

June 2013 - N° 05

BUSINESS IN CAMEROON

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AGRICULTURE
ENERGY
MINING
INDUSTRY
SERVICES
FINANCE

Fon Amos: *"Providing Financial Services to Poor Community Members is Expensive"*



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IMF Pressures Cameroon to Stop Fuel Subsidies



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ETINDE BLOCK IM-5
**1,050 billion
cubic feet of gas**

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How to Revive the Cocoa and Coffee Sectors?

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IL Y A DU SERVICE DANS L'AIR



La valeur n'attend pas le nombre des années. 3 ans au compteur, un personnel hautement qualifié, des appareils régulièrement révisés, des valeurs, une vision, un sourire, l'étoile du Cameroun est bel et bien lancée sur sa trajectoire. Voyagez sereins, voyagez Camair-co.

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Maiden!



Investors are lining up to court Cameroon. Hardly a week goes by without an investor from this nook or that cranny of the globe coming to knock at its door.

Numerous investors have flown into Cameroon, and our country representatives have also travelled abroad to encourage foreign investment.

On January 29, 2013, President Paul Biya was in France, where he met with members of a cartel of French entrepreneurs who are interested in doing business in Cameroon.

On March 26, 2013, the President was in Ankara and Istanbul at the request of his Turkish counterpart, Abdullah Gül, to sell the country's potential to the world's 14th largest economy.

This is an incredible feat for a country that has faced scathing attacks from journalists, bloggers, and human rights organisations. They have branded Cameroon as a place of corruption and human rights abuses, with little or no effort to first check their facts or verify their outrageous claims.

Hell-bent on hurling rocks at Cameroon, the tales they weave about this peaceful nation are always told with the same angle. Hardly ever have they presented a story that reflects the on-going positive transformation that Cameroon is experiencing.

The truth is that President Biya opted for political reforms in 1990, when multi-party politics were established. The latest milestone in this never-ending quest to see Cameroon rise above its challenges was the election of the first senators on April 14, 2013. International observers confirmed that the elections were free and fair.

A number of mega projects are now under way, especially in the energy sector, the motor of Cameroon's economic growth. Big and small thieves who used to pass for the President's acolytes and dip into the public purse are now in jail. It is time for the media to begin reporting on the story of Cameroon's promising economy.

Jude Viban

BUSINESS IN CAMEROON

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CASTING



PAUL ELUNG CHE



Paul Elung Che, the 45 year-old former General Manager of the Cameroonian Treasury, has been appointed General Manager of the Cameroon Hydrocarbons Prices Stabilization Fund (CSPH). Through a decree signed by President Paul Biya on April 26,

2013, the new GM replaces Ibrahim Talba Mala, who was appointed GM of Cameroon's National Refinery (SONARA) last February.

After a first degree from the University of Yaoundé, Elung Che obtained a master's degree in financial management from Harvard University, USA. He then enrolled at the National School of Magistracy (ENAM) in Yaoundé, and graduated two years later as Inspector of Treasury.

RAPHAEL FUTE



On May 13, 2013, Raphael Fute, the General Manager of the *Compagnie Professionnelle d'Assurances* (CPA) was elected President of the Association of Cameroon Insurance Companies (ASAC) during its general assembly in Yaoundé. He takes over from Martin

Foncha, GM of Colina All Life.

Regarding his vision, Fute said that his team will work hard to restore public confidence in the insurance sector, and he promised that victims of catastrophes would be quickly compensated. *"We will strive to make the insurance market credible in everyone's eyes,"* he stated.

He also promised to improve communication on the sector's activities. *"We have realised that people criticise us because they do not know what we are doing. We are going to communicate more so that people can better understand what we do,"* he said.

Mr Fute's vision is in line with the recommendations of the 37th General Assembly of the Federation of Insurance Companies of Africa (FANAF). During the assembly, FANAF called on insurance companies to simplify compensation procedures for victims of catastrophes and to create guarantee funds for cars.

PIERRE YVES DAMNON



Pierre Yves Damnon, a French national, is the new General Manager of CIMENCAM (*Cimenteries du Cameroun*), the country's only cement producer. Pierre Moukoko Mbonjo, CI-

MENCAM's Chairman of the Board and the Minister of Foreign Affairs, made the nomination effective on April 25, 2013 at the company's Bonaberi factory in Douala. Damnon replaces Ravi Iyer, an Indian who took over from another French national, Jean-Pierre Le Boulicaut, in 2008.

Pierre Yves Damnon started his career in 1982 at Group Lafarge. Before this appointment, he was the General Manager of Lafarge Morocco. He wants to preserve CIMENCAM's position as the leader of Cameroon's cement market. *"There is increasing competition in the cement market in Cameroon. CIMENCAM has been here for 50 years. It is cement from CIMENCAM that built Cameroon, and we want to remain the leader in the sector,"* said the new GM. *"We want all Cameroonians to have access to cement that has been made with passion and the sweat of our brow,"* he added.

CIMENCAM produces about 1.7 million tons of cement per year, but it is facing increasing competition from imported cement. Morocco's CIMAFA and Nigeria's Dangote are two rival companies that produce locally. Group Lafarge is the majority shareholder of CIMENCAM with a 55% stake, while the government of Cameroon holds 43%.

PATRICIA BERTHOLOT



According to the daily *Mutations*, Patricia Bertholot is leaving Cameroon to become the General Manager of Seychelles Breweries Ltd effective May 1st, 2013. After five years as Marketing Manager of Guinness Cameroon SA (Subs of Diageo), she is leaving just as the company

announces that it will start cutting jobs on July 1st.

In February 2010, Bertholot surprised everyone by resigning as Marketing Manager at *Brasseries du Cameroun*, a rival of Guinness Cameroon, where she took up the same job.

Patricia Bertholot loves the marketing world. *"It is a world that has rules, but of course, it is also about creativity. It is a dynamic world where you have to constantly reinvent yourself,"* she told an online journal, *Comnews*, in an interview.

Seychelles Breweries Ltd is one of Seychelles' largest companies. Founded in 1983, it sells an average of 580,000 litres of beer and 800,000 litres of soft drinks per month, according to Seychelles' *Business Nation*.

Fon Amos: Why Providing Financial Services to Poor Community Members is Expensive in Cameroon

Cameroon's micro-finance sector is growing, but there is a mission drift. Fon Amos shared with us his thoughts about possible solutions. With over 25 years of experience, he is currently a Management and Development Consultant at the Centre for Microfinance and Micro-Enterprise Development (CEMMED). He is also a pioneer in micro-finance as a Head of Department at the Catholic University of Cameroon (CATUC) in Bamenda.

Business in Cameroon: What is your assessment of the micro-finance sector in Cameroon, particularly in the North-West, where you are based?

Fon Amos: Micro-finance is growing in Cameroon, in the CEMAC region, and in the North-West Region of Cameroon. This is where it originated way back in the 1960s, when credit unions were started in Njinikom and Kikakelahki, in Kumbo. Yet the situation regarding the access of poor people to financing is not encouraging, to say the least. Overall, we could count about a 1,000 micro-finance institutions in Cameroon, but it is unlikely that they serve more than 500,000 customers. One report that I read in 2008 said that less than 500,000 customers belong to micro-finance institutions. The penetration rate in Cameroon is less than 3%, which means that less than 3% of Cameroonians have access to formal

financial services, banks and micro-finance combined. This means that less than 1.8 million people in Cameroon have access to finance or have bank accounts. There is therefore a big gap to be filled. Access

“Most of the people who work in micro-finance institutions read books about banking, finance, and accounting. When they come to our classes, they are often hearing about the principles of micro-finance for the very first time.”

to credit, savings, and remittances goes a long way in improving the standard of living and decelerating the poverty alienation process. Not enough people have access to credit.

BIC: Can we say that there has been a mission drift? What accounts for the lack of access to credit by many Cameroonians?

FA: Micro-finance was initially intended as a way to provide financial services, savings, loans, and money transfers for the poorer segments

of society, as a way to help them increase their earnings and create small businesses. Instead of serving the poor, most micro-finance institutions today serve people who already have access to financial services. For example, some will open to pay salaries, which means that customers are already working somewhere; the institution is only facilitating the transfer or movement of this money. You also discover that most financial and micro-finance institutions try to set up offices in the main streets of our major cities, rather than moving back to our villages, where they could provide financial services to communities where services do not exist. You will realise of course that providing financial services to poor community members is expensive: it costs more to give out so many little loans. Seeking to avoid this, institutions that want to become viable drift towards the places where it will be easier to deliver services without incurring too many costs. I agree that there has been a mission drift.

BIC: Your institution trains people in micro-finance. Is this a way to say that current micro-finance operators are not trained?

FA: The answer to that question is a categorical “yes”. Micro-finance is financial intermediation with a dual mission: one financial, the other social. To be able to deliver financial services with a social mission, operators need to have back-

ground training in development tools. If people are trained in conventional banking but are delivering micro-finance, something will be missing. They will not be able to understand that regardless of everything else they might do, they must consciously try to serve the poor community, despite the challenges. If people do not have this background, they will inadvertently do what is easier, i.e., they will serve the community's rich people. In reality, it is a misperception to believe that this is easier. If you go back to Muhammed Yunus' Grameen Bank, the recovery rate on loans that were granted without collateral was around 98%, and the

"If micro-finance was promoted and it was allowed to play its role, institutions would be able to deliver many small loans to small entrepreneurs, who would then create jobs."

rate of default was just 2%. We are giving our trainees the appropriate tools they need to run a micro-finance institution. I think that people do the wrong thing because they do not know how to do otherwise, not because this is what they set out to do. Most of the people who work in micro-finance institutions read books about banking, finance, and accounting. When they come to our classes, they are often hearing about the principles of micro-finance for the very first time. With our target of training 500 people in micro-financing, I truly hope that we will change many things in the industry.

BIC: What role does government need to play so that micro-finance

can achieve its poverty alleviation mission?

FA: When building inclusive financial systems, there are three major players. At the macro level, there is the government, which provides legislation, regulation, and supervision. It must provide an enabling environment for micro-finance to thrive: this means ensuring the existence of appropriate legislation and adequate supervision, as well as providing the regulatory structures that ensure that members' deposits are protected. In short, the government ensures that the players are doing their work well, but it does not get directly involved as a deposit taker or a loan granter.

BIC: What is the next level?

FA: The next level is about providing infrastructure, auditing, ratings, supervision, and capacity building. This is the role my institution, CEMMED, is playing. I can assure you that there are not many similar institutions in Cameroon, yet they are quite important. These are the institutions that help to translate government policy into micro-level institutions, which actually deliver the products and services.

BIC: The government is involved in micro-finance in several ways. What do you think of programs like PIASSI, which are actually micro-financial in nature?

FA: The government has a number of loan schemes within the financial system. I think that the government's direct involvement in the delivery of credit has never been successful. This is not only the case of Cameroon; just have a look at the cases of FONADER and FOGAPE. The government comes in with distorted loan schemes and certain kinds of rates that people rush to take advantage of, but they never come back to pay. People use the money to pay other institutions, and never pay the state. Most government loans have very high default rates because people consider them as some kind of gift. Sometimes, people take out a gov-



ernment loan and later refuse to pay; they claim that the loan was given to encourage them to vote for this or that. If the government has good loans and other things to offer, it could use these measures to strengthen existing micro-finance institutions. This could be done by providing them with appropriate equipment and the right kind of training to ensure their sustainability over the longer term. The government should not be involved in direct lending.

BIC: What is the importance of micro-finance in getting most Cameroonians out of poverty?

FA: In Cameroon, most people are in the middle class. These people can move the economy forward by creating small businesses. With a population of about 19 million people and a working population



of about 12 million, only 200,000 work in the public service. Where are the other 11.8 million people working? If micro-finance was promoted and it was allowed to play its role, institutions would be able to deliver many small loans to small entrepreneurs, who would then create jobs, say between one and twenty. This would get many people out of unemployment and have a positive spiral effect.

BIC: Where will micro-finance be in Cameroon in the next ten or twenty years?

FA: There are enormous challenges. I am glad that the government is taking an interest in the sector. The growth and employment strategy paper talks about fostering the development of micro-finance. The government is talking about training and capacity building,

which means that it recognises that training is necessary if we want micro-finance to move forward. This training has to be done at all levels. Even parliamentarians should take it: they need to know about micro-finance before they can legislate it. I think that the sector can grow if the proper regulation is adopted to provide an enabling environment. It will be a telling sign when the government begins offering micro-finance at the degree level and in HND programmes. The Catholic University of Cameroon-Bamenda is currently offering micro-finance at the bachelor degree level. The chances of growth are there if all of this is put in place.

BIC: What does the CEMMED do, specifically?

FA: CEMMED is the Centre for Microfinance and Micro-Enterprise

Fon Amos
Management and
Development
Consultant
at the
CEMMED

Development. In fact, the name says it all! We train people who are already working in micro-finance. We do this with an association in the UK, and in partnership with Maconi University in Italy. We also offer training on small business management. Recently, we partnered with the National Employment Fund (NEF) to train the people who will be giving loans to do poultry farming and other forms of farming. We also offer customised training, for example if an institution in difficulty needs some basic training in business planning or human resources management. For example, if you run a business and are facing difficulties, we can come in to do an assessment and see how we can help put your business back on track.

Interviewed by Jude Viban

IMF Pressures Cameroon to Stop Fuel Subsidies



Mario De Zamaroczy, the leader of the delegation from the International Monetary Fund (IMF), claimed that Cameroon will have to stop subsidising fuel. “Cameroon needs to explain to its citizens the need for these reforms,” he said during a debate entitled “Energy Subsidies: Cameroon and International Experiences” in Yaoundé on May 13, 2013.

Subsidies hit an all-time high in 2013, representing between 3.5% and 4% of Gross Domestic Product (GDP). According to Mr De Zamaroczy, Cameroon needs to “make certain choices to succeed in these reforms.” The Minister of Finance (Alamine Ousmane Mey), leaders of transporters’ trade unions, and civil society representatives also participated in the debate.

If the government did not subsidise petrol, a litre would cost 820 francs CFA instead of the current price of 569 francs CFA at gas stations.

Subsidies on a litre of petrol jumped from 47 francs CFA in January 2010 to 260 francs CFA in January 2013.

According to Ibrahim Talba Malla, the General Manager of Cameroon’s sole refinery (SONARA), his corporation receives only 20% of fuel subsidies, so consumers benefit the most.

In his view, the problem is acute because Cameroon refines only 20% of its crude oil. But this figure could go up once on-going expansion work is completed. This will also improve the country’s balance of payments.

Since 2008, Cameroon has been subsidising petrol, gasoil, and kerosene. Subsidies cost the state 944 billion francs CFA between 2009 and 2013, which is about 7.3% of the country’s GDP, indicated the IMF.

JM

CFAF 6 Billion in German Aid Left Untouched by Cameroon



During an evaluation meeting on May 6, 2013 in Yaoundé, it was revealed that 6.21 billion francs CFA of aid from Germany was left unspent between 2006 and 2008.

According to the head of the German delegation, Susanne Schnöeder, the meeting aimed to assess the progress made to date in the implementation of projects and programmes, and to make proposals for the future.

Emmanuel Nganou Djoumessi, the Minister of Economy, Planning and Regional Development who also represented the government, indicated a number of priority areas in which Germany could help Cameroon between 2014 and 2016. Germany has already provided aid for decentralization, local development, and governance through programs worth about 54 billion francs CFA in the 2011-2013 period.

Sitrafer Workers Strike over Unpaid Salaries

On May 6, 2013, a few short days after Labour Day celebrations, the workers of Sitrafer, a railway maintenance company, prevented a train from Ngaoundéré from docking in Yaoundé. They demanded six months' worth of unpaid salaries from their employer.

The workers say that Sitrafer has failed to respect the commitments it took during a meeting with strikers in January 2013.

The Cameroon Railway Company (CAMRAIL) claims that it has respected the terms of its contract with Sitrafer. In a communiqué, it declares that it paid 215 million francs CFA to Sitrafer for work done in early 2012, as well as 1 billion CFA over the course of 2012.

The angry workers are calling for the dismissal of Sitrafer's General Manager, Jacques Bimai.

On May 6, Bimai told the French daily *Le Messenger* by telephone that his company owes two and a half months of salaries – not the six claimed by the workers. As he explained, the company is experiencing a crisis due to a reduction in revenues from 1.8 billion to 800 million francs CFA. According to him, the problems have become serious since the company has to pay its workers.

According to reports, the Minister of Transport, Robert Nkili, chaired a crisis meeting with all the stakeholders on May 7, 2013.

JV



SMEs Represent Only 36% of Cameroon's Market

Although they constitute 99% of businesses in Cameroon, the market share of SMEs is only 36.1%, compared to 68.9% for big business. Laurent Serge Etoundi Ngoa, the Minister of Small and Medium Businesses, made the announcement during the SME National Day in Douala, reported *Le Quotidien de l'Economie* of May 8, 2013.

SMEs are facing several difficulties, the most important of which is access to funds. A prime ministerial decision stipulates that 30% of public contracts should be awarded to SMEs, but it is not being applied. The SME Bank, the Deposits Guarantee Fund, and the Agency for the Promotion of SMEs are some of the government's efforts to promote SMEs.

Laurent Serge Etoundi Ngoa, the Minister of Small and Medium Businesses



NHC Confirms Discovery of Condensate and Gas in Etinde Block



Authorities are now waiting for investors to exploit the field. *“Along with our upstream stakeholders, we look forward to investing in the field’s exploration, with the aim of increasing national oil and gas production and to actively participate in increasing the energy supply in Cameroon.”*

According to Euroil, this discovery makes Cameroon *“ideally positioned to supply the fertiliser plant that will be built by Germany, as well as other potential end-users.”*

Echoing the sentiment, Kevin Hart, the Chief Executive Officer for Bowleven Plc, which is Euroil’s holding company, claimed that the discovery is a major boost to kick-start the Ferrostaal fertiliser plant.

On May 22, 2013, an agreement regarding gas supply for the fertiliser plant was signed between NHC, Euroil, and Ferrostaal GmbH in Yaoundé.

Jude Viban

In a joint statement, Adolphe Moudiki, the Executive General Manager of Cameroon’s National Hydrocarbons Corporation (NHC), and Chief Tabetando, the Executive Chairman of Euroil Limited, confirmed the discovery of condensate and gas in the Etinde block.

The discovery was made after an IM-5 well that reached 3,430 meters in depth was drilled in 56 meters of water between September 18, 2012 and March 5, 2013.

The production test that was performed from March 17 to April 21, 2013 revealed that the block, which is located in the Rio Dey Basin of Cameroon, contains 60 million cubic feet of gas and 7,819 barrels of condensate per day, indicated the communiqué.

The communiqué indicates that the Etinde Block is estimated at 155 million barrels of condensate and 1,050 billion cubic feet of gas.

Reacting to the discovery, Mr Moudiki said that his corporation was pleased with the positive results of the IM-5 well.

OiLibya Wants to Increase the Distribution of its Cooking Gas



The fight to control the cooking gas market in Cameroon continues. OiLibya, which is trying to increase the distribution of its domestic gas, has issued a communiqué to recruit distributors, wholesalers, and retailers who want to partner with it to distribute its gas across the country.

To this end, OiLibya has separated the national territory into dif-

ferent distribution zones for its dark red canisters: Douala-Buea, Yaoundé-Ebolowa, Garoua-Maroua, and Bertoua-Ngaoundéré. In the gas distribution sector, only 6% of the country is currently covered.

According to the communiqué, May 21 was the deadline for potential partners to apply.

Ferrostaal Signs a Gas Supply Agreement with Euroil and NHC for its Giant Fertiliser Plant in Limbe



On May 22, 2013, the German company Ferrostaal GmBH, Bowleven, and the state-run National Hydrocarbons Company of Cameroon (NHC) signed an agreement regarding the supply of gas for a fertiliser plant that Ferrostaal will soon build in the seaside town of Limbe, Cameroon.

Said to be Germany's biggest current investment in sub-Saharan Africa, the fertiliser plant will cost most than 2.5 billion dollars (1.250 billion francs CFA), although Ferrostaal evaluates the cost at 1.5 billion dollars (760 billion francs CFA).

The plant will be powered by natural gas. Fortunately, the NHC

announced on May 17 that it had discovered gas fields of over 1,050 billion cubic feet. The plant is expected to consume most of it.

Previously, on October 13, 2011, NHC had signed an agreement with Ferrostaal authorising it to conduct a nine-month feasibility study on the project, a joint statement by NHC and Ferrostaal recalled.

Production from the agrochemical plant is projected to be 600,000 metric tons of ammonia and 700,000 metric tons of urea per year. The output will be used for local consumption and exported within the Central African sub-region.

The demand for fertiliser from cocoa, coffee, and other cash and food crop producers in Cameroon and in the sub-region remains high.

According to data from the Ministry of Agriculture and Rural Development, Cameroon imported over 148,735 tons of fertiliser in 2010, even though annual demand stands at 450,000 tons per annum.

Jude Vibon

Total Cameroun, a French Multinational, Lost 2.5% of its Market Share in 2012



Total Cameroun, a French multinational company in the hydrocarbon product distribution sector, saw its market share drop by 2.5% in 2012, according to *Le Quotidien de l'Economie* of April 25, 2013.

"Last year, Total Cameroun lost about 2.5% of its market share to rival companies," Total Cameroun's General Manager, Jean Pierre Battermann, revealed to the daily newspaper.

He added that the market share of new hydrocarbon product distributors, such as OiLibya and Tradex, increased from 5% to about 20% in the past year.

To fight this competition, *"we have decided to put in place a policy of opening new gas stations,"* the GM announced.

According to the paper, Jean Pierre Battermann was speaking after the company's annual board meeting in Douala on April 24, 2013. It added that Total Cameroun, a public company, made 13.2 billion francs CFA in profits in 2012.

Rolling Blackouts and Power Cuts Are Main Obstacles to Business Growth in Cameroon



A study conducted by the International Labour Organization (ILO) with 501 companies concluded that power cuts are causing major problems for businesses in Cameroon.

The survey covered all the economic sectors (i.e., primary, secondary, and tertiary), as well as small, medium, and large businesses. It was conducted in 2012 at the request of the Cartel of Cameroonian Businesspersons (GICAM). Out of a sample of 800 companies, 501 responded to the survey and identified 15 business constraints.

Unlike previous GICAM or World Bank studies on the business climate in Cameroon, this one showed that

power cuts and rolling blackouts (also known as load shedding) are the main obstacles to business growth.

In addition to power problems, the study listed the other issues that weaken the business climate: red tape, unfair competition, lack of access to financing, direct and indirect taxation, crime and insecurity, corruption, regulations and tariffs, the poor governance of the private sector, dysfunctions in the justice system, environmental issues, access to land, and social security issues.

The study's findings were presented by Mario Bemos, the head of the ILO's Business Department in Geneva, during a workshop hosted by GICAM at its headquarters in Douala on May 10, 2013. Bemos noted that blackouts and power cuts had significant costs on businesses, and that their impact on all of them was the same, regardless of their size. However, other problems affect companies of different size in different ways. *"For medium and large businesses, unfair competition is the second most important obstacle. Yet for small businesses, power outages are at the top of the list, followed by the lack of access to financing,"* he explained.

Govind Group Plans to Build Pipeline to Cut Fuel Transportation Costs in Cameroon



of their size. However, other problems affect companies of different size in different ways. *"For medium and large businesses, unfair competition is the second most important obstacle. Yet for small businesses, power outages are at the top of the list, followed by the lack of access to financing,"* he explained.

Cocoa Agreement Now Binds Cameroon and Europe

A partnership agreement between Cameroonian cocoa producers and the European Cocoa Association (ECA) was signed in Yaoundé on May 24, 2013. The agreement, which associates the Cocoa and Coffee Interprofessional Board (CCIB) and European industries, pertains to information exchange and organisation, and aims to create a brighter future for the cocoa industry.

Yet according to Luc Magloire Mbarga Atangana, the Minister of Trade (MIN-COMMERCE) who presided over the ceremony, Cameroonians should not expect that foreigners will improve the quality of their products.

"It was recognised that our cocoa is in good shape. There is certainly room for improvement, but the solutions to our problems must be home-grown. We must not wait for our buyers to come to us be-



Luc Magloire Mbarga Atangana, the Minister of Trade

fore we decide to act," said the Minister. These solutions include good agricultural post-harvest practices, which are disseminated daily. The Ministry also encouraged local processors to move to another level, so that Cameroon no lon-

ger has to depend on European industries, which are not always willing to sell their best finished products to others.

For Apollinaire Ngwe, the Chairman of the CCIB, all of the 468 producers who were present at the signing event understand the merits of not mixing cocoa in order to avoid changing the taste of the chocolate that is produced by manufacturers.

"We appreciate Cameroonian cocoa and the efforts that are being made to make it better. We want to encourage these initiatives and help where we can," said Isabelle Adam, Secretary-General of the ECA.

However, she also insisted on the market requirements of European consumers. In this regard, she announced that a laboratory for the analysis of pesticide residues will be set up in Cameroon.

Nestle To Open a CFAF 20 Billion Coffee Processing Plant in Cameroon

Nestle-Cameroon's Chief Executive Officer, Bruno Olierhok, said that the company will begin constructing a new processing plant in August 2013. The factory will have the capacity to grind 20,000 tons of beans per year, Olierhok told state radio, CRTV.

The processed coffee will initially be marketed domestically, but the company will eventually supply what it

describes to be a growing regional coffee market.

"Nestle wants to put affordable coffee within the reach of Cameroonian consumers and create jobs," said Olierhok.

This factory will join the one that is owned by the Central Union of Agricultural Cooperatives in the West (UCCAO-CAMEROUN) in western Cameroon.



CFAF 72 Billion to Revive Cocoa and Coffee Sectors

CDS Private Equity Limited, a member of the New Zealand Banking Group, will inject funds for the recovery of the cocoa and coffee sectors in Cameroon. The funding that CDS is preparing to release consists of a direct loan of 80 million euros (about 52.47 billion francs CFA) and a credit line of 30 million euros (about 19.7 billion francs CFA), for a total of 72.17 billion francs CFA.

On April 29, 2013, Daniel Mark Simon, the CEO of CDS, and Emmanuel Nganou Djoumessi, the Minister of Economy, Planning and Regional Planning (MINEPAT), signed two financial agreements in Yaoundé. The event was attended by Essimi Menye, the Minister of Agriculture and Rural Development, and Michael Ndoping, the CEO of the National Cocoa and Coffee Board (NCCB).

The NCCB will use these funds to finance the cocoa and coffee projects that were listed in the 2002 stimulus package. *"We will ensure that the funds are used wisely so that these two sectors can reclaim their role as providers of foreign exchange and employers in rural areas,"* said Michael Ndoping. The money will be directed towards research, production, marketing, and processing. *"This is a sequence that must be developed in a coherent way if we want tangible results,"* the CEO added.

These funds come at a time when the government's equity is insufficient to implement the recovery plan and achieve its desired objectives, which are to increase production, improve the quality of the crops for export, and position the

Cameroonian brand on the international market.

Cocoa and coffee account for about 3% of Gross Domestic Product (GDP) and 15% of Cameroon's primary sector GDP. Between 2005 and 2010, updated exports and Free On Board (FOB) figures show that total production for these two crops increased from 180,413 to 227,082 tons.



Groupe Ferrero to Build CFAF 9.8 Billion Chocolate Factory in South West Cameroon

On May 8, the world's fourth largest chocolate manufacturer, Ferrero, announced that it will build a factory worth 9.8 billion francs CFA to transform cocoa beans, reported *Le Quotidien de l'Economie* of May 9, 2013. Ferrero made the statement during a working visit between Italian investors and Emmanuel Nganou Djoumessi, the Minister of Economy, Planning and Regional Development.

The factory, which will create 250 jobs, will be the second after the one in Yaoundé, which currently employs 200 Cameroonians.

According to Ferrero's boss, Michele Ferrero, the factory will transform cocoa beans as well as tea, coffee, groundnuts, sugar cane, coconuts, and tropical fruits.

Expected to occupy six hectares, the Industrial Zone Management Authority (MAGZI) will have to find an appropriate parcel of land for the factory.



Cameroon Increases Yield Capacity of Cassava Seedlings to 35 Tons/Hectare

Abwui Kpwem, Abeng-Ngon, and Nkoh Mezui are the three high-yielding and pest-resistant varieties of cassava that are being reproduced in a ten-hectare demonstration farm in the Mafou and Akono Divisions, Centre Region.

"It is estimated that these varieties will yield between 19 and 35 tons per hectare, compared to local cassava that usually produces 8," explained Samuel Nanga Nanga, an agronomist.

Created in 2012, the farm is a gift from the International Fund for Agricultural Development (IFAD) and Cameroon's National Development Program for Roots and Tubers (PNDRT).

Since 2005, the two institutions have been working on these varieties of cassava, supported by technical assistance from the International Institute of Tropical Agriculture (IITA) and the Institute

of Agricultural Research for Development (IRAD).

A statement by the Ministry of Agriculture and Rural Development (MINADER) stated that the cassava varieties are suited to the country's ecological zones.

About 80% of Cameroonian households consume cassava on a daily basis. A 2010 study by Plant Foods for Human Nutrition suggests however that cassava is a risk factor for inadequate vitamin A, zinc, and/or iron intake.

Currently, cassava production in Cameroon is estimated at 2.5 million tons per year. Most of it is turned into flour, while the rest is fermented to make liquor, feed animals, and increasingly, produce biofuel (ethanol), indicated IRIN news.

During a visit to the farm on May 15, 2013, Essimi Menye, the Minister of



About 80% of Cameroonian households consume cassava on a daily basis

Agriculture and Rural Development at MINADER, stated that Cameroon aims to establish a cassava transformation industry and that it needs to increase its production of the crop.

221,000 Tons of Cotton Harvested This Season



This year's farming season, which ended on May 15, has yielded over 221,000 tons of cotton, Ousmane Ousmaté, the President of the National Cotton Cartel of Producers (CNPCC), told *Le Quotidien de l'Economie* on May 3, 2013. At this time last year, the harvest stood at only 180,000 tons.

According to the CNPCC, production could have been even higher had it not been for the bad roads in some production basins that force farmers to sell their crops to neighbouring Nigeria. Projected at 240,000 tons, seasonal production was also hampered by heavy rains that swept through the three

northern regions, destroying crops. Even though the price of cotton has increased from 240 to 275 francs CFA per kg, the cotton agro-industry (SODECOTON) recently announced that it lost 2 billion francs CFA because farmers are selling their cotton to Nigeria.

IRAD to Benefit from Argentina's Experience in Livestock to Bridge the Beef Supply Gap



IRAD headquarters

Cameroon's Institute of Agricultural Research for Development (IRAD) wants to implement Argentina's technologies in livestock production to cut the 50,000 metric ton supply gap in the beef market that is forcing the government to import.

Marie Del Carmen led a six-person delegation from Argentina to IRAD in the first second week of May. She promised to sign accords with the Agriculture and Rural Development Ministry in the near future.

IRAD counts 188 researchers who are spread across 11 large laboratories and 24 smaller ones. It has developed different varieties of food and cash crops, including 14 varieties of maize, eight of cassava, eight of cocoa, five of coffee, and four of Irish potatoes.

According to IRAD's General Manager, Woin Noé, varieties of fruit trees like plum, pear, mango, and citrus have also been developed.

JM

CFAF 530 Million to Double Fish Output in the Adamawa Region

With the Agropole programme and SOCOPAM (a federation of fish farmers in Bankim, Adamawa Region), the government has put together 530 million francs CFA to increase fish output from 453.6 metric tons per year to 1,814 tons, indicates the state-owned daily, *The Cameroon Tribune*.

Agropole will provide 225 million francs CFA to be used for the purchase of fishing equipment, the rehabilitation of a cool store, the creation of a fish-rearing cage at the Mapé dam, the construction of an 11 km road from Bankim to Biamo, and the building of a fish centre, a wharf, and a borehole at Biamo village (a fish farming locality).

Thanks to a local micro-finance institution, Rural Investment Credit, the federation raised 305 million francs CFA as counterpart financing.

Reports say that the fish harvested in the Mbam and Mapé rivers by over 10,000 fish farmers are sold in the West, North West, Centre, and Adamawa regions, as well as in Nigeria.

Through the Agropole program, the government of Cameroon supports a beneficiary organisation in a funds matching scheme. Bankim is benefiting from this initiative after previous programs in Bomono (Littoral Region) and Kribi (South Region).

Tobacco Industry: FPTC under a Caretaker Administration

Essimi Menye, the Minister of Agriculture and Rural Development, has appointed Jean Marc Sambha'a, a retired agronomist, to serve as a provisional administrator to manage the Federation of Cameroonian Tobacco Producers and Growers of Other Agricultural Food Crops (FPTC) in the east of the country.

On May 4, 2013, Essimi Menye ordered the Senior Divisional Officer (SDO) of Lom and Djérem to seal the cooperative's doors.

According to state TV (CRTV), Essimi Menye took the decision because of the incompetence of the cooperative's leaders and the persistent problems that have crippled the sector's growth in the eastern region.

"I suspended the managers of FPTC simply because the Vice Chairman of the Board and the General Manager do not seem to know the regulations that govern their cooperative. I will appoint a provisional administrator next Monday [May 6, 2013] to prevent disorder from setting in, to improve the FPTC, and to give hope to thousands of growers in the region," the Minister told CRTV.

According to Nicolas Beti, the former Chairman of the FPTC, the problem of eastern tobacco farmers began with a 150 million francs CFA grant that was made in 2010. *"No tobacco grower has seen a penny of it,"* he deplored.

Meanwhile, Jérémie Gorké Gbabo, the suspended General Manager who took over from Hubert Jean Kellé in February 2012, failed to attend the meeting the Minister organised on May 4, 2013.

Created on January 13, 1997 as the *Société Camerounaise de Tabac* (SCT), FPTC took on its current name in 2009.

JV

Cameroon Exhibits in Algeria



Algiers, harbor and Belouizdad neighborhood

Cameroon's Economic and Trade Days (ETDs) were held at the exhibition palace in Algiers from May 29 to June 3, 2013. The event was part of the International Trade Fair of Algiers (FIA), which hosted Cameroon as an honorary guest.

In the communiqué, Luc Magloire Mbarga Atangana, the Minister of Trade, encouraged Cameroonian entrepreneurs to seize the opportunity to create contacts with Algerian businesspersons. The government planned to organise the transportation of the products that would be exhibited.

Since 2008, only Nigeria has hosted ETDs. They were first held in Calabar

(Nigeria) to celebrate the signing of the Green Tree peace accord between Cameroon and Nigeria, and to kick start the resumption of trade between the two countries.

"In 2010, it was Port Harcourt's turn to welcome ETDs (September 13-17, 2010), and then Kano's (November 21-24, 2010)," according to an official statement by Cameroon's Ministry of Trade.

In 2010, ETDs had been scheduled in Bata (Equatorial Guinea) and Libreville (Gabon), but according to authorities, *"they did not take place due to constraints on the political calendar of the two countries concerned."*

Authorities Order Destruction of 7,000 Tons of Imported Burmese Rice



Burmese Rice Fields

On May 17, 2013, Essimi Menye, the Minister of Agriculture and Rural Development, ordered the destruction of imported rice

from Myanmar (Burma). It had been seized on May 9 at the port of Douala on the grounds that it posed pest risks.

Alerted, a team of inspectors from a local laboratory were despatched to the vessel that carried the rice. They found traces of contamination, and were then able to localise the consignment.

Essimi Menye had requested the services of three laboratories in Douala: the University of Douala, Scienti-Labo, and SGS. Results from all three concluded that the rice, which was imported by Socia Sarl, was unfit for consumption. Indeed, it contained sodium chloride, high levels of acid, and traces of heavy metals.

Reports say that the rice became contaminated during transportation because of the vessel's defective ventilation system.

JV

Herakles Farms Suspends its Activities in Cameroon

On May 18, 2013, Herakles Farms, which is also known as SG-SOC, announced that it had suspended its operations in Cameroon in response to an order from the Ministry of Forestry and Wildlife (MIN-FOF).

The order asked that Herakles cease its operations at its nursery in Talangaye village, South-West Cameroon, for an unspecified period of time. In a statement, the company claimed that it is *"diligently working with government officials to resolve the matter as quickly as possible."* Earlier, SG-SOC had ignored an in-

junction by a MINFOF control mission to suspend the work it had started without an exploitation license.



The company, which employs 690 people, had planned to plant 73,036 hectares of palm trees, but individuals from local villages and civil society criticised the project for its environmental impact.

On September 17, 2009, SG-SOC had signed a contract with Cameroon to open a large palm oil plantation and a refinery in the South-West Region.

Herakles Farms estimates that it has already invested 350 million dollars (175 billion francs CFA) in the project.

Jude Viban

Garoua to Become Cameroon's Third International Airport



Departure entry and Arrival exit of Garoua Airport

In a press conference in Garoua on May 15, 2013, Robert Nkili, the Minister of Transport, announced that international flights will soon leave from Garoua. Currently, Cameroon has only two international airports: Douala and Yaoundé Nsimalen.

"Negotiations with a good number of airlines are on-going, and I can assure you that some of them will soon leave for or arrive from Europe and Asia," Nkili claimed on state radio, CRTV, after checking up on the renovations at Garoua's airport terminal.

Pilgrims to Saudi Arabia (Hadji) regularly faced difficulties when leaving from Garoua Airport. Cameroon's three Northern regions are predominantly Muslim.

The airport was an eye sore. According to Thomas Owona Assoumou, the General Manager of Cameroon Airports Company (ADC), the degradation began two years ago. Eventually, the airport became covered in pools of water, and the top of the hallways were blown off. The GM claims that thanks to the government's initiative, 3 billion francs CFA were spent to build the airport's new 426-ton roof, which is made of hot-

dipped galvanised steel and is guaranteed for 100 years.

Garoua has a tropical climate, and the airport's air conditioning system is currently being installed, indicated Owona Assoumou.

The GM also announced that his company has injected billions in the last two years to acquire luggage management equipment, and to rehabilitate the toilets and the runway.

As for Maroua Airport, the Minister of Transport said that Turkish Airlines is longer using it, and that it will become an international airport this year. Regarding Ngaoundéré, he said that the airport will become operational this July, as soon as the renovations are complete.

Nkili also announced that the national carrier, Camair-Co, will soon acquire two Boeing 787 Dreamliners to reinforce its fleet. He said that the process to purchase two small-capacity MA60 planes from China is nearing conclusion, and that the MA60 that China gave Cameroon earlier was offered to the Military. Camair-Co has two Boeing 737s to serve regional routes, he added.

Aero Contractors on Douala Tarmac as of May 27



Aero, a state-owned Nigerian aviation company, announced that it will begin flying between the two main economic hubs of Nigeria and Cameroon – Lagos and Douala – as of May 27, 2013.

Flights will be offered on Mondays, Wednesdays, and Fridays, according to the airline's Accounting Officer, Capt. Russell Lee Foon.

"The launch of this new route is part of our strategy of focusing on operations in Africa, which is a key growth area. It is also aligned with our regional expansion programme," Capt. Foon said on May 23 in Lagos.

Nigeria's second largest airline also plans to inaugurate new flights to Libreville (Gabon), Monrovia (Liberia), Freetown (Sierra Leone), and Brazzaville (Congo) before the end of the year, he added.

Cameroon Shipyard Signs Two MOUs to Restore Past Glory



According to a communiqué issued by Cameroon Shipyard and Industrial Engineering Ltd (CNIC), the company has signed two memorandums of

understanding (MOUs) with foreign companies to help revive what used to be the flagship of Cameroon's industrial sector.

The first MOU was signed on October 30, 2012 with a South Korean company called Khan Co. Ltd, a leader in offshore and oil engineering. The second was signed on February 1, 2013 with three other South Korean companies: the Posco Group, Sungjin Geotec Ltd (SGT), and Daewoo International Corporation (DWIC).

According to the MOUs, CNIC will provide *"construction facilities and manpower to execute the projects within its production capacity,"* explained the communiqué that was published

in the government-run bilingual daily, *The Cameroon Tribune*.

Among other commitments, SGT will train CNIC's design engineers, technicians, and workers, and it will also canvass customers worldwide on behalf of Cameroon Shipyard. DWIC will coordinate the activities between the parties.

The MOUs are valid for three years from the date of execution, and they can be extended through a written agreement between the parties.

After five months in office, this is the first major accomplishment of the CNIC's Korean-born General Manager, Seoung Rok Yang.

Cameroon Wants To Build 50 Bridges All Over the Ten Regions

According to a communiqué signed on May 6, 2013 by Abba Sadou, the Minister at the President's Office in charge of public contracts, the Government of Cameroon has launched a national tender for geotechnical studies for the construction of 50 bridges on the national road network. The project covers the country's ten regions and will be funded by the Ministry of Public Works (MINTP).

For example, in the Adamawa Region, a bridge connecting Foumban, Tibati, and Ngaoundéré will be built over the Mayo-Nyawa River. In the North, there will be a bridge over the Mayo Sasseke River on the stretch between Poli and Fignole. In the Far North, another bridge will be built on the Douroum-Ouazzang-Massakal road.



Inauguration of the renewal of the bridge "Pont de l'enfance"

In the East, a bridge is planned over the Mbangue River in order to connect Yokadouma and Mouloundou (between Ngato and Mikel). As for the new and old Ngato roads, a 24-meter bridge will be built over the Lobeke River.

In Southern Cameroon, the communiqué indicates that several bridges are planned. For example, over the Mboua River (in the Mvila, Dja, and Lobo divisions), a bridge will link Olounou Ov-

eng at the border with Gabon and other towns.

As for the Centre Region, Bot Makak, Mandjack, and Nguibassal will be connected by a bridge over the Lobeke River.

In the Littoral Region, three bridges will be built over the Maouwa, Dihep, and Bemele Rivers, while in the West, two bridges are planned over the Nkam and Mfu Rivers.

Yaoundé-Douala Motorway: Green Light for the First 10 km



On May 17, 2013, the steering and follow-up committees endorsed the detailed plan proposed by the China First Highway Engineering Company (CFHEC) for the first 10 km of the Yaoundé-Douala motorway.

According to Daniel Aboua Tiba, the General Manager of CFHEC, the Board of Governors will first visit the site and evaluate the properties that must be destroyed. It will then take two months for

the company to begin bulldozing and clearing out the forest. Geo-technical studies will then determine the soil composition of the land on this part of the highway.

Heralded as an important project, the government borrowed 241 billion francs CFA from Eximbank China to finance the first phase. It also contributed 10 billion francs CFA as counterpart funding.

Malaysian Company to Build Two Hydroelectric Dams in Cameroon



Kuala Lumpur, Malaysia

On April 26, 2013, a memorandum of understanding (MOU) was signed in Yaoundé between the Minister of Water and Energy, Basile Atangana Kouna, and the Chief Executive Officer of Asia Pacific Wing, Anam Bin Awang, reported *The Cameroon Tribune*, the state-owned bilingual daily.

The MOUs deal with the construction of a hydroelectric dam on the Maner River in Bakassi, South West Region. The dam is expected to produce between 5 and 8 MW of energy. Reports say that the energy will be used to feed Pamoil's mills (a palm oil agro-industry business) in Ekondo Titi, close to Bakassi. Pamoil is currently opening new palm farms in Bakassi.

The other dam will be built on the Njock River, located near Eséka in the Centre Region. It will have a capacity of 120 MW.

The Bakassi dam will cost 120 billion francs CFA, while the Njock dam will cost 160 billion francs CFA. Construction is expected to take between three and five years.

CFAF 195 Million for a Posts and Telecommunications Hotel in Maroua



A view of Maroua

On May 3, 2013, Jean-Pierre Biyiti bi Essam, the Minister of Posts and Telecommunications, announced the construction of a hotel in Maroua, his department's headquarters in the Far North Region. The hotel was already planned for in the budget.

He was representing the Prime Minister, Philemon Yang, at a ceremony to officially receive 3,200 km of fibre optic cables from the Chinese contractor, Huawei.

Maroua has fibre optic cables that run from the campus of the Teachers' College (*Ecole Normale Supérieure de Maroua*) to Kongola. According to Biyiti bi Essam, internet access will facilitate research by the college's students.

Afriland First Bank Declares CFAF 300 billion Portfolio in Bank Credits in 2012



Alphonse Nafack, GM Afriland First Bank

In a statement issued after a general assembly to review its accounts and activities, Afriland First Bank announced that its portfolio of bank credits reached 300 billion francs CFA in 2012.

Alphonse Nafack, the bank's General Manager, said that the profits are attrib-

utable to the decision to expand the network of branches. Afriland currently has 32 branches across Cameroon.

In 2012, the bank also helped the government of Cameroon to raise 200 billion francs CFA through the sale of treasury bonds, in order to finance the mega projects that aim to transform the country into an emerging economy by 2035.

During his address to the GA, Nafack said that the bank had financed projects in the energy, real estate, agro-industry, and telecommunications sectors. He also announced that on April 29, Afriland and Hevecam, an agro-industry company in rubber production, had signed a loan agreement worth 10 billion francs CFA for a period of ten years.



Headquarters of Afriland First Bank

In 2012, the bank financed the construction of thermal plants in Yassa, Limbe, and Kribi, among other projects. It holds 460 billion francs CFA in deposits, according to the statement.

UBA Managing Director Praises Cameroon's Business Climate



Phillips Oduoza, Managing Director of the Union Bank of Africa (UBA)

The Managing Director of the Union Bank of Africa (UBA), the Nigerian-born Phillips Oduoza, has congratulated the government for creating an enabling business environment in Cameroon. He made the statement after paying a courtesy call on Prime Minister Philemon Yang at his office

in the Star Building, Yaoundé, on April 26, 2013.

"The business climate is excellent, and we want to assure you of our continued support for the government and the people of Cameroon," Phillips Oduoza told CRTV, the state television.

"We understand the climate. We can collaborate and partner easily with the government towards achieving the economic development plan that has already been put in place," he added.

Oduoza recalled that UBA is in Cameroon since 2008, counts 14 branches, and employs over 300 young Cameroonians. He was accompanied to the meeting by other bank executives and the Managing Director for Cameroon, George Wega.

The bank's headquarters is in Lagos (Nigeria), with offices in New York, Paris, and 19 other African countries.

UBA's management is touring the Bank's subsidiary offices in various African countries to visit their staff, customers, and regulators, and to pay courtesy calls on government officials.

Cameroon Debt Recovery Company Pays the Creditors of Méri dien BIAO Bank 16 Years after Collapse



MINFI Building

In a recent communiqué, the SRC, a debt recovery company, invited the 284 creditors of the defunct Méri dien BIAO Cameroun Bank (BMBC) to its headquarters in the Mfoundi neighbourhood of Yaoundé to receive their payments between May 21 and 31, 2013.

Creditors are expected to bring with them the originals and the photo-

copies of the acknowledgement of claims declaration, a valid national identity card, and a letter of administration.

"The creditors are reminded that if they fail to do so within the time limit, the SRC will be left with no alternative but to consider the file closed," the communiqué warned.

The BMBC collapsed in 1996.

Bank of Africa Wants to Open in Cameroon

The pan-African banking group should file soon an application to open a bank in Cameroon. Owned in majority by the Moroccan BMCE, the group aims to expand its business in the CEMAC region.

In an interview to *Jeune Afrique*, Mohamed Bennani, the Bank's President, announced that he would file the application in the first days of May. Already well-established in

the western and eastern parts of the continent, the Bank will be created ex nihilo in Cameroon.

It intends to develop its universal banking strategy in the Cameroonian market based on two pillars: winning over the general public with the right products and the opening of branches, and carving out a spot in corporate banking with good financing options.

Deposits Guarantee Fund is Operational after Four Years of Incubation



Our sources at Cameroon's Ministry of Small and Medium Enterprises say that the Deposits Guarantee Fund is now operational, but they are unwilling to provide further details. The Fund was created in 2008 by President Paul Biya.

According to Law N° 2008/003 of 14 April 2008, the Deposit and Guarantee Fund *"may contribute to the financing of the country's economic development through specialized structures, depending on the priorities defined by the government."*

The Fund is set aside to pay back the money lost in the case of the failure of a financial institution.

During the March session of Cameroon's lower house, Hon. Talla Talla Blondo of the Lomie constituency (East Region) expressed his concern that the other African countries that have embraced this financial change are already enjoying the benefits, while *"our Fund is not yet operational."* Responding, Prime Minister Yang Philemon said that a working group was already active to ensure that this initiative, which aims to promote business, actually takes off. He said that he would appoint officials to pilot the Fund, which will reduce the need to resort to foreign loans.

Rainmaker, an American Company, Sets Sight on Cameroon's Health Sector

As a member of a trade mission of American investors to Cameroon, Gregory A. Campbell, the President and Chief Executive Officer of Rainmaker, says that his company would like to invest in the healthcare and applied technology sectors. He made the statement after an audience granted to the delegation by the country's Prime Minister, Philemon Yang, on April 23, 2013 in Yaoundé. *"This is the right time and opportunity,"* Campbell told state television, CRTV.

In the technology sector, Rainmaker is looking for partner companies, while in the higher education sector, it would like to work with institutions to improve quality, according to the *Cameroon Tribune* of April 24.



Gregory A. Campbell, the President and Chief Executive Officer of Rainmaker

Other members of the mission expressed interest in the agriculture, construction, healthcare, renewable energy, environment, security, and intelligence sectors.

Wheatley US Ltd Construction Consulting is interested in selling agricultural, security, and intelligence products, according to its Project Manager, Andre C. McCoy.

The visit was organised by the Pennsylvania Department of Community and Economic Development in collaboration with the African and Caribbean Business Council.

The Prime Minister also received the International Multiracial Shared Cultural Organization, an American-African body that wants to supply energy to industries and refineries in Cameroon, according to the organisation's President, Franck Weston.

In addition to seeking out investment opportunities in Cameroon, the delegation hopes to better understand the business climate in the country.

JV

CFAF 12 Billion to Reform Cameroon's Microfinance Sector

Faced with major problems, the government of Cameroon will put 21 billion francs CFA towards reforming



the microfinance sector, according to the *Mutations* of April 20, 2013. To improve the quality of the services that are offered by microfinance institutions (MFIs), the government plans

to intensify the training of owners, managers, and workers.

The state will control and supervise the activities of MFIs according to the regulations that have been established by the Central African and Monetary Commission (CEMAC), all the while reinforcing their existing automated payment systems.

In Cameroon, 2.5 million people are affiliated with financial institutions, of which 1 million are with classic banks and 1.5 million with microfinance institutions. This represents a banking rate of over 10%.

According to figures from the Nation-

al Institute of Statistics, the microfinance sector has 438 establishments with 1,000 branches spread across the country. 178 of these belong to the biggest network of MFIs, such as the Cameroon Credit Union League (CAMCCUL), while 187 are independent institutions.

As of December 31, 2011, deposits stood at 356.833 billion francs CFA. Between 2009 and 2011, loans that financed the country's economy increased from 170 to 231 billion francs CFA.

Nonetheless, scandals continue to rock the sector, including in the areas of governance and human resources.

MTN Cameroon False Ads: The Regulator Condemns, the Company Carries on



On December 12, 2012, MTN Cameroon launched two new options, one of which was MTN Best. Its advertisement read, “1 F per second towards all networks.”

Yet after conducting an investigation, the Telecommunications Regulatory Agency (ART) concluded that MTN had deceived subscribers into believing in its MTN best offer, reported an ART communiqué published on April 24, 2013 in the state-owned daily, *The Cameroon Tribune*.

According to ART, “the rate is only possible for one preferred number from a rival network.” For the Agency, the MTN ad has created “harm to consumers.”

In its communiqué, ART instructs MTN to stop the Best ad campaign, and to “make available to consumers the offer’s full details.” It also stipulates that the operator must “repair the damage suffered by all cheated consumers.”

MTN has yet to make an official statement regarding the sanctions. As of April 25, advertisements for the offer were still visible on billboards and on the operator’s website.

6,000 km of Fibre Optic Cables under Cameroon



Cameroon now has a fibre optic network of 6,000 km. On May 3, 2013, Jean-Pierre Biyiti bi Essam, Minister of Posts and Telecommunications, officially received 3,200 km of fibre optic cables in Maroua from the Chinese partner, Huawei, adding to the existing 3,800 km stretch.

Launched on December 22, 2009 in Kye-Ossi (South Region), the network will be extended to cover 10,000 km, according to state radio, CRTV.

Meanwhile, equipments are provided to connect Cameroon to neigh-

bouring countries, including Chad, the Central African Republic, and Nigeria.

Thanks to on-going work, the government of Cameroon aims to raise the rate of internet access to 40%, that of mobile phones to 50%, and of land lines to 30% by 2015.

The network’s estimated cost is 30.6 billion francs CFA. Eximbank China has contributed about 26 billion francs CFA via a loan, and Cameroon Telecommunications (CAM-TEL) has put in about 4.5 billion francs CFA.

KOICA to Finance Cameroon’s One-Stop Shop for Viewing and Bidding on State Contracts Online



The Korea International Cooperation Agency (KOICA) wants to help Cameroon develop e-procurement. Towards this goal, Abba Sadou, the Minister at the President’s Office in charge of public contracts, and Kap Chae Ra, KOICA’s representative, signed a memorandum of understanding on May 15, 2013 in Yaoundé.

At a cost of 800 million francs CFA, the project will help Cameroon to launch tenders, shortlist bids, and award contracts online.

According to Abba Sadou, the project will also allow Cameroon to award contracts more quickly and cheaply, as well as to fight corruption in a sector that has been tarnished by scandals.

“With help from the Koreans, we will not only dematerialise the process of awarding contracts, but also computerise it,” he added.

Jean-Marie Takam and Othon Niwa Long Caught in Mismanagement Net at MATGENIE

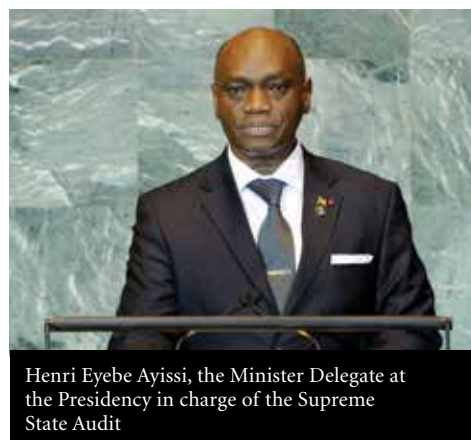
In a communiqué published by the state-owned *Cameroon Tribune* of April 26, 2013, Henri Eyebe Ayissi, the Minister Delegate at the Presidency in charge of the Supreme State Audit, announced that his department's Financial and Budget Disciplinary Council (CDBF) had found that Takam, the former interim General Manager of the National Civil Engineering Equipment Pool (MATGENIE), was guilty of 10 management errors.

Amounting to 43,898,793 francs CFA, the errors were committed between 2007 and 2009. Takam is expected to have to pay 2 million francs CFA in fines.

CDBF also convicted Othon Niwa Long, the current GM of MATGENIE, for four management errors that cost the company 4,358,605 francs CFA between June and December 2009. The CDBF fined him 1.5 million francs CFA for these mistakes.

MATGENIE's former Branch Manager in the Littoral Region, Benjamin Noumesi, was found guilty of mismanaging 16,112,000 francs CFA between 2007 and 2009, and fined 1 million francs CFA.

As for Firmin Nzana, the former Branch Manager of the Centre Region, he will



Henri Eyebe Ayissi, the Minister Delegate at the Presidency in charge of the Supreme State Audit

have to pay 500,000 francs CFA for mismanaging 15,565,000 francs CFA.

JM

Mbengwi Credit Union is Latest Victim in Wave of Bank Robberies



On April 24, 2013, a gang of eight people robbed the Mbengwi Central Cooperative Credit Union, getting away with 7 million francs CFA. The credit union is situated in the capital of Momo division, in the North West

Region of the country.

According to reports in the local press, three people have been arrested, one shot dead, and three are still on the run.

The thieves attacked the credit union,

killing the guard of a private security company after threatening workers and customers at gunpoint.

Police reports say that the same gang had attacked Ntarbeng Credit Union and a computer training institute, from which they stole 2 and 3 million francs CFA respectively.

According to the Commander of the Bamenda Judicial Police, which is 22 km from Mbengwi, 4 million francs CFA were retrieved from the three bandits at the time of their arrest.

20 Poachers Armed With Machine Guns Caught in Dragnet



A demonstration of the severity of the threat wildlife faces in eastern Cameroon

On April 26, 2013, Cameroonian forces announced that 20 poachers armed with 45 firearms had been apprehended in the Lobeke, Boumba-Bek, and Nki parks, which are located in the Boumba, Ngoko, and Haut Nyong divisions. Two suspects who were caught with AK47s (Kalashnikovs) will be tried in the Bertoua military court, while the 18 others will stand trial in the Yokadouma civilian court. Eco-guards also seized two tusks, gorillas, chimpanzees, elephant meat, and other protected wildlife, according to the state-owned bilingual daily, the *Cameroon Tribune*.

39 forest guards and 26 members of the elite force (BIR) took part in the crackdown operation, which lasted 12 days.

"With the seizure of 45 guns, 337 bullets, 10 chainsaws, and more than 3,000 steel cables, we have given a strong blow to poachers' activities," claimed Djogo Toumouksala, the East Regional Delegate of Forestry and Wildlife.

The number of weapons and ammunitions seized during the op-

eration confirms the severity of the threat wildlife faces in eastern Cameroon. *"The poachers are increasingly better armed and ready to take on the eco-guards,"* Gilles Etoga, from WWF Boumba-Bek and a Project Manager at Nki Park, told the *Cameroon Tribune*.

A credible source at the newspaper deplored the extent to which wildlife in southeast Cameroon is being slaughtered. Poaching is easier because the forest is dense and visibility is poor, contrary to the situation in the Bouba Ndjida National Park.

In December 2012, reports claimed that poachers from Sudan had killed some 300 elephants, or 80% of the park's elephant population, in just a few weeks.

Recent events in the Central Africa Republic may exacerbate the flow of arms to south-eastern Cameroon. It will therefore be more important to bring together all the stakeholders and to maintain surveillance operations.

Three Robberies at Ecobank Cameroon in Less Than Two Years



The latest robbery took place on April 23, 2013. Robbers reportedly stole 206 million francs CFA from Ecobank's branch located at Ancien 3^e in Douala.

"There was one man who played the decoy. He loitered in the area for hours, eating dirt. But he was the leader. Another had parked his motorcycle in front of the bank, as if waiting for someone," a young man whose version was corroborated by other witnesses told the *Cameroon Tribune*, a bilingual daily.

At about 5 PM, a van escorted by two armed police officers arrived to transfer funds from the bank. At this point, the robbers seized the truck and three of them followed it on a motorbike that had been parked in the area.

Firing into the air to disperse the crowd and discourage police, the last thief jumped on a bike and they vanished with the money, indicates another daily newspaper, *Le Jour*.

There was no sign of an armed guard on duty at the time of the heist. *"One of them was hit in the thigh and the other in the back,"* a colonel reported to the *Cameroon Tribune*.

According to the colonel, the robbers made away with 206 million francs CFA, but the bank has not yet officially confirmed the amount that was stolen.

On March 18, 2011, robbers attacked an Ecobank branch in Bonaberi at about 8 PM, getting away with an undisclosed amount of money. Five military officers and seven civilians were apprehended, and their trial at a military court in Douala is still underway. Soon after Bonaberi, the Bonanjo branch in Douala was the victim of another robbery.

JV

UP

CHIN RICHARD WIRNKAR: GIANT STRIDES



When Chin Richard Wirnkar took over as General Manager of Upper Nun Valley Development Authority (UNVDA), a rice agro-industry situated in the Ndop (North-West Region), the company was in shambles. Taking up his duties, the young agronomist saw that the buildings were dilapidated with flaking paint, the machinery was grounded, the fields were barely yielding crops, and salaries were not being paid. There wasn't even a sign on the door to identify the business. *"Until recently, we only had four new tractors and one old one. We suffered a lot. There was pressure on their use by our five production sectors of Upper and Lower Bamunka, Babungo, Bangolan, and Monoum,"* explained Mr Richard.

Restructuring has paid off. Instead of waiting for government subsidies, he used the little he had to do extraordinary things.

First, he renovated the buildings and gave UNVDA headquarters a facelift. Walls, pillars, and ceilings that were almost giving way are now firmly in place with a new coat of paint. Offices are equipped with the latest electronic gadgets. A digital map of UNVDA is being considered to facilitate the company's management. It has a new website, which has increased the company's visibility and facilitated public relations.

Created in 1970, UNVDA now has a combined harvester for paddy rice transplanting, as well as rice and maize seed planters – major innovations in Cameroon. In partnership with Ecofarms, the company is developing farms in Bambalang village. A complex for finished products is nearing completion. Pillars are being planted to define and secure the land that is under UNVDA's management. The company is taking the innovative step of introducing upland or rain-fed rice production. It is also working closely with rice farmers to increase the hectares of farmland that are exploited: on the 15,000 hectares that are available, only 2,562 are currently being used.

Rice remains a staple in several Cameroonian households. Yet barely 175,000 metric tons are produced each year to meet a 650,000 metric ton demand. UNVDA is playing a big part in the efforts to reduce the need for rice imports, and Chin Richard Wirnkar is its driving force.

HERVÉ PERRIN THROWS IN THE TOWEL



Hervé Perrin, the French national who served as the General Manager of Eto'o Telecom Ltd, has left his position after seven months in office. Recently, newspapers ran headlines that Perrin had not been seen at his office for three weeks. The company of the football player

Samuel Eto'o has therefore been left without a GM or a Deputy GM. Also vacant are the positions of financial manager, executive manager, human resources manager, and communications officer.

Seen as a "firefighter", Perrin leaves behind a young company that has struggled to break into the Cameroonian telecommunications market. He is currently in France, where he is reportedly attending to family problems. Yet those same reports claim that he may not return. He is not reachable by phone, and his business email address has been sending an automatic reply for over a week.

Everyone has problems. But managers are expected to rise above the rest, since they must manage crisis situations.

For the moment, Gabriel Parfait Kaldjob, a lawyer and a board member of Eto'o Telecom SA, is in charge of the company. He confirms that Mr Perrin remains a consultant. It is difficult to imagine how he can work as a consultant for a company that he is supposed to be managing.

If it is confirmed that Perrin is gone, he will be the second GM to leave Set'Mobile before the company's first birthday (July 22). A new search will begin to find a replacement that will head a company that is in troubled waters.

Set'Mobile offers telephony services in partnership with Orange, its competitor. It also faces competition from MTN Cameroon and CAMTEL.

At the end of 2012, Set'Mobile had 200,000 subscribers. It is difficult to determine if Perrin's management style successfully increased these figures.

Hervé Perrin replaced his compatriot Charles Gueret, who was fired on September 5, 2012 after a board meeting.

DOWN

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02

● **INDUSTRIES**

Transforming raw materials for added value

03

● **SERVICES**

Encouraging innovation and creativity

04

● **PUBLIC MANAGEMENT**

Making the business environment safer and promoting equal opportunity for all