

September 2013 - N° 8

BUSINESS IN CAMEROON

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**IXth EMA INVEST in Geneva
Guest of Honour : Cameroon**



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L'étoile du Cameroun

Yasmine Bahri-Domon,
directrice de la publication



Welcome to the 9th EMA Forum!

Last year, we announced that we would be holding the ninth EMA Invest Forum which would have Cameroon as its guest of honour. For political reasons, the forum had to be postponed. Finally, here we are today despite Cameroon's busy year in the news. After Paris and Istanbul, it is now Geneva's turn to welcome Cameroon on 3rd October 2013.

SO, WHY GENEVA?

People often lump Switzerland, Geneva and Africa together in a unique relationship – one much like a strong box. Yet, this often misunderstood economic capital is an international hub for finance, diplomacy, politics, economics, science and culture. Here, you will find 140 banking establishments, 2,800 financial intermediary entities and 700 independent wealth managers. Geneva is ranked sixth in the world among top financial centres and also plays an essential role in the trading and financing of world commerce. Over 500 trading companies are based or represented in this small city.

There are 140 multinational companies, including Reuters, IBM, Hewlett Packard, Oracle, DHL, Federal Express, Ernst & Young, Procter & Gamble, Cargill International, Carrefour, Caterpillar, KPMG, PriceWaterhouseCoopers, Virgin, DuPont, Ipsos, MSC Mediterranean Shipping Company, Maersk, Lockheed Martin International, Korn-Ferry International, The Gillette Company, Bacardi Martini, Mitsubishi, Louis-Dreyfus, STMicroelectronics, Totsa Total Oil Trading, Union Carbide,

Young & Rubicam, McCann-Erickson, Richemont, Ralph Lauren...

24 international organisations, including: UNO, WTO, CERN (the European Council for Nuclear Research), WHO, IUT, UNDP, ILO, WIPO, UNCTAD, CIC, ICRC, HCR, IATA, ISO. Geneva also has 200 embassies, diplomatic missions and permanent representatives and over 300 NGOs. Most press agencies and international media are represented in Geneva (Reuters, Bloomberg, AP, Chine Nouvelle, AFP, CNN, New York Times, Financial Times, The Economist, Wall Street Journal, Washington Post, Al Jazeera, Le Monde, France Télévision, TF1, NZZ, and so on). Apart from that, we also have great cheese, excellent chocolate and luxury time pieces.

Headquartered in Geneva, the EMA Foundation's mission is to bring developing economies and the city of Geneva closer together. For 15 years, EMA Invest, through the holding of this forum, has been aiming to provide economic entities from developing countries with better access to capital, technologies, markets and international media.

It also seeks to create solid connections, not only between countries, institutions and businesses, but also between women and men from both developed and developing countries.

We will be attending and look forward to seeing you all in Geneva on October 3 and 4.

BUSINESS IN CAMEROON

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Cameroon: Guest of Honour for the 9th EMA Invest Forum



Slated to be held on October 3 and 4 of this year, the 9th EMA Invest Forum will connect African economic entities with international and Swiss financiers, traders and investors. Here is a quick look at some of the talks we will be having on this year's theme – “Geneva and Africa: the new win-win”.

JULIUS BÄR: THE CHALLENGES OF PRECONCEIVED NOTIONS

The Swiss leader in private wealth management will participate in the 9th staging of the EMA Invest Fo-

rum which will be held on October 3 and 4 under the theme – “Geneva and Africa: the new win-win”. For this occasion, the company's Chief Financial Advisor and lecturer at the Fribourg Haute Ecole de Gestion (Fribourg School of Management), Julien Devaux will be talking about “the challenges of preconceived notions about Africa”. The Julius Bär Bank announced 218 billion euros in managed assets on June 30, 2013 and turned a 278 million-dollar profit in the first quarter of 2013. To date, it has not been very active in

Africa, focusing primarily on three stock investments: JB EF Africa Opportunities-EUR A, JB EF Northern Africa-CHF A and JB Multiflex JB African Equity C.

Indeed, in the last few years, the bank has developed significantly in Asia where it now makes 10-15% of its overall sales. “Our goal is to have a quarter of our business in this region, a quarter in other emerging regions and with the rest remaining in Europe and Switzerland,” said the company's Director General, Boris



of this 9th forum, we have Jean-Claude GANDUR, founder and CEO of Addax & Oryx Group, who will present the biofuel project he developed in Sierra Leone which should produce 100,000 tonnes of ethanol by the end of the year. Managed with the principles of sustainability and social responsibility, this investment represents 267 million euros and covers 14,300 hectares. The Genoese businessman plans to replicate this success story in other countries: *"The Makeni plantation will produce 100,000 tonnes of ethanol by the end of this year with an ultimate goal of doubling that amount. It is expected to provide some 4,000 jobs by the end of the year and includes a subsistence farming project and agricultural education for local populations conducted by the FAO, the African Development Bank and a German NGO. It's a model that we hope to replicate and that should grow significantly and be equally well received there,"* he stated in L'Agefi. The AOG group includes Oryx Energies, a company specialised in gas and oil product distribution in West, East and Southern Africa where Oryx Petroleum, recently listed on the Toronto stock exchange, has been in the oil sector in Senegal, the Congo, Guinea Bissau and Nigeria.

EC GROUP: AN INVESTOR'S POINT OF VIEW ON AFRICA

Also in the energy sector, founder and CEO of Zurich-based The Energy Consulting Group, Rolf Kehlhofer: the company has solid know-how and experience in the construction of plants of various technologies with a cumulated capacity of over 80,000 MW. It has already handled the processing and maintenance contracts of 26 production plants and managed the financing of energy projects to the tune of 15 billion euros. Among its African clients is the Azito plant in Côte d'Ivoire. EC Group's founder and CEO, Rolf Kehlhofer, will ex-

plain *"the challenges of an IPP from an investor's point of view"*.

ARBORESCENCE CAPITAL: RENEWABLE ENERGIES

Arborescence Capital is specialised in the design, structuring, implementation, trade and the management of financing instruments required by infrastructure projects in the energy sector. Jaona Ravaloson will outline what an African country must put in place to ensure the development of renewable energies: *"In Africa, it's the grants given to conventional energies that penalises the development of renewable energies. If conventional energies didn't have these grants, renewable energies would be very competitive and would resolve a large part of many countries' energy deficit. This can be done without taking a bite out of the State's budget and wouldn't reduce users' purchasing power."*

ERIC VAZEY: A POINT OF ENTRY TO THE INTERNATIONAL MARKET

A maverick of the Swiss business community, Eric Vazey is convinced that Africa's Golden Age has come and that Switzerland, the world's leading commodities trading financing centre can play a crucial role in the emergence of African economies. *"Unlike European, Russian, Asian and Arab trading companies, the positioning of African businesses in Geneva is only in its infancy. So far, Geneva has especially attracted subsidiaries of national African oil companies, namely Petroci International SA (Côte d'Ivoire), Petrolin (Gabon) and Samoil (Angola). Yet, it is certain that the constant opening-up and internationalisation of the markets will inevitably lead top African companies to widen their outlook and scope of their activities to become more competitive and create positive synergies."*

For the complete programme of the 9th EMA Invest Forum: www.emainvest.com

Collardi, recently to *Le Temps*. Julius Bär, which recently reclaimed Merrill Lynch's International Wealth Management outside of the United States, has 50 branches in 25 countries, including Zurich, Dubai, Frankfurt, Geneva, Hong Kong, London, Lugarno, Madrid, Monaco, Montevideo, Moscow, Shanghai and Singapore.

AOG: REPLICATING ITS SUCCESS STORY

Among our distinguished presenters for the "Energy" portion

“With Agriculture, the North West Can Be Part of the Solution”



Dr Nick Ngwanyam, the CEO and founder of the St Louis Group, is a renowned surgeon and urologist. Under his firm guidance, the Group now covers all aspects of general health care. He has moved on to formal tertiary education by creating the St. Louis Higher Institute of Health, a nursing college that houses the only paramedic training facility in the North West Region. More recently, he launched the St.

Dr Nick Ngwanyam, the CEO and founder of the St Louis Group

Louis University Institute of Health and Biomedical Sciences.

Dr Ngwanyam has always been community-focused and intent on providing the means with which people can help themselves. Through a series of self-initiated community development programmes, he is currently tackling issues such as low-cost housing, vocational training, job creation, and

the implementation of minor infrastructure projects (e.g., irrigation, drainage, and solar power).

He is a medical doctor, an academic, a businessman, a project manager, a lobbyist, a community leader, and a humanitarian who is known for his straight talk.

Business in Cameroon: As someone from the North West who is

also operating a business there, what would you tell someone who has never been to the region?

Dr Nick Ngwanyam: It is a wonderful place to visit since it offers a great variety of vegetation, landscapes, and peoples. The inhabitants have a rich and varied culture that is organised around fondoms, which are local governments at the village or tribe level headed by a fon. The people are very religious, and Christians and Moslems live together in peace. The fear of witchcraft and the belief in ancestral spirits lead many people to participate in various rituals and sometimes hair-raising customs for protection, health, prosperity, fertility, and more. To add to the confusion, new Pentecostal churches of different shades are springing up with as many different doctrines. However, it is reassuring that they all constantly preach prosperity and the end of suffering, a message that fits well with the people's poverty and disenchantment. Many live on less than one dollar a day.

The region is sandwiched between the Bamilekes in the East and the Ibos in the West. These two groups have been living amongst North Westerners for a long time, certainly well before independence. Both are business-oriented: they

“The region is also renowned for its excellent high schools, and students come from all over the country to attend them.”

are very aggressive in their marketing strategies and always look for opportunities. The Bamilekes, for instance, have bought almost all the prime land in our major towns. These types of techniques have not rubbed off on the North Westerner,

who has long worshiped the white collar job and the civil service for bread and ego. When it comes to the art of politics, political debate, and running over each other for visibility, appointments, and promotions, no one beats us!

The region is also renowned for its excellent high schools, and students come from all over the country to attend them. We benefit from a steady flow of remittances since

a variety of local languages. We are not particular about French. We love Pidgin English, our lingua franca, because story-telling, teasing, rumour-mongering, and insulting are more elegant, colourful, and stylish when delivered in Pidgin.

If you are a high profile guest, we will be more than delighted to knight you in our own way. You will get a title from the royal palace, a

“Every year, Cameroon spends well over CFAF 500 billion to import food items, especially rice, fish, chicken, and wheat. We could save a lot of money if we grew these things ourselves.”

some students have gone to Europe and America to pursue university degrees. “Falling bush” is a disease that most families want to catch, since sending children to America is a symbol of success. Unfortunately, many seem to get disoriented once they get locked into the Maryland way of life. They benefit from a change of location but they do not always change their Cameroonian mind-sets. The American Dream means everything to them except self-actualisation: they are unable to break out from the bubble of limitation they left in Cameroon, and often become trapped in their minimum-wage jobs and the credit card disease.

If we say we are poor, it is because we fail to embrace technology and technological education – or worst still, professional education. Primary schools have taken us hostage. We do not know what makes the South Korean tick and we rarely bother to ask. We are fine as long as we have some foreign dollars to buy Chinese-grown rice. We do not ask questions or seek to explore our environment.

We speak English, in addition to

colourful gown, and your own staff – if you look dignified enough to be an ambassador of our rich culture!

BIC: It is often said that the region is not as rich in natural resources as others in Cameroon. Does it have its place in the national economy?

NN: We have a lot of cattle and goats. In the Donga and Mantung divisions we have eucalyptus trees, which are often used as firewood and for construction. Unfortunately, these trees have destroyed the water table and reduced the soil's fertility. We also grow rice, corn, beans, and coffee, and there are tea estates and a few palm plantations. By and large, farming is strenuous and the techniques used are outdated. Industrial agriculture and food transformation are part of our political discourse, but they have not become concrete projects.

BIC: Given the importance of agriculture in the region, are you not worried that there are no agri-businesses?

NN: Worried is an understatement. Agriculture is the only thing we have. We need to dig in and see what we can do to make it modern, productive, effective, efficient, and

profitable. It is the main employer and we need to treat it with respect.

BIC: Would it be possible to grow other crops that could bring in more money?

NN: Every year, Cameroon spends well over CFAF 500 billion to import food items, especially rice, fish, chicken, and wheat. We could save a lot of money if we grew these things ourselves. The North West would be part of the solution,

“Agriculture is the only thing we have. We need to dig in and see what we can do to make it modern, productive, effective, efficient, and profitable. It is the main employer and we need to treat it with respect.”

not the problem. We should take up this challenge, since it is a real opportunity.

We sometimes import maize, and we are even proud to report this on TV as a success story. If we increased our own maize production, we could sell it to beer factories or to neighbouring countries. We could be very rich if we wanted to.

BIC: Reports often claim that the region trains the brains in the country. Does it have what it takes to train the professionals that are needed in all the sectors?

NN: Some schools in the region have begun to offer professional education in various fields. Most North Westerners still do not understand the concept of professional education. They do not take advantage of these institutions and the programmes they offer. Our brothers from the West

Region are more aware, and they are taking advantage of the opportunities.

BIC: The government and local authorities have a key role to play in attracting investors. What have authorities done to facilitate investment in the North West?

NN: I wonder whether the government actually walks the talk. Too often, we talk faster than we take action. Corruption is holding back business. Many Cameroonians abroad gave up on trying to make things work after being robbed of their opportunities by ungrateful relatives and acquaintances. The law is slowly applied, and it is believed in some circles that justice can be bought and sold. As a result, it is not a very good business climate for outsiders.

Policies are written on paper and seen in campaign terms. We need

good roads, electricity, and water. We need security and tax-breaks for new business ventures. We need to import production equipment and machinery, as well as raw materials free of charge. We need to have incentives for young people to train in industrial techniques and manufacturing. Political speeches without the right follow-up projects and activities are just hot air.

BIC: To wrap up, how would you describe the North Westerner? What kind of person is he?

NN: He is someone who knows his rights, and will fight tooth and nail to preserve them. When it comes to responsibilities and obligations, he often forgets that they are the two sides of the same coin.

Interviewed by Jude Viban



LES MISSIONS DE LA CAMWATER

La Cameroon Water Utilities Corporation est une société à capital public, dotée de la personnalité juridique et de l'autonomie financière, créée par décret n°2005/494/du 31 décembre

2005 signé par le Président de la République. Placée sous la tutelle technique du ministère chargé de l'eau et la tutelle financière du ministère des finances, la Camwater a pour objet la gestion, pour le compte de l'Etat, des biens et droits affectés au service public de l'eau potable en milieu urbain et périurbain.

A ce titre, elle a pour missions :

- la planification, la réalisation d'études, la maîtrise d'ouvrage, la recherche et la gestion des financements pour l'ensemble des infrastructures et ouvrages nécessaires au captage, à la production, au transport et au stockage, à la distribution de l'eau potable ;
- la construction, la maintenance et la gestion des infrastructures de production, de stockage et de transport de l'eau potable ;
- le contrôle de la qualité de l'exploitation du service public de la distribution d'eau potable et des autres missions confiées aux sociétés chargées de l'exploitation du service public de distribution de l'eau potable ;
- en coopération avec les sociétés d'exploitation, l'information et la sensibilisation des usagers du service public de l'eau potable et de celui de l'assainissement liquide en milieu urbain et périurbain ;
- et généralement, toutes les opérations commerciales, industrielles, mobilières, immobilières et financières qui se rattachent, directement ou indirectement, aux objets définis ci-dessus ou de nature à favoriser leur développement.



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UNE NOUVELLE USINE EN CONSTRUCTION SUR LA MEFOU A YAOUNDE.



Reconstruction de l'usine de la MEFOU 50 000 m3/j. Ouvrage à deux étages en précontrainte pour filtration, stockage d'eau et bâtiment d'exploitation.

La CAMWATER a engagé, depuis le mois d'Août 2011, les travaux de construction d'une nouvelle usine d'eau potable, adossée sur la Mefou, au quartier Nkolbisson, dans la banlieue de Yaoundé. Co-financé à hauteur de 40 milliards de F Cfa par l'agence Française de Développement (AFD) et la Banque Européenne d'Investissement (BEI), cette usine de 50 000 m3/jour sera livrée en 2014. Les travaux consistent en la reconstruction de la station de traitement, le réhabilitation du barrage de la Mefou, des réservoirs de la station de pompage de Messa et des conduites de transfert amont et aval ainsi d'améliorer d'environ 50 %, l'offre en eau potable de la capitale camerounaise.

EXTENSION DE L'USINE SUR LE MOUNGO, A DOUALA.

La deuxième phase des travaux de construction de l'usine d'eau potable adossée sur le fleuve Moungo est effective depuis le mois de septembre 2011. Elle est financée grâce à un crédit de 44,605 milliards de F Cfa accordé à la camwater le 05 novembre 2009 par Exim Bank China. Ces travaux consistent en la construction d'un autre module sur le site



Extension de capacité d'eau sur le fleuve Moungo (Douala)



Réhabilitation de l'évacuateur des crues du Lac de la Mefou-Yaoundé (7 000 000 m3 environ) - mise en eau du barrage et mise en service.

de l'usine de Yato d'une capacité de 100 000 m3/jour. Ce qui, avec les forages urbains et ceux implantés sur le site de Massoubou, et l'usine de Japoma, qui produisent plus de 100 000 m3/jour, couvrira l'ensemble des besoins en eau potable de la ville de Douala, estimés à 250 000 m3/jour.

DES CHANTIERS DANS LES CENTRES SECONDAIRES.

L'exécution du programme d'investissement poursuit son bonhomme de chemin dans les centres secondaires. Ainsi, les travaux des deuxième et troisième phase du projet des 52 centres, financés, par la Banque Belges, Dexia, sont en cours de réalisations dans les villes de Limbé, Buéa, Yaoundé, Meyomessala, Tokombéré, Tonga, Bikok, Ngomdzap et Nanga-eboko. Ils consistent en la construction de nouvelles adductions d'eau potable ou la réhabilitation des infrastructures existantes.



Travaux de pose d'une canalisation dans le centre de BUEA - Pompage et réseau d'adduction UN PNUD



AGRIBUSINESS

Penja Pepper Has its Label



Penja pepper is farmed on the coastal region of Cameroon

Penja pepper is farmed on the coastal region of Cameroon. On September 13, 2013, this pepper with a distinctive character was awarded the status of Protected Geographical Indication (PGI) by the African Intellectual Property Organization (OAPI), reported *Le Quotidien de l'économie*.

Supported by the French Development Agency (AFD) and the Centre for International Cooperation in Agronomic Research for Development (CIRAD), the PGI will help increase the income of farmers, since labelled products are often preferred, especially in Europe, the pepper's main export destination.

The label will also increase quality, control production, and improve marketing chains.

In Penja, groups of local farmers and agribusinesses such as the *Plantations du Haut Penja* (PHP), a Cameroonian subsidiary of a Marseille-based fruit company, annually produce 300 tons of pepper.

White honey from Oku, a town in the North West Region of Cameroon, is another product that has been selected by the OAPI under this labelling program.

Cocoa Output in Cameroon Jumps by Nearly 10%



Cocoa beans in a cocoa pod

During the last farming season (2012-2013), 229,000 tons of cocoa beans were produced in Cameroon, an increase of 9.29% compared to the previous season, reported the Minister of Trade, Luc Magloire Mbarga Atangana, during a press briefing on August 9, 2013.

According to him, about 200,000 tons on this total were exported to Europe. The Netherlands was the main destination, with 75% of total exports.

Bought at 913 francs CFA per kilogram, Cameroonian cocoa farmers were the best paid farmers in the world last year, the Minister added.

Moreover, 32,000 tons of cocoa beans were locally transformed. According to the Growth and Employment Strategy Paper, the country's development guide, the goal is to

locally transform 50% of Cameroon's cocoa beans.

However, if the country is to successfully reach its projected goal of 600,000 tons by 2020, better farming practices must be promoted, the Minister noted at the press briefing. Fermentation and the drying of the beans are major challenges for the government, since Europeans are adamant about respecting established norms.

During the upcoming season, the government and its partners plan to rehabilitate 2,500 ovens in the South West and Mungo regions, as well as to distribute drying mats in the Centre, South, and East basins. Moreover, according to the Minister, the government will put in place a grantee fund of 100 million francs CFA to sponsor cocoa-related projects.

Galim to Produce 35,000 Tons of Rice Yearly



Minister of the Economy, Planning and Regional Development, Emmanuel Nganou Djoumessi

Rice production in Cameroon is expected to increase in the months ahead thanks to Galim, a village in the West Region that plans to produce 35,000 metric tons of rice each year.

The Minister of the Economy, Planning and Regional Development, Emmanuel Nganou Djoumessi, launched the Agropole Programme in Galim on September 13, 2013. Thanks to Agropole, a Galim-based association (*Groupe-ment d'intérêt économique*) will produce 35,000 metric tons of rice per annum at a cost of 1.2 billion francs CFA.

The government is supporting the programme to the tune of 442 million francs CFA, while the beneficiaries, a group of eight popular initiative groups, will put in 750 million francs CFA.

Minister Nganou Djoumessi encouraged farmers to modernise their production tools in order to significantly increase national production and thereby reduce imports, which drain the State of scarce francs CFA.

Statistics show that Cameroon spends 100 billion francs CFA each year to import over 500,000 metric tons of rice.

Growth in Domestic Output Reduces Fish Imports



Data given to the press by Dr Taiga, Minister of Fisheries, indicates that “fish imports declined from 160,000 to 140,000 tons in 2012.”

In 2011, Cameroon imported nearly 200,000 tons of fish products at an estimated cost of over 100 billion francs CFA. This represented an increase of 30 billion francs CFA compared to 2010, during which the country imported 150,000 tons of fish.

According to official sources, the national demand for fish is around 300,000 tons. Domestic production has increased slightly, from 120,000 to 160,000 tons per year.

Although the situation has somewhat improved thanks to the small

increase in national production, the civil society association ACDIC believes that the “gap is unacceptable because Cameroon has a coastline that is renowned in Africa.”

Cameroon imports fish mainly from Mauritania and China: about 60,000 tons from the former and 20,000 tons from the latter. Together, they constitute an average of 50% of the volume of imports.

Recent efforts by authorities to develop industrial and artisanal fishing should enable Cameroon to improve domestic output, although artisanal fishing is currently dominated by foreigners from Benin, Ghana, Liberia, Mali, Nigeria, Senegal, and Togo.

Turnover: Timber Companies Beat Agribusinesses in Cameroon

According to a survey conducted with 750 companies, the timber industry pulled in more revenue than agro-industrial companies in the last two years. The information was published by the National Institute of Statistics (INS) in Yaoundé and reported by the state-owned daily *Cameroon Tribune*.

According to the survey, the revenue of Cameroonian companies increased from 10,225 billion francs CFA in 2009 to 11,737 billion francs CFA in 2011 – an increase of more than 1500 billion CFA francs in two years.

With regards to entrepreneur profiles, the survey revealed that only 2.5% of



entrepreneurs in Cameroon never attended school, while 90% have an advanced degree. Of this total, more than 56% have at least a master's degree.

ENVIRONMENT

Cameroon to Manufacture Biodegradable Packaging as of April 2014

Cameroon will produce biodegradable packaging as of April 2014 to replace plastic and thereby reduce pollution, announced Pierre Hele, the Minister of the Environment and the Protection of Nature, in late August 2013.

He added that the decision was taken by authorities in 2012 to promote biodegradable packaging and thus allow Cameroon to respect international conventions on this issue.

"The regulation now requires any manufacturer, importer or distributor of non-biodegradable packaging to establish a deposit scheme to facilitate the recovery of packaging for recycling," he explained. A government study shows that more than 58% of consumers dispose of their packaging in nature and thus contribute



Pierre Hele, the Minister of the Environment and the Protection of Nature

to pollution, with heavy consequences for the ecosystem.

Those who do not comply with the new regulations by March 2014 will

face penalties, such as a prison sentence of 2-10 years or a fine of 5-10 million francs CFA, reported APA quoting a government statement.

Italians to Turn Plastic Waste into Road-Building Material in Cameroon



Cameroon generates 6 million tons of waste each year

Speaking in Douala, Evelino Zanzaro, the General Manager of ESED Engineering Group Sarl, presented this September, a project for a plastic waste recycling plant, reported the daily *Le Quotidien de l'économie*.

Mr. Zanzaro explained that his Italian company would annually transform 30,000 tons of plastic waste into containers and trash bins, but mostly into plastic modules that can replace sand and tar in road construction.

Tested in India and Italy, roads that are built with this technology are not damaged by potholes thanks to the nature of the material, he added.

Cameroon generates 6 million tons of waste each year, 10% of which is plastic waste, according to Sidi Bare, the Regional Delegate of Environment for the Littoral region. Because of the dangerous nature of this waste, authorities want to strike back.

Producers, importers, and marketers of non-degradable plastic packaging in Cameroon have until March 2014 to find alternatives, or face government sanctions.

The planned ban has sparked some grumbling in Cameroon. At the main market in Douala, vendors package every purchased item with a non-degradable plastic bag.

World Bank: Billions to Fight Floods in North Cameroon



The World Bank has granted Cameroon a loan worth 54 billion francs CFA for emergency construction work against flash floods in the Far North Region. Emmanuel Nganou Djoumessi, Minister of Economy, signed the agreement on September 9, 2013 in Maga, a town located in the region.

A statement by the Ministry indicated that the construction aims to avoid the recurrence of the August 2012 floods that claimed lives and swept away farms and animals. It was one of the biggest disasters to hit Cameroon, second only to the limnic eruption at Lake Nyos some 27 years ago.

The loan will finance various components of the Emergency Intervention Against Floods Project (PULCI), such as identifying at-risk populations in the area, drawing up a plan for the running of hydraulic and retaining structures in times of floods, and training officials in the rice agribusiness on the management, maintenance, and use of dams and dikes. The government also plans to rebuild the Maga dike and the Log-one dike, which is 70 km long.

After the 2012 disaster, the Head of State, Paul Biya, created a 20 billion francs CFA fund to fight natural disasters. It is housed at the Ministry of Interior (Territorial Administration).

Work Begins in September: Water Supply to Rise by 100,000 m³/day in Douala



Cameroon's Water Utilities Corporation, Camwater, wants to increase the supply of drinking water to Douala, the economic capital. Work will start this September.

"The city of Douala will become a large construction site from September 2013 until the end of the year. We ask people to be tolerant and understanding," said the Senior Divisional Officer of Wouri, Naseri Paul Bea, while closing a meeting between Camwater and representatives of Douala residents on August 22, 2013. MPs, senators, mayors, traditional authorities, and journalists asked questions about what will happen next.

Camwater wants to increase capacity from 150,000 to 250,000 m³ per day. A pipe is being laid under the Wouri River for the water that is treated in Bonabéri from Yato (Dibombari district), and it will be pumped to the rest of the city.

To increase the water supply, new pipes will be laid and three water towers will be built in Kumasi (Douala I Municipality), Logbessou, and Nyalla (Douala III).

"This work will affect neighbourhoods [around Douala]. We will redo the drains. Water supply may be interrupted in homes," said John Williams Sollo, the General Manager of Camwater.

To mediate between Camwater and the population, cartels and the *Agence pour le développement de Douala* (A2D), a NGO with a good reputation that was founded in partnership with Douala's City Council, were chosen.

China Loans CFAF 85 Billion for Cameroon's Clean Water Supply



A Cameroonian man collects water from a dry spring

The People's Republic of China has loaned Cameroon 85 billion francs CFA to enable the latter to carry out clean water supply projects in nine of its cities. Only four cities (Bafoussam, Bamenda, Kribi, and Sangmélina) will benefit from the first phase of the project, which will last 36 months: 12 months for feasibility studies and project conceptualisation, and 24 months for project implementation.

The Chinese Ambassador to Cameroon, Wo Ruidi, and Cameroon's Minister of the Economy, Planning and Regional Development, Emmanuel Nganou Djoumessi, signed the agreements in Yaoundé on September 11, 2013 in the presence of Basile Atangana Kouona, the Minister of Energy and Water.

For the Chinese diplomat, the loan demonstrates China's enduring willingness to stand by Cameroon in its bid to become an emerging economy and to eradicate poverty and suffering. Minister Nganou Djoumessi qualified the gesture as the result of the win-win that characterises Sino-Cameroonian relations, which are increasingly strong. For his part, Minister Atangana Kouona claimed that the loan, which is free of counterpart funding, illustrates the synergy that exists between China as a development partner and Paul Biya's pledge to the people of Cameroon when he began his current term under the banner "Greater Accomplishment". Minister Nganou Djoumessi and Ambassador Wo Ruidi also signed an agree-

ment on China's technical assistance for the proper functioning of the Yaoundé Gynecological and Pediatrics Hospital, as well as of the hospitals in Buea and Mbalmayo, respectively in the South West and Centre Regions.

The factsheet indicates that this two-year project aims to ensure the maintenance of hospital equipment and the training of Cameroonian technicians. Seven Cameroonian health specialists will be trained in China in the areas of radiology, anesthesia, and equipment monitoring, including medical electro-physiology equipment. The agreement also covers the supply of some medical equipment, its materials, and spare parts.

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INFRASTRUCTURES

Bridge Announced Over Ntem River, Links Cameroon and Equatorial Guinea



Ntem River 15 years ago

By August 30, 2013, Cameroon had to submit to the Economic Community of Central African States (ECCAS) its take on the Joint Technical Committee (JTC) that is in charge of monitoring the construction of the bridge over the Ntem River, which is located on the Kribi (Cameroon)-Campo (Cameroon)-Bata (Equatorial Guinea) corridor. This was revealed during a workshop held in Ebolowa from August 19 to 21, and reported in the state-run daily *Cameroon Tribune* of August 27.

The workshop aimed to draw up the rules of procedure. Participants were senior officials from the Ministries of Economy (Minepat), Public Works (Mintp), External Relations (Minrex), Transport (Mint), and Finance (Minfi).

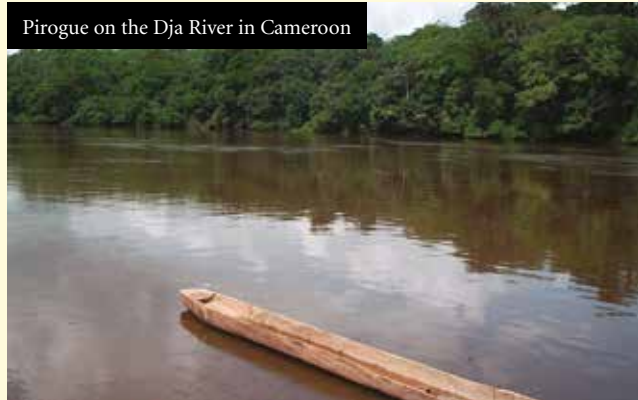
The workshop had been planned for in the memorandum of understanding signed between Cameroon and Equatorial Guinea on June 23, 2013. It had also been explicitly raised in the joint statement that followed the working and friendship visit of Teodoro Obiang Nguema Mbasogo, President of Equatorial Guinea, to Yaoundé on November 30, 2012.

It is clear that Cameroon and Equatorial Guinea are strongly committed to building a bridge over the Ntem River, and therefore also a tarred road between Kribi and Bata, via Campo.

Feasibility studies for the bridge have been completed. Its estimated cost is 2 billion francs CFA.

Delivery of Mekin Hydroelectric Dam Confirmed for 2014

Pirogue on the Dja River in Cameroon



Frédéric Biya Motto, CEO of Hydro-Mekin, says that the Mekin project will be delivered in May 2014. During a site visit on July 24, 2013, he added that the access road is almost complete and that living quarters for workers will be ready in two months, reported the French-language daily *Mutations* on July 25.

Built over the Dja River in southern Cameroon, the 15 MW hydroelectric dam would reinforce the region's interconnected grid and supply power to all eight council areas in the Dja and Lobo Divisions.

During a site visit on May 23 by Grégoire Owona, Minister of Labour and Social Welfare (MINTSS), workers there were bitter and denounced the working conditions imposed on them by their Chinese employers.

Although not their primary employer, Biya Motto wanted to congratulate the hundreds of workers who have come from all over Cameroon. "You cannot have a project of this magnitude without addressing environmental and social issues. Chinese standards are not known internationally. It is therefore important to have a dialogue so that everyone gets the best," he said.

The first work contracts have been signed and real toilets are being built, but the pay package of 1,700 francs CFA per day is "too small," said Luc Zam, a Cameroonian employee of the Chinese company.

Cameroon to Own US-Made Bitumen Plant “Very Soon”



Built in Idaho, heavy road equipment will leave the United States for Cameroon “very soon”, reported KTVB, a NBC-affiliated television station in Boise, Idaho on July 27, 2013. Cameroonian officials were at the Yankee Machine Shop to see how the portable bitumen plant would work. They were very happy, KTVB reported, quoting one of the officials. *“We have tried different equipment in our country and from various oth-*

er countries. We have realised that equipment from the US is of better quality and more reliable. That is why we are here today,” said Lt. Col. Jackson Kamgain, Regiment Commander (Corps of Engineers), Ministry of Defence.

Bitumen is a mixture of aggregates, binders, and fillers that is used to build and maintain all kinds of roads, parking lots, and play-and-sport areas. The plant could dramatically reduce

road repair and maintenance costs in Cameroon. It would also create badly-needed jobs in the country.

14% of Cameroon’s road network is in good condition, while 32% is in fair condition and 54% in poor condition, reported Patrice Amba Salla, the Minister of Public Works, in the weekly *L’Action* in June 2013. The country needs 100 billion francs CFA per year to maintain its roads, he added.

Cameroon Aims for 8,500 km of Tarred Roads by 2020

Tang Ahanda, Chief of the Standards and Planning Division at the Ministry of Public Works, revealed that the government aims to have 8,500 km of tarred roads by 2020. The announcement was made during the open-door “Public Works Day” at the Forum on Government Action (Sago), a fair that ended on August 22, 2013 in Yaoundé.

By 2009, only 10% (5,250 km) of Cameroon’s road network was paved. As per the objectives in the country’s development plan (Strategy Paper for Growth and Employment), Cameroon aims to increase this ratio to 17% by 2020. According to Dr Ahanda, this will be possible if 300 km of roads are paved each year.

He added that the government will focus on the road network around localities with giant projects such as the Kribi

deep sea port (South Region) and the exploitation of iron in Mballam (East Region). It will also promote trade in the CEMAC zone through the construction of roads that link the country to other member states. This year, the government announced the construction of the Sangmélima (Cameroon)-Ouésso (Congo Brazzaville) road.

Besides tarred roads, Cameroon is also opening new earth roads and maintaining older ones. On August 20, 2013, the Minister of Public Contracts, Abba Sadou, published a bid for the paving of 80 km of earth roads in areas with moderate traffic in the Far North, Littoral, West, and Southwest regions. Financed by the Public Investment Budget (BIP), construction must be completed within ten months and will cost around 5.9 billion francs CFA.



Barnabé Tang Ahanda, Chief of the Standards and Planning Division at the Ministry of Public Works

ENERGY

Solar, Wind Energy Plant to Open in Soa



Specialised in renewable energy, the factory will produce solar and wind panels that will generate power and produce light bulbs. Serge Miltcheff, a

**In Cameroon,
light bulbs cost
between 600 and
2,000 francs CFA,
and usually burn
out in less than
six months**

French investor, made the announcement after signing a convention on the training of engineers between

his company (*Société camerounaise d'énergies*) and the National Polytechnic School (ENSP) in Yaoundé on September 6, 2013.

As of November 2013, the factory will employ 250 people. About 174 million francs CFA (1.5 million euros) will be invested.

The company signed the convention to provide additional training for engineers in electronics and electronic engineering for one year, since it knows that Cameroon lacks engineers in renewable energy. The fact that the ENSP will now train engineers in renewable energy is an “invaluable” advance for the country's university system, claimed the Minister of Higher Education, Jacques Fame Ndongo.

The *Société camerounaise d'énergies* says that light bulbs from the factory will have a life span of 45,000 hours, cost less, and consume less energy. In Cameroon, light bulbs cost between 600 and 2,000 francs CFA, and usually burn out in less than six months.

“60-watt light bulbs will be replaced with 8Wh ones with the same lighting capacity,” said the Minister of Small and Medium-Size Enterprises, Laurent Serge Etoundi Ngoa, during the signing ceremony.

The investment is seen as the result of the Head of State's visit to France in January 2013, when he met with representatives of MEDEF (*Mouvement des entreprises de France*), a French association of employers.

Energy Minister Tasks AES-Sonel



The Minister of Energy, Basile Atangana Kouna, has asked the General Manager of AES-Sonel to send to his office without delay *“a detailed account of planned investments in the grids and a detailed study of the balance between supply and demand during the next two years.”*

This was on August 19, 2013 during a meeting of the Monitoring Committee of the low-water scheme, which brings together key stakeholders in the electricity supply chain. The meeting was held in the conference hall of the ministry, reported a statement signed by the Minister on the same date.

Meanwhile, the General Manager of AES-Sonel said that at the moment, *“Cameroon has no capacity problems, but rather faces flaws in the grid...”*

“However, AES-Sonel is currently implementing an investment program to permanently fix these problems,” he added.

In his statement, Minister Atangana Kouna reassured the public that the government is doing everything it can to ensure a sustainable balance between the supply and demand of power in order to end the current power rationing.

The statement also reported that meeting participants were updated on

the situation during the past low-water period and the steps that are necessary to achieve a balance between supply and demand in the future.

There were three main presenters: the General Manager of the Kribi Power Development Corporation (KPDC) spoke about the operation of the Kribi gas plant; the representative of the Electricity Development Corporation (EDC) reported on the state of emergency power plants; and the General Manager of AES-Sonel reviewed the management of electricity supply during the low-water period and his company's plans for power production and distribution in the coming months.

The General Manager of KPDC reported that the Kribi gas plant is operating normally and that the transfer of ownership to the State is planned in September and pending approval, the statement indicated. For his part, the representative of EDC claimed that providing fuel for the Kribi gas plant remains a concern.

According to the statement, the Minister has ordered a meeting between stakeholders and officials at the Ministry of Finance to find appropriate solutions to the problem.

Half of Cameroonians Are Without Power



During a seminar on access to lighting and phone charging held in Yaoundé on August 22 and 23, 2013, it was revealed that more than half of the Cameroonian population has no access to electricity.

The study was conducted in rural areas by the seminar organisers: SNV Cameroon, Development Partnership with the Private Sector (DPP), and Giz-tats. Seminar participants brainstormed about how to improve the situation of rural populations.

The study reports that people living in rural areas predominantly use bush lamps, torches, solar lights, and generators, which are imported mainly from China and Nigeria.

These alternative lighting means cost an average of 16,000 francs CFA per household each year, which is expensive for these social classes. In addition, cell phones are still luxury items in most rural areas.

To conduct the study, researchers took field trips, used questionnaires, and conducted interviews.

Govind and 3PL to Construct Oil Pipelines

After a restricted tender on June 11, 2013 by the Minister of Energy and Water, Basile Atangana Kouna, the Houston-based Govind Development Plc. (Govind) and the Nigeria-South African consortium 3PL Cameroon have won the contract to connect major Cameroonian cities by pipeline and thereby facilitate the transportation of petroleum products.

According to a government statement, 3PL Cameroon (Petroleum Products Pipeline SA) will build a 248 km pipeline between the towns

of Limbe (South West), Douala (Littoral), Edea (Littoral), and Yaoundé (Centre). For its part, Govind will connect Limbe (the location of SONARA, the country's only refinery) to Bafoussam (West) and Bamenda (North-West) over a distance of 377 km.

According to experts, these pipelines will improve access to petroleum products and help the Hydrocarbons Prices Stabilisation Fund (CSPH) to standardise fuel prices at the pumps throughout the country.



EIB Loans Nearly CFAF 20 billion to Cameroon

The European Investment Bank (EIB) has granted Cameroon a loan of 19.7 billion francs CFA to support its electricity infrastructure improvement program.

Specifically, the funds will be used to finance the hydroelectric dam at Lom Pangar, which should produce an output power of 30 megawatts (MW) by 2014, primarily to supply the East Region.

The Head of State, Paul Biya, laid the giant dam's foundation stone on August 3, 2012. Its total estimated cost is 238 billion francs CFA.

According to the project owner, Electricity Development Corporation (EDC), the dam covers 540 km² and has a storage capacity of 6 billion m³ of water.

Work on the dam is progressing normally. The EIB loan is expected to cover its completion as well as the construction of a 105 km high voltage line that will serve 150 communities.



Work on the Lom Pangar dam

INDUSTRY

Korean Steelmaker to Build a State-Owned Factory



Steel Factory in Korea

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Mbalam-Nabeba Iron Ore Project Takes a Key Step



Mr. Giulio Casello with Prime Minister Philemon Yang

Sundance Resources Ltd says that it has opened a restricted tender for the construction of the project's port and rail infrastructure, reported the bilingual daily *Cameroon Tribune* on August 9, 2013. The Australian iron ore giant, a partner of Cam Iron (which owns the Mbalam-Nabeba project), said that the bid is opened to Engineering, Procurement and Construction (EPC) contractors with an international reputation.

A 510 km rail line from the Mbalam mine (Cameroon) and a 70 km rail line from the Nabeba mine (Republic of Congo) are both expected to run to the Cameroonian coast, where an iron ore export terminal would be built near the Kribi deep sea port industrial complex, the *Cameroon Tribune* added.

Six of the interested companies are Chinese, but their names have been withheld. The contracts could be signed by the end of this year, the news release said.

"The company (Sundance) expects that the negotiations for the take-or-pay contracts and project equity agreements will be completed this calendar year."

According to Giulio Casello, a Sundance Managing Director, the tender is a key step towards the implementation of the project.

The Mbalam-Nabeba project straddles the border of Cameroon and the Republic of Congo. The mine could produce 35 million tons of iron ore per year, the *Cameroon Tribune* noted.

INDUSTRY

Cameroon Could Hit Double-Digit Growth by 2020 - André Fotso

Two years ago, the government of Cameroon launched a public-private dialogue to improve the business climate in the country. As part of this initiative, it has been holding talks with the private sector.

On September 2, 2013, André Fotso, the President of Cameroon's cartel of businesses (GICAM), told *Le Quotidien de l'économie* that the initiative is bearing fruit. Fotso is also a member of the follow-up committee, which was established in February 2012 to promote the implementation of the projects that are proposed to the government.

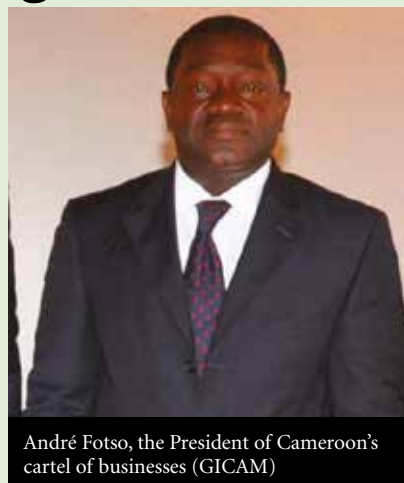
"The investment code has been voted in parliament and promulgated by the Head of State. We are just waiting for the application text for investments to become a

reality," Fotso told the daily.

Although he recognised that a lot has been done, he added that more is expected. *"We need to remain mobilised as members of the follow-up committee and of the cartel, so that our economy grows by a digit each year. By 2020, we should therefore have double-digit growth and put Cameroon on the path to becoming an emerging economy."*

The committee is focussing on four areas: infrastructure and regional integration, stages of growth, financing of the economy, and the role of the private sector.

Cameroon's economy has grown by one digit in the last two years. Growth was 4.1% in 2011, 4.4% in 2012, and it is projected at 5.5% for 2013.



André Fotso, the President of Cameroon's cartel of businesses (GICAM)

Federated efforts to improve Cameroon's economy will pay off, noted Fotso. His GICAM recently followed the Head of State to Turkey and France to sell the country's economic potential and encourage investors.

Cameroon Topped Change in Tourist Inflow for Africa in 2012

The number of tourists to Cameroon jumped from 604,000 in 2011 to 817,000 in 2012, according to the highlights published by the United Nations World Tourism Organization (UNWTO). This represents a 35.3% increase, the highest in Africa. Between 2010 and 2011, the amount of tourists to Cameroon had increased by only 5.5%.

Of the 30.8 million tourists who visited Africa in 2012, 1.6% went to Cameroon, which is branded "Africa in Miniature." Located in the centre of Africa and the Gulf of Guinea, it is an ethnically-diverse and bilingual country (English and French) with breath-taking geographical features.

It offers a wide variety of food, clothing, dance, and accommodations, as well as



favourable climatic conditions.

A peaceful country surrounded by neighbours with deep-seated conflicts,

Cameroon is home to many foreigners, who are warmly greeted by its friendly citizens.



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Excess Cash in Cameroon is “Alarming”



Central African CFA franc

In 2008, banks in the Central Africa region had an estimated 7,000 billion francs CFA of excess liquidity, of which 1,700 billion were in Cameroon, indicated the French-language daily *Mutations* in August 2013. According to experts, this situation will worsen given the difficulty the private sector faces in accessing credit and financing the economy, noting that small and medium enterprises (SME) are particularly affected.

The fact remains that banks in the CEMAC zone are reluctant to grant loans to SMEs.

During a press conference in Douala last June, Fabrice Kom Tchuenté, Executive Director of FinAfrique Consulting, said that the amount of excess liquidity in Central Africa in general and in Cameroon in particular is alarming.

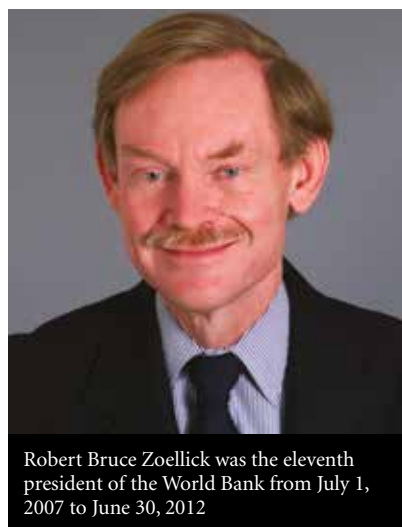
Even if some experts fail to explain the paradox of excess liquidity and the ab-

sence or paucity of funding, the fact remains that banks in the CEMAC zone are reluctant to grant loans to SMEs.

Faced with this situation, Robert Zoellick of the World Bank had proposed the creation of a sovereign fund that would facilitate the growth of the continent's economies. *“Equity investments are more sustainable in the long term, unlike debt,”* claimed the expert.

Alternatively, creating a Diaspora investment bank could minimise transfer costs. Each year, Africa receives 2,200 billion francs CFA in remittances. According to Kom Tchuenté, who is also a former official at the African Development Bank, such an initiative could promote the “bancarisation” of remittances and contribute to the provision of integrated services for senders and receivers, such as savings accounts, credits, and mortgages (microfinance).

“We can also learn from Islamic banking, according to which it is forbidden to grant a loan with interest. Further, it may be important to be interested in the profitability and social character of the project before funding it. This is a financing method that is not yet practiced in



Robert Bruce Zoellick was the eleventh president of the World Bank from July 1, 2007 to June 30, 2012

Cameroon,” added Kom Tchuenté as an alternative.

According to him, another funding method that could be applied in Cameroon is private equity investment. *“This allows a company to be funded and supported. After several years, the bank may withdraw and allow the company to become independent.”*

A forum on this issue will be held in November in Douala, the economic capital of Cameroon.

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Business Opportunities

- Energy
- Water
- Transport
- Mining
- Toll Bridge
- Toll Roads
- Telecommunications
- Tourism
- Other infrastructures

INDUSTRY

BADEA Grants Cameroon CFAF 3.75 Billion to Build a Technical School in Ombe

The Arab Bank for Economic Development in Africa (BADEA) has granted a loan of 3.75 billion francs CFA to Cameroon for the construction and equipping of a technical high school in Ombe, in the South West Region of the country.

In late July 2013, the government announced that 36 classrooms for general courses, 10 specialised classrooms, 10 workshops, and administrative blocks would be built. The school will also be used to train teachers in new areas of specialisation.

In 2010, the government launched a project to rehabilitate and build vocational

training institutions in five regions, thus satisfying the need for technical staffers and creating jobs.

The loan is repayable in 30 years, including a grace period of 10 years, at an annual interest rate of 1%.

PANA reports that the loan puts the BADEA's total commitments to Cameroon at US\$ 113.3 million. In November 2007, the Bank granted a loan of US\$ 8 million to help finance the Fouban-Magba road project, which linked agricultural production centres in the West Region to the trade centres of Yaoundé and Douala, respectively

the political and economic capitals of Cameroon.



BADEA Headquarters in Khartoum

Three Projects to Benefit from T-Bonds Deal in September



Yaoundé-Okola-Evodoula Road

Three projects in the 2013 budget will benefit from money raised from treasury bonds that were issued on September 4, 2013 by Cameroon at the counter of the Bank of Central African States (BEAC) via 13 banks, reported the state-

owned *Cameroon Tribune* of September 3, 2013.

Cameroon wants to borrow between 5 and 10 billion francs CFA, a statement by the Minister of Finance said on September 2.

Lom-Pangar, which is under construction in the East Region, is estimated at 190.174 billion francs CFA, according to a statement by the Treasury Unit in the Ministry of Finance. It will receive 7 billion francs CFA from this loan. The project has already received 24 billion francs CFA from the series of bonds that have been issued since 2010.

For the Mekin dam project in the South Region, the government planned for

2.3 billion francs CFA, representing its counterpart funding of 15% of total costs, which are estimated at 25.77 billion francs CFA. The China Exim Bank will provide the rest. Work on the dam is 40% completed.

As for the Yaoundé-Okola-Evodoula road in the Centre Region, funding is the responsibility of the government. The 2013 budget indicated that 700 million francs CFA would be allocated to finance road maintenance, the total cost of which is estimated at 2.73 billion francs CFA for a period of 20 months.

Since January 2013, Cameroon has already borrowed 86 billion francs CFA from the BEAC.

HEALTH

Paul Biya Buys Antiretroviral Drugs for CFAF 5 Billion



The management of HIV/AIDS normally includes the use of multiple antiretroviral drugs in an attempt to control HIV infection

Cameroon's President, Paul Biya, has ordered the disbursement of 5 billion francs CFA for the purchase of antiretroviral drugs for the treatment of Cameroonians living with HIV/AIDS, the Minister of Health, André Mama Fouda, announced in August 2013 during a press conference in Yaoundé.

In total, he said, the government will spend 10.8 billion francs CFA for the operation, and 9.2 billion francs CFA are expected from partners.

With these funds, the government hopes to provide medical support for 16 months to people living with HIV/AIDS. For more than a year, support centres around the country have been running low on their stock of antiretroviral drugs.

In 2012, the prevalence of HIV/AIDS in Cameroon was estimated at 4.3% on a total population of some 20 million inhabitants.

SABC and Coca-Cola Inject CFAF 9.2 Billion into Hospitals



André Siaka, CEO of The Brasseries du Cameroun (SABC)

The Brasseries du Cameroun (SABC) brewery company and the Africa Coca-Cola Foundation will provide medical supplies to three health institutions for three years, a gift valued at nearly 9.2 billion francs CFA. "Let's bring hope through health" is the motto guiding the two donors.

On August 27, 2013, the Yaoundé Central Hospital (YCH) received three 40-foot containers full of medical equipment and medication during an event chaired by the Minister of Public Health, André Mama Fouda, who was accompanied by the CEO of SABC, André Siaka.

The Douala General Hospital received its package on August 10 while the Laquintinie Hospital received its containers on July 31.

Over the next three years, the three health institutions will each receive seven containers full of medication and medical equipment.

"Each hospital had the privilege of choosing the equipment it needed. All that was asked was granted," said a joint statement by the donors. The training of health personnel in the use and maintenance of the new equipment is also envisioned.

The three-year program benefits from the partnership of two non-governmental organisations, MedShare and Citi Hope, which are specialised in humanitarian work.

TELECOM

Cameroon Picks EMP for e-Payments at Douala Port



Emerging Markets Payment (EMP), a leading company that provides electronic payment services in the Middle East and Africa, has been chosen by Cameroon to manage the electronic payment of taxes and custom duties at the Douala port, the company said in a statement on August 5, 2013. EMP is also a subsidiary of the investment group Actis, which has been cited in the acquisition of AES-Sonel shares.

As part of the agreement with Cameroon, EMP would launch the project's pilot phase this September, with a full launch in November. The company was selected following a tender organised by the World Bank to facilitate trade within the CEMAC zone.

The group will set up a paperless payment system that is expected to reduce both corruption and clearing time, which is currently at least 18 days.

"The electronic payment project for the Douala port is a good example of how a combination of world-class technology and expertise can support a government's efforts to move to a society where paperless payment systems are most effective," said Paul Edwards, President of EMP.

Likewise, the World Bank is satisfied with the choice. *"EMP operates according to the highest international standards for data security and has earned a reputation as the largest electronic payment company in the region,"* said Hoda Shoukry, a World Bank staffer who worked on the tender.

The launch of this payment platform is the first concrete step towards one-stop shopping.

Viettel Cameroon Promises IBM Services

Viettel Cameroon, a subsidiary of the Vietnamese group that was recently awarded the third mobile license in the country, will use the IBM Smarter Computing solution to deploy 3G infrastructure in Cameroon, reported verified sources at the *Journal du Cameroun*.

Under this agreement, Viettel Cameroon will provide the technological infrastructure based on IBM System x 3850 and 3650 servers, Blade Centre HS23 servers, IBM Storwize V7000 Storage Systems (a Linux operating system), and IBM DB2 PureScale 10 software, which will allow access to next-generation integrated mobile services at a reduced price for millions of new subscribers in the country.

"This agreement demonstrates our continued commitment to Cameroon, the second market where we have invested in Africa. The complete portfolio of IBM solutions for smarter computing (Smarter Computing) allows us to provide next-generation mobile services at optimised costs," said Phung Van Cuong, Director of Information Systems at the Viettel Group.

As he explained, these services allow users to make a video call while browsing the Internet or playing with friends, to chat online, to connect to multimedia applications on a tablet, or to pay for a parking ticket. The servers can handle up to ten terabytes of data.

According to a study by Pyramid Research, mobile phones in Cameroon are mostly used for voice calls due to infrastructure limitations.

In a statement on the agreement with Viettel, IBM claimed that the introduction of integrated 3G data services could potentially attract more than six million new subscribers by 2017. Viettel will also simultaneously manage billing systems and customer relationship management (CRM). It is working with its partner, SVTech, to install the solution.

South Africa's MTN and the French Orange dominate the Cameroonian market, while the national operator CAM-TEL is lagging behind with its mobile service, City Phone. Eto'o Telecom, which focuses on low prices, seems adrift today.

If the data processing technology is known, it remains unclear how the company plans to meet the challenge of ensuring national network coverage, as described in the business plan. The award of the license to the subsidiary of a leading Vietnamese mobile company had been the subject of much criticism in the local press. But the group indicated that it plans to invest 200 billion francs CFA to ensure network coverage across the country, a promise that some experts believe will be too difficult to keep.

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LAW

Cameroon Passport Goes Biometric



More secure, the new biometric passport was officially launched in Yaoundé

on August 14, 2013.

The first copy of the biometric passport with the technical specifications of the Economic and Monetary Community of Central Africa (CEMAC) was issued on July 15 in Yaoundé. The announcement was made at the end of July during a final preparatory meeting chaired by Victor Ndocki, the Secretary General of National Security (DGSN).

As of July 26, 5,000 new biometric passports had been issued, reported the DGSN.

Cameroon became the first country within the CEMAC zone to comply with the standard, which will be effective on January 1, 2014. This is also when visa requirements for citizens of the sub-region end. These measures are in accordance with the resolutions that were adopted at the Summit of Heads of State and Government in Libreville in June. DGSN officials say that the old passports are still valid, even though they do not provide the same features as the biometric passport, which is said to be a more reliable travel document.

Former Airports GM to Serve 20 Years in Jail

Ntongo Onguéné, the former General Manager of Cameroon Airports (ADC), was sentenced to 20 years by the special court set up by the President of the Republic of Cameroon, Paul Biya, in the framework of the trials on public embezzlement.

The Special Criminal Court (TCS) found the former GM guilty of embezzling 175 million francs CFA, alongside Monti Ekani, a businessman who was sentenced to 12 years in prison. According to the Court, Onguéné paid this amount to Ekani for the rehabilitation of the VIP lounge at the Douala airport in 2008, but it was a "fictitious" contract. This is the second time Onguéné is convicted. Earlier, the High Court of Mfoundi sentenced him to 10 years im-



prisonment for embezzling public funds while in office as General Manager of the Civil Aviation Authority.

Onguéné's world began to crumble in June 2009 after he was fired from ADC, arrested, and then detained at the Kondengui maximum-security prison in Yaoundé on January 8, 2010.

Since the "Epervier" operation began in 2006, ten former GMs of state-owned

companies have either been sentenced or detained. The operation aims to punish people who have dipped their hands into Cameroon's public purse.

President Biya has maintained that he will continue to fight corruption. "Be it known, Ladies, Gentlemen, and dear Comrades, that I am fully determined to eliminate this scourge and to step up the fight against corruption without complacency or discrimination, and irrespective of the social status or political leanings of those found guilty. Nobody will consider himself or herself to be above the law," he had told his CPDM party members at the third ordinary congress in 2011.

The TCS found the former GM guilty of embezzling 175 million francs CFA.

Fiscal Implications of Bakassi Residents



Nigerian fishermen

Bakassi, an oil-rich peninsula, became fully Cameroonian on August 14, 2013. As a result, the country now has 300,000 new inhabitants – and taxpayers.

The problem, however, is that Cameroon and its tax legislation are much more severe than the English-speaking neighbour, Nigeria, claims the Catholic monthly *L'effort camerounais*.

For Nigerians who refused to change their nationality, a residence permit will cost 130,000 francs CFA for two years or 250,000 francs CFA for 10 years, an amount the Cameroonian government will be eager to collect.

Another major concern for Bakassi residents is the tax paying scheme. In Nigeria, small businesses and small business owners located on the side of roads do not have to pay taxes, but this is not the case in Cameroon.

The tax collection method could also be a concern. Each zone is checked once a year by agents from the Ministry of Finance who are accompanied by the police to collect taxes from all businesses, regardless of their size.

Experts say that the government will have to adjust and talk with its “new people”, who cannot be blamed for their attitude.

Nigeria ceded Bakassi to Cameroon in 2008 after a long legal fight. A decision

by the International Court of Justice ended years of border skirmishes in 2006.

During the five-year transition period, which was supported by the UN, Bakas-

si residents – many of whom are Nigerian fishermen – were exempted from taxes. This exemption was abolished on August 14.

PENINSULA OF BAKASSI

The peninsula lies between latitudes 4°25' and 5°10'N and longitudes 8°20' and 9°08'E. It consists of a number of low-lying, largely mangrove covered islands covering an area of around 665 km² (257 sq. mi). The population of Bakassi is generally put at between 150,000 and 300,000 people.

Bakassi is situated at the extreme eastern end of the Gulf of Guinea, where the warm east-flowing Guinea Current (called Aya Efiat in Efik) meets the cold north-flowing Benguela Current (called Aya Ubenekang in Efik). These two ocean currents interact creating huge foamy breakers which constantly advance towards the shore, and building submarine shoals rich in fish, shrimps, and a wide variety of other marine life forms. This makes the Bakassi area a very fertile fishing ground, comparable only to Newfoundland in North America and Scandinavia in Western Europe. Most of the population make their living through fishing.



The peninsula is commonly described as “oil-rich”, though in fact no commercially viable deposits of oil have been discovered. However, the area has aroused considerable interest from oil companies in the light of the discovery of rich reserves of high grade crude oil elsewhere in Nigeria. At least eight multinational oil companies have participated in the exploration of the peninsula and its offshore waters. In October 2012, China Petroleum & Chemical Corporation announced it had discovered new oil and gas resources in the Bakassi region.

FREDERIC MBOTTO EDIMO: RISING STAR

On September 11, 2013, the Head of State, Paul Biya, appointed Frédéric Mbotto Edimo as General Manager of the national carrier, Cameroon Airlines Corporation (Camair-Co). He is the first Cameroonian to hold the position since the airline's creation in 2005.

Mr Mbotto Edimo was appointed GM three short months after being named Camair-Co's Deputy General Manager. His predecessor, Johannes Matthijs Boertin, was named GM on January 3, 2013, but the Dutchman's management style was strongly criticised by trade unions, especially with regards to the massive recruitment of expatriates.

Mr Mbotto Edimo becomes Camair-Co's fourth GM since 2005, after Gilbert Mitonneau (French), Alex Van Elk (Dutch), and Matthijs Boertin (Dutch). He has 25 years of experience in the aerospace industry.

If Mr Mbotto Edimo is to succeed, contracts must be well matched to the company's financial means and unnecessary spending must be eliminated. Moreover, domestic and regional routes that are known to be profitable should be prioritised. As noted by the Minister of Transport, Robert Nkili, Camair-Co is better positioned on these lines than on international routes, where competition is fierce. Finally, the company that is known for its frequent delays and cancellations has to win back the confidence of passengers.

Mr Mbotto Edimo studied at the National Institute of Applied Science (formerly ENSAIS) in Strasbourg, France. He spent 17 years at the Agency for the Safety of Air Navigation in Africa and Madagascar (ASECNA), where he held several senior positions, including Acting Director of the Regional School of Air Navigation and Management (ERNAM) in Dakar. Since 2009, the former head of projects at the Ministry of Public Works and Transport was ASECNA's Resident Representative to the Republic of Cameroon, a position he held until his appointment as Camair-Co's Deputy GM on June 14, 2013.

YVES MICHEL FOTSO

Yves Michel Fotso, who had been detained in the Kondengui maximum-security prison for embezzlement, has just lost a case against Cameroon and its Head of State, Paul Biya, in an American court.

Other defendants in the same procedure have been released due to a lack of evidence. They include Pascal Magnaguemabé, a judge at the Mfoundi High Court when the case was launched in the US; Jean Baptiste Bokam, the Secretary of State for Defence (SED); Colonel Amadou, who was in charge of the Annex prison at the SED where Fotso was detained; Justice Soh; and Innocent Abouem.

The former Deputy General Manager of Camair-Co sued Paul Biya, Judge Magnaguemabé, and Justice Soh for malicious prosecution in the BBJ-2 case at the District Court of Oregon in the United States.

Mr Fotso argued that the court should denounce his detention conditions as inhumane, a direct challenge to his jailers, Jean Baptiste Bokam and Colonel Amadou.

In a press announcement issued after returning from the United States, the counsel for Cameroon, Akere Muna, declared that he "successfully defended" the state and the co-accused.

Mr Fotso was the principal defendant in a 29 million dollar fraud case related to the purchase of a BBJ-2 that was to serve as Paul Biya's new presidential aircraft. He was convicted by the Mfoundi High Court on September 22, 2012 and sentenced to 25 years in prison.

His co-accused in the misappropriation of the funds were Marafa Hamidou Yaya (the former Secretary General), Assene Nkou (a businessman and the General Manager of the Commercial Bank of Cameroon (CBC) at the time of the crime), and Jean Louis Chapuis.

Yves Michel Fotso will have to change tactics.

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La BAD appuie fortement le financement du commerce en Afrique

La Banque africaine de développement (BAD) a approuvé, en février 2013, son Programme de financement du commerce (PFC). Le lancement de ce programme de financement du commerce propre à l'institution renforce ainsi le rôle de la Banque, pour les années à venir, en tant que pourvoyeur de financement du commerce.

Le programme a pour objectif de compléter les contributions des acteurs commerciaux et des banques multilatérales de développement impliquées dans le financement du commerce (FC) en Afrique, tout en répondant à la demande, critique, du marché du financement du commerce dans la région, en encourageant le commerce dans des secteurs économiques cruciaux.

Cela exigera une collaboration exemplaire entre divers intervenants, y compris des institutions régionales de financement du développement, et des institutions financières locales et internationales.

Le financement du commerce contribue de façon vertueuse au développement du secteur privé, au cœur de la transformation structurelle de l'Afrique et de la croissance inclusive. De fait, en répondant aux besoins d'investissement et en fonds de roulement des entreprises de la sphère réelle de l'économie et en permettant d'éviter des pénuries d'approvisionnement, le financement du commerce assure la continuité des opérations tout en favorisant la croissance du chiffre d'affaires des entreprises et la création d'emplois.

Dans la foulée de l'approbation du programme par le Conseil d'administration de la BAD, cinq transactions, d'un montant total de 520 millions de dollars EU, ont été traitées.



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