned, and will pump an additional 30,000 cubic meters daily to the existing capacity. Elsewhere, tens of other towns will soon see the construction of infrastructure to produce drinkable water. **JV**

The water crisis persists in Yaoundé

According to figures from the Cameroon Water Authority (CAMWATER), the city has a demand-supply gap of about 200,000 cubic metres a day. Supply from the main sources at the Akomnyada treatment station stands at 100,000 cubic metres per day as of now. According to a report published in Cameroon Tribune, figures show the demand has already hit 300,000 cubic metres a day.

However, authorities say that the Mefou water treatment station expected to be completed in August of this year could cut the shortage. "*This station will inject an additional 50,000 cubic metres of water a day. The impact will surely not be felt as much as one would have expected because the shortage will still remain at about 250,000 cubic metres a day other things being equal*," wrote *Cameroon Tribune* quoting sources at CAMWATER.

It is also hoped that if the capacity of the Akomyada station is reinforced, 40,000 cubic meters more of water could be pumped into pipes. Experts say that the demand for water is rising in Yaoundé as the population swells. According to official figures, the city counts 2 million inhabitants. To deal with the crisis some inhabitants have turned to well water, sometimes of doubtful quality.

AE

Sogea Satom will construct the second bridge over the Wouri River

In its edition of January 8, 2012, *Le Quotidien de l'économie*, indicates that the French company has been chosen to construct the CFAF 119 billion bridge. Information that we gathered says that the Governor of the Littoral region, Joseph Beti Assomo, held a meeting to plan an imminent foundation stone ceremony. Reports say that the bridge would be constructed with funds from the French Development Agency, AFD.

In his end-of-year speech to the nation, President Paul Biya said, "*The second bridge over the Wouri River and the east and west access roads to Douala, whose works will soon begin, will help to improve traffic flow in our economic metropolis.*"

The existing 1,800 metres bridge joins Douala to the port of Bonabéri and carries both road and rail traffic to western Cameroon. In the last couple of years, the government has reportedly spent the estimated whooping sum of CFAF 15 billion only for its maintenance. Constructed about sixty years ago, it entertains over 40,000 vehicles on a daily basis. At the time of its building, about 2,000 vehicles were using the bridge a day. Thus, the wear and tear due to excess usage is clear. A new bridge is, therefore, inevitable.

JV

Yaoundé-Douala Highway: Works to begin in April 2013

In an interview granted to *L'Action*, the Minister of Public Works, Patrice Amba Salla said, "t*he Chinese company responsible for the construction of the road will likely begin to work at the start of the second semester in 2013*."

He confirms that the company is, as of now, tracing the road while the evaluation of properties to be destroyed during construction is ongoing so that victims can be compensated. Late last week, the Secretary General of the Centre Regional Governor's office, Oumarou Haman Wabi was in Ngog-mapubi to concert with the population of 4 sub divisions in the Nyong and Kelle Division (areas were the road is expected to pass).

The existing road linking the economic capital, Douala and the political capital, Yaoundé is part of what is called the "*triangle of death*," a nickname earned for the number of deaths recorded due to accidents. Some of these accidents are blamed on the narrow nature of the road.

In his end of year speech the President of the Republic, Paul Biya assured Cameroonians that construction work on the Yaoundé-Douala highway project will begin this year.

JM

Tough fight for market space between foreign and national money transfer companies

Alongside global leaders such as Western Union and MoneyGram, local players like Express Union, Cash Money and Express Exchange are also developing in Cameroon. Now money transfers by phone cover remote areas.

WESTERN UNION CAMEROON

All commercial banks and cooperatives prefer this money transfer, suggesting that this activity brings in a lot of money.
Present in Cameroon in recent years, MoneyGram intends to seriously challenge the leadership of Western Union by opening of several retail outlets across the country.
This structure recently opened its 20,000 outlet across the African continent in Africa, an approach the Vice President Hervé Chomel said that it will bring them close to customers.
"*We offer our customers money transfer that is a fast, convenient and reliable way to send money to their families in the world*," he added.
In less than two years, 3,000 new outlets were opened in Africa, which allows MoneyGram to be present in fifty countries around the world.
"*This competition is a good thing, not only because transfer cost continues to decline but you are able to avoid the risk of moving with money on you*," notes users.
Moreover, this activity creates hundreds of jobs, as well as contributes revenue into the State coffers. **JM**

Afriland tops bank deposit chart ahead of 13 others

As of June 30, 2012, the bank held 18.6% of the total deposits in Cameroon. In absolute terms, 483.9 billion francs CFA lies in the coffer of this Cameroonian bank, according to our sources at the Ministry of Finance.

Afriland First Bank is a full-service bank operating in Cameroon, Equatorial Guinea, Liberia, and São Tomé and Príncipe. The bank was created in Yaoundé in 1987 under the name *Caisse Commune d'Epargne et d'Investissement*. Afriland First Bank Cameroon operates 23 branches in the country. The bank, a prime financial institution in Cameroon, also serves the entrepreneurs and the rural sector of the country.

BICEC follows with 441.3 billion francs CFA, SGBC has CFAF 421.4 billion meanwhile NFC-Bank, Banque Atlantique du Cameroun and BGFI-Bank have less than 7% of the total deposit estimated at 2,604.1 billion francs CFA.

JV

Local Banks rescue CICAM

Afriland First Bank, Ecobank and SCB bank jointly loaned the textile manufacturing company, CICAM, CFAF 5.5 billion.

The fund will help the company to rehabilitate its production units in Douala and Garoua. The Minister of Finance and Minister of Mines, Industries and Technological Development both signed the guarantee letter, according to state TV.

Speaking at the signing ceremony, the Minister of Finance, Alamine Ousmane Mey, said the loan is part of efforts made by the government to refurbish and restructure CICAM.

AE

Insurance sector records CFAF 139.8 billion of turnover

The figure is an increase of 8.5% from the 2010 figures. According to the 2012 financial year report, investments in the sector generated a net financial revenue of 8.1 billion francs CFA. Meanwhile revenues generated in the sector stood at 146.7 billion francs CFA.

In terms of expenses, 134.7 billion francs CFA was used. Out of this amount 58.6 billion dropped in claims, overheads took 36.8 billion francs CFA while reinsurance balance stood at 23.4 billion and contracts acquisition costs 15.7 billion francs CFA.

Going by the turnover figures, Cameroon ranks second out of 14 countries of the Inter-African Conference on Insurance markets (CIMA). The country counts 25 approved companies, 18 in the All-risk and Transport Insurance (IARDT) category and seven in "Life Insurance." **JV**

Insurance companies in Cameroon must make known their tax, statistical and account draft docs

A prime ministerial decree signed on January 15 and published 7 days later, makes an earlier Inter-African Conference on Insurance markets (CIMA) decision mandatory in Cameroon, conforming to Article 300 of the CIMA charter.

Insurance companies at the end of each year must present these documents in a stipulated format and must be made available to the regional services of taxation and statistics wherein the headquarters of the insurance company likewise to the National Institute of Statistics and the Ministry of Finance.

The deadline for the deposit of these documents is defined by article 18 of the Cameroon General Tax Code. Sanctions await companies that will not comply as prescribed by the country's tax procedures handbook, read the decree signed by PM, Philemon Yang. **JV**

Cameroon pays CFAF 100 billion on treasury bonds, 690 billion outstanding

100 billion francs CFA is the total amount that has already been paid by the state of Cameroon to holders of the 160 billion francs CFA bonds circulated in the bond market within the BEAC zone between 2011 and 2012.

According to a communiqué signed by the Minister of Finance, Alamine Ousmane Mey, 50 billion was paid on the treasury bonds issued in 2011 while the other 50 billion concerns a portion of the bonds issued in 2012.

In total, according to Minister Ousmane Mey, "*the cost of treasury bonds issued as from 2011, not yet paid by the State stands at 690 billion francs CFA*". **AE**

NFC bank risks "provisional administration"

Our sources at the Central African Banking Commission (COBAC), say, the constable of the banking sector took the decision based on the state of affairs at the National Financial Credit Bank but its publication has been blocked by Cameroonian authorities. The decision was taken in Malabo, Equatorial Guinea on November 23, 2012, on the sidelines of events to mark the 40th anniversary of the Bank of Central African States (BEAC).

A source that refused to be named, deposited 7 million francs CFA at one of the bank's branches in Yaoundé, and was given a *rendez-vous* in one week when requesting for a withdrawal of two million francs CFA. But, he later called a sister commercial bank and was asked to come for the same amount in 5 hours.

As of now uneasy calm reigns within COBAC as other managers not of Cameroonian origin as the Deputy Secretary General, Eric Roland Belibi, want the decision to be published, and are mounting pressure on its president, the Governor of BEAC, Lucas Abaga Nchama to ensure that the information is made public, our source revealed.

Reached by phone, the Board chair of NFC and billionaire, Zachariah Awanga Ayangwo, admits that his bank was going to be placed under provisional administration but "*measures have been taken to avoid the situation.*" "*We were asked to look for a technical partner, that we have already done, I can assure that there is nothing to fear as we are doing everything to avoid the situation*," he added. He admitted that

the Minister of Finance is doing all in his power to avoid this.

The Minister of Finance, Alamine Ousmane Mey, was unavailable for comment but a senior staff of the Ministry said, "*a statement about such a situation is the prerogative of the Minister*." He explained that issues about banking are very sensitive and any information could cause panic in the country. To him, if the Minister took such a decision to do everything in his power to block the publication of this decision, it is to avoid the First Investment Financial Assistance (FIFA) saga. "*You cannot imagine what we went through with this case*," he added.

Despite an apparent excess of liquidity, banks in the region, especially those formed on the basis of national savings, with one or two exceptions, are far from stable.

According to figures contained in a report on the economic situation of Cameroon by the Ministry of Finance (MINIFI), NFC Bank holds 79.3 billion francs CFA in bank deposits of the 2,604.1 billion in 13 banks as at June 30, 2012 up from 57 billion as at June 20, 2011.

To COBAC, this type of decision (to be placed under provisional administration) can "*prevent systemic risk, because the failure of a credit institution may jeopardize other banks by a contagious effect,*" says a statement on the organisation's website. Before now several Cameroonian banks have been in this situation, some have survived: Commercial Bank Cameroon (CBC), Amity Bank, Union Bank Cameroon (UBC) as well as several microfinance institutions built after the model of COFINEST Cameroun.

CONSEQUENCES

If made public, COBAC will appoint a provisional administrator. As an immediate consequences, the Board of Directors and the Executive Board become subordinates. The provisional administrator, who answers to COBAC, a subsidiary of BEAC, has the broadest powers to manage the business. This interim administration would last at least 6 months, renewable.

Hence, there is fear that before the decision is made public, managers of the bank could authorize "*unorthodox financial transactions to recover the investments of shareholders of the bank which would eventually penalize clients of the bank as their savings could be used for the purpose,*" our source at BEAC warned.

JV

More than 200 MFI are outlaws

Registered MFI are entitled to refinancing from a risk fund located in the Bank of Central African States (BEAC).

203 microfinance institutions are yet to matriculate with the National Credit Council (CNC) of Cameroon. These institutions are functioning illegally, according to a *communiqué* published by the council in *Cameroon Tribune* on January 22nd 2013. Although authorized to function by the Ministry of Finance, they have not matriculated with CNC as per the existing regulation.

In the communiqué, the Board Chairperson of CNC, who doubles as the Minister of Finance, Alamine Ousmane Mey, asked the outlaw MFIs to "*regularize their situation*."

He further instructs the Secretary General of CNC, to take all the necessary steps, including "punitive," to ensure that these MFIs matriculate, like the other 263 institutions already in conformity.

Matriculation, according to a microfinance expert, David Kengue (interviewed by *Le Quotidien de l'économie*) allows a microfinance institution to receive refinancing from the central bank, a risk fund located in the Bank of Central African States (BEAC). In effect, this helps MFI to avoid granting loans to bad entrepreneurs. As of now only commercial banks have the privilege to benefit from this offer, adds Mr. Kengue.

However, they need to conform to the law as sanctions of an undisclosed amount could be a huge deal for a MFI. Many institutions are unaware of this regulation. Meanwhile, without matriculation, "*they could lose credit and clients*," concludes the expert.

As at June 30, 2012, 452 microfinance establishments were approved.

John MacIntoch

MANAGERIAL EXCELLENCE: STATE HONORS TOP MANAGERS

Minister Henri Eyebe Ayissi.

The government recently instituted an award aimed at promoting good public governance. The top five winners were honored on January 10, 2013. They include: Minette Libom Li Likeng, Director General of Customs, David Tségui, Littoral Regional Delegate of Trade, Issah Mfetie, Northwest Regional Delegate of Small and Medium Enterprises, Joseph Bipoupouh, Divisional Delegate of Small and medium for Wouri and Jeanine Evehe Sidonie, who until December 31, 2012, was the Permanent Secretary in the Ministry of Public Service and Administrative Reform.

These state employees will go into history as the first winners of the National Managerial Excellence Award in Cameroon's public administration. Henri Eyebe Ayissi, Minister Delegate at the Presidency in charge of Supreme State Control (Consupe) - initiator of the price, decorated the recipients.

This award, launched last October in all ministries, is part of the drive to build an "exemplary republic," advocated by the Head of State. According to Minister Henri Eyebe Ayissi, the award covers four areas: "*Maximizing the collection of state revenues, judicious use of state resources, execution of the public investment budget in quantity and quality, and innovation in the management and control of public finances*."

Speaking of recipients, the Directorate General of Customs has implemented in recent years mechanisms to increase custom revenue, while improving the quality of services offered to users. In a statement to reporters, the Director General of Customs, Minette Libom Li Likeng said, she created a committee to promote ethics and good governance in the customs sector, and has always made it a point of duty to curb delays, an important step for the administration, economy, importers, investors and the ordinary citizen. **JM**

President Biya on business trip in France

Cameroon's Head of State, Paul Biya paid a working visit to France from January 30 to 31, 2013 during which he has presented the new economic guidelines of the State, based on the "*greater accomplishments policy*." President Biya met with the French Business Confederation (MEDEF formed in 1998 to speak on behalf of French employers) and was received on Wednesday by the French president François Hollande. Their encounter was an opportunity to exchange on the Malian situation and support the French initiative, to reaffirm that dialog and open discussions should guide the relations between the two countries, and that the Cameroon-France cooperation will be focused on infrastructures, the environment, and the economic development of Cameroon.

According to a MEDEF communiqué released before the meeting, Paul Biya will "*lesson on the progress of giant projects, the evolution of the business climate, future reforms, priorities of government in terms of economic development…*," but he will also ask French business personalities to, "*reaffirm their wish to participate in the economic development of Cameroon and point out the type of partnership they want, present their projects and conditions for their success likewise the eventual difficulties that could inhibit their progress.*"

LAND OF PROMISE AND GLORY

Cameroon's economy is the most diversified within the sub Saharan region and the most stable in the CEMAC zone.

Cocoa, coffee, or cotton are some of the key primary products the country exports in large quantities. Its forestry sector is a reference in Africa. Meanwhile the mining sector now carries the economic takeoff for the country on its shoulders. Projects such as the iron ore exploitation in Mbalam, diamond in Mobilong which for the first time will be officially exported to the international market since the beginning of this year, and other minerals discovered across the country could attract French business tycoons.

The industrial sector could also be of interest to the potential investors. It represents 15.7% of the country's GDP. It spans from the production of drinks, sugar, oil, soap, aluminum, and cement among several others. A growing consumer market exists in the country as the population grows by 400,000 inhabitants annually.

Transport is an area on which doubts should be dismissed. The Douala seaport at the moment is the biggest in the country while waiting for the Kribi deep seaport to go functional as soon as 2014 - the biggest in the Central African Economic and Monetary region, CEMAC, ready to serve Chad and the Central African Region.
In the meantime, the hydrocarbons sector is 7% percent of the GDP and provides 25% of the state budget. The exploitation of gas has a bright future with future plans to set up a liquefaction plant in Kribi.

The scores of energy projects such as Lom Pangar, Mekin, Memve'le and others in the energy sector are on track to resolve the energy shortage the country has been facing for decades. Hence, industrialists wishing to set up heavy energy consuming factories have no worries.

Before French moguls, President Biya thus had a set of strong points that allowed him to argue and defend his vision to make Cameroon an emerging economy by 2035.

Jude Viban

Guy Gweth: "*The argument of political stability is relevant but insufficient*"

On the occasion of the working visit of the Cameroon Head of State to Paris from January 28, 2013, Radio France International (RFI) interviewed Guy Gweth, consultant in strategic intelligence, on the status of trade relations between France and Africa. According to the international expert, "*President Biya should find something else to sell to the French.*"

Three key ideas have punctuated Guy Gweth's interview by Jean-Pierre Boris.

CAMEROON POSITION IN CENTRAL AFRICA

In Guy Gweth's opinions, trade relations between France and Cameroon must be analyzed according to what both parties have as more significant. "*In Paris' view, Cameroon is not either Gabon that is its first economic partner within the Economic Community of Central African States, nor the Ivory Coast its first partner within the Franc Zone, nor Nigeria its first economic partner in Sub-Saharan Africa.*"

"*But Paul Biya's land still represents 35% of the Economic Community of Central African States*" said the founder of Knowdys. "*It is therefore of substantial interest for French companies. Cameroon's strategic position on the gulf of Guinea makes it a gateway to the markets of Central African Republic, Tchad, and even Congo.*"

"*To date, there are 200 companies in Cameroon run by French citizens and 120 subsidiaries of French companies all over the country… We namely find those companies in gas and oil sector, bank and insurance, food, cement, wood, building and public works, telecommunication and logistics sectors.*" said the expert.

THE CHINESE AND THE AMERICAN COMPETITION

Guy Gweth believes that "*Chinese companies caused damage to the French over the 10 last years, relying on a 'soft power' diplomacy really effective… This is not going to stop. Exim bank, the financial strong arm of the Chinese economic diplomacy has become the first creditor in Cameroon in 2011, thanks to 536 billion CFA granted during the same year, leading the Chinese to a ruling position on the Cameroonian market…*"

Concerning Americans, Guy Gweth notes that "*in 2011, the volume of trade between Cameroon and America was evaluated at US$ 538 million, a steadily increasing figure. Thanks to African Growth and Opportunity Act (AGOA), exports from Cameroon to America have exceeded CFA 86.5 billion, the equivalent of an increase of 26% of the normal volume of business transactions between the two countries.*" According to the international consultant, requests for advice to American investors willing to invest in Cameroon have never been as important during these last 3 years.

GUARANTEES PROVIDED TO THE FRENCH BY PRESIDENT BIYA

"*French business managers that we support have accepted the argument of political stability for 30 years,*" said Guy Gweth to RFI. "*President Biya should find something else to convince. European and American companies concretely expect the Head of State of Cameroon to convince them on his capacity to restructure the business environment, to fight against corruption, and to preserve their interests challenged by the Chinese economic power.*"

During his meeting with the French bosses in January 31, 2013 at the headquarters of the MEDEF in Paris, the Cameroon Head of State will be accompanied namely by the Cameroon Ministry of Economy, Agriculture, Mining and Industry, Small and Medium Sized enterprises.

21 projects beckoning on investors in 2013

Contained in a release from the Ministry of the Economy, Planning and Regional Development, the projects span through several sectors; transport, urban development, energy and the agro-food industry. These projects will be executed under the Build-Operate-Transfer mechanism.

The transport sector counts projects like the second phase of the Kribi Deep Seaport project wherein investors can build specialised terminals. Also a 70km railway line between Douala and Limbe and a 100 km line between Edea and Kribi, two tramways (congested freeways) in Yaounde and Douala as well as a 120-km double-carriage road between Edea and Kribi. In the domain of real estate, student hostels in the universities of Yaounde II, Dschang, Bamenda and Maroua with a capacity of 2,500 beds each as well as 5,000 social housing units each in Yaounde and Douala.

Meanwhile other opportunities exist in the energy sector – construction of wind farms in Mount Bamboutos, hydroelectric plants in Bini à Warak, Njock over Nyong River and Menchum. The agro-food sector has projects such as the construction of warehouses for foodstuffs in Yaounde, Foumbot, Mbouda and Mvangan.

For efficiency in execution, Cameroon has functioning legal and regulatory mechanisms, Support Council for the Realisation of Partnership Contracts (CARPA), instituted in 2006 and lodged in Prime Minister's office. Its function is to rehabilitate public infrastructure and improve the quality of service to the population through the public/private partnership contracts. A Memorandum of Understanding (MoU) template is available while awaiting investors, according to the Minister's release.

Jude Viban

Fokou Bernard to set up a steel processing company in Cameroon

His steel company, "Société les Aciéries du Cameroun" wants to build a steel processing plan to produce iron rods and other metal-finished-products from locally mined iron ore. A Memorandum of Understanding was signed on Friday January 18 in Yaounde with authorities to this effect.

It is an investment of about 30 billion francs CFA with an impact on job creation. The project will create 1,200 jobs. In an effort to encourage the initiative, the country would ease the importation of equipment during the construction phase. "*We also need to reduce the fiscal cost of investment and that is why exoneration is given to the company on equipment imported*," the Minister of Finance, Alamine Ousaman Mey told State radio. Within the first 8 years of production, the company will benefit from fiscal incentives that concern customs and tax exonerations, we learned.

Meanwhile, the General Manager of *Société les Aciéries du Cameroun*, Fokou Bernard said his company will depend on the local iron ore mined by CAMIRON. Following provisions of the Mining Code, 15 % of all minerals mined in Cameroon must be processed locally.

On July 20, 2012, the foundation stone of another steel company, Guff Steel Industries was laid in Ombe in the South West Region. **JV**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