BUSINESS IN CAMEROON

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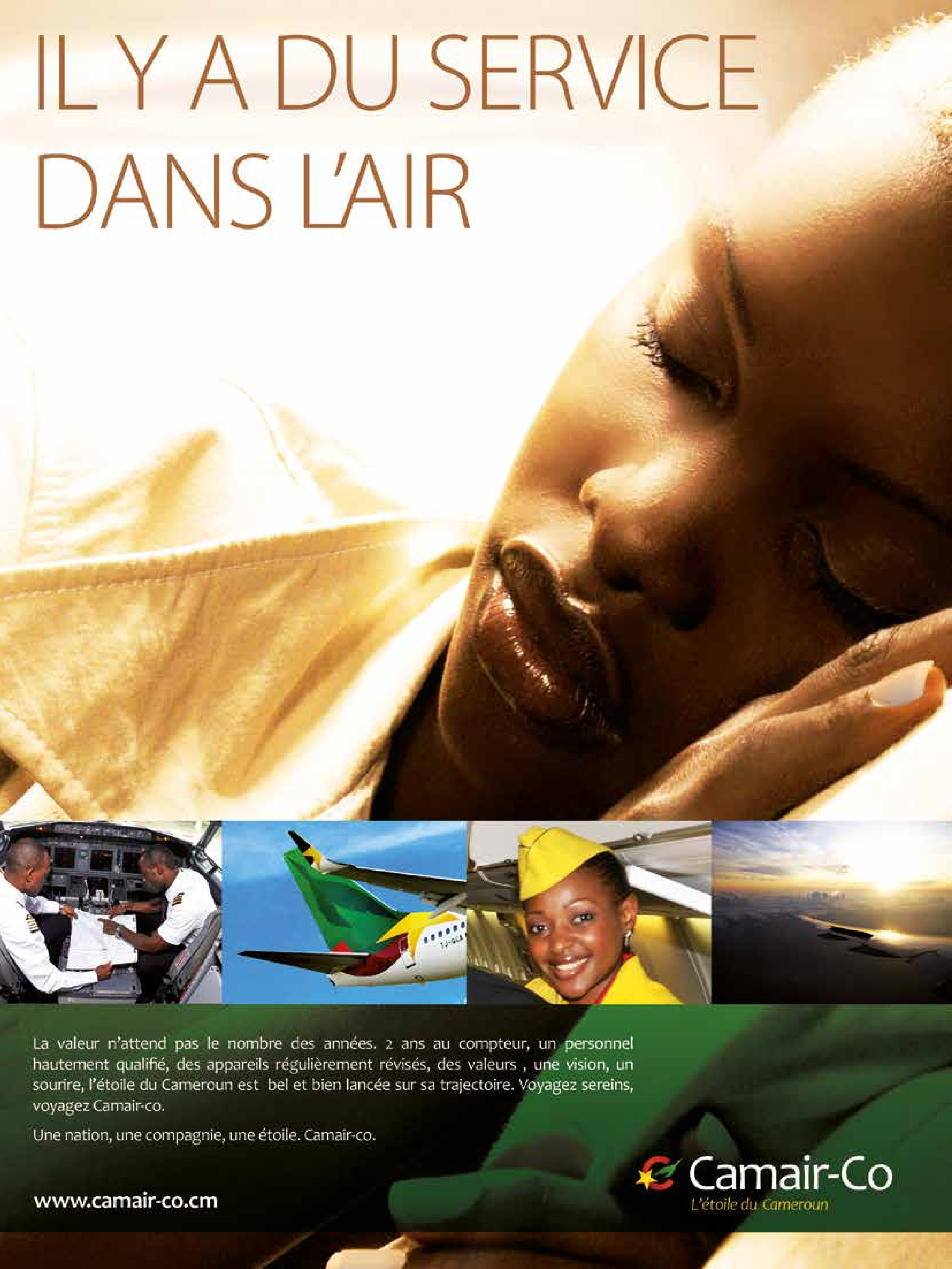
MAJOR PROJECTS
AGRICULTURE
ENERGY
MINING
INDUSTRY
SERVICES
FINANCE

Cameroon gives natural gas a go

Camair-Co: Making Cameroon's star shine again


IL Y A DU SERVICE DANS L'AIR
TJ-QLA
La valeur n'attend pas le nombre des années. 2 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.
Une nation, une compagnie, une étoile. Camair-co.
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Yasmine Bahri-Domon

Mandatory reform

From July 5-7, 2014, Yaoundé, the capital of Cameroon, hosted the triennial general assembly of the Pan-African Lawyers Union (PALU) which was organised under the theme: *"Illicit financial flows from Africa: Preventing leaks – management and repatriation of frozen assets"* and supported by His Excellency Thabo Mbeki, former president of the Republic of South Africa and President of the high-level group of the UA-UN that monitors the flow of illegal money originating from Africa. In the margins of its general assembly, the PALU, whose honorary president for life, and this since 2006, Nelson Mandela honoured His Excellency Paul Biya by awarding him the PALU prize in agreement with the UA for his strong action in the peaceful resolution of conflicts, namely that of Bakassi. This recognition validates the efforts of this man of peace in a border conflict in which negotiation prevailed over the strength of weapons. He cited an excerpt from UNESCO's Constitution in his address: *"Since wars begin in the minds of men, it is in the minds of men that the defences of peace must be constructed."* The Cameroonian Head of State demonstrated once again his commitment and duty to plant peace in the collective memory of our societies.

It is in this climate of peace that Cameroon must achieve its economic recovery. It is undeniable that economic growth can only be achieved in an environment that is socially stable and favourable to investment. Bolstered by this asset, Cameroon has been harnessing its potential in natural gas by increasing its production and diversifying its production sources. 2014 is the year for this rise in power and so the Cameroonian government has been increasing its public-private partnerships. If natural gas production explodes, it will be due to the State's response to the research and ore development policy put in place by the "Grandes Réalisations". The re-assessment of natural gas' potential and the first natural gas processing plant in Sub-Saharan Africa in Logbaba-Ndog-Passi are all a part of this effort.

The natural gas sector's flight contrasts with that of the national airline, Camair-Co. "The star of Cameroon" has been struggling to reach its cruising altitude in very competitive skies. Managerial instability has affected the company, despite financial support from the government. The constant turnover of managing directors at the head of the national airline in a very short timeframe reveals the unending search for a viable, lasting development strategy and, over time, has clipped Camair-Co's wings.

Although the announcement made by the government on June 30, 2014, about the price adjustment for fuel at the pump and domestic gas was met with a great deal of apprehension, the support measures provided by the Head of State by way of ordinance No. 2014/001 of JULY 7, 2014 concerning the reduction of the special tax on oil products and certain taxes to be paid by passenger and cargo transporters and presidential decree No. 2014/253 of July 7, 2014, pertaining to the 5% revaluation of the monthly base salary for civilians and members of the military, with immediate effect, have been met with praise from various unions, civil society groups and up-lifted households who were disgruntled as one can expect with this type of government decision. This is a time to praise the maturity of the Cameroonian people which allowed the Cameroonian government, through the reforms undertaken, to condense the completion of the project, and factors affecting the creation of wealth and jobs.

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CASTING

ALAMINE OUSMANE MEY

The state employees and other officials of Cameroon are from now on obliged to travel, first and foremost, with Cameroon airlines corporation (Camair Co), the national airline company, for their missions abroad. It is what prescribes instructions which have just been made public by the Minister of Finance, Alamine Ousmane Mey.

Indeed, in a correspondence sent to the financial controllers and to the heads of regional governmental treasurers of the country, the Minister of Finance prescribes to make sure of "*there is an incentive to acquire tickets, first and foremost, with the national airline company, on the routes which it is covering directly or indirectly, the recourse to the other companies can only be justified on routes not covered by Camair-Co*".

OLIVIER MADIBA

Kiro'o Games, the small company that alleged produced the first video game studio in Central Africa has already raised 84,000 euros (55.1 million FCfa) to launch its "Aurion" video game. In its ten years of existence, the video game has drawn from Central African culture and cosmogony. The young entrepreneur and co-founder of Kiro'o Games, Olivier Madiba hoped to launch the product by mid-2014, but everyone who has been waiting on the release will have to wait longer.

Unlike mega productions such as "Desert Storm", "Divinity" or "FIFA 2013", which already had financing in hand, Kiro'o Games has yet to raise the 183,000 euros (120 million FCFA) needed to complete the project. Facing investor scepticism about the project's viability, Kiro'o Games has been struggling to reach its financing goal.

ADOUM YOUNOUSMI

On June 3, the Cameroonian Minister of Transportation, and his Chadian counterpart in charge of Infrastructure, Transportation and Civil Aviation, Adoum Youmousmi, signed the Agreement for the Creation of the Cameroon-Chad Railway Commission, to extend the rail service into Chad.

In addition, in the application of article 6 of this agreement, announced the Minister of Transportation, the contracted parties chose Bolloré Africa Logistics, of which one of the companies in Cameroon (Camrail) is the concession holder for the railway will involve "*supporting the conducting of studies, providing support in the preparation of files to introduce the project to lenders, preparing meetings with lenders, contributing to deliberations and the financial and institutional set-up.*"

ARTHUR ZANG

With his Cardiopad which some experts have not hesitated to present as being "Africa's first medical tablet" Cameroonian Arthur Zang, 26 years, was named on 24th June 2014 by the Royal Society (the prestigious London-based institution for the promotion of science) among 5 winners of the "2014 Rolex Award for Enterprise." Arthur Zang was among the 1,800 candidates that competed worldwide.

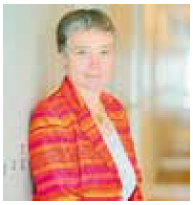
The youngest of the 5 winners of the competition (the four others are all between 29 and 30 years), the young Cameroonian will receive 50,000 Swiss francs in order "*to realise his project*" which will involve finalising his innovation which is "*an IT tool that enables caregivers in rural communities to transmit cardiovascular results to cardiologists through the mobile network.*"

NANA SANDJO

At the end of an extraordinary board meeting held on June 20th, 2014 in Yaoundé, Nana Sandjo, current mayor of the municipality of Bazou in the department of Ndé (western region), was appointed at the post of Managing director of the Cameroon Airlines Corporation (Camair-Co), the public airline company. He replaces at this post Frédéric Mbotto Edimo, arrived at the helm of the company on September 11th, 2013.

The now former Managing director of Camair-Co disagreed heavily with the chairman of the board of the company, Edouard Akame Mfoumou. He did not bear any more the omnipresence of the chairman within the company, for instance through the multiple board meetings held practically every month. As soon as he was appointed, Akame Mfoumou asked and obtained the resignation of the Dutchman Matthijs Boertin Johannes, CEO at that time.

ANNE PAUGAM



The Director General of the French Development Agency (FDA) Anne Paugam, and the Cameroonian Minister of Economy, Emmanuel Nganou Djoumessi, have just signed a loan agreement for 52.5 billion FCfa (around 80 million euros) for the partial financing of a drain clean-up project (PADY2).

PADY2 aims to correct the canalisation of the Mfoundi River, in which obstruction has given rise to frequent floods in the Cameroonian capital during the rainy season. It will also allow the improvement of the areas along its banks which, as the river, like the Seine in Paris, winds its way through several districts across the capital.

According to Anne Paugam, in 2014, the FDA will disburse between 60 and 70 billion FCfa to the Cameroonian government in the form of financing for various projects.

Paul Biya : "*The use of force poses more problems than it resolves… It is therefore possible to achieve peace on the basis of law*"

In Yaoundé, on June 6 2014, the Pan-African Lawyers Union awarded H.E. Paul Biya with "Peaceful conflict resolution" prize.

The President of the Pan-African Lawyers Union,
Members of the Pan-African Lawyers Union Executive Committee,
President THABO MBEKI and dear brother,
Excellencies,
Ladies and Gentlemen,

I am particularly pleased to take the floor on this solemn ceremony of the award of your organization's "Peaceful Conflict Resolution" Prize. On this occasion, I wish to heartily thank you for choosing Cameroon to host the Triennial Assembly of the Pan-African Lawyers Union. Permit me also to acknowledge the presence in our midst of Mr THABO MBEKI, our brother, former President of the Republic of South Africa, whom I would like to welcome.

Excellencies,
Ladies and Gentlemen,

In the world today, many armed conflicts undermine the stability of States or peace among nations. Unfortunately, Africa illustrates this fact, as epitomized by the tragic situation presently faced by the Central African Republic.

The causes of conflict in Africa are many and varied. It would be tedious to review them. I would limit myself to pointing out the threat posed to peace by border and land disputes. For example, I would like to dwell briefly on the efforts made by Nigeria and Cameroon to find a peaceful solution to the land dispute over the Bakassi Peninsula.

I dare say that on both sides, all the resources of diplomacy and international justice were used and that such efforts helped to bring about an honourable outcome for both parties. It was thus demonstrated that the use of force poses more problems than it resolves. This fact is stipulated in the United Nations Charter which prohibits the use of force and calls for the peaceful resolution of disputes.

It is therefore possible to achieve peace on the basis of law; provided, however, that force gives way to law; provided also that States recognize the supremacy of international law and the pre-eminent role of the United Nations.

Moreover, world peace can only be assured if the International Community upholds solidarity as one of the fundamental values in relations between nations. We can only rejoice in the ever-growing awareness of this obligation by a majority of States.

In this respect also, the role of the United Nations is crucial. On the other hand, conflicts, whether internal or between State entities, affect the economic take-off of African States and their development in general. In this regard, I am pleased to congratulate the Pan-African Lawyers Union for its outstanding work by proposing solutions to our States with within the scope of its missions. Until international law finally prevails over the use of force, I remain convinced that it should be guided by law, notably in the case of self-defence. It is in this spirit that we have taken measures to defend ourselves against the terrorist actions of Boko Haram in Nigeria.

At this juncture, I would like to underscore the relevance of the theme of your General Assembly, namely "Illicit Financial Flows from Africa". In fact, it has been established that the resources derived from organized crime are used to finance terrorism and arms trafficking.

The President of the Pan-African Lawyers Union,
Excellencies,
Ladies and Gentlemen,

A prestigious award like the one dedicated to the peaceful resolution of conflicts fills the person receiving it with a feeling of joy and pride. Permit me to share the honour bestowed on me with all those who worked for the peaceful settlement of the border dispute between Nigeria and Cameroon.

I am thinking particularly of: the International Court of Justice; my brother, President OLUSEGUN OBASANJO and the former Secretary-General of the United Nations, Mr KOFI ANNAN; my successive Nigerian counterparts; witness States, namely Germany, the United States of America, France and the United Kingdom; as well as the current Secretary-General of the United Nations, Mr BAN KI MOON.

Lastly, permit me to express my profound gratitude to you for the prize that your Organization, in agreement with the African Union, has kindly awarded me. To conclude, I cannot say it any better than quoting an extract from the UNESCO Constitution, I quote: "*Since wars begin in the minds of men, it is in the minds of men that the defences of peace must be constructed*". This is a programme, an entire programme, which is more topical than ever. A great programme that is a challenge to all of us.

Thank you.

BAKASSI TERRITORIAL DISPUTE IN SHORT

The peninsula is commonly described as «oil-rich». The area has aroused considerable interest from oil companies in the light of the discovery of rich reserves of high grade crude oil in Nigeria.
Nigeria and Cameroon have disputed the possession of Bakassi for some years, leading to considerable tension between the two countries. In 1981 the two countries went to the brink of war over Bakassi. More armed clashes broke out in the early 1990s. In response, Cameroon took the matter to the International Court of Justice (ICJ) on 29 March 1994.
The ICJ delivered its judgment on 10 October 2002, finding (based principally on the Anglo-German agreements of 1913) that sovereignty over Bakassi did indeed rest with Cameroon. It instructed Nigeria to transfer possession of the peninsula.
Nigeria began to withdraw its forces, comprising some 3,000 troops, beginning 1 August 2006, and a ceremony on 14 August 2006 marked the formal handover of the northern part of the peninsula. The remainder stayed under Nigerian civil authority for two more years. The government of Nigeria handed the final parts of Bakassi over to Cameroon on 14 August 2008 as planned by the judgment of the ICJ.

Gas sector says, "Fill me up"

It is a known fact: the energy deficit is an obstacle to Cameroon's economic development. Officially, with an installed capacity of a little over 1,000 MW, the country that has the second highest energy potential in Africa after the Democratic Republic of Congo has been losing a half-point of growth each year due to insufficient energy production.

A recent study commissioned by Cameroon's business leader organisation, GICAM, at the local office of the International Labour Office (ILO) is more alarming. It suggests that the repeated suspension of electricity supply is the main obstacle to development for Cameroonian businesses.

In this context, which more or less justifies the outcry generally made against Cameroon's public electricity provider, there is nevertheless a ray of hope which lies in the many electrical infrastructure construction projects underway across the country and, particularly, the emergence of a new energy source in the last few months: natural gas.

Since the inauguration of the first natural gas processing plant in Sub-Saharan Africa in November 2013, Cameroonian companies' energy consumption habits have been changing gradually. In the space of seven months, twenty companies have hooked-up their facilities to Victoria Oil & Gas subsidiary, Rodeo Development's gas pipeline. The gas company played a historic role in energy diversification in Cameroon through the development of the Logbaba-Ndog-Passi gas field in the coastal region.

As a result, national gas production sped-up significantly, reaching astronomical levels in the last quarter (4.34 billion cubic feet) compared to last year's production over the same period (93.4 million cubic feet). This allegedly clean fuel's availability is helping to improve the performance of the electricity sector in the sense that the country's only gas plant is now bringing in more revenue than usual.

The energy deficit is an obstacle to Cameroon's economic development.

But how has the overall economy benefited? There have been gains in many ways. Beyond the stabilisation of production in companies that have switched to natural gas, now freed from the frequent electrical power outages, the financial earnings made by the State by way of Société nationale des hydrocarbures (SNH) and the good health of the gas companies set-up across Cameroon, the gas sector is poised to become a real industry in its own right.

This new energy sector, of which the major components will certainly be the natural gas liquefaction factory with a 3.5 million metric tonne capacity, which is slated to be built in Kribi, in the south, and the probable creation of gas stations specialised in gas distribution (why not?) as SNH and the French company Perenco have been dreaming as they completed their first trials with natural gas-based cars.

Brice R. Mbodiam

Gas production explodes, going from 93.4 to 4.343 billion cubic feet over a year

Following its board meeting held on June 3, 2014 in Yaoundé, Société nationale des hydrocarbures (SNH) announced that natural gas production in Cameroon has increased significantly. According to a press release published by the public oil company, "*from the Logbaba and Sanaga Sud gas fields, it reached 4.343 billion cubic feet for the first four months of 2014 compared to 93.4 million cubic feet for the same period in 2013.*"

According to the SNH, "*the exponential climb is mainly due to growth in the energy consumption industries in Douala, of which twenty have converted their fuel intake to gas.*" This industrial consumption should increase in the coming weeks with the announced June launch of Nigerian billionaire Dangote's cement factory in Douala. Gaz du Cameroun, a subsidiary of Victoria Oil & Gas announced on December 8, 2013, having signed agreements with some companies, including Dangote Cement which, as of the second quarter of 2014, will need 0.4 to 0.5 mmscf of thermal gas per day.

SNH revealed that the largest quantity of gas produced in Cameroon between January and April 2014, was provided to the Kribi gas plant. "*The SNH delivered a total volume of 3.843 billion cubic feet of gas at an average price of 1,570.37 FCfa per thousand cubic feet,*" stated the Cameroonian State's oil company.

President Biya inaugurates first natural gas processing plant in Douala

"*Energy is the key weapon in the fight for development and progress, and we are going to win this fight,*" promised President Paul Biya on November 15, 2013 in Douala just before cutting the ribbon for the official opening of the Lognana-Ndog-Passi natural gas processing plant which the Minister of Energy, Basile Atangana Kouna, presented as a major first for Sub-Saharan Africa.

Thanking the heads of Rodeo Development, whom he appreciated "*for the investments made in the Ndog-Passi gas field,*" the Cameroonian Head of State indicated that the project will have "*a positive impact economically, technologically and socially for the people and businesses of Douala.*"

The Logbaba-Ndog-Passi natural gas processing plant is the fruit of a public-private partnership between Société nationale des hydrocarbures (SNH) and Rodeo Development, a subsidiary of the British company, Victoria Oil & Gas. Since January 2012, the natural gas plant has been delivering fuel to 18 industrial companies in Cameroon's economic capital via 16 km of pipeline.

A total investment of approximately 50 billion FCfa, the natural gas plant generated 100 direct jobs and has a daily production capacity of around 1.4 million m^3. Rodeo Development heads plan to drill new wells starting in 2014 and intend to increase production, counting on reserves currently estimated to be 11 billion m^3 of gas.

200 billion cubic feet natural gas discovered in Cameroon Cameroon

On September 24, 2012, the Director General of Société nationale des hydrocarbures du Cameroun (SNH), Adolphe Moudiki and the president of Addax Petroleum Corporation, (Addax Petroleum), Yi Zhang, announced the discovery of 20 million barrels of oil and 200 billion cubic feet of natural gas (5.66 billion m³).
The discovery was made by Addax Petroleum following offshore drilling at the Padouk-1X well on the Iroko block in the Rio del Rey basin. The company is a 100% subsidiary of the Chinese group, Sinopec. The subsidiary has exclusive prospecting rights on the Iroko block by way of the Ngosso exploration permit for the Mokoko Abana concession, located in the Rio del Rey basin which yields an average production of 16,000 barrels per day.

Padouk-1X, where drilling started on July 10, 2012, reached a total depth of 2,616 metres before being suspended in September 2012, revealed hydrocarbon fuels in six reservoirs, with 38.6 m TVD net in oil and 65.1 m RST net in gas, stated Addax Petroleum. "*Recoverable reserves on average are estimated to be 20 million barrels of oil and 200 billion cubic feet of gas. These recoverable volume estimates do not include additional reserves which would be considered during the appraisal phase scheduled to take place in 2013,*" was stated in the joint release issued by SNH and Addax petroleum.

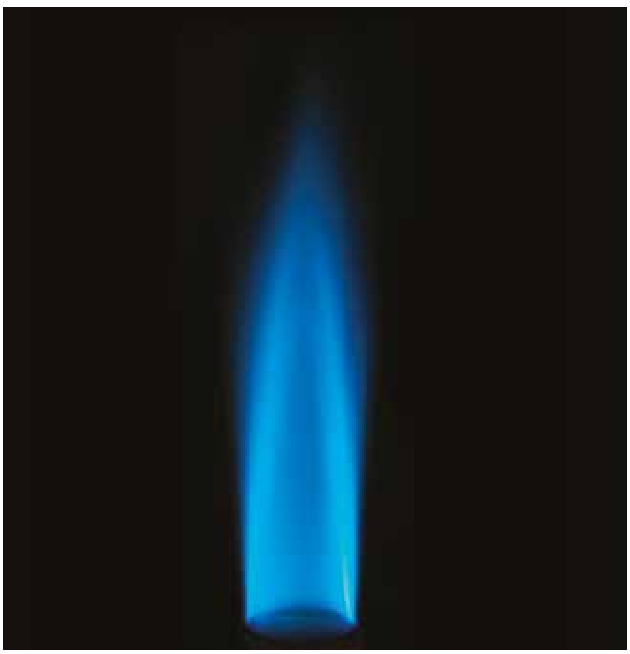
"*Addax Petroleum and SNH are determined to join in on the sale of oil resource in Cameroon. This discovery supports our strategy to break the production decline observed in the more mature Mokoko Abana field and encourage a long-term production increase by launching a major production optimisation programme in existing fields, but also an ambitious prospecting and "appreciation" programme,*" Adolphe Moudiki and Yi Zhang had stated.

Beaugas-Orain Djoyum

Natural gas liquefaction factory in the works for Kribi

Three and a half million metric tonnes is the amount of liquefied natural gas that Société nationale des hydrocarbures (SNH) and its French partner, GDF Suez, plan to produce each year in Cameroon as a part of the LNG project piloted by the two oil companies since 2008.
The project is centred around the construction of natural gas liquefaction plant in the resort town of Kribi in the south of the country, as well as a submarine pipeline. The project will be completed in Mboro where the Kribi deep water port currently under construction will be situated.
To do this, a site of over 1,161 acres has been made available by the State and the two partners leading the project completed pre-FEED studies in May 2011. In addition, several trade pre-agreements have already been signed within the framework of the project. Negotiations are on-going with potential partners.

Victoria Oil and Gas to produce compressed natural gas



Victoria Oil and Gas Plc (VOG), an oil exploration and production company that supplies thermal gas from the Logbaba project in Cameroon, is planning to produce compressed natural gas.

On April 4, the oil and gas company announced that it had begun "*discussions with strategic and financial partners to launch the project in 2015*" in Douala, Cameroon's economic capital, which VOG considers to be an important market.

This announcement comes at a time when Gaz du Cameroun (GDC), a VOG subsidiary, has gathered the right conditions to build a kilometre of pipeline under the Wouri River to Bonabéri where the company hopes to supply gas to major operators. "*The preliminary planning has been completed and has resulted in the certificate of environmental compliance by the Ministry of Environment, the Protection of Nature and Sustainable Development,*" stated Victoria Oil and Gas Plc.

It also indicated that the preparatory work and soil survey have started, while adding that drilling will begin in May 2014 for 40 days. The GDC has already identified a strong client base and signed a supply contract for 1.03 mmscf/d of which 0.83 mmscf/d will be close to the area where the pipeline's grounding point.

Victoria Oil & Gas has enough cash-flow to stay afloat on the oil and gas market

Victoria Oil & Gas Plc, oil and gas prospecting and production company which has been developing the Logbaba-Ndog-Passi gas project has declared that its finances are "positive" shape following the completion of gas plants on four sites for its customers in Cameroon.

Via Gaz du Cameroun S. A. (GDC), a full subsidiary of Victoria Oil & Gas, has a solid portfolio of contracts in natural gas in the country. It has contracts with AES Sonel, the public electricity provider, the cement factory of Nigerian billionaire Aliko Dangote, which will start production in August 2014, and Société camerounaise de verreries (Socaver), and the bottle manufacturing factory of Société anonyme des Brasseries du Cameroun (SABC), the local subsidiary of French brewery, Castel.

According to Kevin Foo, CEO of Victoria Oil & Gas, Douala, Cameroon is "*a big market*" for natural gas supply for electricity due to the significant decline in supply on the market. Currently, Victoria Oil & Gas Plc's cash-flow is strong and the company has preserved its liquidity to extend its pipeline and drill more prospecting wells in June 2015.

SNH and Perenco complete trials on first natural gas fuelled cars

Société nationale des hydrocarbures (SNH) and the French oil company, Perenco, have just completed trials on the first compressed natural gas fuelled cars in Cameroon. The news was announced in a joint press release published on May 14, 2014. The "*conclusive*" trials were carried out in the month of April 2014 on the Bipaga 1 site, located 12 Km from Kribi in the south of the country.

According to the SNH-Perenc, trials "*were conducted on several types of vehicles, including luxury vehicles and a minibus.*" Trials on a larger sample have been planned for Kribi, "*provided that the procedures used, submitted to the Minister of Transportation, are approved by the Cameroonian government,*" highlighted the two companies. The compressed natural gas-driven vehicles' functional autonomy, explains the SNH and Perenco experts, "*is 150 Km, but they automatically switch over to standard gas on distances beyond that.*"

According to SNH and Perenco, the goal of this project to promote the use of natural gas instead of gasoline is to raise investor interest for this technology which is already widespread in several natural gas-producing African countries. This is all the more beneficial as the price is "*generally less than standard gasoline*" and this fuel also pollutes less.

SNH is the Cameroonian State's oil company. Perenco is the largest oil producer in Cameroon (45,000 barrels per day) since the purchase of Total Exploration a few years ago.

Ferrostaal signs a gas supply agreement to its giant fertilizer plant to be constructed in Limbe with Euroil and NHC

The German company, Ferrostaal, Bowleven and the state-run National Hydrocarbons Company of Cameroon signed on Wednesday May 22, 2013 an agreement for the supply of gas to a fertilizer plant, that Ferrostaal is about to construct in Cameroon in the seaside town of Limbe.

Said to be the biggest German Investment in the Sub-Saharan Africa, the fertilizer plant to cost most than 2.5 billions dollars (about 1 250 billion francs CFA). But Ferrostaal GmbH evaluate it at 1.5 billion dollars (about 760 billion francs CFA).

The fertilizer plant will be driven by natural gas. On May 17, 2013, Cameroon through SNH said it had discovered fields of over 1.050 billion cubic feet of gas, and the plant is expected to consume most of it.

Before now, on October 13, 2011 NHC signed an agreement with Ferrostaal authorizing the company to do a nine-month-long feasibility studies for the project, a joined statement from SNH and Ferrostaal said.

Production from the agrochemical plant is projected at 600,000 metric tons of ammonia and 700,000 metric tons of urea intended for local consumption and exports within the Central African sub region.

Fertilizer demand from cocoa, coffee and other cash and food crop producers in Cameroon and the sub region remains high.

According to data from the Ministry of Agriculture and Rural Development, Cameroon imported over 148,735 tons of fertilizer in 2010, although annual demand stands at 450,000 tons.

Kribi gas plant is powering up

According to Société nationale des hydrocarbures (SNH), the Kribi gas plant's consumption, up to April 30, 2014, increased by 61% relative to the same period a year ago. The SNH, which provides fuel to the energy plant managed by KPDC, a subsidiary of AES Sonel, indicates that the plant's production reached 163 MW in April 2014, which is 76% of its capacity.

Considering its performance, the plant has not yet produced the 216 MW of electricity announced when it was launched in May 2013; a promise that would later be reiterated on January 3, 2014 in a release issued by the electricity company. "*Following a few incidents, the Kribi plant will be putting out an additional 16 MW starting tomorrow (January 4, 2014) which will bring its current capacity to 200 MW. The remaining 16 MW will be available as of mid-February 2014,*" stated the Managing Director of AES Sonel, Jean David Bilé, at that time.

Although it has not achieved the anticipated threshold, Kribi gas production has increased by 45 MW since January 2014. In a mission report by the Ministry of Finance's Major Structural Projects' Monitoring and Evaluation Committee: dated January 15, 2014, the said committee revealed that "*from May 18, 2013, the launch date, to December 19, 2013, the maximum average power injected in th network by the* [Kribi] *plant never surpassed 118 MW.*"

According to the report, the plant's management company, KPDC, this chronic production deficit was due to the fact that "*the amount of energy produced depends on AES Sonel's demand as KPDC holds an energy purchasing contract with that company.*" Reliable sources have confirmed that this demand is sometimes limited to "30%" of the plant's capacity, which is approximately 67 MW out of the expected 216 MW.

ANDRÉ FOTSO OF GICAM: "*THE IMPLEMENTATION OF NEW ENERGY SOLUTIONS PROVIDES INDUSTRIAL COMPANIES WITH A MUCH-NEEDED ALTERNATIVE*"

IC: In the last few months, many Cameroonian companies made the switch from electrical energy to natural gas. Is this fuel a sustainable solution to the country's energy deficit? If so, what opportunities does natural gas usage permit?

AF: The implementation of new energy solutions provides industrial companies with a much-needed alternative, but as we often stress, natural gas won't be a panacea. It offers some relief, but can't meet total need. In terms of energy, the key lies in combining all sources. But for our country's current energy shortage, hydro-electricity remains an ideal solution because it is less expensive.

Camair-Co: Fading star seeks new light

"The star of Cameroon" shines no more. Or does it? It certainly shined in June 2014 through scandals, revelations, twists and turns, of which the most significant was the dispatching of its former managing director, Frédéric Mbotto Edimo, who was replaced on June 20 by Jean Paul Nana Sandjo.

Camair-Co's record in its four years of existence has been anything, but stellar. With a colossal debt and the conveyor belt of directors it has had, at the "Star of Cameroon" slogan company, the latest change has been giving the government reasons to remain hopeful. "Between October and December 2012, Camair-Co had transported 77,951 persons. Between October and December 2013, we transported 89,857 passengers which was an absolute value variance of 11,906 persons," declared Frédéric Mbotto Edimo with pride to the media in February 2014. Pride? Satisfaction? Minister of Transportation,

Robert Nkili feels neither because he sees no point in filling a Boeing 737 with passengers for domestic flights. This would not be profitable relative to the charges incurred. He has stated that the reality is that there are flights to Paris with 40 to 50 persons on board. This reveals the company's acute ill-health.

Open tensions between the outgoing managing director and the chairman of the board, Edouard Akame Mfoumou, an inadequate fleet (only three aircrafts), a real or alleged overbilling problem with soon-to-be-acquired Chinese planes by the Ministry of Transportation, the numerous managing directors the company has had, unsustainable debt, the confiscation of an airplane in Paris, and a number of technical problems related to Boeing airplanes are among the company's many obstacles and challenges currently on everyone's lips.

On June 27, in Cameroon's parliament, inquiring MPs practically forced Robert Nkili to explain Camair-Co's problems. Using figures primarily from 2013, the minister outlined that the company's offices cost an annual rental of 288 million FCfa, of which 210 million FCfa originated from its Douala headquarters. Yet, its former headquarters in the same city costs only 17 million FCfa. The leasing contracts for the two Boeing airplanes totals 4.35 billion FCfa per annum. Maintenance contracts are also massive (around 4.3 billion FCfa), as the minister believes that 500 million FCfa could be saved. The same goes for the leasing agreement.

Overhead costs, including the various airport taxes, fuel, and housing for in-transit crew cost 3.5 billion FCfa. Employee salaries cost an additional 3.8 billion FCfa. Meanwhile, Camair-Co's revenue is only 2 billion FCfa, which is why the company lives off government funding and grants.

The new managing director, Nana Sandjo, has proposed solutions to stop the bleeding. These include contract revision, drafting a business plan and reducing fees to avoid debt. Certainly, gargantuan challenges are looming in the distance.

The new managing director, Nana Sandjo, has proposed solutions to stop the bleeding.

Apart from these problems, we have decided to take a second look at the previous managing directors who have piloted Camair-Co, the problems they encountered and the main actions they took. There have been five of them since Camair-Co opened in 2006.

Beaugas-Orain Djoyum

Gilbert Mitonneau: He took-off faster than Camair-Co!

(December 30, 2008 – late March 2009) – Facing deep divides among board members and some ministers, the company's very first managing director, Frenchman Gilbert Mitonneau, opted to resign before the company's launch.

Appointed by presidential decree on December 30, 2008 (based on the proposal made by the Lion Aviation group, a partner of the Cameroonian government), Mitonneau arrived in Cameroon and resigned before the company even got off the tarmac. He touched on the problems, which were foreseeable, in a piece entitled "Lucifer" which was published in November 2006 in the Aéronautique Aeromed magazine in which he writes, "*I always felt that one day both of my engines could fail. It's important to know when you've lost one of these two energy sources. But what do you do when you've lost them both at the same time? Generally speaking, I planned from the very start what my conduct should be at cruising altitude if I had a complete loss of propulsion. Where would I find the most suitable landing strip? How was the sea looking below?*" Maybe these were the questions running through his mind before calling it a day. In light of how things have evolved at Camair-Co, some people say that the Airbus test pilot was right to leave. And yet, the day after being appointed as managing director of the new Camair-Co Airline, Gilbert Mitonneau shared his plans. "*My pride and mission shall be to make this company a model airline,*" he stated. "*For him, Camair-Co was supposed to be an African beacon of which everyone could be proud in the region and abroad.*" His reason for resigning was as follows: misunderstandings and differing points of view with then chairman of the board, Philemon Yang. "*At his request, I tried to explain to him, that with the launch of an airline, the first thing you need is to have the best planes. I tried to explain to him which economic and financial criteria ought to guide me, but even then, he was no longer listening. He got stuck missing these aspects which were too technical for him. Only one thing interested him: to get me on board with his supporters, to tell me how to do my job. […] this delay was also in place so that more functional details on the functioning of the former Camair could be gleaned. I discovered that the former directors had rented their last planes at a rate that was two times higher than the market price. This enabled me to see the level of corruption to which previous managers there had grown accustomed. Additional information confirmed my suspicions,*" he revealed. So, he threw in the towel and submitted his resignation to the Minister of Economy, Louis Paul Motazé, who was then the head of the project.

The day after being appointed, Gilbert Mitonneau shared his plans. "*My pride and mission shall be to make this company a model airline,*" he stated.

B-O.D.

Alex Van Elk: The Dutchman who braved turbulent skies

(February 4, 2010 – January 3, 2013) – It was Alex Van Elk who had the heavy task of preparing Camair-Co's April 28, 2011 launch. He would face numerous workers' union attacks.

He is the managing director with the longest tenure as head of Camair-Co. A few months before leaving Cameroon, Alex Van Elk

The managing director's problems began when the Cameroon Air Transportation Workers' Union launched a media campaign to oust him.

had said everything they had to say about him, even the very worst. From union allegations about the salaries of expatriate workers, which were found to be too high and sometimes false accusations about his regal lifestyle, Alex Van Elk fought the allegations when he felt it necessary. "I spend nothing beyond what my contract permits," he once argued in his defence. It was this Dutchman appointed on February 4, 2010 who had the heavy task of preparing Camair-Co's April 28, 2011 launch. He was therefore the one who did the first hirings and signed the company's first contracts with its main partners.
The former managing director of the Nigerian airline, Arik Air and former director of Nigeria's airports, he was appointed by Paul Biya at the same time as Camair-Co's operations manager, Gustaf Baldauf, former vice-president of operations for the Austrian Airlines group. He would resign before the company's launch. These nominations resulted from an international call for tenders made by Camair-Co's German strategic partner, Lufthansa Consulting Group, on November 10, 2009. Minister of Finance, Essimi Menye, would next lead the project.

ATTACKED BY UNIONS

The managing director's problems began when the Cameroon Air Transportation Workers' Union launched a media campaign to oust him. It also brought the matter before the Wouri District Court, filing against the managing director.
According to the document submitted to the abovementioned court by attorney-at-law, Kengoum Célestin, who practises in Cameroon, Mr Alex Van Elk, who was head of Camair-Co, was accused of "the misappropriation of public funds" and "non-compliance with applicable market codes" in Cameroon. These are the allegations contained in a report published June 2012 by the Okala and Partners Firm of Chartered Accountants as the external auditor of the national airline's accounts. The report has, of course, been challenged by the company's general management. "For a report of this nature, the managing director must be heard before the audit can be completed. This has yet to be done," argued the managing director. The report also reveals that the company has stayed afloat only because of the government's financial support and has barely met 50% of its goals for 2012. The Minister of Transportation, Robert Nkili, affirmed that the total grant authorised to Camair-Co by the government amounts to 30 billion FCfa while expenditure totals 45 billion FCfa.
The union directed by Eyango Jong accused the Camair-Co managing director of authorising himself "financial benefits not provided for in his employment contract." For example, the managing director is accused of reserving accommodations in a hotel at the company's expense instead of occupying pre-existing employment housing; of charging his restaurant dining and laundry expenses to the company, all amounting to a monthly cost of 2.5 million FCfa. Furthermore, Alex Van Elk is alleged to have "received a monthly salary of 18 million FCfa although his contract only provided for a total of 11.3 million FCfa".
All of these allegations have been denied by the managing director. "I don't get a single cent more than what my contract allows," he argued. Financially speaking, the company has been in the red with 14 billion FCfa in losses incurred in the 2011-2012 fiscal year. The spectre of the defunct Camair played a role in it. In December 2012, he himself acknowledged that the company was struggling to get off the ground. Camair-Co received 250,000 passengers in 2012 while the target was 400,000. It forecast that balance would be achieved in 2012, but this did not happen as board chairman, Philémon Yang did not renew his two-year tenure as head of the company. A call for tenders was made internationally for the position of managing director and this led to the January 3 appointment of the former, then recently resigned head of operations at Camair-Co, Mathijs Johannes Boertien. This marked the end of Van Elk's stay in Cameroon.

B-O.D.

Matthijs Johannes Boertien: halted in full flight

(January 3, 2013 – September 11, 2013) – The Dutchman had developed what he called "Camair-Co's vision" for the 2013-2018 period, but he would not get to see his dream to completion.

Dutchman Matthijs Johannes Boertien came to replace his compatriot, Alex Van Elk whose mandate had expired in July 2012 and was not renewed. Boertien was therefore appointed on January 2013. He knew the company in his role as Operations Manager, before resigning from that position in July 2012.

The arrival of another Dutchman at the controls of the Cameroonian national company was not appreciated by the employees who promised to protest in the streets to express their dissatisfaction with the government's decision. Already less than adored when he was Camair-Co's operations manager, Matthijs Johannes' appointment came at a time of general unrest within the company. This perhaps explains why his laptop, containing the company's business plan he designed, was stolen.

In any event, he had received a

blueprint from an inter-ministerial committee, a kind of compass, enabling the Cameroonian national airlines' former operations manager to steer Camair-Co to clearer skies. But Matthijs Johannes Boertien had already prepared what he had called "the Camair-Co Vision" for the period 2013-2018.

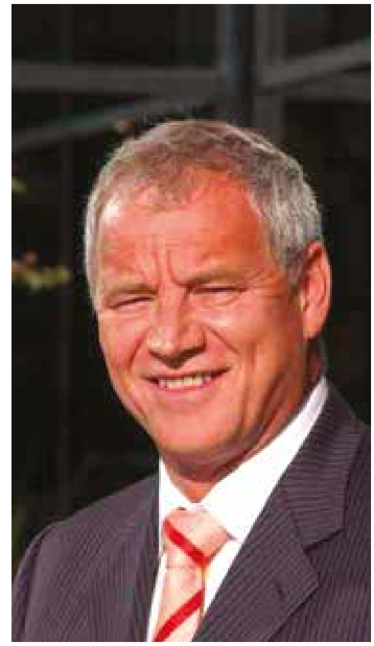
He planned some reforms at Camair-Co. "*The poor relationship with providers and partners is at the root of the Camair-Co's poor service all of last year. You weren't certain about whether or not you would have a meal on board or that the plane would leave on time. There were frequent flight delays. Barely 20% of planes left on time. But for the last 10 days, we have climbed to close to 90% of flights departing on time,*" stated the managing director of the transformed Camair-Co. In addition, under his leadership,

The arrival of another Dutchman at the controls of the Cameroonian national company was not appreciated by the employees who promised to protest in the streets to express their dissatisfaction with the government's decision.

Camair-Co announced in September 2013 that "the Sales and Marketing management team just concluded a bilateral IATA distribution agreement with Hahn Air, the German company with a global platform and the first to provide e-tickets which enabled it to link close to 100,000 travel agencies worldwide," The last tests on the new platform that would make it easier to sell Cameroon, were a resounding success, according to the company.

But very quickly, local employees of the company began to criticise

This was the end of the flight for he who had planned to create 1,000 new jobs by 2018, including 250 pilots (compared to the current 50) and hundreds more navigators and administrators, for the development of a fleet that it hoped to increase to 26 planes compared to the current three.



his managerial choices and the recruitment of foreign nationals. They took issue, in particular, with the sales and marketing manager, Christian Perchat, who was obliged to resign shortly thereafter. Tensions led the board to replace him.

This was the end of the flight for he who had planned to create 1,000 new jobs by 2018, including 250 pilots (compared to the current 50) and hundreds more navigators and administrators, for the development of a fleet that it hoped to increase to 26 planes compared to the current three. He also planned to hold extensive recruitment within the framework of its freight activity's launch for which he planned to partner with European Cargo Services (ECS). He also dreamt of setting up an aircraft maintenance hub in Douala. All of these projects were to be financed with bank loans. But alas! The national airline's September 11, 2013 meeting in the nation's capital announced that Frédéric Mboto Dimo was appointed to the positon of managing director of the airline.

B-O. D. et BRM

Frédéric Mbotto Edimo: Camair-Co's first Cameroonian managing director

(September 11, 2013 – June 20, 2014) – Tension with the chairman of the board cost Mbotto Edito his position with the national airline.

A Camair-Co board meeting held on September 11, 2013 in Douala resulted in the appointment of Frédéric Mbotto Edimo, as Managing Director of the airline, replacing Matthijs Boertin Johannes, who initially assumed that position on January 3, 2013. Frédéric Mbotto Edimo was appointed at the same time that Edouard Akame Mfoumou became chairman of the Camair-Co board, replacing Philemon Yang.
Before his nomination, Frédéric Mbotto Edimo held the position of Deputy Managing Director at Camair-Co. He thus became the fourth managing director of the company since it was created in 2006, though it was operational starting in 2011. He succeeded the French national, Gilbert Mitonneau and the Dutchmen Alex Van Elk and Matthijs Johannes Boertien.
Frédéric Mbotto Edimo inherited a company in grave difficulty. In addition to the constant grumbling of the staff, a report submitted by the Okala Ahanda firm dated June 2012 revealed that the company was only staying afloat thanks to government support which was determined by the Minister of Transportation, Robert Nkili, to amount to 30 billion FCfa in 2012. He then highlighted that, at that time, the company's expenses were 45 billion FCfa.

Frédéric Mbotto Edimo inherited a company in grave difficulty.

As soon as he was nominated for the position of managing director, he put in place a "Recovery Committee" within the company.

COST REDUCTION

Along with deficit-ridden operations, Minister Nkili, who stated that he was not a Camair-Co customer, indicated that the Cameroonian national airline was crumbling under what he characterised as "abysmal" debt: 10 billion FCfa owed to the Aeronautical Authority and lenders.
Once in the new position, his first action was to reduce cost. He made a call for tenders to recruit a company specialised in industrial cleaning for the upkeep of the company's offices in the Bonanjo district of Douala. This was a sign that Camair-Co planned to move its headquarters to its own property.
Indeed, since the company's inaugural flight on March 28, 2011, the various Camair-Co managing directors had preferred to abandon the company's own offices to rent instead in Cameroon's economic capital.
As soon as he was nominated for the position of managing director, he put in place a "Recovery Committee" within the company. He also redid the company's organisational structure and undertook reforms within the company. "*The brilliance is already within us. When we begin to use it, everything will be better. In 2012, our flagship left Paris with 10-20 passengers. For the months of October, November and December 2013, the same plane was full,*" he stated last February to our Notre Afrik colleagues. But having only two "brilliant" minds in one boat can be advantageous or disastrous. Very quickly, differences of opinion began to separate the managing director and board chairman. The latter increased the number of general meetings and board meetings as well. "*Unfortunately,* [the tension between them] *was already long gone,*" admitted the Transportation Minister, Robert Nkili, who was unable to mediate. "*It was invective. Unfortunately, there was also a series of events. The plane was seized in Paris. Gas was cut here. No one wanted to give gas there. Some wanted to put an end to the airline and so on. Then we were hit by a truck that made a wrong move, striking the plane's wing.*" Morale was low within the company and so the board meeting on June 20, 2014 led to the appointment of Jean Paul Nana Sandjo as the new managing director of Camair-Co.

B-O. D.

Jean Paul Nana Sandjo: cloudy skies ahead

(June 20, 2014 - present) – The new managing director of Camair-Co has a number of challenges to overcome to get the company back in the air. The challenges are as numerous as the obstacles.

He will have to draft a new business plan, fight debt so that the company can be restructured, revise costly contracts with the company's primary lenders, prioritise domestic and regional flights and, most importantly, navigate his relationship with the chairman of the board, Edouard Akame Mfoumou, who has already tossed out two managing directors. Indeed, Jean Paul Nana Sandjo will have little time to rest. The mayor of Bazou in the Ndé department (in western Cameroon) will replace Frédéric Mbotto Edimo who was ousted at an extraordinary board meeting convened by Edouard Akame Mfoumou, le Pca, with the assistance of Robert Nkili, Minister of Transportation.

Multiple sources confirm that the former Camair-Co director was no longer in agreement with the board chairman's methods, particularly his omnipresence within the company by way of the many board meetings he held each month.

According to the Mutations paper, it was Akame Mfoumou who, during the first few hours of his nomination to the position of Chairman of the Board at Camair-Co on September 11, 2013, requested and received the resignation of Matthijs Boertien Johannes, the previous managing director.

Nana Sandjo is therefore the fifth managing director of a company that began operations in 2011.

Nana Sandjo is therefore the fifth managing director of a company that began operations in 2011. According to Transportation Minister, Robert Nkili, Nana Sandjo "is a veteran" of the airplane rental and repair business. "The invectives through the press must cease", "avoid prestigious flights", "company heads need to be aggressive to go out and get the customers" advised the Minister of Transportation on June 25 with the appointment of the new managing director.

The managing director will have to use his verve to pull-off this difficult mission.

B-O. D.

Robert Nkili: "*Camair-Co must break with these colossal contracts that hindered its budget*"

Answering the questions of François Marc Modzom on June 29th, 2014 during the program Dimanche midi on "Crtv", the Minister of Transport revisited the problems of Camair-Co and sketched some solutions for the company to take off again.

François Marc Modzom: God did not want that in Cameroon after every nine months we change the current managing director …

Robert Nkili: Even after three months, we can change someone. I was in Douala a few months ago to help the managing director of the Shipyard to settle. I said: "Watch out! long CV, sometimes of six pages that you brandish every day, No! True merit is recognised when one's back is against the wall." If one does not achieve his terms of reference, I do not see why anyone would take offence at asking someone else to take his job.

FMM: But, when someone is recruited and everybody is talking positively about him and then nine months later he is thrown away, we are entitled to raise the question: what is happening in Camair-Co?

RN: Camair-Co is a very young company born back in 2011. And it is not the Camair of the past. […] It is a young company with no aircraft, except for an old Dja, an inheritance of Camair. Camair-Co has no aircrafts per se. In these conditions, it is difficult to make plans.

For example, if you have a Boeing 737 full of passengers for a flight Douala-Yaoundé, the public will say "here we go, the plane is full". But, it brings back nothing to the company. The expense is superior to the revenue. It is thus necessary that for short distances like Yaoundé-Douala, or about thirty minutes flight, that we select the kind of aircraft that is most adapted to the situation and that will be cheaper for the company. The expected MA60, for example, are cheaper to buy. On short distances, jet planes are too expensive. And when we have a flight to Paris with a plane of 200 places which transports only 40 people, what kind of revenue can we have? Those who conceived the Camair-Co package, and I was not there, said: "during five years, we are going to have a lifeline from the State until the company can obtain its own means: in the first place its aircrafts and secondly a business plan".

"We must be going towards profitability and not towards prestige…"

FMM: You are giving us reasons there to say that the fault is not located at the top management, and that it is maybe a deeper structural problem than profiles and careers…

RN: You are right to pronounce this word. It is a structural problem. I can reveal that the Chairman of the Board (Edouard Akame Mfoumou, editor's note) which exchanged for a long time with me on this plan and the new CEO know that the first step will be to go towards structural reform.

This is the way the company, after the agreement of the government, is envisaging ways so that it has itself the tools to be in measure to clear these debts which have been unfortunately chronic for the last few years. Once free of these debts Camair-Co will be able to break away from these colossal contracts which hindered the budget of the company. At the beginning, we signed contracts. Maybe it was good. But unfortunately, in the use, we realized that they were unbearable contracts.

FMM: I insist on the urgency that there was to change DG while we should have tackled this structural reform and found out how can Camair-Co be made viable …

RN: The reform is not spontaneous. It must be made by people. We have to give proofs that we can make such reform. But if we give indications that there are hesitations and

limits, what can we do? Well, we look for the person capable of leading this reform.

FMM: We read in newspapers a certain conspiracy theory against the former DG. Did you hear about this?

RN: I read as you did through your media. At that time, I asked the question to this responsible who had suggested this. I said: "Sir, how can you go and spread your moods out in the open? Why this fever? Are you really serene? What is your share of responsibility in this atmosphere? What is it all about? Have I already chaired a meeting between the executive management and the board of directors to say what the responsibilities of everybody are? Then wait for me to assume my responsibilities". Unfortunately, it was too late, there were invectives already. Unfortunately also, there was a succession of events. The plane was retained for inspection in Paris. Refueling was shortened there, refueling was denied somewhere else, air service was denied and everything else.

FMM: Bad luck then…

RN: It is as we say: "a bit of bad luck". Then, when we take all this into account, we can draw the conclusions. We say to ourselves that, in this atmosphere, we cannot make this expected structural reform. We cannot obtain the needed credit which will allow Camair-Co to realize reforms. Well, the one who decides says …

FMM: We burn the witch…

RN: We do not burn the witch, but we put the witch aside.

FMM: Dear Minister you went a little bit fast on this question of debts which gangrenes the functioning of Camair-Co the same way it had already gangrened the deceased Camair. What can we do, when we know that when we speak debts we see the hand of the State?

RN: Watch out! In the current case, the State has nothing to see there. You remember, at the time, you had mission orders and you were given a plane ticket. Translation: it is the Ministry of Finance that had to pay your ticket. Then the payment fells behind, and as a result, it hindered the budget of the company. Now, you know it, to take the plane, we give you your mission orders, you go to the Ministry of Finance, we pay your rights for the mission and it is from there that you go and pay your plane ticket. In other words, it is paid in cash. Why these debts? It is from the beginning. Always the beginning. Once again I was not there when we negotiated these contracts. Having worked through it since I arrived at the Ministry of Transport, these are unbearable contracts for such a young company. What was planned? The State was to insure that during the first five years enough money was injected in the company. It means having a certain sum at the disposal of Camair-Co.

FMM: In fact, drips to cure a cancer…
RN: Maybe not a cancer. It was to give a little calcium to help the bone solidify until the child is grown up, sturdy and able to walk. At first, we were going to do it. But we realized that the studies were not enough. Because the expense related to these contracts were so important, that even with the State money and the revenue of the company, it was not going to hold for five years. This is why, I told the former team that we replaced: "Sir, go and renegotiate those contracts! Those maintenance contracts, those airplane rental contracts, etc."

FMM: And it was not done?
RN: Unfortunately, it was not. This is the reason why the financial crisis persisted.

FMM: But then, what is the problem beyond the amount to be paid? What is recommended to the new team?
RN: I asked them to fight against the debts which will allow the company to restructure. That is the possibility for the company to acquire a plane and to pay off this loan. In effect to buy a plane, it is necessary to secure a loan. It is necessary to be financially capable of supporting this loan. We shall have fortunately these medium-haul planes (the MA60 are coming from China, editor's note).
It is the final straight. There are still small documents to be signed. It would be necessary to have also a business plan and to have the courage to make a work plan; a plan for the company. I am not an economist, but I remember back then that I was interested in these things. (…) that is to say for example, we are going to go to Paris every day. But, you have no plane to do it every day. We have a 767. Maybe we can go to Paris once a week and favor the domestic flights which are not expensive and favor the regional flights (Libreville, Brazzaville, Cotonou, etc.). With these Boeing planes, it can be profitable. We must be going towards profitability and not towards prestige (…).

FMM: At a certain moment we spoke about economic patriotism. The Cameroonian government members have to travel by Camair-Co. It was not always the case. How can we help Camair-Co to proudly display the colours of Cameroon better than the Indomitable Lions?
RN: The answer is simple. We need to restructure Camair-Co. We need to transform it into a real company. Fortunately, you did not go through this ordeal in Brazil. If you want to go to Brazil from Yaoundé, you need your ticket to be valued for transport in another company that will transport you to Rio de Janeiro. This is what we call "Clearing". That is to say the possibility to transfer. This is not the case today. Back then Camair did it. We have asked the new team to put back in place this ability to transfer tickets (...) Everything comes down to the strength of the company. The essential is to allow Cameroonians to travel all around the world for business and also to allow directors from company from friendly countries to come and invest in Cameroon. If we have a company with such difficulties, what do we do? We wait.

"For example, if you have a Boeing 737 full of passengers for a flight Douala-Yaoundé, the public will say "here we go, the plane is full". But, it brings back nothing to the company. The expense is superior to the revenue."

FMM: The simplest thing would be that those Chinese planes are used for local flights. Why don't you go this way? You made us think that we could have them last year.
RN: In the machinery of the administration, there are always small complications. You have sent your team to Beijing and you have seen through your media that these MA60 decorated to the colours of Camair-CO are ready to take off for Cameroon. Even tomorrow. But please feel reassured, we are practically at the end of the process. In a few weeks, it is possible that these planes will arrive in Cameroon at the great satisfaction of the Cameroonian travelers.

FMM: We could not wish you any less…
RN: Let me cite M. Nada (newly appointed CEO, editor's note). He is an old veteran of the system. He has experience in the operations of rental and repair of planes. They will get organized so that nothing is the same as before, and so that it is more pragmatic. And I don't even need talk about the veteran who is heading the board, who has seen everything and yet has so much to give. He must use his experience. I think that the tandem with Deputy Chief Executive Officer, who is also an old veteran (a former sales manager of Camair), will be a winning one. The Head of State really wants that it takes off. If everybody puts himself around these people, I am persuaded that they will find us pragmatic solutions so that we can stop dreaming pointlessly. Camair-Co really needs to take off and ultimately to become the star of Cameroon.

Transcribed by BOD and translated by CZ

Oil product prices rise in Cameroon

On the night of June 30, 2014, the Cameroonian government issued a release announcing an increase in oil product prices nationally, effective July 1, 2014. According to the government release, the price per litre of premium will go from 569 FCfa to 650 FCfa – an increase of 81 FCfa. Diesel will rise from 520 FCfa to 600 FCfa – an increase of 80 FCfa.

In the meanwhile, a 12 Kg domestic gas cylinder (the last price increase was back in 2006) that used to cost up to 6,000 FCfa will now cost 6,500 FCfa. Only kerosene oil, considered to be the bastion of the most unfortunate, will not be affected by the increase. The price per litre is fixed at 350 FCfa.

The price per litre of premium will go from 569 FCfa to 650 FCfa – an increase of 81 FCfa. Diesel will rise from 520 FCfa to 600 FCfa – an increase of 80 FCfa.

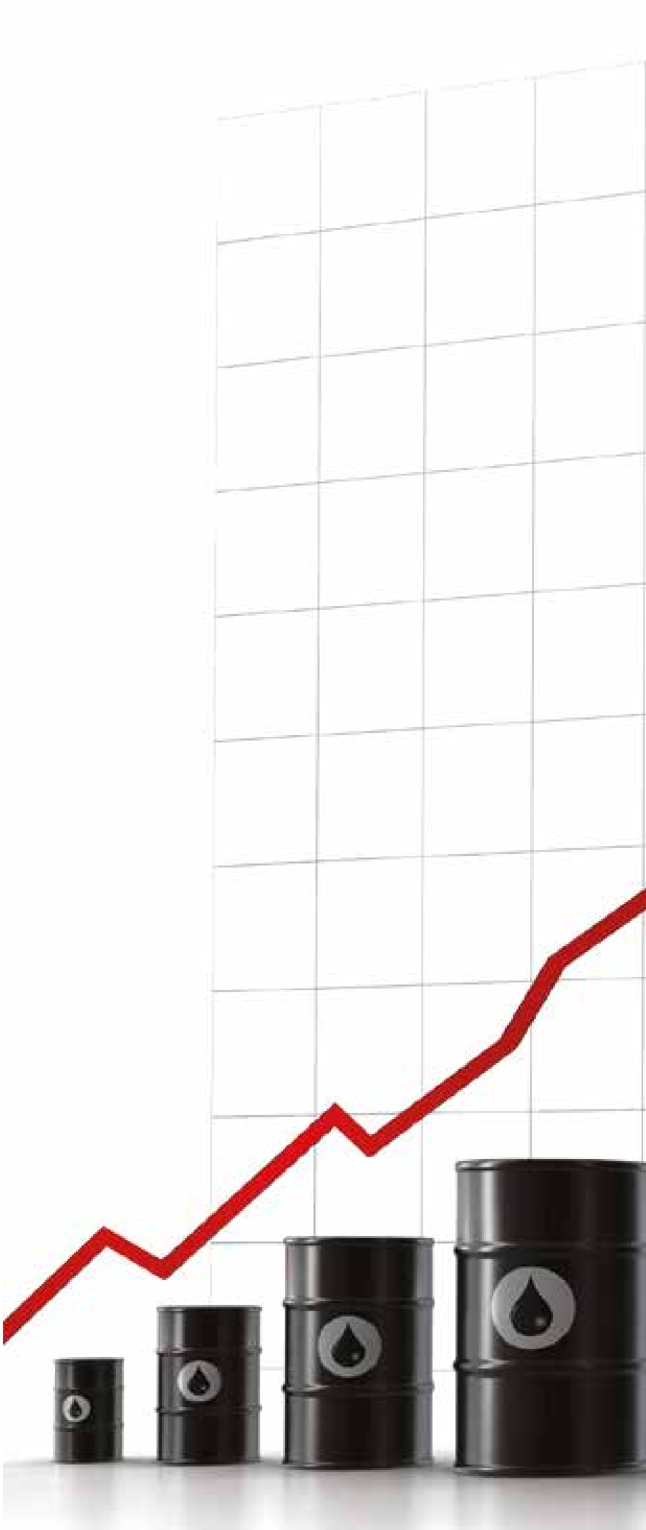
Among the measures accompanying this dreaded price increase by the Cameroonian government since the 2008 riots, following the last price increase on oil products, the government has announced the revaluation of State worker salaries, without specifying the date or the amount of the increase.

Similarly, the government promises an upcoming revaluation of minimum wage and is committed to a 50% decrease in certain taxes. There will be a levy in full charge, mainly paid by small businessmen and operators of the informal sector; parking taxes and an axle tax, respectively paid by operators of the transportation sector and truckers.

EXCESSIVE TAXATION ON OIL PRODUCTS

The release explains that the price readjustment, "*addresses the necessity of taking into account the continuous increase in oil prices on the international market and reducing the ever-increasing burden on the State, the subsidising of fuel prices, which deprives the national community of resources necessary for the realisation of many social, educational and infrastructural projects. From 2008 to 2013, for example, this subsidy cost the State 1.2 trillion FCfa and 155 billion FCfa only for the first six months of the period in question.*"

With this oil product price increase, the Cameroonian government is finally addressing a request formulated by the IMF and the World Bank for at least two years. Indeed, during each mission to Cameroon, the IMF has consistently expressed concern about the

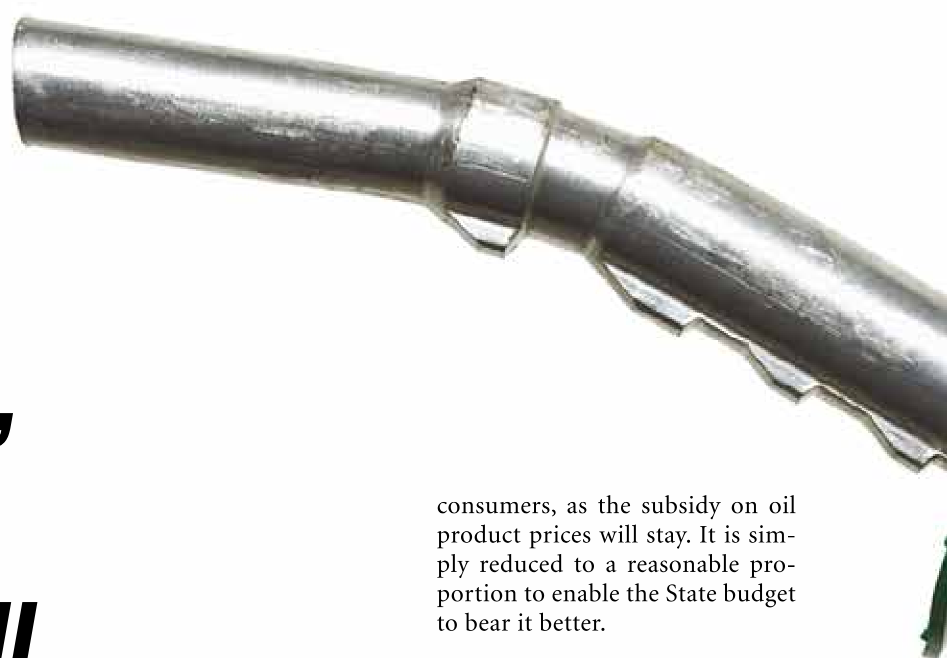


astronomical increase in subsidies for oil products, which reached 420 billion FCfa in 2013, and is projected to reach 450 billion FCfa this year. The World Bank in its economic reporting on Cameroon, had simply concluded that subsidising oil products is counter-productive, in the sense that it only benefits the wealthy.

This assessment had provoked a national debate between those who support ending subsidies and, by extension, increasing oil prices and those opting for the status quo. To support their argument, proponents of the latter point of view point out, like many experts, that a simple reduction in taxes on oil products would help to lower prices without having an impact on consumers. Indeed, according to the structure of oil prices in effect in Cameroon, a litre of premium or diesel is subject to the payment of 23 taxes, of which six VATs and a "special" tax, which inflates, the price per litre by over 100 FCfa.

BRM

"The State will not abandon consumers, as the subsidy will stay"



Minister of Communication, Issa Tchiroma, on price increases at the gas pump.

"[…] the average real prices for hydrocarbon fuel at the pump and domestic gas, that is those that would have applied outside of any State subsidy, are as follows:
- Premium: 825 FCfa per litre, which is a difference of 175 FCfa
- Diesel: 770 FCfa per litre, which is a difference of 170 FCfa
- Kerosene oil: 705 FCfa per litre, which is a difference of 355 FCfa
- A 12.5 kilo cylinder of domestic gas: 9,230 FCfa, which is difference of 2,730 FCfa

It is important to note that each of these differences that I just mentioned in the relation between the real price without subsidies and new prices to be applied, is continuing to be supported by the State, to the benefit of consumers. The State will not be abandoning consumers, as the subsidy on oil product prices will stay. It is simply reduced to a reasonable proportion to enable the State budget to bear it better.

The different readjustments put in place, which except or affect hydrocarbons, depending on their priority for various socio-economic classes and, in relation with their level of income, address the necessity to take into account the nation's macro-economic equilibrium, from trending price increases in crude oil on global markets, correlated with the ever-increasing costs associated with the hydrocarbon fuel subsidies and the final consumption of various users in the State budget.
You will recall that, in 2008, the Head of State, His Excellency Paul Biya, keen on lightening the burden of inflation on the cost of living and purchasing power of our populations – the inflation itself being due to exogenous associated with the global financial and economic crises – had decided, among other measures, to proceed to lock-in hydrocarbon fuel prices at the pump using a public subsidy directly financed by the State budget by way of Société Nationale de Raffinage (SONARA).
From 2008 to 2013, this price assistance mechanism for oil products at the pump, cost the State 1.2 trillion FCfa.

> ***"The State will not be abandoning consumers, as the subsidy on oil product prices will stay. It is simply reduced to a reasonable proportion to enable the State budget to bear it better."***

In just the first six months of the current year, subsidies paid out by the State amounted to 157 billion FCfa, which brings the grand total of payments between 2008 and now to 1.357 trillion FCfa.

Based on this figure, which represents 36% of the State's 2014 budget, one can clearly see the impact of oil price subsidies on the government's ability to use substantial public resources for many social, educational and infrastructural projects necessary for the improvement of the people's well-being as well as our growth rate which is a crucial part of our effort to achieve emergence by 2035.

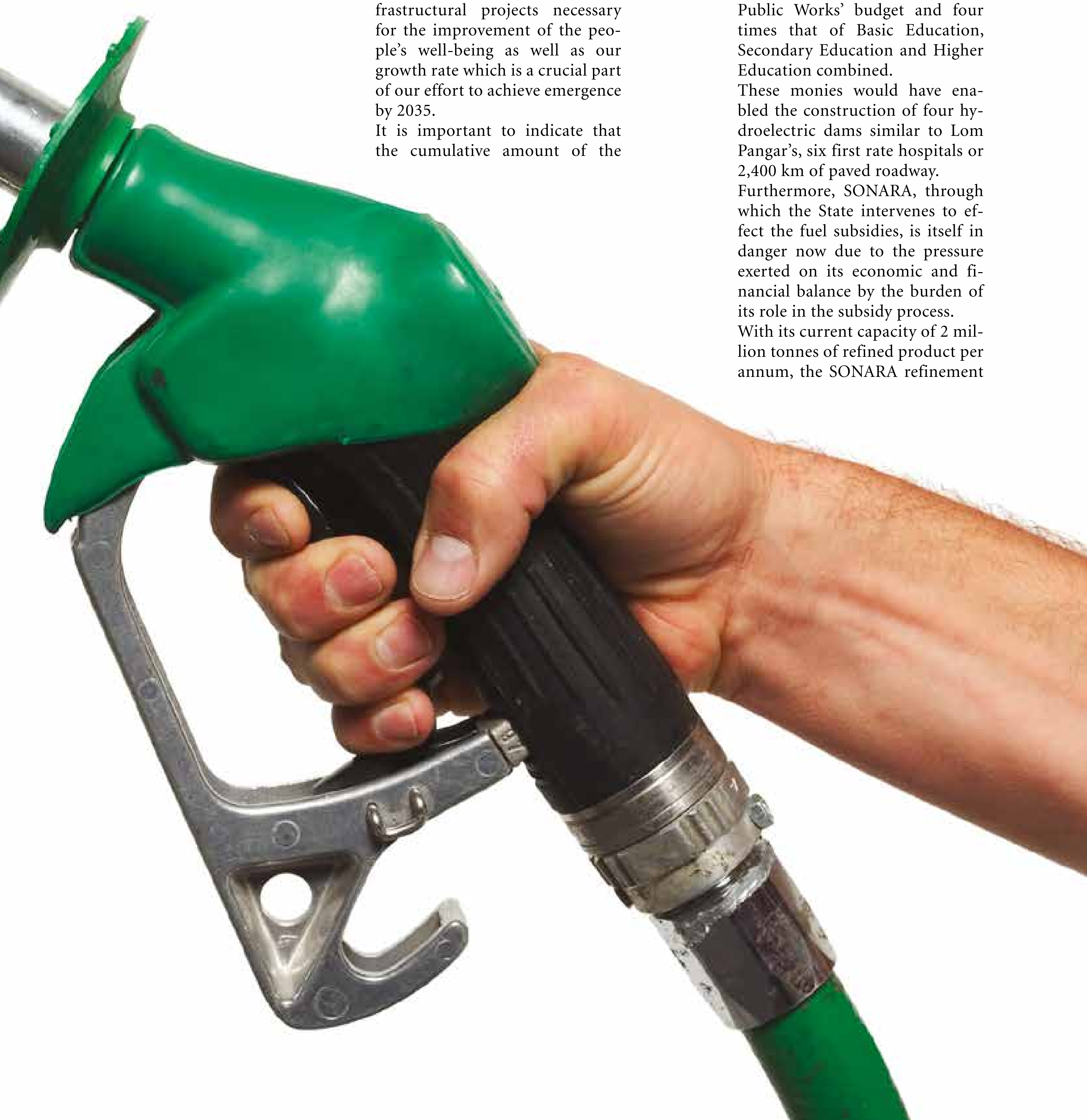
It is important to indicate that the cumulative amount of the State subsidy for oil products at the pump, which amounts to 1.2 trillion FCfa from 2008-2013, as I raised earlier, represents 120% of the investment budget for the 2014 fiscal year.

It is equivalent to five times the Public Works' budget and four times that of Basic Education, Secondary Education and Higher Education combined.

These monies would have enabled the construction of four hydroelectric dams similar to Lom Pangar's, six first rate hospitals or 2,400 km of paved roadway.

Furthermore, SONARA, through which the State intervenes to effect the fuel subsidies, is itself in danger now due to the pressure exerted on its economic and financial balance by the burden of its role in the subsidy process.

With its current capacity of 2 million tonnes of refined product per annum, the SONARA refinement



facility is technically able to meet national demand where it stands today at 1.85 million tonnes per year.

Cognisant of the rapid evolution in oil product consumption nationally, which is currently approximately 9% per year for premium and diesel, in 2009, SONARA had begun a major expansion and modernisation project for its production tool with the aim to raise its processing capacity to 3.5 million tonnes of refined product per annum, to increase the processing of Cameroonian crude and improve its profitability and competitiveness.

As this effort concerns SONARA's capacity for Cameroonian crude oil refinement, it should be noted that this facility was originally intended to process primarily light crude which is only marginally produced in our country.

The reason for this is that when it was created in 1981, Cameroon's real production was still quite low, and was made-up largely of light crude. The refinery's profitability required the importation of other light crudes from major oil producers such as Nigeria, Gabon an Angola.

But, gradually, as oil prospecting evolved and intensified, Cameroonian production increased notably, but in heavy crude which SONARA was not equipped to refine.

The result is that SONARA now finds itself in a situation in which it must import light crude to meet local demand even though the local production of light crude has started to increase somewhat, particularly with the start of mining of Ebomé deposits off the coast of Kribi.

Not discounting the initial decision for SONARA's technical formatting to be focused on light crude, the overall project for putting this leading industrial plant in place was to allow for a gradual transition to heavy crude refinement since this is most of the product produced in Cameroon.

"The production deficit that resulted forced the State to frequently resort to the importation of finished products which directly exposes the domestic market to global price fluctuations."

The first phase of the project, called the "expansion and modernisation project" scheduled to be completed in September 2014, is estimated at approximately 220 billion FCfa.

The second phase, for which the deal has just been finalised, will cost 350 billion FCfa, which brings the project's total cost to 570 billion FCfa.

But, in light of the growing burden that the subsidies have been placing on the State's finances, it is having a more and more difficult time honouring its commitments to SONARA.

For example, in 2014, the sum of 220 billion FCfa was budgeted to cover SOANARA's earning challenges resulting from the subsidising of fuel prices at the pump.

But today, at a halfway point

through the budgetary year, these forecasts have already been surpassed by 100 billion FCfa, and the projections for the end of the year, estimated at 450 billion FCfa instead of what was anticipated.
As for monies the State owes to SONARA as a part of this subsidisation policy, they are currently around 300 billion FCfa while, at the same time, the cumulative outstanding payments SONARA owes to its partners and other providers is 550 billion FCfa.
In such a context, the SONARA situation is reaching a critical threshold.
Its cash-flow no longer allows it to access lines of credit necessary to be able to purchase adequate quantities of crude oil to meet the needs of the domestic market, to the extent that SONARA was obliged to lower its production by 340 cubic metres per hour to 200 cubic metres per hour in order to avoid a total production halt.
The production deficit that resulted forced the State to frequently resort to the importation of finished products which directly exposes the domestic market to global price fluctuations.
Facing this state of affairs which is now urgent and serious, the government therefore decided to readjust pump prices as I indicated to you earlier, in order to prevent the total collapse of the system, and aligned itself with the standardisation of national oil market regulation around the world.
But, nevertheless, the measure adopted did not put an end to the principle of price subsidisation.
The measure that has just been taken by the government simply brings the subsidies down to a level bearable for the Treasury.

"I would like to stress, nevertheless, that despite the reduction in subsidies which will cause a readjustment in prices at the pump, the average of these prices is far below what applies in countries of comparable development."

It is now 50% lower with a structure that is as follows:

- The adjustment coefficient goes from 57.45 FCfa to 36.68 FCfa per litre for premium, and 65.21 FCfa goes to 39.22 FCfa per litre of diesel;
- The subsidy for oil product transportation from the Atlantic coast to the Wouri estuary port between Limbé and Douala, will go from 7.92 FCfa to 5.42 FCfa per litre of premium, and from 8.23 FCfa to 5.73 FCfa per litre of diesel;
- The port charge moves from 2.38 FCfa to 1 FCfa per litre of premium, and from 2.72 FCfa to 1.34 FCfa per litre of diesel;
- The storage fee falls from 12.45 FCfa to 6 FCfa per litre;
- Anti-fraud fund collection movies from 0.21 FCfa to 0 FCfa per litre of premium; from 0.16 FCfa to 0 FCfa per litre of diesel and, for kerosene, from 1.87 FCfa to 0 FCfa per litre; therefore it has been removed in all three instances;
- The Special Tax on Oil Products falls from 120 FCfa to 80 FCfa per litre of premium; and from 65 FCfa to 60 FCfa per litre of diesel;
- The liberalised posts go from 55.24 FCfa to 52.24 FCfa per litre of premium and from 44.64 FCfa to 41.64 FCfa per litre of diesel.

I would like to stress, nevertheless, that despite the reduction in subsidies which will cause a readjustment in prices at the pump, the average of these prices is far below what applies in countries of comparable development.
Furthermore, to support the socio-professional groups that are likely to be the most affected by the price adjustment, the Head of State decided to put the following support measures in place, which are to be immediately adopted:

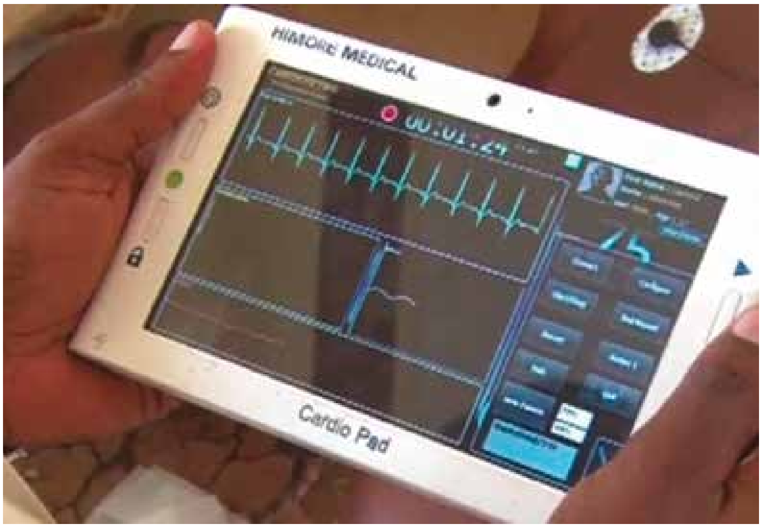
- Firstly, the maintenance of the price of kerosene at its current level – 350 FCfa such as I was indicating earlier;
- Then, the 50% reduction of the withholding tax applicable to low-income earners;
- The 50% reduction of the parking tax;
- The 50% reduction of the axle tax;
- The revaluation of State worker salaries;
- And lastly, the immediate start of talks to adjust the minimum wage

With regards to the revaluation of public sector wages, the Minister of Finance is already in the process of conducting studies and models to this effect in order to speak with the appropriate persons about this.
As for the minimum wage adjustment, it will be submitted in the coming days to the National Advisory Labour Commission which is the competent authority. The Minister of Labour and Social Security has, in fact, addressed the matter to members of the said commission."

Arthur Zang: "*My dream is to see Cardio-pad become one of the most widely used electro-cardiogram devices in the world*"

Winner of the "2014 Rolex Award for Enterprise" with his Cardiopad project (a touchscreen tablet for medical purposes), Cameroonian Arthur Zang talks about his project's vision, the offers he has received and the help he received from the Cameroonian government.

Arthur Zang : *"We are a citizen-oriented company that aims to serve Cameroon and Africa. Our main objective isn't to make money, but rather to develop technological ways of improving the living conditions of our fellow citizens."*

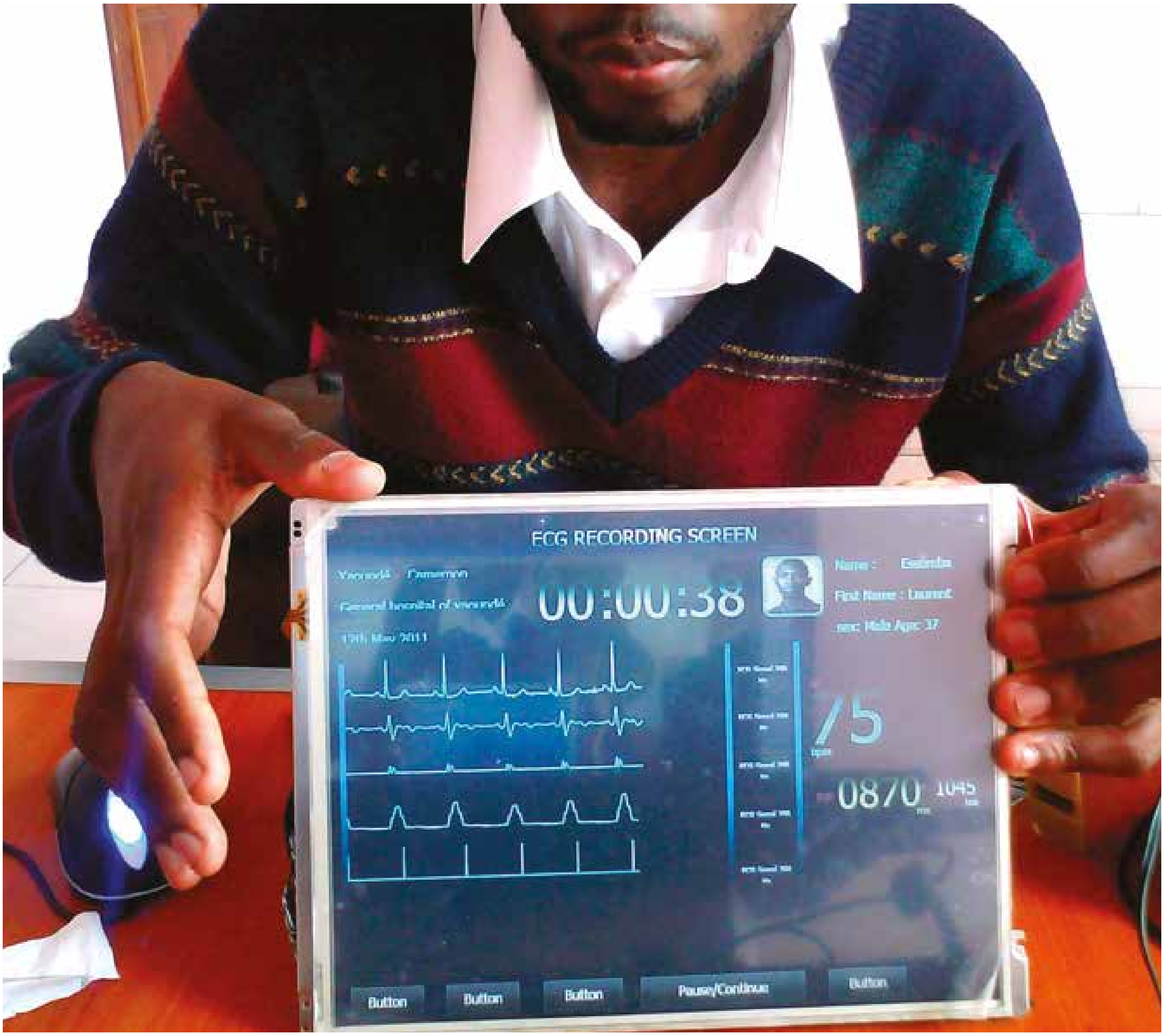


Agence Ecofin: How did you react on June 24, 2014 when you heard the official announcement that you were one of the five winners of this year's Rolex Award for Enterprise?
Arthur Zang: I was very happy and still am. But I am very calm because I am also very aware of the difficulties that lie ahead.

AE : Explain the process that led to your being chosen for this award…
AZ: The Rolex Award for Enterprise is an innovation competition that rewards entrepreneurs, researchers and scientific visionaries around the world. It is held every two years by the Rolex Company. The competition involves three stages. The first stage is project submission. Each year, around 2,000 projects are submitted from around the world. This year, there were 1,829 projects. The

ARTHUR ZANG LAUREATE OF THE «2014 ROLEX AWARD FOR ENTERPRISE» OUT OF 1,800 CANDIDATES

With his Cardiopad which some experts have not hesitated to present as being "Africa's first medical tablet" Cameroonian Arthur Zang (photo), 26 years, was named on 24th June 2014 by the Royal Society (the prestigious London-based institution for the promotion of science) among 5 winners of the «2014 Rolex Award for Enterprise.» Arthur Zang was among the 1,800 candidates that competed worldwide.
The youngest of the 5 winners of the competition (the four others are all between 29 and 30 years), the young Cameroonian will receive 50,000 Swiss francs in order "to realise his project" which will involve finalising his innovation which is "an IT tool that enables caregivers in rural communities to transmit cardiovascular results to cardiologists through the mobile network."
"*This year was marked by a record number of projects from young candidates. We are proud to introduce the new laureates and accompany them in their work which is a great source of inspiration,*" stated Rebecca Irvin, Director of Philanthropic Programmes at Rolex when revealing the winners. "*Each of them has demonstrated an unparalleled understanding of enterprise and an acute sense of responsibility. The jury was impressed by the very pragmatic nature of each solution the winners provided for real problems. These five young people are without a doubt examples to follow and Rolex is delighted to share their projects with the world*," she went on to say.
The Rolex Award for Enterprise was created in 1976 to celebrate the 50th anniversary of the Oyster timepiece, the world's first water resistant watch – a symbol of innovation. The purpose of these prizes is to encourage talented and dynamic individuals to strive to change the world in a novel way in five fields: science and health, applied techniques, exploration and discovery, environment, and the preservation of cultural heritage.
Launched in 2010, the Rolex Award for young laureates rewards young visionaries at a key moment in their career. Besides the monetary award, each winner receives an international ad campaign for his or her project and joins the community of previous winners and members of the Rolex Award jury in the receipt of a Rolex timepiece.



second stage is the first cut with the selection of 300 projects followed by a second selection that narrows it down to the 100 best projects.
At this stage, they contact the 100 candidates and members of the jury interview them. During these interviews, there are presentations and demonstrations. The jury can ask each candidate questions. Out of these 100 semi-finalists, 22 are selected as finalists. In the third stage, a second international jury meets in closed proceedings for around a week to select the 5 winners.

Rebecca Irvin, Director of Philanthropic Programmes at Rolex : "*This year was marked by a record number of projects from young candidates. We are proud to introduce the new laureates and accompany them in their work which is a great source of inspiration*"

AE: What do you plan to do with 50 000 Swiss francs (approximately 27 million FCfa) which accompany this prize?
With this reward, I plan to launch a large-scale production of devices. This will allow us to start the marketing of Cardiopad in Cameroon.

AE : The Cameroonian government gave you a grant of 20 million FCfa for your project two years ago. How exactly did the government support you and how did you use this assistance?
AZ : The 20 million FCfa didn't come from the government, but from the Head of State. I have never received a single government grant. This support from the Head of Dtate, His Excellency, Paul Biya, was used to complete my research.

With this help, I not only finished developing the equipment for my team, but also created a company called Himore Medical located in Yaoundé. We were able to manufacture 30 devices that are now ready to be used.

AE: You should have handed 10 copies of the Cardiopad to the Ministry of Health. Has it been done yet?
AZ: It has not happened yet, but we are working hard with the Ministry of Health so that it is done as soon as possible. Nevertheless, my team is ready to deliver these devices, but before we have to train doctors to use it. For that purpose, we have to work with the agreement and the supervision of the Ministry of Health.

AE : You've been contacted by some investment funds and financial partners to develop your project, but you declined their offers. Why?
AZ: Yes. It's true that several investors have contacted me. But a lot of them only had a commercial vision for the project. I declined their offers because what I am looking for is above all a social commitment in keeping with the intentions of my partners. We are a citizen-oriented company that aims to serve Cameroon and Africa. Our main objective isn't to make money, but rather to develop technological ways of improving the living conditions of our fellow citizens.

"Yes. It's true that several investors have contacted me. But a lot of them only had a commercial vision for the project."

What's your dream right now?
AZ: My dream now is to see Cardio-pad become one of the most widely used electro-cardiogram devices in the world.

Interview by Beaugas-Orain Djoyum

PUBLIC MANAGEMENT

French company Sofrepost extends its assistance contract with the Cameroon Postal Service by two years

The French company, Sofrepost, a subsidiary of the French Postal Service, has just extended its technical assistance contract with Cameroon Postal Service (Campost), according to internal sources both at the postal company and at the Ministry of Postal Services and Telecommunications. The first contract between Campost and Sofrepost was signed in 2010 for two years for 2 billion FCfa in revenue right after the departure of the Canadian firm, Tecsult International Limited, which had completed its management contract with Campost, leaving a 2.2 billion FCfa hole in its cash register.

Though it enabled the Cameroon postal company to regain some financial footing and expand into new activities, the union with Sofrepost was not without incident. Indeed, according to reliable sources, from 2011 and November 2013, a network of scammers within Campost led by Jean Jacques Zé, enabled the embezzlement of some 4 billion FCfa by way of fraudulent wires. In 2013, it was the head of Centre financier national de la Campost (the postal bank), Jules Mvogo Etoundi, who was thrown in Kondengui central prison in Yaoundé for embezzling 404 million FCfa.

These embezzlement cases became commonplace at the Cameroonian postal company which has nevertheless achieved increased sales since 2010. Hervé Béril (photo), the French Managing Director of Campost, notes that the company's earnings have climbed by "*practically 20% compared to 2010*" and "*in 2012,* [they] *have increased revenue by over 10%, and are still going.*"

This increase in revenue at Campost is certainly due in part to its new product offerings including express mail, money transfers, postal insurance supported by Allianz and also the boosting of its financial services. Although it has been a haven for embezzlement for Campost, and even after the some clients stepped back from the organisation following the crisis that hit the Cameroonian postal company in 2003, official figures confirm that the postal bank currently has some 850,000 savings accounts and 56,700 current accounts.

IDB to provide 12 billion FCfa in financing for Cameroon's health services

The Islamic Development Bank (IDB) has just granted Cameroon 12.4 billion FCfa in financing to support the strengthening of primary and secondary health services across the nation.

The support comprises a loan of 5 billion FCfa and a donation of 7.4 billion FCfa which will be used to improve health services, particularly in rural areas.

The IBD recently granted Cameroon aide amounting to close to 3 billion FCfa to modernise the production equipment of Société de développement de coton (Sodecoton). This financial support should enable the cotton company to produce 240,000 tonnes this year, which is a projected increase of over 30,000 tonnes relative to the previous season.

World Bank pays-out 18 billion FCfa to Cameroon for health services

On June 24, 2014, the World Bank announced that its board has approved a disbursement of 40 million dollars (18 billion FCfa) for Cameroon "*to increase the availability of health services and improve the quality of healthcare in the country's northern regions,*" namely North, Extreme-North and Adamaoua.

"*The current initiative focuses particularly on the health of youth and mothers as well as infectious diseases such as tuberculosis. The 40 million dollars includes a donation and a loan, each totalling 20 million dollars. Some 5.3 million persons will benefit from the project, particularly women of childbearing age, teens and children under the age of five,*" explained the bank.

The donated portion of this financing comes from multi-donor Health Results Innovation Trust Fund (HRTIFF), the World Bank's results-based financing instrument. "*Thanks to results-based financing, the project will be able to expand health coverage for mothers and youth in Cameroon and improve the quality of healthcare. The country's health institutions will be more efficient and will have a higher degree of accountability,*" indicates Mr Gregor Binkert, Operations Manager for the World Bank in Cameroon.

The loan portion of the financing was provided by the International Development Association (IDA) and will enable the extension of the health sector support investment project underway in Cameroon and extend coverage to poor families living in in rural areas in northern Cameroon. The project "*has already yielded promising results: close to 714,024 persons have benefited from health care improvement, 2044 cases of tuberculosis have been detected and treated and 56,895 children have been vaccinated.*"

Cameroon loses 15 billion FCfa in customs exemptions per month

According to the Managing Director of Cameroon Customs, Minette Libom Likeng, the average customs' exemptions per month to businesses in Cameroon has been approximately 15 billion FCfa since the start of 2014, which is "*28% of net collections*" she explained in an interview with the government's daily publication.

"*We find that it remains quite high. We are hoping that the committee in charge of exemption rationalisation put in place by the Ministry of Finance will help to significantly reduce these losses,*" indicated Ms. Libom Likeng. She finds that many exemptions not only "*put the notion of free competition to the test among companies,*" but lead to an overall reduction in State revenue.

According to customs' management, in 2013, for example, the losses resulting from these customs duties exemptions averaged "*32% of monthly collections*", which was 15.9 billion FCfa. This figure later climbed to 190 billion FCfa by the end of that period.

Cameroonian economic and trade days to be held in Turkey in October 2014

In press release published by the Office of the Prime Minister following the 2nd session of the Economic, Technical and Trade Commission of Cameroon and Turkey, held on June 12 and 13, 2014 in Turkey, the Cameroonian government announced the holding of "Cameroonian economic and trade days" this October in Ankara. This will be an opportunity for businesses of both countries to strengthen their relations by promoting their respective know-hows.

But before this happens, the city of Yaoundé, Cameroon's capital, will hold a Turkish product fair. This will take place in September. According to reliable sources, the trade event will be held at the Turkish mall in the nation's capital – a massive space covering some 6,000 m^2 slated to open its doors in the Mvan district this July.

Since the economic mission led by the Cameroonian Head of State, Paul Biya, in Turkey in March 2013, there has been some strengthening of economic cooperation between the two nations, particularly in terms of considerable investments to be made in the real estate and construction sectors and the arrival of Turkish Airlines in Cameroonian airspace with the Douala-Istanbul direct flight. The press release also reveals that Turkey plans to open its International Cooperation Agency (TIKA) in Yaoundé.

Boosted by improved economic relations between the two countries, Cameroon is officially planning to raise their trade volume to 500 million USD (250 billion FCfa) by 2015. It is currently estimated at approximately 75 billion FCfa.

Korea doles out 4 billion FCfa for training and the improvement of the Cameroonian government's procurement system

On July 1, 2014, the South Korean Ambassador to Cameroon, Cho June-Hyuck, and the Cameroonian Minister of Economy, Emmanuel Nganou Djoumesssi, signed a financing agreement worth a total of 4 billion FCfa (around 8 million dollars).

The agreement involves two separate financing arrangements for 3.2 billion and 800 million FCfa which will be respectively used for the construction and equipping of a National Institute for Professional Training and the improvement of Cameroonian government procurement with the introduction of the internet.

Christened e-procurement, the anticipated revolution in public procurement had officially been launched in February 2014 between the Cameroonian government and the Korean International Cooperation Agency (KOICA). Expected to be operational in 2015, it should enable any bidder to access calls for tender to find out about bidding modalities and submit an application through the same means. According to the projects initiators, this should guarantee the reliability and speed of the process.

AGRIBUSINESS

Cameroon's head of company heads tells members to "get back to the farm"

At its 117th general assembly in Douala on May 30, 2014, the Cameroonian business leader organisation, GICAM presented the business plan for its *"one president, one plantation"* initiative that aims to encourage business community members to develop agricultural projects. *"We are convinced that Africa will become the world's breadbasket in the coming years,"* stated GICAM president, André Fotso, inviting his colleagues to *"get out of [their] offices and get back to the farm"* in order to incite the implementation of a "2nd generation of Cameroonian agriculture".

To do this, GICAM has allotted over 43,490 acres in eight villages in the central region of the country, particularly in the Mbam et Kim department. GICAM's working group has indicated that this part of the country offers a number of advantages relative to other localities and Cameroonian regions based on the existence of a road network, the availability of adequate quantities of land, fertile soil and available labour.

Based on the business plan presented to GICAM members, with an investment of 671 million FCfa for a pilot project of 617 acres of cassava, for example, due to over 1.3 million FCfa per acre, the project's profitability rate is around 16%. *"We chose cassava because there is strong demand for it, its price is constantly climbing and cassava can be processed into several other products,"* explained Christian Fotso, Managing Director of Fimex International, who presented the business plan to GICAM members on May 30, 2014 in Douala.

Essentially, the project involves creating an agricultural works company that will be devoted to the setting up, operation and maintenance of the plantation. This entity will also have a cassava starch processing unit as Cameroon imports

1.5 million tonnes of starch per year for agro-food company consumption. *"The ILO is ready to support this project which is a solution for unemployment in youth,"* promised Lansana Traoré, head of the local International Labour Office.

The decision to produce Nescafé using Cameroonian coffee is "a little late", according to the Ministry of Trade

While he may be delighted with Nestlé Cameroon's decision to use Cameroonian coffee to produce its Nescafé product, the Minister of Trade, Luc Magloire Mbarga Atangana, finds the decision made by the local subsidiary of the Swiss agro-industrial company to be "*a bit late*", he stated during an interview with Commodafrica. "*From a global point of view, the local authorities' idea has been to promote the sale and marketing of Cameroonian products. That Nestlé is now on board is an excellent development.*"

The Cameroonian cabinet member finds however another motivation for this decision which will free Nestlé Cameroon from importing Nestlé cargo from Cote d'Ivoire. "*In the framework of CEMAC, we decided to put in place a new mechanism which involves granting approvals for the free movement of original products of a CEMAC member State, either because it is 100% local or simply because it has a certain local added value from local products amounting to 40%. […] The group stated that this applies to a certain number of products, but Nescafé is probably not on that list, provided that there was local processing, and therefore the incorporation of Cameroonian coffee or included in the final product,*" explained the Trade Minister.

According to statistics released by the heads of Nestlé Cameroon, production at the Douala factory, from which the Cameroonian subsidiary of the Swiss agro-foods company that supplies the CEMAC market involves 1% by Nescafé, and 90% by bouillon cubes compared to 9% bagged milk.

Barry Callebaut, main processor of local Cameroonian cocoa

According to the National Cocoa and Coffee Board (ONCC), in May 2014,since the launch of the current cocoa season in August 2013, the Cameroonian subsidiary of the Barry Callebaut firm, Sic-Cacaos, has already bought around 30,025 tonnes of cocoa for its grinding activities. These purchases are 3,000 tonnes more the 27,203 tonnes bought over the same period in the last season.

Sic-Cacaos is positioning itself as the local Cameroonian cocoa sector's main processor, far ahead of Chocolateries confiseries du Cameroun (Chococam), a subsidiary of the South African company, Tiger Brands which only bought 795 tonnes of cocoa for processing since the start of the season. This was revealed by ONCC which went on to indicate that the company has not purchased any additional cocoa beans since 2014.

This is a situation that experts attribute to the narrowness of the Tiger Brands subdiary's market which sells semi-finished products exclusively in Cameroon while Sic-Cacaos sells semi-processed products in six CEMAC countries: Cameroon, Gabon, Congo, Central African Republic, Equatorial Guinea and Chad.

In light of Sic-Cacaos' dynamism this year in the processing sector and the arrival of at least two new companies, Cameroon should easily reach its processing goal of 50,000 tonnes of cocoa in the current season. ONCC highlighted that, for the month of May alone, the Cameroonian grinding companies bought 30,820 tonnes of cocoa beans.

Cameroun exported barely 9,000 tonnes of Robusta and Arabica coffee since the end of May 2014

Since the start of the 2014 coffee season in October and December of last year respectively for Arabica and Robusta coffees, the Cameroonian subsidiary has only exported 8,970 tonnes of coffee according to the figures announced by the National Cocoa and Coffee Board (ONCC).

As of late May 2014, seven months after the start of the Arabica season, only 883 tonnes have been exported, compared to 1,199 for the same period last season. This represents a 316-tonne decline.

The trend for Robusta coffee was also downward since, as of May 2014, exports amounted to 8,087 tonnes since the start of the season on 1st December 2013, compared to 8,406 tonnes for the same period during the previous campaign. Again, the decrease amounts to over 300 tonnes.

Current trends leave little hope for an improved performance as both coffee seasons are halfway along. Coffee production decreased by 50% during the previous seasons, amounting to only 16,142 tonnes against 38,127 tonnes the previous season.

Cameroun launches an integral phytosanitary treatment campaign in cocoa and coffee

Late last week, the Cameroonian Minister of Agriculture, Essimi Menyé, dropped his suit for overalls and a sprayer to go to Kumba in South-East to launch the integral cocoa and coffee phytosanitary treatment campaign. According to Minister Essimi, this initiative aims to increase national production.

Following the official launch of the campaign to protect Cameroonian coffee and cocoa, 90% of which is usually attacked by disease according to authorised sources, producers in Kumba received a donation of fungicides and sprayers worth 117 million FCfa.

According to experts, the aging of the country's cocoa and coffee farms, as well as their lack of maintenance due to a limited grasp of treatment techniques along with inadequate finances for purchasing fungicides and pulverisers are among the main scourges affecting the cocoa and coffee industry in Cameroon.

Cocoa farming in Cameroon is estimated to cover over 1.05 million acres of land, producing only 230,000 tonnes per annum instead of the 850,000 tonnes they could achieve. Meanwhile, coffee is cultivated on close to 346,000 acres and produced only 17,000 tonnes last year.

GICAM worried about "*threats to banana and timber exports*"

According to forecasts by Cameroon's business leader organisation, GICAM, "*the primary sector will play an important role*" in Cameroon's economic growth in 2014, "*despite the threats to banana and timber exports in which activities have faced immense cash-difficulties due to the accumulation of VAT credits and bottlenecks at Douala Port,*" stated GICAM president, André Fotso on May 30, 2014 in Douala at the opening of GICAM's 117th general assembly.

According to the business leader body, in late December 2013, the total amount of VAT credits the State is expected to pay out to Cameroonian companies is estimated to be 52 billion FCfa, of which 12.5 billion FCfa has already been approved and is awaiting disbursement.

The non-reimbursement of these VAT credits, which is the balance between the VAT paid by the company at the time of the acquisition of their goods and services and that collected by the latter from clients, explains GICAM, obstructs company cash-flow and blocks investment.

In order to address this recurring problem between the State and the business community, the president of GICAM, during a recent interview with the Ecofin agency, suggested that the Cameroonian government should launch "*specific bond loans*" in order to raise the funds needed to reimburse the VAT credits for which non-payment has negatively impacted their efficiency and competitiveness.

Local tea market "facing unregulated competition"

For Luc Magloire Antangana, the Minister of Trade, Cameroon has a "*good tea sector thanks to the privatisation of the tea division of Cameroon Development Corporation (CDC)*" a public agro-industrial company which has however kept its activities in bananas, rubber and palm oil in the South-West and Coast regions.

The buyer (Cameroon Tea Estates) of the CDC's tea division, highlights Minister Mbarga Atangana, "*has just received CEMAC approval to have full access to the sub-regional community.*" The cabinet member goes on to clarify that this approval enables the company to strengthen its product sales which were already "*essentially on the regional market*" because "*the local market is facing unregulated competition.*"

Indeed, market stalls and supermarket shelves are overflowing with tea brands from various countries, mainly China, while CTE produces approximately 1,800 tonnes of tea at its Ndu plantation and 1,500 tonnes at its plantation in Djuttitsa, two localities in the North-West region. CTE produces primarily in Tolé, "*the oldest tea plantation in Cameroon which was created in 1928 and is located at the foot of Mount Cameroon,*" which "*gives Tolé tea a particular flavour.*"

FINANCE

Société générale Cameroon staff on strike and clambering to oust General Manager

While government workers have been lining up at banks to collect salaries, employees of Société générale (SG) decided to go on strike on June 25, 2014, addressing a strike notice drafted by union leaders to the bank's management on June 19, 2014.

Through this indefinite strike, workers at Société générale Cameroun are hoping to force the General Manager, Jean-Philippe Guillaume, and Human Resources Manager, Ms. Penda to leave, and secure the return of their former colleague, Olivier Djaba, whom they allege "*was wrongly terminated so that the case can be re-examined following the bank's disciplinary procedures and code of ethics.*"

In addition to "*the immediate restructuring of the bank's management team, particularly the appointments of general manager and human resources manager,*" the SG Cameroon's employees are demanding "*the payment of outstanding bonuses and compensation due to colleagues promoted as a part of the annual wage review for 2013,*" states the strike notice published on June 19, 2014.

Overall, the employees mention that the SG Cameroon's general manager has violated workers' rights with the consent of the human resources manager and has blackmailed staff by brandishing "*threats to close and sell the company*" whenever the staff representative challenges "*a bad decision*" or demands "*the restoration of a violated right.*"

At a meeting with staff representatives back in February 2013, Jean-Philippe is alleged to have threatened that"*if you insist, the SG group will sell its Cameroonian subsidiary as was done in Egypt and I will just quietly carry on with my career in France.*" The general manager is also alleged to have used "*irreverent, insulting and even degrading language towards welfare representatives of the State's institutions, particularly those relating to justice and the local authorities.*" Negotiations are underway to put an end to the crisis quickly.

Cameroonian journalists trained in Treasury's new financing mechanisms

On June 12, 2014 in Yaoundé, some 40 journalists gathered within the Cameroonian Economic Press Association (Presse Eco), were invited to a training session on "*The Cameroonian Treasury's new financing mechanisms*" held by the General Directorate of the Treasury of the Ministry of Finance.

"*Over the last few years, reforms have led our country to innovate in the area of budgetary financing, not only in terms of fiscal and customs reforms, but also with new fundraising instruments such as bond loans and the issuance of Treasury bills. These concepts, which are for the most part new, need to be understood by the media and the public at large,*" stated the president of Presse Eco's executive office, François Bambou, explaining the reason why the training session was arranged.

For the Ministry of Finance, as expressed by the Secretary General of this ministerial department, training members of the media "*is a component of the over-arching programme that aims to familiarise the general public and journalists with the concepts of financial markets.*" This is all the more important, he emphasised, as bond loans and Treasury bills are "*financing mechanisms that call on public savings are new here*" and would be beneficial to be shared with "*all levels of society so that they may be informed as to how they can participate in the financing of our economy.*"

In a single day, forty Cameroonian and international journalists who participated in the training exercise were informed about "*the State's determination of financing need and the development of the calendar for issuing securities on capital markets*" and "*the Cameroonian experience in government securities issuance on capitals markets*" since 2010.

25% of loans given by Cameroonian banks are risky, according to the Managing Director of UBA

Speaking on June 1, 2014 in Douala at the 3rd "GICAM University" event, the Managing Director of UBA Cameroon, Georges Wega, revealed that 25% of loans issued by Cameroonian banks have uncertain outcomes. "*This means that if the bank granted 100 loans in a given year, twenty-five of them would run the risk of not being reimbursed,*" he clarified, countering the claim made by the business community that commercial banks have been blocking access to credit.

Expanding on the remarks made by the UBA Managing Director, Felix Zogning recalled that reprimands made to banks with regards to loans can also be the result of the strict adherence to ratios given to banks by the Central African Banking Commissions (COBAC).

Indeed, noted Félix Zogning, according to the requiremens of the banking sector watchdog of the CEMAC zone, the banks of that region cannot have a loan portfolio of an amount greater than 8 times the total funds of the bank. Furthermore, it is forbidden for banks to grant a loan of which the amount is equivalent to 15% of the banks own funds.

All these regulatory restrictions contribute to limiting loan access in Cameroon in keeping with the limited structure of the companies that request financial support from Cameroonian banks, stated Georges Wega.

Close to 10 billion FCfa to be recovered to reimburse customers of now defunct Cofinest

François Xavier Zingui, liquidator of Compagnie financière de l'estuaire (Cofinest), the micro-financial company that was once prosperous in Cameroon, but ended up bankrupt in 2010, has just published the company's "*list of primary major debtors*". The list includes 85 entities who have been invited "*to reimburse the totality of their debts or, failing this, negotiate a reasonable debt repayment moratorium or risk forcible repayment proceedings against them.*"

According to a release issued by the liquidator, these debtors owe 9.9 billion FCfa to the former Cofinest. He also notes that the largest of the debtors is Union sportive de Douala or the Douala Athletics Union (2.9 billion FCfa), a national premiere league football championship team in Cameroon. One might recall that heads of the team were once a part of Cofinest's management team.

Since the micro-financial company's closing on February 18, 2011, the scheduled or effected reimbursements, up to April 30, 2014, have concerned some 48,636 customers out of the 51,549 that the company had when it closed. The total in reimbursements amounts to 624,315 million FCfa.

In addition, the sum of over 776 million FCfa has been paid-out, but has not yet been withdrawn by beneficiaries of Afriland First Bank, the banking institution which offered its repayment services to the former Cofinest's customers. According to the liquidator, 2,193 customers have not yet been reimbursed, which amounts to 4.25% of the former company's portfolio.

ENERGY

Cameroon promises Bowleven a gas permit for Etinde

British group Bowleven which operates in Cameroon under the Euroil label announced on June 3, 2014 that the government has formally committed to authorising the issuance of a gas permit for the Etinde project. The commitment made following a meeting held on May 21 between heads of Bowleven and representatives of the Cameroonian government should be realised with a mining permit provided by presidential decree and should be for an initial duration of 20 years.

"*We are delighted to have made this first step in the development of the Etinde project and to have made progress towards securing a permit. We would like to thank the Cameroonian government for its support and are now awaiting approval from His Excellency, Paul Biya, President of the Republic,*" stated the CEO of Bowleven, Kevin Hart in a press release.

On the London Stock Exchange where the Scotland-based company is listed, the value of its stock opened on June 4 in green (+0.68%) to 0.48 euros. But in the medium term, it remains below its 2013 performance. It should be stated that, although its value is lower, it reached a trade volume of over 19 million units on June 3 which is proof that investors have not been indifferent to the announcement of the permit.

Idriss Linge

Russia-based Lukoil eyeing Etinde oil and gas field

One of the top oil-producing companies in Russia, Lukoil could soon join the capital of the oil and gas prospecting project in Etinde in Cameroonian waters. This was revealed indirectly in an official release by Bowleven on June 23, 2014.

In the release, the Scottish company announced its plan to sell 50% of the 75% stake it has in the oil and gas field against 250 million dollars (around 112 billion FCfa). Lukoil is presented as the main potential acquirer in the operation and will buy 37.5% of shares in Bowleven and Camop, the Cameroonian subsidiary of the NewAge group (which operates in several African countries), will allegedly claim the remaining 12.5%.

If there is no objection from Bowleven's general assembly and the Cameroonian government, the company would rake in 170 million dollars (76.5 billion FCfa) and would get, at the signing of the contract, a second tranche of 40 million after the feasibility studies have been conducted to determine the potential of the oil field's two wells.

Lukoil is a fully private company listed on the financial markets of London and New York. The growth of this giant from the Gulf of Guinea is certain to attract the attention of geostrategic experts, especially since companies from the major energy powers (France, the United States, China and probably Russia) can be found in this area.

IL

Oil production up 24.5% for the first four months of the year

Oil production for the first four months of 2014 shows an increase of 24% in the State's budget for the current fiscal year. Indeed, according to Société nationale des hydrocarbures (SNH) statistics, some 8.82 million barrels of crude oil have been produced up to April 30, 2014 up by 24.5% relative to the same period the previous year.

"This rise is essentially due to an increase in production from the Dissoni field as well as the start of production as the Padouk and Mvia fields," states SNH. Located offshore in the Douala-Kribi-Campo basin, the Mvia field started production in November 2013 while the Padouk field has been operational since the start of this year.

Of this production, the SNH indicates that it has sold over 5 million barrels of crude oil at the average price of 105.8 dollars per barrel which is approximately 53,000 FCfa. In total, the sum of 175.6 billion FCfa in oil revenue has already been paid over to Cameroon's Treasury Department.

2014 oil revenue for the State is projected to be 718 billion FCfa which marks a standstill relative to the 2013 budgetary period despite a production increase forecast of 24%.

Caracal Energy out of Canada to raise transit fees for Chadian oil in Cameroon

The Canadian company, Caracal Energy Inc, holder of a production sharing contract on the Mangara/Badila blocks in Chad, announced on March 24, 2014, the loading of the first export cargo of 950,000 barrels of oil from the Badila field at the Komé terminal in Kribi. Listed on the London Stock Exchange, the oil company confirms having 560,000 barrels of the total amount, the remainder going to the Glencore Xtrata plc trading company.

The first export shipment by Caracal Energy is excellent news for the Cameroonian authorities who have been receiving considerable sums of revenue from transit royalties on Chadian oil in Cameroon. Since October 29, 2013, the fee has been adjusted from 195 FCfa (0.41 USD) per barrel to 618 FCfa (1.30 USD). The total amount for the transit fee imposed on the Canadian company working in Chad's oil fields could gradually rise due to the increase in oil production anticipated by Caracal.

In the month of March 2014, the Badila field's production reached 14,100 barrels of oil per day, a sizable increase from the 12,000 barrels per day recorded on January 20, 2014. Production will increase in the months to come due to the expansion of production processing facilities and also the shipment planned by the oil and gas company, Caracal, for the third quarter.

Caracal Energy Inc is very active in Chad. In 2011, it signed a production sharing agreement with the government granting it and its partners exclusive rights to explore and develop the reserves and resources in a 26,103 km² area in southern Chad.

Aside from Caracal Energy, which will be increasing the Cameroonian Treasury's revenue with Chadian oil transit royalty payments, other oil companies in Chad have been announced as future users of the Chad-Cameroon pipeline. According to the National Hydrocarbons Company (SNH), which has been leading the negotiations, British company, Griffiths, China Petroleum and the government of Niger are all planning to use the Chad-Cameroon pipeline.

BRM

Kribi and Dibamba electric plants crossover to Globeleq

The electricity leader in Sub-Saharan Africa, Globeleq is getting 300 MW of electricity from two production companies in Cameroon. This was announced in the company's press release through PR NewsWire.

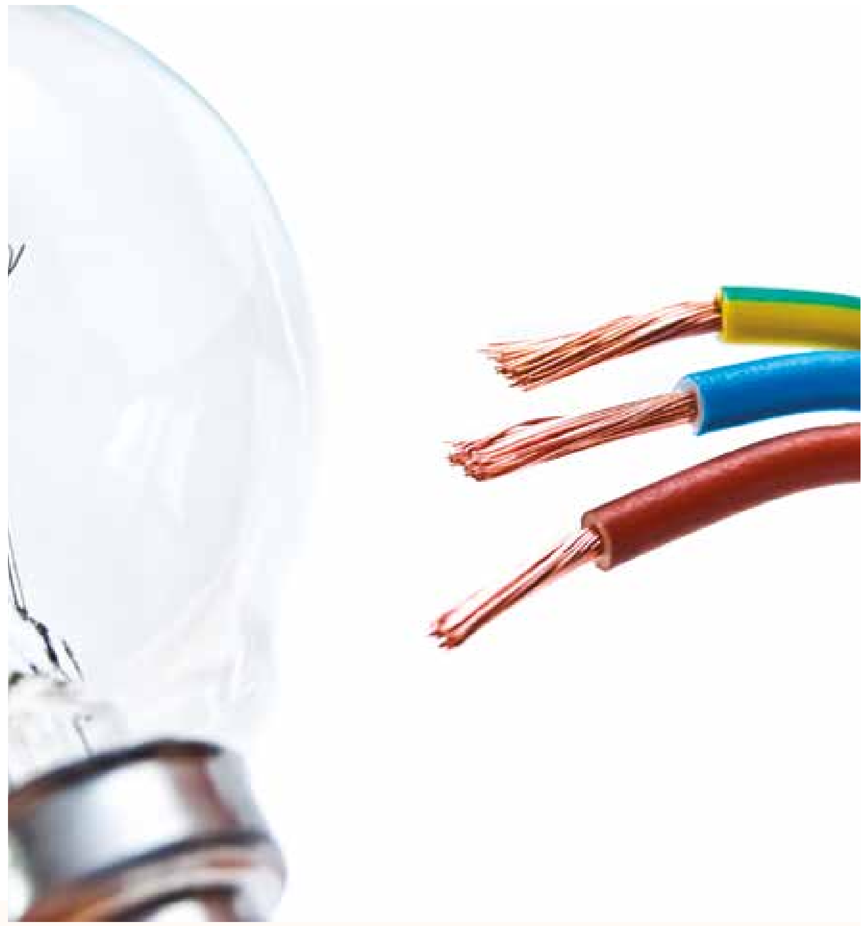
This very active energy company will control and run the 216 MW plant in Kribi and the 86 MW plant in Dibamba thanks to a majority participation in the Kribi Power Development Corporation and Dibamba Power Development Corporation.

"*Dibamba and Kribi are the only two independent energy projects in Cameroon. We are really enthusiastic about being actively engaged in the country's energy sector to contribute to its economic development,*" explainedMikael Karlsson, CEO of Globeleq.

"*These quality assets add considerably more capacity to the platform our company already has in place in the region, thus strengthening Globeleq's position as a leading private company in Africa's energy sector,*" he added.

"*We are eager to supply the country with reliable electricity and support the continued growth of the electricity sector in Cameroon,*" stated Chris Ford, Asset Management Director at Globeleq Africa.

Electricity from the two power plants will be sold to AES Sonel, the public electricity concession holder following energy purchasing contracts signed for a period of 20 years. The State will have a minority stake in the companies, but Actis, the emerging market fund management firm with 100% ownership of Globeleq, has already concluded a majority acquisition of AES Sonel.



Cameroon: six Actis representatives join AES Sonel's board

At a general assembly held by the Cameroonian electrical company AES Sonel in Yaoundé on June 12, 2014, reliable sources allege that representatives of the American group, AES, who previously sat on the board of the electricity provider resigned following the takeover by the British investment fund, Actis.

The board members who resigned were soon replaced by six representatives selected by Actis. The meeting held announced the arrival of Actis to the company that will soon change its name in the coming weeks. Actis' board appointees are David Michaël Stuart Grylls, Mark Edwards Goldsmith, Adrian Thomas Mucalov, Nikhath Zigmund, Tobjorn Caesar Knut and Hanaan Lea Marwah.

Following this first Actis-led general assembly, the company's Managing Director, Jean David Bilé, was returned to his post with the additional label of board member. He therefore assumes the new title of Administrator and Director General while the board chairman, economist and advisor to the head of state, Séraphin Fouda, also keeps his position. According to reliable sources, this team will remain in place until the company's management is reshuffled.

Actis officially became the majority shareholder and main provider in Cameroon's energy sector on May 23, 2014 with the signing of an agreement with the Cameroonian government. The agreement itself followed the acquisition of 100% of AES Corp's assets in the country's electricity sector announced in November 2013.

At the start of the week, Globeleq, a subsidiary 100% owned by the Actis Investment Fund, officially announced that it would be taking over control of the Kribi and Dibamba electrical plants, respectively situated in the south and in the coastal region. They have a cumulative capacity of 300 MW and have thus far been managed by KPDC and DPDC, two AES subsidiaries in Cameroon.

Cameroon capitalises on strategic position in fuels from Niger and Chad

Cameroon is to capitalise on its strategic position in fuels from Niger that are to be transported by pipeline to oil fields in Chad.

A bill authorising the signing of an agreement to this effect between Niger and Cameroon was submitted a few days ago to parliament.

The implementation of this agreement will enable Cameroon *"to take advantage of its strategic geographical location to promote sub-regional cooperation in hydrocarbons,"* he explained. The closer relations between Yaoundé and Niamey will lead to *"significant growth in revenue for both of our countries in transit fees,"* maintained the Minister of Mining and Industry, Emmanuel Bonde, before members of parliament on Saturday.

This will be a virtual goldmine for Cameroon which recently increased its transit fees. With Chinese funding and China National Petroleum Corporation (CNPC), Niger has been an oil-producing country since 2011. In the first quarter of 2013, its production reached 3 million barrels of crude oil on the Agadem block. For the same period, Société de Raffinage de Zinder (SORAZ) a Chinese and Nigerian capitalised company, refined 113,524 tonnes of gasoline, 217,222 tonnes of diesel and over 20,000 tonnes of domestic gas.

Tradex lands fuel and lubricant contract for major infrastructural projects

The Cameroonian oil company, Tradex, a subsidiary of Société nationale des hydrocarbures or National Hydrocarbons Company (SNH), landed a fuel and lubricant supply contract with China Communication Construction Company (CCCC), which will be building the *"greenfield"* section of the Yaoundé-Nsimalen roadway in Cameroon's capital.

According to the terms of the agreement signed on June 13, 2014 between the two companies, seven million litres of diesel will be delivered over a 36-month period to fuel the machinery being used in construction of the 10.8 km *"greenfield"* portion of the highway in addition to 600,000 litres of oil and 215 tonnes of lubricant. The deal's price tag has not been revealed.

With this new contract in its arsenal, the Cameroonian State company assumes the position of primary fuel and lubricant supplier for the largest projects underway in the country. Since March 2012, Tradex has been supplying China International Water and Electric Corporation (CWE) with fuel and lubricants. CWE is the company building the Lom Pangar Dam in the East region of the country.

In July 2012, Tradex signed a fuel and lubricant supply partnership with Sinohydro, the company chosen for the construction of the Memvé'élé Dam in the South. The 11.7 billion FCfa (26 million dollar) deal involved supplying 650 tonnes of lubricant, 21.6 million litres of diesel and 540,000 litres of premium.

With a network of forty service stations across the country, Tradex is the local torch-bearer of the oil product distribution sector in Cameroon. Also present in the Central African Republic (20 service stations) and Chad, Tradex has been in Cameroon since 2013 with Tradex Gaz.

In 2012, the public company's sales increased by 23% thanks to its 16.5% share of the consumer and industrial market. This represents 43.6% growth in one year, as indicated by the company's board in 2013. That year, Tradex also *"improved market share in oil product distribution."*

TELECOM

Viettel Cameroon's Vietnamese workers go home three months after opening

Accused of heavily importing labour from Vietnam, Viettel Cameroon, the number three mobile service provider, announced that its Vietnamese workers, currently the majority of its workforce, will return home around "*three months after the opening*" which is officially scheduled for September 18, 2014.

"*We fully understand the concern that Cameroonians have about their jobs being threatened. But we would like to reassure Cameroon youth that Viettel's foreign workers are only temporary,*" promised Moïse Bayi, the Deputy Director General of Viettel Cameroon in a clarification published in the Cameroon government's daily publication.

Mr Bayi's remarks follow anxiety expressed in the media by a member of the company's board. Revealing persistent tensions within Viettel's board, Jules Kenmy stated that the administrators and the Vietnamese company's partner are not in agreement about the human resources management policies being implemented by the company.

Indeed, he indicated that the Vietnamese partner is planning to bring in even producers, retailers and vendors for Viettel's products (SIM cards, phone credit…). Cameroonian board members are opposed to the project based on the promise made at the signing of the concession contract in 2012 by Viettel Cameroon to the government to create 6,300 local jobs.

Viettel Cameroon announces interconnection with Orange, MTN and Camtel "in late June"

The country's third largest mobile phone service provider, Viettel Cameroon has already built 70% of its network with only three months to go before its official launch on September 18, 2014. The news was announced by Jules Kenmy, one of the company's chief administrators, in an interview with the Cameroonian government daily publication.

Kenmy also indicated that the new provider, which had requested an extension on its 3G monopoly to 2016, will interconnect its network with those of Orange and MTN, its competitors, as well as Camtel's. Camtel is the public landline provider that has been laying fibre optic cabling. This interconnectivity is expected to be complete by the end of June.

According to the same source, internal communications on the Viettel network have already been in place for several weeks now between Yaoundé, Douala, Bafoussam, Bamenda and Ngaoundéré, using the number 3 mobile provider's future prefix – "6". "*As for pricing, which is a source of concern for the nation, we think we can be competitive,*" reassured Mr Kenmy.

The world association of telecommunications companies debate 3G in Cameroon

As Viettel's 3G monopoly extension is being considered by the government while the company awaits the government's decision, the debate on the implementation of this technology in Cameroon is getting more and more heated. On June 13, a delegation of senior representatives of the South African company, MTN, met with the nation's MPs and did not hesitate to complain about the restriction on the granting of 3G licences which it believes poses serious harm to the nation's interests

It is in the context of this barely veiled battle over 3G services that the weekly publication *Repères* recently revealed correspondence addressed in June 2012 to the Secretary General of the Office of the President of the Republic of Cameroon right after making a call for tenders on May 28, 2012, for the granting of a 3G licence in Cameroon. In this document, Tom Philipps, Chief Regulator Officer of the GSM Association, which is made up of telecommunications companies from 218 countries worldwide, expressed *"concerns"* about the AGSM after the government call for tenders was published.

The AGSM did not understand that existing companies, in this case MTN and Orange, may be *"excluded from the licensing process to make way for larger bandwidth 3G services."* This is all the more significant as *"a newcomer to the market will have to make considerable investments to build the network [...] while companies already on the ground would be able to put their 3G mobile services in place very quickly by simply updating their commercial infrastructure and existing techniques."*

Bolstered by this line of argument, AGSM concluded that, *"to benefit from wide bandwidth mobile services in terms of economic growth, diversification and job creation in Cameroon, existing mobile companies should not be excluded from the 3G licensing process."*

Despite these AGSM reserves, in late 2012, the Cameroonian government granted 3G exclusivity to Viettel for a period of two years which has yet to launch a year-and-a-half later. Furthermore, the Vietnamese firm has applied for an extension of its exclusive rights until 2016. Meanwhile, Orange and MTN Cameroon are pushing hard to have their 3G licences granted as quickly as possible.

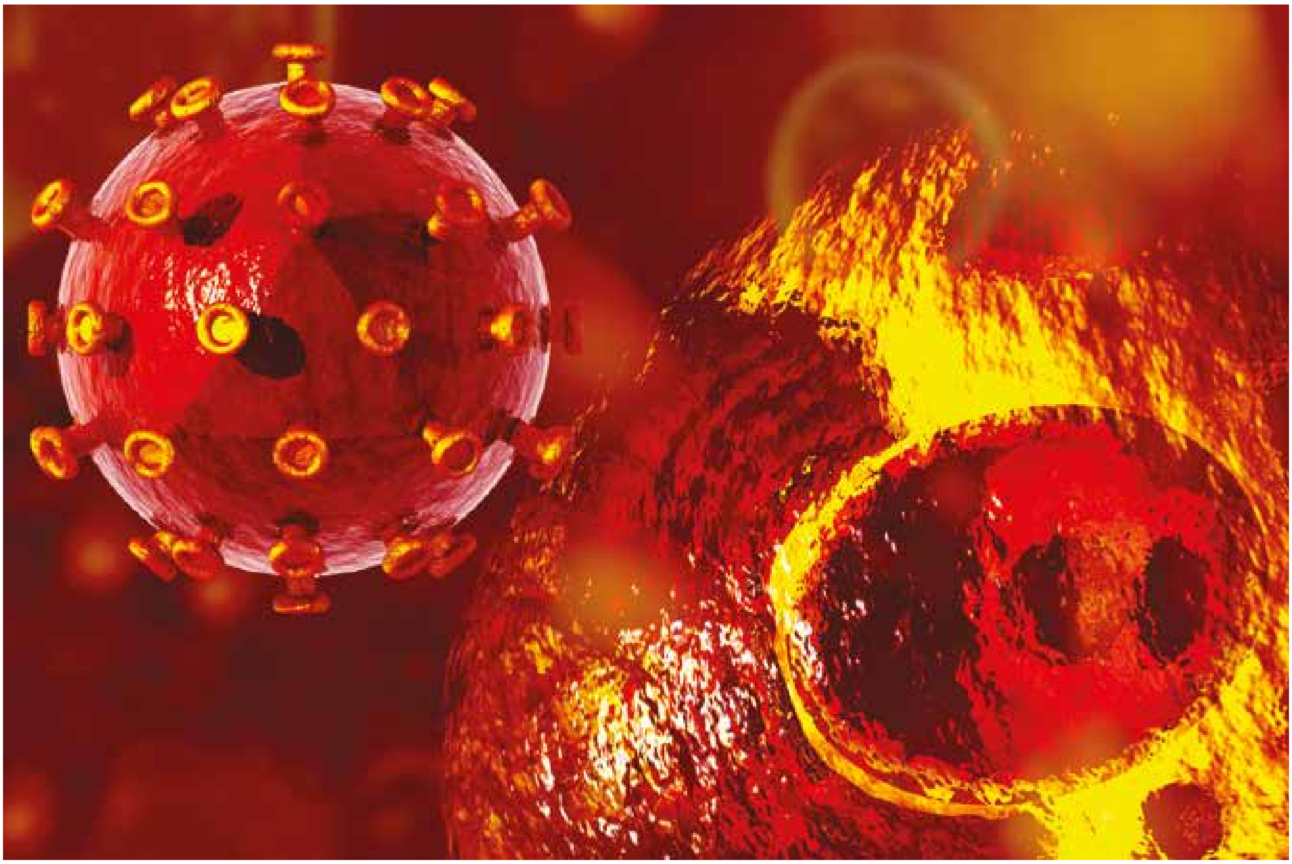
YooMee announces the end of its YooMee Live service

In a press release sent to its subscribers, the internet provider indicated that it would be shutting down its YooMee Live service which was launched on December 22, 2012 in partnership with Microsoft. Introduced at the time as the new generation of Microsoft Windows Live, the service offered a very simplified approach to new means of communication on line using a single interface.

YooMee Live offered functionalities such as e-mail, photo sharing, instant messaging, and Facebook/Youtube integration. With this platform, the user was able to do everything at one time, without switching windows.

According to YooMee, the end of the service is due to the American company that has expressed its disinterest in its continuance. Faced with no way of keeping it active, YooMee indicated that YooMee Live will be completely deactivated on June 27, 2014. Until that time, the internet provider has invited all users to take the necessary steps to save and store all their information (emails, Skydrive data, web calendar etc) currently on the platform before it becomes completely inaccessible.

SMS Printer to save 10,000 HIV positive Cameroonian new-borns



On June 18, 2014, the MTN Foundation and the Clinton Foundation, one of the organisations most active in the HIV prevention effort worldwide, agreed to a partnership to go on a crusade against late HIV diagnosis in new-borns using a system called SMS Printer.

A kind of cellular phone with an incorporated miniature printer, the SMS Printer will be installed by the Clinton Foundation in 682 testing centres across the country, including those in the most remote rural areas. The MTN Foundation will be providing its network which covers 98% of the country along with its equipment. This arsenal will enable the prompt transmission (by SMS) and immediate printing of test results performed on new-borns by the nation's two specialised labs. SMS Printer will therefore make results available more quickly and will therefore enable equally rapid initiation of treatment for HIV positive infants.

Today in Cameroon, there are usually several months between the administering of the test and the release of the results as there are only two labs in the country that are able to conduct HIV tests on new-borns: Centre International de Recherche Chantal Biya in Yaoundé and the Centre for Disease Control and Prevention (CDC) in Mutengene, dans the south-west.

"*Blood samples have to be transported from where the blood was drawn to the specialised lab which can be hundreds or even thousands of kilometres away with all the transportation challenges that are inherent in Cameroon due to its infrastructural development. The results of the test must then do the return trip to where the sample was taken. Sometimes, the results can take three to six months to arrive. In such circumstances, a child infected at birth can fall through the cracks or die without ever being treated because no one knew his or her status,*" indicated the MTN Foundation for which the SMS Printer project will be a "*real revolution*".

In addition, with this system, the Clinton Foundation and the MTN Foundation hope to save "*the life of 10,000 new-borns over the three years of the partnership.*" According to the MTN Foundation, "*studies conducted in other countries such as Nigeria and Kenya show that SMS technology significantly reduced the wait time for early test results and enabled the results to be available by the time the mother returns to the health centre. Similar results were also found in Malawi, Uganda and Zambia.*"

BRM

The Cameroonian journalist Eric Chinje appointed as Managing Director of African Media Initiative

Former celebrity presenter (1984-1991) of the Cameroon Radio and Television (CRTV), Eric Chinje, has been appointed as Managing Director of African Media Initiative (AMI) for a period of three years, announced the board chairman of AMI, Trevor Ncube. The Cameroonian has replaced Senegalese Amadou M. Ba, co-founder of AllAfrica.com, who had come to the end of his contract. *"The board and the media sector in Africa are eternally indebted to Amadou,"* stated the new board chairman.

AMI is a pan-African governmental organisation based in Nairobi in Kenya which aims to strengthen private and independent media from Africa in order to promote democratic governance, social development and economic growth. It is this entity that holds the annual African Media Leaders Forum (AMLF) last held in November 2013 in Addis-Abeba.

In an open letter by the chairman of the board of AMI addressed to the organisation's personnel and published on the company's website, he announced the news. *"I have the pleasure to inform you that the Board of African Media Initiative (AMI) has, after completing an international selection process, decided to appoint Eric Chinje, a Cameroonian national, as the new Managing Director of AMI […]. My colleagues and I are eager to work closely with him and you all to advance AMI's foremost mandate which is the development of Africa's media,"* writes Trevor Ncube.

He specifies that the appointment will take effect as of July 1, 2014. Until that time, Dr. Roukaya Kasenally will assume these responsibilities in the interim. According to AMI's board chairman, Eric Chinje's mission is immense. *"He will have to build on the successes of his predecessor, Mr Amadou M. Ba by strengthening the role of the AMI in the improvement of the quality of media in Africa; strengthening the initiative's financial foundation, assuring a connection with regional and global media institutions to improve support interventions for media in Africa; strengthening management, leadership and professionalism in African sectors to adopt technology, cultivate new sources of income and improve sustainability."*

Trevor Ncube, board chairman of African Media Initiative, is never short praise for the Cameroonian and has presented the Managing Director's professional background to the staff of AMI.

ERIC CHINJE – A WEALTH OF EXPERIENCE

Trevor Ncube is never short praise for the Cameroonian and has presented the Managing Director's professional background to the staff of AMI. *"Mr Chinje is currently the chief advisor of KRL International, the international communications and trade relations firm based in Washington DC, where he provided strategic high level communication for the governments of Liberia and South Sudan, among others. He joined KRL after holding the position of Strategic Communications Director of the Mo Ibrahim Foundation in London."*

"Eric Chinje was chosen because of his wealth of experience," the board chairman goes on to say. *"A radio broadcasting veteran, Chinje was previously Director of Information and Programmes and Editor-in-Chief of Cameroonian television (1984-1991). He also worked as a CNN World Report correspondent and freelance contributor with the BBC World Service, Voice of America and Deutsche Welle radio."*

Eric Chinje spent over 16 years at the World Bank in Washington DC where he was the bank's spokesperson on African affairs and also held managerial positions such as director of the World Bank Institute's (WBI) Global Media Développement programme. He was also director of Africa Region Strategic Communications (AFRSC), a World Bank body where he supervised a team of over 80 communication professionals in sub-Saharan Africa. Between 2004 and 2008, Eric Chinje was Director of External Affairs and Communication at the African Development Bank (Tunis).

The AMI board chairman's letter also indicates that, due to his passion for issues related to governance, one of the major accomplishments of Mr. Chinje was the launch of the Independent Media for Accountability, Governance and Empowerment (IMAGE) which conducted a series of workshops and seminars on strengthening the capacities of investigative journalism, reporting on governance and the budget, agriculture and other sectors. Two thousand journalists trained in Africa and Asia participated in the activity.

B-O.D.

Cameroon: TRA regulates mobile gaming, promotional campaigns and unwanted texting

Phone service providers in Cameroon no longer have the right to send SMS messages to their clients outside of the hours of 6 am and 10 pm. Messages also can no longer go beyond three per day. In addition, mobile providers must also ensure that *"conditions associated with gaming […] must be clear, exhaustive, honest and non-equivocal. Gaming must also last no longer than three months."*

These are the provisions contained in Articles 3 and 6 of the decision outlining the modalities governing gaming and the sending of unsolicited messages by cellular phone" published by the Managing Director of the Telecommunications Regulations Agency (TRA), Jean Louis Beh Mengué.

"Consumers weary with the disregard for the terms of this decision can engage the Telecommunications Regulations Agency," as failure to observe the said decision would constitute *"a lack that would engender sanctions provided for in applicable regulations and laws,"* state Articles 9 and 10 of the TRA text.

In another decision, *"setting the conditions and modalities for the launching of promotional offers in electronic communications"* the Director General of the TRA indicates that *"all promotional offers must be first submitted to the Agency, in notification, eight working days before the start of the promotion"* (Art 4).

The document goes on to say that *"the duration of the promotional offer may not exceed three months. The interval between promotions pertaining to the same offer may not be inferior to one month, except with the explicit authorisation of the TRA"* (Art 3).

The two above-mentioned decisions indicated in the TRA's release were taken on May 22, 2014. A month later, Cameroonian consumers continue to be bothered or even frustrated by the tens of SMS messages sent daily by mobile providers, even after midnight.

American company Paypal arrives in Cameroon to provide on-line payment services

The e-payment subsidiary of the American corporation, eBay, PayPal, has debuted in 10 new countries, including Nigeria, Cameroon, Cote d'Ivoire and Zimbabwe, according to a Reuters report on June 16, 2014 in which one of the company's directors was quoted. The six other countries are in Latin America and Eastern Europe (Belarus, Macedonia, Moldavia, Monaco, Montenegro and Paraguay).

"*PayPal underwent a period of reinvention where we improved some of our services to make them easier to use on mobile phones. This allowed us to expand to these new markets which have been developing very quickly,*" stated Paypal's director for Europe, the Middle East and Africa (EMEA), Rupert Keeley.

In the first phase, Nigerian, Cameroonian, Ivorian and Zimbabwean consumers will only be able to wire funds to Paypal-approved merchant sites.

The on-line payment company will not be covering peer-to-peer transactions, a facility that allows consumers to send money to other Paypal account holders. The eBay subsidiary has not approved local businesses as yet.

With this new expansion of its activities, Paypal will have 148 million users in 203 countries and territories worldwide.

TRANSPORT

Cameroon and Chad sign the agreement for expanding Cameroonian railway in Ndjamena

On June 3, the Cameroonian Minister of Transportation, Robert Nkili, and his Chadian counterpart in charge of Infrastructure, Transportation and Civil Aviation, Adoum Youmousmi, signed the Agreement for the Creation of the Cameroon-Chad Railway Commission, to extend the rail service into Chad.

This agreement, indicated the Cameroonian Minister of Transportation at a ceremony held in Ndjamena, is the culmination of four years of consultations between the two parties. The idea of extending the Cameroonian railway service into Chad was first raised "during discussion at the 22nd meeting of the Mixed Commission of Cameroon and Chad held in December 2010 in Yaoundé," stated Minister Nkili, who considers the signing of the agreement *"to be a sound affirmation of a common destiny shared by neighbouring States and marks a key moment in the realisation of an integrated CEMAC zone."*

In addition, in the application of article 6 of this agreement, announced the Minister of Transportation, the contracted parties chose Bolloré Africa Logistics, of which one of the companies in Cameroon (Camrail) is the concession holder for the railway will involve *"supporting the conducting of studies, providing support in the preparation of files to introduce the project to lenders, preparing meetings with lenders, contributing to deliberations and the financial and institutional set-up."*

According to our sources, the new route will depart from the Camrail terminus in Ngaoundéré (Cameroon) for Ndjamena, the Chadian capital, on a length of 1,400 Km, for an investment estimated at around 1.4 trillion FCfa. This route therefore excludes the second hypothesis that is most popular among the political class and Chadian population and involves the extension of the Cameroonian railway from Ngaoundéré to Moundou (economic capital of Chad), for an investment of 1.16 trillion FCfa in order to serve northern Chad. However, stated a reliable source, *"the Chadian government is committed to building, itself, the expansion of the railway between Ndjamena and Moundou."*

Cargo transportation resumes between Cameroon and the Central African Republic

Reliable sources have confirmed that Cargo transportation between the Central African Republic (CAR) and Cameroon has resumed since June 16, 2014. Indeed, following a crisis meeting held the same day by the Land Freight Management Office (BGFT) at the Garoua-Boulaï sub-prefecture in the East Cameroon region bordering the CAR, 400 truck drivers who have been parked since June 5 in the Cameroonian town were reassured by the Central African authorities with regards to the security measures to be taken once en route to Bangui.

They therefore returned to the highway, despite the advice of MISCA officials to be very careful with the securing of cargo and merchandise being brought from Cameroon to supply the Central African capital. Reliable sources have indeed revealed that Cameroonian commander, General Tumenta, indicated to the representative that truckers going to the CAR should be equipped with GPS and Thuraya phone systems to be able to contact the pan-African MISCA security forces in the event of difficulty.

The decision to suspend cargo transports to the CAR was taken on June 5, 2014 following the murder of Cameroonian trucker, Adamou Alhadjii by persons alleged to be anti-Balaka Central African militants. This crime was committed on Central African soil.

Since the onset of the political crisis in the CEMAC country in March 2013, Cameroonian transporters have repeatedly spoken out against the prevalent lack of security on the Garoua-Boulaï-Bangui roadway one which the 55 billion FCfa in Central African merchandise transiting by way of Cameroon each year lies in peril, according to Cameroonian Customs' figures.

India-based Texmaco and China-based CRS deliver 75 railcars to Cameroon Railways for 4.2 billion FCfa

On June 24, 2014 in Cameroon's economic capital, Cameroon Railways (Camrail) announced in a press release that the railservice concession holder has officially ordered 25 tank cars manufactured by the Indian company Texmaco which specialises in railway material construction. With a pricetag of 1.6 billion FCfa for the Bolloré Logistics subsidiary, the new tank cars *"are equipped with cutting-edge technologoy and align safety and environmental protection."*

The new tank cars, which have a per-unit capacity of 55 m³, will enable the improvement of Camrail transport capacities as the company *"serves, through its railway network, the SCDP (Société camerounaise des dépôts pétroliers or Cameroonian Oil Depot Company) in Yaoundé, Bélabo and Ngaoundéré,"* indicated the company.

In addition, the Cameroonian rail transporter ordered on the same June 24, 50 new platform cars built by the Chinese manufacturer, CSR. These new acquisitions are intended to *"to strengthen the container transportation capacities of the Douala-Bangui et Doua-la-N'Djamena."* The total cost of this latest investment is 2.6 billion FCfa.

Djoum soon to have paved road to the Congo

According to the government's daily publication, the 215 km road connecting Djoum in southern Cameroon to the border of Congo is 69% complete. Divided into three subsections (Djoum-Mintom, Mintom-Lélé and Lélé-Mbalam-the Congolese border), this road construction, which is an integral part of the construction of the Sangmélima (Cameroun) to Ouesso (Congo) roadway, has been presented as being *"the missing link between the Yaoundé and Brazzaville capitals"*.

While construction is well underway between Djoum and the Congolese border, the section between Sangmélima and Djoum is only 20% complete.

According to sources close to the project, the Sangmélima-Ouesso road should cost 119.8 billion FCfa, raised with the help of various lenders such as BADEA, the IDB, the ADB, the Saudi Development Fund, and the Kuwait Fund. The route to be paved covers 651 Km, of which 335 Km lie in the Congo while 216 Km are in Cameroon.

The Cameroonian Minister of Public Works has indicated that the road construction aims to increase *"the exchange of persons and goods while ensuring better access to social, health and administrative services, supporting the fight against poverty and slowdown the exodus from rural areas, reducing the cost of running vehicles and shortening commuting times."*

Camair Co to receive two Chinese planes "before the end of 2014"

According to Selon Xu Bo, Vice-president of the Chinese firm, AVIC International, two MA60 airplanes ordered by the Cameroonian government for Cameroon Airlines Corporation (Camair Co), the national airline, *"could arrive in Cameroon before the end of 2014."* The delay encountered in the delivery of the aircrafts which should have taken place in late 2013, was due to *"communication problems"* that arose in the execution of *"administrative procedures"*.

The construction of the two MA60s was financed by a loan granted to the State of Cameroon by Eximbank of China for a total of 34.5 billion FCfa. In signing this loan agreement in November 2013 in Yaoundé, the Chinese Ambassador to Cameroon, Wo Ruidi, assured that *"the MA60s are reliable"*. The Chinese diplomat was reacting to controversy that arose months earlier about the quality and reliability of the Chinese airplanes.

The issue led to the Minister of Transportation, Robert Nkili, being questioned on the matter by members of parliament at a question-and-answer session in parliament. *"The Chinese planes aren't as bad"* as some would think, reassured Minister Nkili who also stated at the signing of the loan agreement with Eximbank that the airplanes are exclusively for domestic flights only.

French company Arcelor Mittal to deliver 1 billion FCfa order to Cameroonian railway

Cameroon Railways (Camrail), a Bolloré Africa Logistics company, the concession holder of the Cameroonian rail service, has just received 30,000 metres of new 54 kg railway. The order was delivered by the French company, Arcelor Mittal, for a total of one billion FCfa according to Camrail's release.
These new rails will enable "*the carrying out of maintenance operations on the rail network with a significant improvement in traffic security and commute time.*"
On August 30, 2013, Camrail began the process of rehabilitating its 175 km of railway in Cameroon between Batschenga (in the central region) and Ka'a (in the east), for a total cost of 9 billion FCfa, according to the company.
These investments granted by Camrail are part of the commitments made by the concession holder within the framework of the endorsement N°2 to the convention of the concession of the railroads of Cameroon, which plans over the period 2009-2020, investments to the tune of 230 billion FCfa, 158 billions of which are financed by the operator Camrail.

MINING

Government suspends small-scale mining permit issuance

The Cameroonian Minister of Mining, Emmanuel Bondé, has suspended the issuance and renewal of all other activities pertaining to small-scale mining in Cameroon. Reliable sources have indicated that this decision was taken on May 14, 2014 and will stay in effect until November 2014. The ministerial department has explained that the measure is intended to put an end to the chaos apparent in the nation's small-scale mining sector.

"The Minister's decision follows a report he received pertaining to a site visit carried out in the eastern region. During this visit, several operators who had received prospecting permits had immediately proceeded to mining and this was done with disregard for environmental norms," explained Jean Kisito Mvogo, Director of Mining and Geology at the Ministry of Mining.

In addition, small-scale mining in Cameroon is being done by more and more non-nationals who disobey regulations in place that restrict engagement in this activity to nationals. Indeed, there now exists an established black market that has emerged outside of government authorisations with the assistance of Cameroonian nationals.

According to our sources, the strategy involves having a Cameroonian operator obtain a small-scale mining permit which is then underwritten by or simply sold to the highest foreign bidder. The latter then acts officially as the Cameroonian national's technical and financial partner.

Populations of East Cameroon decry the stealing of their land by miners

In the Ngoura district the Lom et Djerem district in East Cameroon, the honeymoon has ended between local residents and miners. During a general assembly of traditional chiefs of this administrative unit reported by the private publication Mutations, traditional authorities of the virtual gold mine of Ngoura, complained to the sub-prefect, Jules Adam Tomboka, about the stealing of their land by miners.

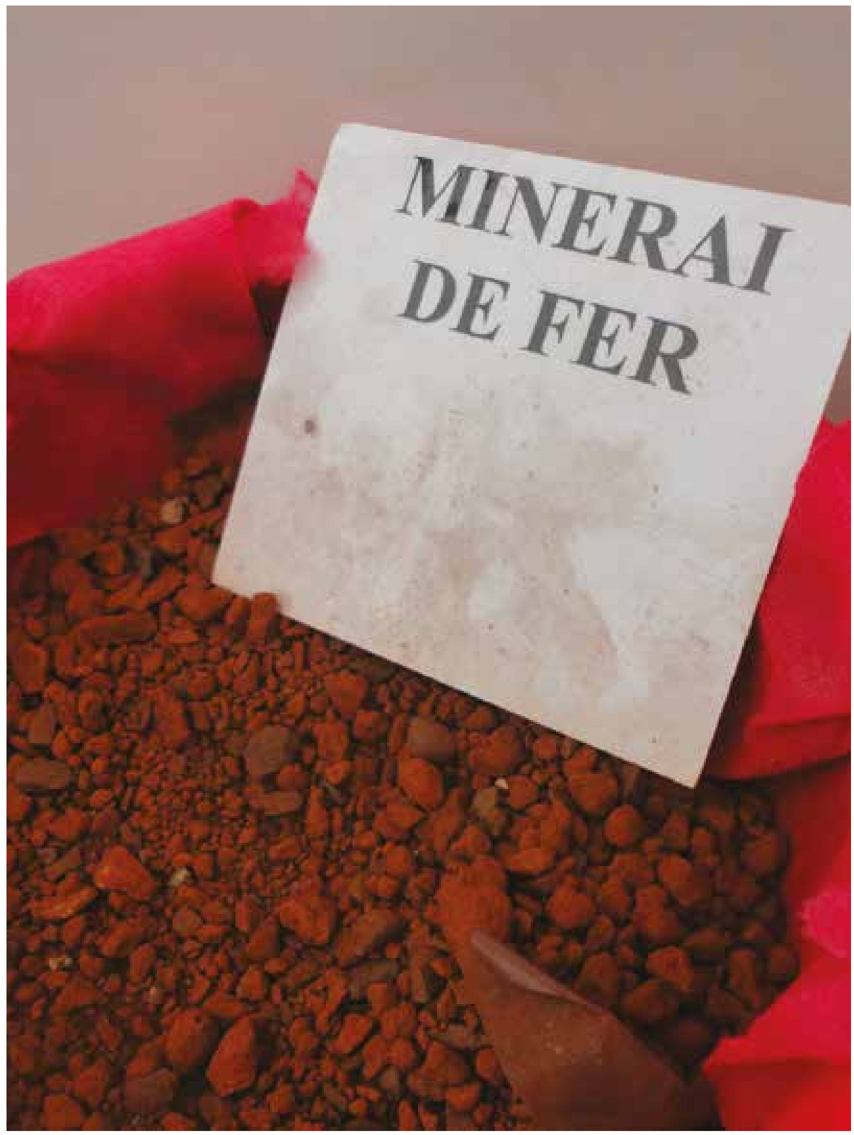
Traditional chiefs have also warned the administrative authority on the risks of the social climate deteriorating in the district as the local residents were angry with both the miners and traditional local leaders as they are suspected of being in league together.

According to the complainants, in addition to having no consideration for traditional chiefs, miners in the Ngoura district *"are taking advantage of mining permits received from the Cameroonian authorities to claim thousands of acres of land in villages. Much of this land is taken and sold to expatriates. Much to everyone's surprise, village inhabitants have literally been driven away from any mining areas within their rich."*

According to Alexandre Vamang Ndozeng, president of the mining management commission of the district of Ngoura, *"local populations get nothing."* He also added that *"what hurts the most is the fact that our people no longer have access to gold mines. One has to wonder if we will ever regain our legitimate rights to the land of our ancestors."* Facing the local population's concerns, the traditional chiefs are demanding the complete cancellation of the mining licences that have led to the social tensions.

The Cameroonian government recently suspended the issuance, renewal and all other transactions pertaining to small scale mining across the country. According to reliable sources, the decision taken on May 14, 2014, will cover a period of six months, ending in November 2014. The Ministry of Mining has indicated that this protective measure aims to put an end to the chaos that has been apparent in small scale mining in Cameroon.

Legend Mining to sell Ngovayang iron project assets to Jindal



Legend Mining Ltd is close to finalising the sale of 90% of its stake in the Camina SA holding company for the Ngovayang rail project in Cameroon to India-based Jindal Steel and Power Ltd. On June 17, 2014, the ASX listed company announced that it has met the requirements for its sales agreement for shares and loans struck with a subsidiary of Jindal and has set July 15, 2014 as the date for the contract to be carried out.

The conclusion of the transaction will give Legend a considerable treasure trove for finding new projects and explore its Fraser Range concession in Western Australia," stated Mark Wilson, CEO of the Australian mining company. Meeting the project's sales agreement conditions, in the absence of DSO (Direct Shipping Ore), is the result*"of a long period of work with the Cameroonian authorities and local shareholders,"* he added.

According to the terms of agreement, Jindal is going to acquire the totality of Legend Iron Ltd's shares and loans in the Camina holding for a cash total of 17.5 million Australian dollars to be settled in staggered payments. An initial tranche of 6 million will be paid at the completion of the contract on July, 6 million after the first 12 months and 5.5 million in ten days following the fulfilment of the mining agreement Jindal and Cameroon. Situated in the South of Cameroon, The Ngovayang project includes three iron exploration licences on a vast scale covering 2,469 km^2.

NGOVAYANG OR NKOUT?

Thanks to the finalisation of the deal, the Indian firm, Jindal, is finally making its debut in the Cameroonian mining sector, particularly in iron exploration and, eventually, mining, after its failed partnership with Britannique Affero Mining, of which one of its Cameroonian subsidiaries, Caminex, is conducting the Nkout iron ore development project, in the South region.

According to reliable sources, Affero and Jindal signed the agreement in 2012, making Jindal the exclusive partner of Affero as a participant in the Nkout project until January 13, 2013. But having reported the heads of Jindal on December 31, 2012, while the exclusivity agreement was still in effect, Affero Mining announced on its website that it was in negotiations with another partner for the Nkout project. The company in question is IMIC, run by the former Affero Mining board member, Ousmane Kane, who ended up buying Affero's assets. This took place on September 2013. With a potential of 2 billion tonnes of iron that could potentially reach 4 billion tonnes, according to Caminex which explored it, the Nkout iron ore located 27 km from the Djoum district, is by far the most significant compared to initial revelations on the Ngovayang project with which the Jindal Indian company was finally reassured. Nkout has been presented as the largest iron ore deposit in Cameroon, thus far, compared to the Mbalam iron ore that stretched between Congo and Cameroon with an estimated potential yield of 3 billion tonnes of iron.

INDUSTRY

Ghana based Kasapreko Company eyeing Cameroon beverages market

Specialised in the production of alcoholic and non-alcoholic beverage, Ghana based Kasapreko Company Ltd has just published a release in which it announced its search for corporate partners who can play a *"key distributor"* role for its products in Cameroon.
Kasapreko Company is currently in *"6th place out of 100 in Ghana's Club 100 ranking"* and was named *"most innovative company"* in Ghana for 2012 at the same time that it copped the *"2012 producer and exporter"* award.
According to the Ghanaian company, its flagship brand, Alomo Bitters, was recently ranked *"in the world's top five most promising alcoholic beverages"*. Kasapreko Company also has brands such as Kalahari Bitters, Kasapreko London Dry Gin, Barman Herbal Gin, K20 Whisky, Kasapreko Tonic Wine as well as non-alcoholic beverages such as Kasapreko Lime Cordial.

Heavy-duty engine American manufacturer, Pionner Equipement Company, sets-up house in Cameroon

In the last two months, the Cameroonian heavy-duty engine market for the construction and public works sector has had a new member join its ranks. According to reliable resources, the new recruit is the American manufacturer, Pionner Equipment Company, which recently opened offices in Yaoundé and Douala.
Created in 2004 in Jacksonville, USA, the engine manufacturer will now be providing Cameroonian contractors with equipment such as dredgers, amphibian excavators, graders, crusher engines, concrete and asphalt plants as well as trailers.
"Our strength is the price. Our prices are all unbeatable," stated Daniel Davy Ateba, the Pionner Equipment head in Cameroon, explaining the company's strategy to penetrate the already competitive Cameroonian market where giants such as Tractafric Equipment are already present along with private entities more specialised in construction equipment rental.
Since its creation only ten years ago, Pionner Equipment Company, has already delivered close to 500 heavy-duty engines around the world and is present in Africa, especially in countries such as Mali, Ghana, Nigeria, Gabon, Zambia or Burkina Faso.

The Dangote Group postpones cement factory launch to August 2014

Initially scheduled for the month of January 2014, then moved to July, the production launch for Nigerian billionaire, Aliko Dangote's cement factory will now be in August 2014. This was announced by heads of Dangote Cement Industries during a site visit held for the Cameroonian press.

According to Dangote Cement Cameroon's Managing Director, Baba Abdullahi, the country's third largest cement factory's launch rescheduling was due to electricity provision problems, the need to ensure viable access to the cement factory and the weather, which has not been very forgiving in recent days, which has caused work to slow down.

But, overall, the company's heads maintain that construction on the Douala factory is 84% complete. At the start, the 50 billion FCfa facility will produce a million tonnes of cement which will be added to the 500,000 tonnes produced by the Moroccan company Addoha and 1.6 million tonnes by Cimencam, the Lafarge subsidiary. Starting in 2016, Dangote Cement is planning to increase its production in Cameroon to 1.5 million tonnes.

Hevecam lets go 3% of its shares in social capital

The new managing director of the limited liability company Hevea du Cameroun (Hevecam), Rajasegar R. S., announced at a recent medals ceremony for the agro-industrial company's deserving clients that 3% *"of personnel shares in capital have been completely liquidated"*, to the detriment of its staff.

Controlled by the Chinese group, GMG International, Hevecam is the 3rd employer in Cameroon, with close to 6,000 employees, behind the government service and Cameroon Development Corporation (CDC), another agro-industrial unit which deals in palm oil, banana, and rubber in the coastal and south-western regions.

The Hevecam plantations, located in Niete not far from Kribi and covering a total surface area of 101,293, of which over 54,263 acres are currently being farmed for an annual production of 32,000 tonnes of natural rubber.

Nestlé Cameroun plans to reduce its importation of raw materials by 70%

The Cameroonian subsidiary of Nestlé is offering, in the medium term, to buy an additional 75% of raw materials, according to internal sources at the company. Mathematically, the project would correspond to a reduction in imports by around 70%. Currently, 84% of raw materials used in the Douala Nestlé factory as well as 59% of packaging used for processing Nestlé Cameroon products are imported.

Imports are primarily cassava starch (1,500 to 1,800 tonnes per year for expenditure reaching 300 million FCfa) and cooking salt, ingredients used in the production of Maggi soup bases. According to our source, this product represents 90% of Douala Nestlé factory's total production.

In addition to the contacts already made with two salt production companies based in Douala, with which Nestlé Cameroon plans to source up to 100% of its cooking salt needs, the Cameroonian subsidiary of the Swiss agro-foods Swiss giant is eyeing starch production by Société de transformation de manioc de Sangmélima or the Sangelima Cassava-Processing Company (Sotramas), currently being put in place in the South. Sotramas plans to process 120 tonnes of cassava starch daily.

After taking samples of cassava varieties that can be used by the company across Cameroon, the Nestlé Research Centre in Abidjan chose four varieties that met the company's quality criteria. These varieties will be cultivated by Sotramas providers which will then provide Nestlé Cameroon with the finished product if the price is competitive.

In this effort to reduce cassava importation, Nestlé is also counting on PIDMA, a Cameroonian government programme financed to the tune of 50 billion FCfa by the World Bank which aims to boost the production of cassava, corn and sorghum in order to facilitate supply to agro-foods companies.

Leader of the month

Agnès Ndoumbé Mandeng : 1st Managing Director of the Cameroonian SME Bank

The first ever Managing Director of the 10 billion FCfa capitalised bank, Ms. Mandeng will be assisted by Amadou Haman, who has been appointed as Deputy Managing Director.

Long awaited since March 2013, the first directors of the Cameroonian SME Bank (BC-PME) were finally appointed following a shareholders' general assembly and board meeting held on June 5, 2014 in Yaoundé, the capital of Cameroon. According to a press release by the Minister of Finance, Alamine Ousmane Mey, who chaired the BC-PME general assembly, Agnès Ndoumbé Mandeng, formerly Director of Financial and Monetary Cooperation at the Treasury Department of the Ministry of Finance, has been promoted to the post of Managing Director of BC-PME.

This was no surprise as the banking and finance expert and member of the Central African Banking Commission (COBAC) since 2008 had had her name bandied about since the previous general assembly held in March 2013 as she had already received approval from COBAC to hold the position of Managing Director of BC-PME. The first ever Managing Director of the 10 billion FCfa capitalised bank, Ms. Mandeng will be assisted by Amadou Haman, a representative of the Garoua III district in the north, who has been appointed as Deputy Managing Director.

Appointed as Chairman of the Board at a general assembly held on January 31, 2014, Paul Elung Ché, the current Managing Director of the Hydrocarbon Price Stabilisation Fund (CSPH), was replaced as president of BC-PME on June 5, 2014 by Théodore Nkodo Foumena. The University of Maryland (USA) graduate previously worked at the World Bank and was an unlucky finalist in the race to head the African Development Bank (ADB), losing out to Donald Kaberuka.

10 BILLION FCFA IN SOCIAL CAPITAL

With these appointments, BC-PME can finally begin taking steps to reduce the financing obstacles that Cameroonian SMEs often face. One can recall that the BC-PME's creation was promised by President Paul Biya in conjunction with that of an agricultural bank at the Ebolowa Agricultural Conference in January 2011. Its 10 billion FCfa in social capital was fully disbursed in January 2013, according to the Minister of Finance.

The new bank, with which the IMF recommended that the Cameroonian government be highly vigilant, is to receive technical support from the European Investment Bank (EIB). This was revealed by the Minister of Small and Medium Enterprises, Laurent Serge Etoundi Ngoa, after meeting with an EIB delegation on February 12, 2014 in Yaoundé.

With these appointments, BC-PME can finally begin taking steps to reduce the financing obstacles that Cameroonian SMEs often face.

Speaking to members of the Cameroonian business community at the opening of the SME Exchange Fair, on December 30, 2013 in Douala, Cameroon's economic capital, Minister Etoundi Ngoa had announced that "*approval for the location of the BC-PME headquarters has been granted.*"

BRM