September 2014 · N° 19

BUSINESS IN CAMEROON

MAJOR PROJECTS
AGRICULTURE
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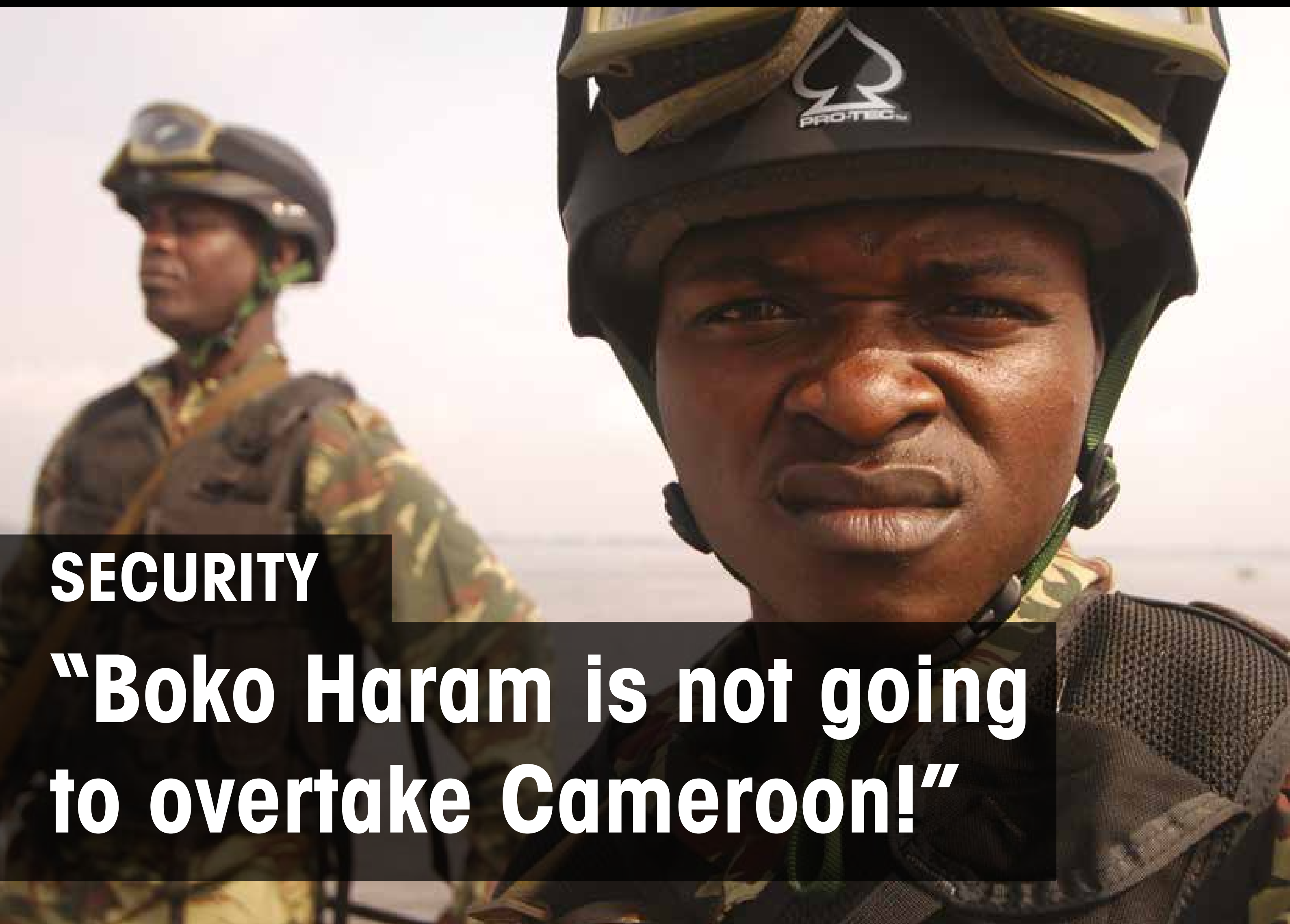
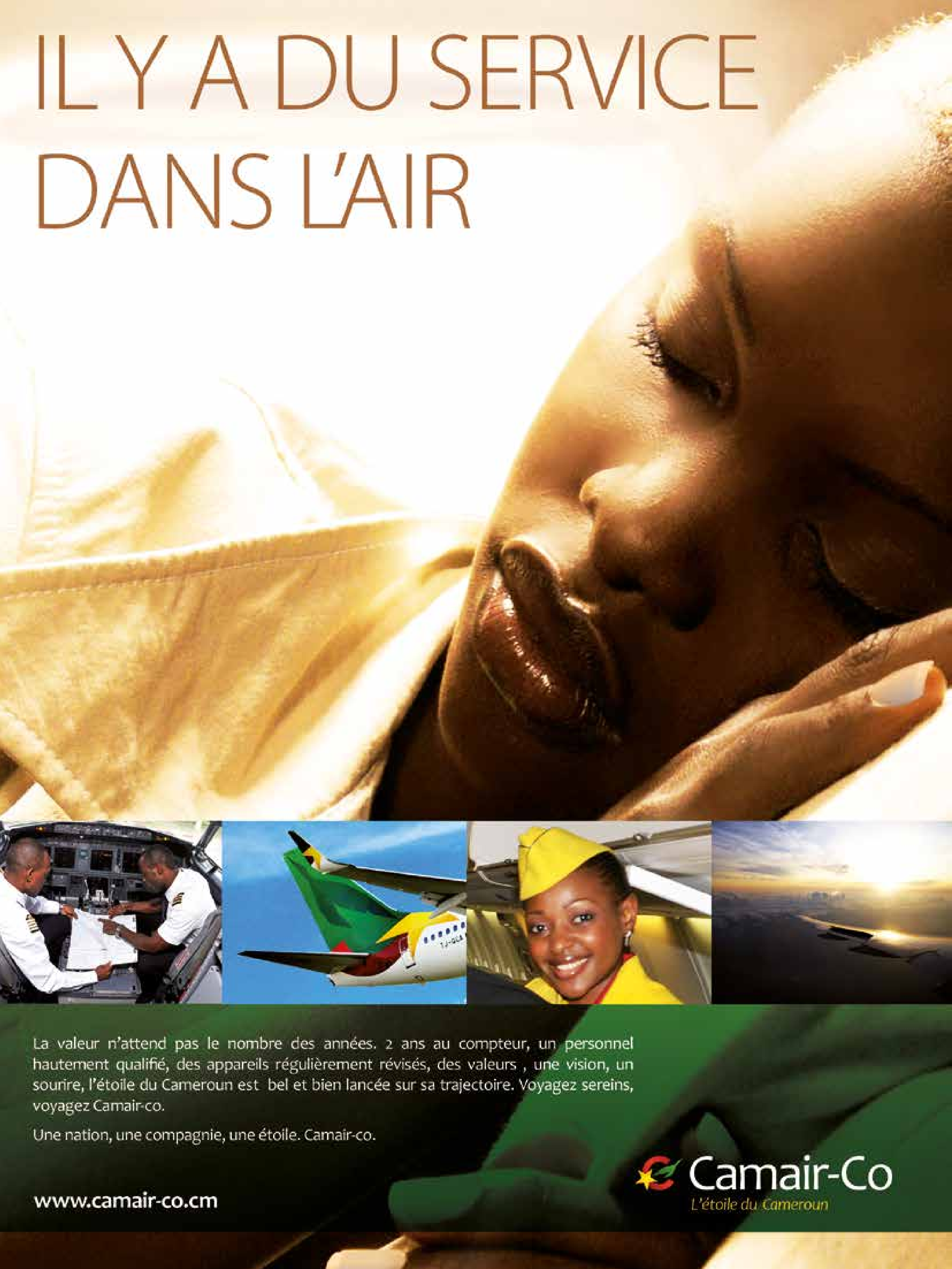


SECURITY

"Boko Haram is not going to overtake Cameroon!"

59 Turkish companies open to partnerships

Joël Nana Kontchou : And then there was light


IL Y A DU SERVICE DANS L'AIR
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Yasmine Bahri-Domon

The logic of war in times of peace

This flight of peace that has been carrying the Cameroon people and consolidating our economic assets, has recently experienced some turbulence due to the actions of the nebulous organisation, Boko Haram, in the north of the country.

Faced with this threat which Paul Biya characterises "*a perverse enemy. One that has neither faith nor regard for the law; one that attacks by night*", the president has shown his determination to maintain peace in his country, protecting citizens and defending Cameroon's territorial integrity, watching over investments and investors alike. The Head of State's message was clear: he declared war against the faction and offered reassurance and comfort in his address to his people as well as strategic reorganisation and military strengthening within the zone. These are all reassuring signals that facilitate the return to peace in the north.

Despite these marginal acts carried out in some outlying localities close to the border with Nigeria which traumatised the daily lives of the people there, the rest of the country has remained undeniably stable. The asymmetrical nature of the attacks and the increased power of the Cameroonian army led the Commander-in-Chief to carry out some readjustments to the operations of the armed forces in northern Cameroon to optimise security. This is an opportunity to laud the military's High Command and the armed forces who, risking their lives, have been working daily so that peace triumphs over disorder and insecurity.

Cameroon, despite all of this, breathes security and peace and continues to pursue the goal to be an emergent nation by 2035. Investors can rest assured that the activities on the outskirts will not affect the business climate at all and will not impede the launch of projects. Aiming to attract 2 million tourists in 2015, the government had demonstrated its desire to promote its potential, its vision for development and the dynamism of its major projects that rely on its security, political stability and culture of peace.

As Paul Biya said so eloquently: "*Boko Haram will not overcome Cameroon.*" The message is clear. Cameroon remains a safe place where foreign investors will find all the guarantees for investment.

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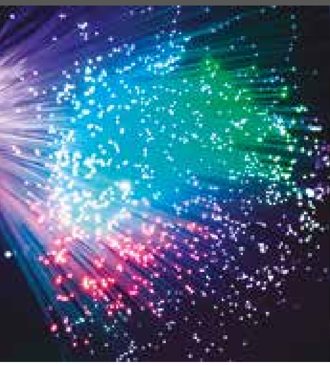

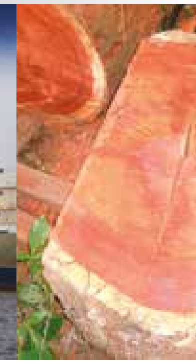

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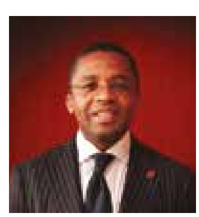
CASTING

MUTANGA BENJAMIN ITOE

By presidential decree signed on August 1, 2014, the Cameroonian magistrate, Mutanga Benjamin Itoe, has been appointed as board chairman at Cameroon Development Corporation, the public agro-industrial company and number two employer nationally after the State which has rubber and banana plantations in the South-East region of Cameroon.

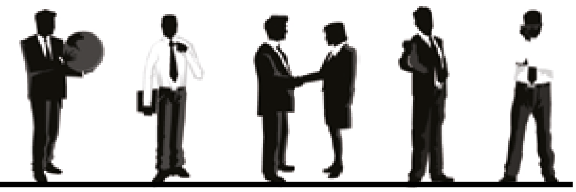
He will be replacing Chief Tatah Okia Namata Elangwe, who passed away on March 5, 2014 in Douala, the Cameroonian economic capital. The new board chairman of the CDC is therefore returning to public administration after a long break. Indeed, after a long career on the bench where he headed jurisdictions in the English-speaking part of Cameroon before chairing the Administrative Chamber of the Supreme Court, Mutanga Benjamin Itoe was Minister of Transportation (1984), Justice (1985) and Tourism (1989).

GEORGES WEGA



The Societe General Cameroon had nominated Georges Wega as the new Assistant Director General of the bank in Douala. An official communiqué communicated to the SUN in Douala on Thursday July 17, stated that Georges Wega remains to be introduced or proposed to the Board of Directors, and monetary authorities, in a meeting slated for September this year.

According to hierarchy, the message went on, the coming of an assistant Director General in Douala, in the above person, now completes some important structural changes in Societe General Cameroon. Thus, Georges Wega is expected to pilot the Exploitation Department of the bank in Douala headquarters, while the second assistant Director General Louis Banga Ntolo will continue to man the Societe General Cameroon in Yaounde.



ELISABETH MEDOU BADANG

It was a plea for 3G access that Elisabeth Medou Badang made to Cameroonian parliamentarians on July 3, 2014. Invited to the National Assembly as a part of the "Parliamentarians for ICT Network", the Orange Cameroon Managing Director reminded the MPs about Orange Cameroon's request for 3G licencing – a request that has thus far remained unanswered.

"*Three years ago, Orange requested authorisation to launch 3G services. We praised the State's initiative which, two years ago, enabled Cameroon to make an additional step towards ICT development with the issuance of a 3G licence (to Viettel Cameroon). We are now approaching the end of that period of exclusivity which will be concurrent with the licence renewal. We plan to invest heavily in the construction, development and operation of our networks in the years to come,*" explained the managing director to the MPs.

AMADOU ALI

On July 27, 2014, the wife of Cameroon's Deputy Prime Minister with responsibility for Parliament Relations was kidnapped by the terrorist organisation, Boko Haram subsequent to an attack perpetrated in the Kolofata locality located in the Extreme-North region of Cameroon close to the border shared with Nigeria. Contrary to information previously released alleging her liberation, Mrs. Ali remains a captive of the Nigerian sect along with ten other persons.

The group includes the traditional chief and mayor of Kolofata, Seiny Boukar Lamine, "*his wife, his two daughters and several police officers*". The Kolofata attack, another among many since early 2013 and the kidnapping of the seven members of the Moulin Fournier family of France officially resulted in 16 deaths including Cameroonian soldiers and civilians.

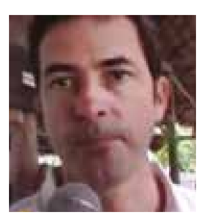
THÉOPHILE YIMGAING MOYO

On July 15, 2014, the Central African States Bank (BEAC) published the names of the five shortlisted companies and corporate associations to bid to conduct preliminary studies on the construction of the building that will house the BEAC's branch in Ebolowa, the regional capital of South Cameroon.

Among the finalists is the Cameroonian firm, Yimgaing Moyo, but the Cameroon architect and urban planner who founded the company, Théophile Yimgaing Moyo, will have to face-off against the SAAI firm and three associations: SATA-BATE (Burkina Faso-Niger), TOGNIA-SGI and DGLA-Nox Ingénierie.

With the future Ebolowa branch, the BEAC will have representation in seven Cameroonian cities and towns: Yaoundé (which has its headquarters and national head office and branches in Douala, Bafoussam, Garoua, Limbe and Nkongsamba.

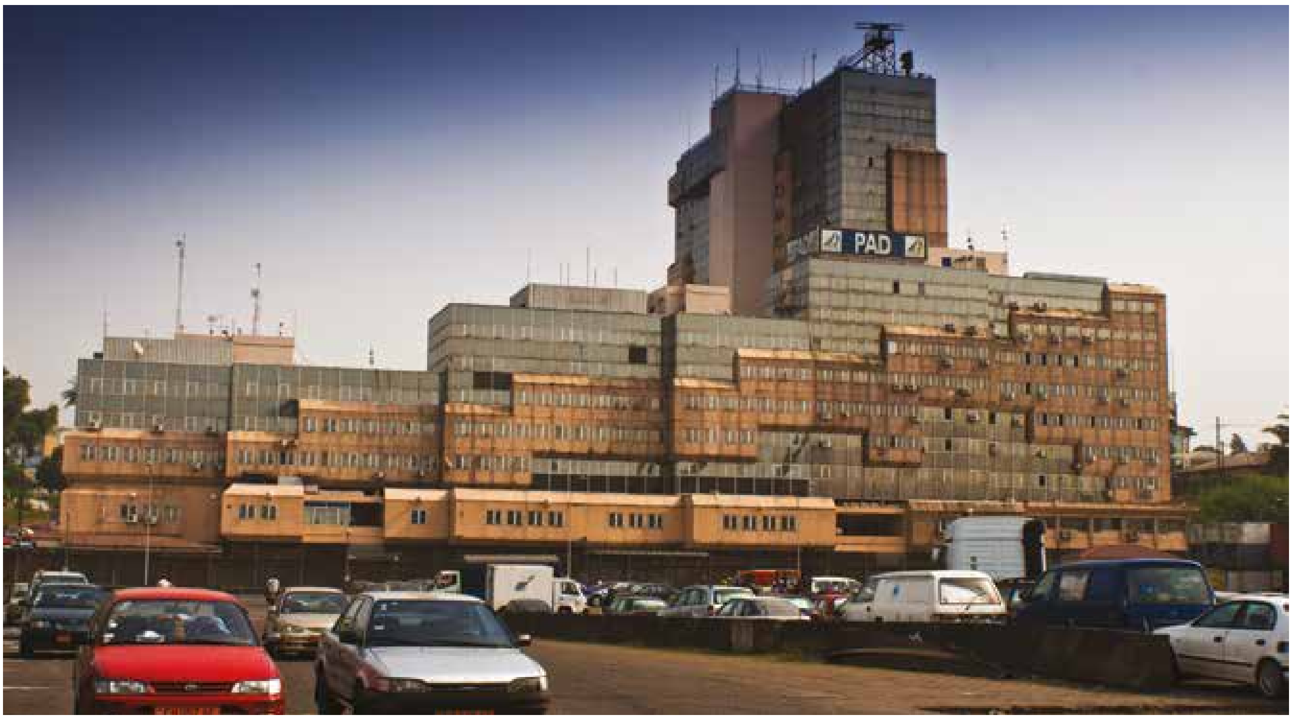
BENOÎT DE LA FOUCHARDIÈRE



Formerly Managing Director of Perenco Peru, the Frenchman Benoît de la Fouchardière has just been named Managing Director of Perenco's Cameroonian subsidiary, the nation's oil production leader since buying out Total Exploration-Production in 2010. This was revealed in the La Lettre du Continent publication.

Benoît de la Fouchardière, who will officially assume his new post in Cameroon this August, replaces Denis-Clerc Renaud, who rose to the head of the organisation in 2009. In five years, he was able to raise the British oil company's production from 6,000 to 65,000 barrels per day, thanks in particular to the acquisition of Total Exploration-Production's assets.

Import-exports slowdown at port of Douala



Below capacity, the largest port in Cameroon is no longer keeping up with the nation's trade levels. Luckily, this is occurring at a time when the government is preparing to open the Kribi deep water port which experts are already hailing as one of the top ports of its kind on the West African coast.

The International Maritime Transportation Facilitation Committee (FAL Committee), a consultation platform of maritime sector entities, held an "*urgent*" meeting on July 1, 2014 in the Cameroonian economic capital in order to discuss "the crisis the Douala Port has been facing for 9 months,"states a release published by the organisation's president, André Fotso, who is also president of GICAM, the business leader association.

The International Maritime Transportation Facilitation Committee (FAL Committee), a consultation platform of maritime sector entities, held an "*urgent*" meeting on July 1, 2014 in the Cameroonian economic capital

This "*disconcerting situation at Douala Port*" involves "*the bottlenecking of the area and other surrounding factors which are causing a slowdown in handling and also extended waiting times for ships at port. This leads to exponential increases in waiting times and cost, both for imports and exports, with negative repercussions for the economy and Cameroon's image at a time when the government and stakeholders are seeking to accelerate growth*," the FAL Committee goes on to explain.

At the root of this situation, the Committee finds that there is "*the surpassing of the port's structural capacity, the surpassing of the various concession holders' operational capacities, the sudden influx of products to be processed, particularly wood, after the re-opening of the Central African border, the weak application of some procedures and the inadequacy of some in this congested situation…*"

In addition, the FAL Committee notes, "*the holding of damaged merchandise (for example, cement imported from 2010), the recurring breakdowns of the scanner though it is a facilitation tool, the extended and disproportionate occupying of space by trucks sometimes waiting to be equipped with GPS capabilities, outstanding deposits which stifle customs brokers' cash-flow and slowdown the release of merchandise.*"

COURSE SET FOR THE DEEP WATER PORT IN KRIBI

Facing this litany of problems, participants at the July 1 crisis meeting, "*identified exceptional measures (14 in total) to be adopted in the coming days to resolve the current situation.*" The FAL Committee explains that these

include the temporary suspension of logs on the grounds, the lightening of issuance procedures for wood loading documentation, the provision of new storage areas for merchandise, the re-opening of the Kribi wood park, the removal of the cement stocked since 2010 and improving the operational hours at the port.

This extreme demand weighing on the Douala Port comes at a time when Cameroon is preparing to launch its new deep water port in Kribi, which is currently in its first phase (building a protective dike, channel access for ships, a docking quay and polyvalent and container terminals) which is 97% complete, according to Patrice Melom, head of the project's coordination unit.

According to what some have asserted, with a 16m draught, the future Kribi port will be one of the largest ports on the West African coast.

According to what some have asserted, with a 16m draught, the future Kribi port will be one of the largest ports on the West African coast.

Despite these measures, the Committee has been worried about the long stay at the port for cargos of Cameroonian cocoa and coffee. "*The extension of export deadlines has very negative consequences for the economy. For agricultural products (cocoa and coffee) the prolonged stay at the port reduces quality (due to increased acidity) and could accelerate the devaluation of Cameroonian coffee and cocoa on the international market leading to devaluation that will affect both exporters and farmers,*" states the FAL Committee.

Brice R. Mbodiam

DIT ANNOUNCES "*A GRADUAL RETURN TO NORMAL AT THE CONTAINER TERMINAL*"

According to Douala International Terminal (DIT), the container terminal concession holder at the Douala port, "*the decongestion process has begun*" at the port. Indeed, in a press release issued by the company, "*in May 2014, the occupancy rate at the Douala container terminal was 147%. In exports, the container terminal's occupancy rate up to August 14, 2014 was 71%, which amounts to an increase in merchandise removal of 50% over the period in question. This improvement, highlights the company, was made possible thanks to "the record removal of containers (4,100 TEU containers) for export in the week of July 7-12.*"

In imports, the DIT states that "*up to July 1, 2014, the park's occupancy rate was approximately 90% compared to 147% in May 2014.*" This amounts to a 30% increase in the clearance rate for the containers in four months. "*Efforts to improve processing and return to normal, as has been sought in exports, have been impeded by the bottleneck created by the high volume of containers abandoned by importers for over 90 days at the terminal (1,800 TEU containers) and the equally high number of containers for local companies that remain on site for over 30 days due to the low storage fee – 600 FCFA per day after 11 days compared to 3,800 FCFA per day per vehicle in an airport parking lot for example,*" explains the concession holder.

In order to improve the situation at the port of Douala, it is planned, "*for imports. To put all containers stocked for an extended period (over 90 days) up for auction by the cosignatories, under the supervision of Customs,*" state sources.

Security strengthened; an open road lies before investors

Cameroon remains a country in which foreign investors can still be winners even in the Northern region of the country which has been prone to attacks over the last few months by extremists who, according to the president of Cameroon, are members of the Islamist fundamentalist group, Boko Haram. President Paul Biya even declared war against these extremists. “Boko Haram will not overcome Cameroon,” he stated to the Cameroonian media. The challenge is immense and measures have been quickly adopted. The president has reorganised the Cameroonian army and strengthened the security deployment. New senior offices have been appointed to secure the entire country, protect Cameroon and its interests and, by extension, secure foreign investments in the country. This edition will look at the full array of these security measures.

President Paul Biya even declared war against these extremists. “*Boko Haram will not overcome Cameroon,*” he stated to the Cameroonian media.

Are these periodic attacks in the Northern region reason enough not to invest and start major projects in this part of the country? “Certainly not,” replies Boubakary Abdoulaye, the regional trade delegate for the Extreme North. In fact, the tax and customs exemptions are in store for new investors during the setting-up and running of the business. The wealthiest man in Africa, the Nigerian Dangote, was in the country’s northern region a few weeks ago with the aim to market his cement as the regional delegate will tell us later in this edition.

Neither Nestlé nor Air France will say otherwise as their managing directors in Cameroon and Africa think that it is still good to invest in Cameroon. Frank Legré and Bruno Olierhoek will tell us why.

Happy reading!

Beaugas-Orain Djoyum

Paul Biya : "*I have sent the Chief of Defence there to reorganise our forces*"

After the kidnapping of the Deputy Prime Minister's wife in the Extreme-North region of Cameroon by armed men, the President of Cameroon, Paul Biya, spoke at the Yaoundé Nsimalen Internationl Airport on the morning of August 2 before flying to Washington for the United States-Africa Summit held from August 5-6, 2014.

"I'm about to fly to Washington. I have been invited my President Obama who has gathered African Heads of State there for us to look at how we can strengthen cooperation between the USA and Africa. On the agenda, there will certainly be the issue of security in Africa.

Paul Biya: "*What I can say is that Cameroonians must remain confident.*"

Therefore, this trip is also important to us as we will have the opportunity to continue to state our position on this major security concern for us here in Africa.

You mentioned the situation currently taking place in the Extreme-North region of our country. You may recall that a few weeks ago our forces made significant inroads in the fight against Boko Haram, but the struggle is a long one. We're dealing with a perverse enemy. One that has neither faith nor regard for the law; one that attacks by night, slashes throats and has attacked Kolofata [...] What I can say is that Cameroonians must remain confident. I have sent the Chief of Defence there to reorganise our forces. I have sent help and reinforcements, both in terms of manpower and equipment. I can't say more. We have increased our capacity and I think the days ahead will show that our efforts to respond and defend our territory will be effective.

Allow me to take this opportunity to say to our brothers and countrymen of the Extreme-North, who have suffered brutality and pain that the compassion and solidarity of the nation of Cameroon are with them. We will not abandon them. On the contrary, we will protect them and fight this enemy relentlessly. I would like to extend my condolences to those who have lost a family member. I have already asked the authorities to express these condolences. I ask that all Cameroonians continue to trust the government. I would also like to acknowledge our soldiers, some of whom have fallen. They have demonstrated patriotism and bravery. I encourage our armed forces to press on. To all Cameroonians, let me say this: In the life of a nation, there are difficult times. In these instances, one must be courageous, show solidarity and also be patriotic. In the case of the latter, Cameroon has faced other challenges. We have fought in Bakassi. We have wiped out insurgents and revolutionary movements and have gone to the ends of dead towns. Boko Haram shall not overcome Cameroon. We shall continue to fight and we shall be victorious. My trip will also enable me to continue the fight on the international stage. We will see President Goodluck there, President Obama of course as well as the presidents of Niger and Chad. Together we will sit and work on a regional strategy."

"We will not abandon them. On the contrary, we will protect them and fight this enemy relentlessly."

A new military and policing region to strengthen security

The Cameroonian army is now entrenched in the northern region of the country; new superior officers are now officially in command. Their directive is to defend the interests of the people and investors, risking their lives if necessary.

On August 14, 2014, the Cameroonian army was reorganised by President Paul Biya, chief of the armed forces. The territorial deployment of the Cameroonian army went from three to four armed military regions (RMIA). Indeed, the third military region based in Garoua in the North has added a new RMIA which will be based in Maroua, in the region Extreme-North – a region prone to periodic attacks from the Islamist Boko Haram, according to official explanations given by the Cameroonian government. A new policing region was also created in Extreme-North. The national police force has also been organised into four territorial police jurisdictions. Each police region has the same territorial space as the armed military region.

Another new development in the security there is the creation of motorised intervention battalions (BIM). The three chief centres of the north (N'Gaoundéré, Garoua, Maroua), as well as certain troubled zones (Kousséri, Mora, Poli, Tibati), will have their own police posts.

In the president's texts, the powers of the military commander, under the jurisdiction of the regional military armed forces, have been strengthened. That individual shall be responsible for "*the monitoring, surveillance and protection of the organisations, establishments, workshops, shops, warehouses and shared ministerial military infrastructure or specialised facilities in the sector and placed under his or her responsibility.*"

THE NEW FACE OF REGIONAL MILITARY LEADERSHIP IN CAMEROON

- Central and South regions, post location: Yaoundé
- Northwest, West, Southwest, and Littoral regions, post location: Douala
- North (except the Mayo Louti departments) and Adamawa regions: Garoua
- Far North region and the department of Mayo Louti in the North region, post location: Maroua.

<u>**Military sectors in the armed regional forces**</u>

First armed military interarmy region, Yaoundé.
- First armed military sector (SM1). Territorial stand-out: Centre region. Post of Yaoundé.
- Seventh armed military sector (SM7). Territorial stand-out: South region. Post of Ebolawa.
- Eighth armed military sector (SM8). Territorial stand-out: East region. Post of Bertoua.

Second armed military interarmy region, Douala.
- Second armed military sector (SM2). Territorial stand-out: Littoral region. Post of Douala.
- Sixth armed military sector (SM6). Territorial stand-out: Northwest region. Post of Bamenda.
- Ninth armed military sector (SM9). Territorial stand-out: West region. Post of Bafoussam.
- Tenth armed military sector (SM10). Territorial stand-out: Southwest region. Post of Buea.

Third armed military interarmy region, Garoua.
- Third armed military sector (SM3). Territorial stand-out: North region. Post of Garoua.
- Fifth armed military sector (SM5). Territorial stand-out: Adamawa region. Post of Ngaoundéré.

Fourth armed military interarmy region, Maroua.
- Fourth armed military sector (SM4). Territorial stand-out: Far North region. Post of Maroua.

Source: August 14, 2014 presidential decree and the reorganisation of the RMIA

Paul Biya has also made new appointments to senior posts within the Cameroonian military. The Cameroonian president chose Colonel Jacob Kodji for the interim leadership of the 4th RMIA. Colonel Souleymanou Massakano will head the 4th region of the police force. The 41st motorised infantry brigade based in Kousséri (Extreme-North) has been placed under the leadership of Roger Kuitche.

In Maroua, forces are already on the ground and engaged. As the Delegate Minister to the President in Charge of Defence, Alain Edgar Mebe'e Ngo has been setting up since August 20, 2014. For him, "*the creation of the 41st BRIM with the command post in Kousséri aims to tighten the defence of the zone most prone to terrorist activity by the Islamist sect, Boko Haram, and bring forces closer to the contact zone to better monitor developments on the ground.*" He therefore instructed the newly promoted to fiercely defend the interests of Cameroon and its people.

"*You must invest strongly to destroy and reduce this sect as a simple expression. There is no alternative. You must succeed or you'll disappear,*" stated Mebe'e Ngo on August 20 in Maroua to Colonels Jacob Kodji and Souleymanou Massokano, respectively assuming the interim leadership of the no. 4 armed regional military (RMIA4) and the 4th police region. He recommended to them to be leaders "*above reproach*". "*Be close to your men and always on the ground,*" he suggested. It is to be noted that Paul Biya undertook the reorganisation of the military, the reorganisation of the national constabulary and the appointment of these senior officers to at the Ministry of Defence all from Paris. This took place the day after the meeting he had with the French Defence Minister, Jean-Yves Le Drian. The Cameroonian Delegate Minister of Defence, Alain Edgar Mebe'e Ngo, explains that the reorganisation of the military, particularly with the explosion of the third RMIA, the military's leadership "*came very close to danger.*" Perhaps.

Abdelaziz Hamed

For foreign investors, "*the local and administrative authorities are strengthening security measures*"

Ministry of Trade Regional Delegate for the Extreme-North, Boubakary Abdoulaye explains that, despite the difficult situation, everything is being done to ensure that business can prosper and this is attracting investors. Recent among them is Nigerian mogul, Dangote who is there.

Business in Cameroon: In light of the troubling security situation in the Extreme-North region, what do you think needs to be done for foreign investors?
Boubakary Abdoulaye: Through the Ministry of Defence, the government took some security measures following the Boko Haram attacks, especially the kidnapping of the ten Chinese citizens on Nationale No. 1, Waza-Kousséri. The reality is that some embassies have classed the Extreme-North region as a red zone. This situation has created a kind of panic in a lot of investors. The government has taken this seriously and is acting to strengthen security further in order to ensure foreign investors' safety.

BC: But the situation appears to alarm the Delegate…
BA: Not at all, I assure you. Note that this region is highly undeveloped. We really need investment here, especially foreign investment to lift up the image not only of our region, but also to have a diversified, strong economy. At the Minister of Trade, we have noted that, up to now, major foreign investors, or at least their representatives, have not been at risk at the regional level. This is what the government has aimed for as a part of its 2035 emergence policy.

BC: What guarantee do these potentially panicky investors have?
BA: They needn't panic. The measures taken by the government ensure that investors are always welcome and the Extreme-North region's governor expressed this at a meeting he chaired on August 25, 2014. There is no panic that should be such that it discourages investors from staying or coming to explore the region. The Extreme-North is still a zero risk area. It is also a potential market of some four million inhabitants. This is an asset for investors as market potential is the first thing to attract foreign investors. The local market attracts both foreign investment and foreign investors. The Head of State spoke about security measures on his last trip and local and administrative authorities are in the process of strengthening these measures. The reinforcement in terms of equipment and human resources increases daily. The fight at our borders is gaining in strength and intensity. Although we are unable to confirm this, the information we have been receiving from the borders has been good. All of this is reassuring. We also recently received an awareness mission from the RDPC's Central Committee which reminded us that there is a threat, but this should not discourage investment. It is also important to note strongly that, for the time being, we have had no particular problems with foreign investment in the Extreme-North region.

Boubakary Abdoulaye: "*There is no panic that should be such that it discourages investors from staying or coming to explore the region.*"

BC: Since you raised it, what is the current state of foreign investment in your region?
BA: For us, those who are involved in trade are of particular interest – especially subsidiaries of major corporations. We have the Chinese in Maroua and elsewhere. Only a few days ago, we were contacted by the major Nigerian investor, Dangote. He wants to invest in cement imports in high volumes. We met

with him here with my colleague from Customs to chat. He is in the process of taking steps to have his product sold in the Extreme-North region. This therefore means that despite the hiccups, investors are interested and therefore do not feel threatened. One must remember too that business is a risk. One must take risks to maximise gains.

Boubakary Abdoulaye, Ministry of Trade Regional Delegate for the Extreme-North: "*The reality is that some embassies have classed the Extreme-North region as a red zone. This situation has created s kind of panic in a lot of investors.*"

BC: What would you say to those who are a hesitating about taking the risk to invest?

BA: Right now in the Extreme-North region, I can say with certainty that it's a good time to invest. There are several appealing prospects. Furthermore, we have foreign economic operators who have expressed real interest in our region. I can cite the Turks. They are currently establishing partnerships with our local businessmen. And those who could take the initiative are welcome. We also have Americans and Europeans. With the recent Africa/United States summit, there were Cameroonian operators who exchanged and made very interesting contacts with their American counterparts. It is to encourage these exchanges that the Maroua-Salak airport has become an international airport. This was done to boost business internationally between our region and countries abroad. This is just a bad wind blowing in the wrong direction. It will soon pass and be behind us.

> ***"Furthermore, we have foreign economic operators who have expressed real interest in our region. I can cite the Turks. They are currently establishing partnerships with our local businessmen."***

Interview by Joël Nguemkane

Omer Faruk Doğan: "*A lot of Turks are investing in Cameroon*"

The Turkish Ambassador to Cameroon discussed the current state of cooperation between his country and Cameroon and takes the opportunity to introduce the Turkish investment fair being held in September 2014.

"What I prefer is the creation of partnerships to develop the Cameroonian economy"

Business In Cameroon: Mr. Ambassador, from 24th to 27th September, you will be holding a Turkish investment fair in Cameroon. Around 59 Turkish companies are expected to participate. What is the aim of having this fair?
Omer Faruk Doğan: Firstly, this fair hasn't been prepared by chance. Recall that when the Turkish president arrived in Cameroon in March 2010, he addressed the Cameroonian people. He said, "We're here to share, to give and to receive." Our mission is therefore to effect what our president said. Since that time, we have built our relations in order to create trade between Cameroon and Turkey in the form of a win-win relationship. We have put in place a mixed economic committee in Ankara in June. We agreed that both parties, Turkish and Cameroonian entrepreneurs, must know each other in order to create partnerships, to benefit from the experience and potential that exist here in Cameroon. We all know that Cameroon has a lot of potential in various sectors (agriculture, hydro-electric energy, cotton and textiles). There are a lot of agro-industrial raw materials that are not adequately used here in Cameroon.

BIC: We have to make all of this more profitable…
OFD: This fair is being held so that we can improve exchanges and linkages between Cameroonian and Turkish entrepreneurs in order to cooperate and to use the Turkish know-how to increase production here in Cameroon. This is why we are in the process of preparing an exhibit of Turkish products with the participation of Turkish entrepreneurs, but in a complex built by a Turkish entrepreneur and given to Camer-

oon. The exhibition centre in the Yaoundé industrial zone will be given to Cameroon. The nature of this cooperation will first involve building the complex for the event, then give Cameroonian entrepreneurs the opportunity to do exhibits, to share and do whatever would be useful to developing the Cameroonian economy. But we're not going to stop there. In October, as decided in the mixed committee, we will be putting together a Cameroonian mission that will go to Istanbul. This time, the Istanbul Chamber of Commerce will provide the Cameroonian authorities with the means of introducing themselves to Turkish entrepreneurs to attract their attention and bring investment to Cameroon. Therefore, the main objective of the two events is to create long term partnership that will enable the strengthening of relations between both parties.

BIC: What types of Turkish companies are currently in Cameroon?
OFD: Today we have a variety of companies in Cameroon. Firstly, there is Turkish Airlines which brought 269 destinations to Cameroonians via Istanbul. If Cameroon plans to integrate into the world, become industrialised and meet international standards, they need to go elsewhere to create partnerships in various places around the world. We can't say that only Turkey should be Cameroon's strategic partner. Cameroon has to create alternate partnerships to develop strong competition and reduce cost. In construction, for example, with Turkish Airlines' help, several other construction companies have already participated in various public offers and prices plummeted by 30% in road and building construction, for example. Unfortunately, the construction sector isn't very established as yet in Cameroon, but there are several affordable housing contractors who are interested in Cameroon and who are getting to know local businesses and creating partnerships with them.

"I can tell you that seven days a week there are planes coming from Istanbul to Cameroon and they're all full."

BIC: Could you give us the names of some of other companies here other than Turkish Airlines?
OFD: We have Eser Holding Group which builds roads; Ustay Group which won the public bid to improve SONARA; and Medicam, which is a company that will be producing cement in Douala in collaboration with a Cameroonian company. We also have restaurants such as Istanbul Restaurant here in Yaoundé which does Turkish cuisine; we have furniture manufacturers here in Yaoundé who can make whatever you desire. There are also companies that manufacture mattresses and more. A lot of Turks are also in the process of investing. For example, there's a new Turkish investor in stone for building buildings and roads. Currently, rocks are still broken by hand in Cameroon. The investor therefore plans to create a factory to break the rocks and make them available to the people who really need them.

BIC: How many Turks are estimated to be living in Cameroon?
OFD: Estimates aren't going to help us. If I tell you there are thousands, it won't help. What matters is what we get done. I can tell you that seven days a week there are planes coming from Istanbul to Cameroon and they're all full. Most of these visitors are Cameroonian entrepreneurs who are going to Istanbul to look for partners or to buy Turkish products. What I prefer is the creation of partnerships to develop the Cameroonian economy so that we can produce here and strengthen Cameroon's presence as a major sub-regional hub because when we talk about Cameroon, we're not only talking about Cameroon. Cameroon has 300 million consumers in its Central African region. It has a lot of potential. All Cameroonians should realise its economic value and try to enjoy it.

BIC: How many visa applications does Turkey receive per day at its embassy in Yaoundé?
OFD: That depends. There are some days when it can be as high as fifty per day, which is a lot. But we want to protect Cameroonians. You have to separate the serious ones from the adventurers. We don't have the luxury of leaving out Cameroonians looking for adventure. We are obliged to be serious and to protect them from all the risks that they could encounter abroad.

BIC: Are the visas accessible?
OFD: Proving one's reliability is enough to get a visa. This depends on the sector in which one works. But as a general rule, when one is truly serious, it's easy to get a visa. It isn't difficult.

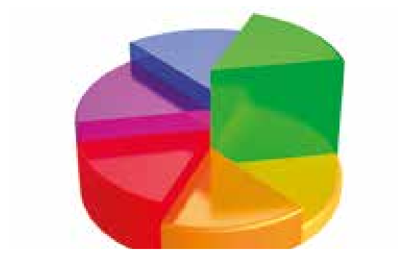
Interview by Beaugas-Orain Djoyum

PUBLIC MANAGEMENT

On July 8, the first ship symbolically docks at the Kribi deep water port

The tugboat christened "Val Paraiso" has docked on July 8, 2014 on the Atlantic coast in Mboro, a district located in the town of Kribi (South region of Cameroon) where the deep water port under construction will be located. The steering committee of this immense project has held a symbolic ceremony to meet the project's first phase timeline which involves the construction of a dike, an access canal for ships, a docking key and two polyvalent container terminals.
Internal sources with the steering committee reveal that construction is 65% complete. Calls for tenders to recruit concessionaries for the two above-mentioned terminals were made a few months ago. Without counting the acquisition and receipt of two tugboats in China, Roi Madola and Roi Mayesse, the port is to become one of the largest on the West African coast.
Built by China Harbour Engineering Company (CHEC), using financing granted by Eximbank of China to Cameroon, the Kribi deep water port will be equipped with an ore carrier, a hydrocarbon terminal, an iron gang plank and more. These other infrastructures will be built during the second phase of the project following the BOT (Build-Operate-Transfer) model. Private partners have already been identified for this purpose.

Strong growth in trade between Cameroon and Cote d'Ivoire in 2013



In December 31, 2013, trade between Cameroon and Cote d'Ivoire reached 155.3 billion FCFA, compared to only 11 billion FCFA in 2011 and 33 billion up to December 31, 2012. This was just revealed by Ivorian Ambassador, Adama Dosso, now close to the end of his tenure, at farewell visit to the General Directorate of the Investment Promotion Agency (API).
For two years, economic cooperation has been accelerating with the reactivation in March 2014 of the mixed commission between the two countries after a 33 year sabbatical. In the last meetings held in Abidjan, Cameroon and Côte d'Ivoire have signed 10 economic cooperation agreements.
In October 2013 in Douala, the economic capital of Cameroon, Côte d'Ivoire held the "Ivorian week in Cameroon" which was attended by 50 exhibitors. In February 2014, the Cameroonian business leader organisation, GICAM, which had asked that the Ivorian government provide over 24 acres of land for the setting up of Cameroonian companies. It was in the margins of the "Invest in Cote d'Ivoire" forum during which Ivorian and Cameroonian business leaders decided to promote the creation of joint-ventures in order to conquer the West and Central African public markets together

Cameroon: 737 billion FCFA in revenue collected in the first half of 2014

On June 30, 2014, the Ministry of Finance's Directorate General of Taxes collected a total of 737 billion FCFA instead of the 657 billion FCFA initially expected. This is 80 billion FCFA more than expected. Relative to 2013, this performance marks an increase of over 135 billion FCFA as only 602 billion FCFA were collected for the same period the previous year.
Halfway through the budgetary year, earnings received have shown a 50% surplus relative to the total of 1.24 trillion FCFA expected by year's end. The amount is such that the Tax Directorate is already stating that it will meet budget targets for the end of the year despite recent tax reductions after price and fuel increases were implemented.
The tax most affected by these recent measures implemented by the Head of State is the special tax on oil products, from which official earnings for the second half of 2014 are estimated to be 15 billion FCFA. This is a very stoppable gap for the tax administration, according to tax officials from the Directorate.

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.

In Cameroon, "*2014 could turn out better than expected*"

According to Cameroon's National Financial and Monetary Committee, following its midpoint assessment, "*outlook for the Cameroonian economy remains encouraging in light of the country's immense potential.*" This was expressed in a release that endorsed the last meeting of this organisation which, with the support of the central bank and the banking regulator of the CEMAC zone (Cobac), assessing the economic performance of the six member states, "*2014 (for Cameroon) could turn out better than initially expected in light of improvement in the implementation of the investment budget and growth in the export of oil.*"
Encouraged by this review, the committee believes that Cameroon's growth rate could reach 6% as hoped by the government which recently announced an emergency plan to meet this target by year's end. This would be 1.2% relative to the 4.8% stated in Cameroon's Finance Act adopted in November 2013 by the parliament.
The committee notes that this performance should be possible thanks to "*a grasp on inflation*" in the country where, for the next few months, there will be "*limited increases in basic food pricing, despite the recent increase in fuel prices.*"

AGRIBUSINESS

PHP to create over 1,976 acres of banana plants in Dehane, in southern Cameroon

In addition to the over 7,413 acres that it already operates in the Moungo department in the Coastal region, Société des plantations du Haut Penja (PHP), an agro-foods company run by Compagnie fruitière de Marseille, is planning to create a new banana plantation on over 1,976 acres in Dehane, a district located in the Ocean department in the southern region of Cameroon. This information was revealed in a call for tenders published on July 7, 2014 by the agro-industrial company regarding "*the acquisition of complete under-tree irrigation equipment*".

"*PHP is currently in the process of expanding its banana plantations in Dehane. This expansion will be done in several phases covering an area of over 1,976 acres. In the first phase, we will be irrigating a little over 128 acres. To do this, we need under-tree equipment to prepare the surfaces to be used,*" states the call for tenders in two parts, one concerning the modernisation of the irrigation systems used by the company's plantations in the Moungo department.

The banana industry leader in Cameroon, accounting for 45% of national production, and the fruit of the merger-acquisition of Société des bananeraies de la Mbome (SBM), de la Société des plantations nouvelles de Penja (SPNP) and Plantations du Haut Penja (PHP), this company has exported 55,518 tonnes of banana out of the 133,000 tonnes exported by Cameroon for the first half of 2014. Its annual production is estimated to be 120,000 tonnes, according to the Cameroon Banana Association (Assobacam).

Cameroon exported close to 133,000 tonnes of banana in the first half of 2014

According to the Cameroonian Banana Association (Assobacam), close to 133,000 tonnes of bananas have been exported since the start of 2014. The largest of these exports is that of Société des plantations du Haut Penja (PHP). With 55,518 tonnes exported on June 30, 2013, the Cameroonian subsidy of Compagnie fruitière de Marseille, which farms over 7,413 acres of banana plants in the Moungo department, in the coastal region, accounts for 45% of national production.

The only public banana producer, the Cameroon Development Corporation (CDC), which is partnered with the American company, Del Monte is, to date, the second largest exporter with 43,599 tonnes of banana exported in June 2014.

According to Assobacam's statistics, the largest exports occurred in May 2014, totalling 27,448 tonnes of exports compared to barely 14,000 tonnes for the month of June – the least prolific in terms of banana exports.

Cameroon is "*Diageo's 4th largest market worldwide,*" according to the group's president for Africa, Andy Fennel

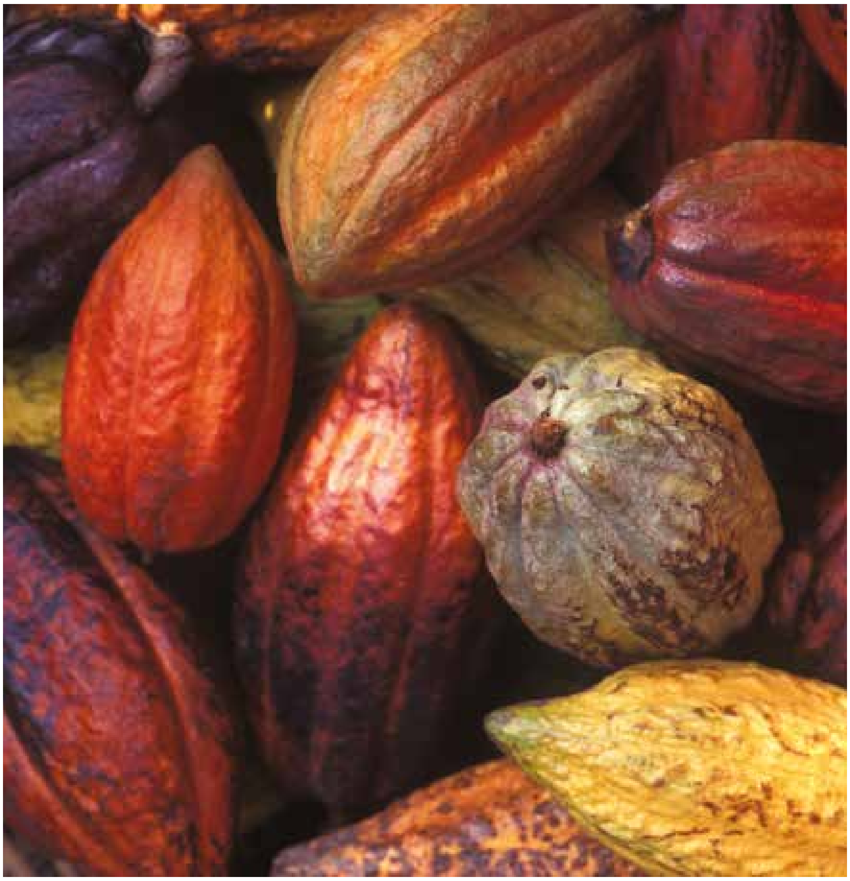
While visiting Cameroon, the president of UK-based Diageo's Africa division, Andy Fennel, stated that Cameroon is a strategic market for the brewery as it is its "*4th largest market worldwide*".

Cameroon is also Diageo's number 2 market in Africa, right behind Nigeria, which is the continent's economic leader with a market comprising some 120 million consumers.

It is certainly to strengthen Cameroon's position in its portfolio that Diageo is undertaking several projects to develop its activities in that country. These include reducing the importation of raw materials by encouraging the cultivation of cereals such as soy.

Indeed, the local subsidiary of the brewery has just signed a procurement agreement with the Cameroonian government to increase corn, cassava and sorghum production.

FAL Committee fears accelerated devaluation of Cameroonian cocoa and coffee



The International Maritime Transportation Facilitation Committee (FAL Committee), a consultation platform of maritime sector entities, is concerned about extended storage deadlines for coffee and cocoa at Douala Port, which has been experiencing a virtual "*growth crisis*" for 9 months which has provoked a slowdown in import-export activity.

"*The extension of export deadlines has very negative consequences for the economy. For agricultural products (cocoa and coffee) the prolonged stay at the port reduces quality (due to increased acidity) and could accelerate the devaluation of Cameroonian coffee and cocoa on the international market leading to devaluation that will affect both exporters and farmers,*" states the FAL Committee in a release following crisis meeting held on July 1, 2014 in Douala, the economic capital of Cameroon.

According to National Cocoa and Coffee Board (ONCC) figures, Cameroon exported 146,685 tonnes of cocoa in late May 2014, which is nine months after the current season started in August 2013. This is a 54,000 tonne decline relative to the 200,915 tonnes exported over the same period the previous season.

On the coffee side of the business, in late May 2014, some seven months after the start of the Arabica season, only 883 tonnes of coffee have been exported compared to 1,199 for the same period the season before. This is a 316 tonne downturn. For Robusta coffee, the trend is also negative as, at the end of May 2014, exports for this variety of coffee amounted to 8,087 tonnes since the start of the season on December 1, 2013, against 8,406 tonnes the same period the previous season. Here again, there has been a decline of 300 tonnes.

However, reliable sources suggest that this decline in exports is not only due to the overall slowdown in activity at Douala Port, but is also because of a lapse in production in general. Producers' prices are not yet alarming, averaging 1,000 FCfa for cocoa, for example.

Olam, Telcar Cocoa and Producam were the main exporters of Cameroonian cocoa in June

According to the National Cocoa and Coffee Board (ONCC) for the month of June 2014, Cameroonian cocoa exports reached 4,526 tonnes which is a 50% increase relative to the 2,305 tonnes recorded in June 2013.

The same source notes that these exports were made by 11 exporters, but three in particular accounted for 60% of the exports. At the top of the list is Producam, which exported1,003 tonnes of cocoa in June. Next in line are the Olam group with 983 tonnes and Telcar Cocoa, Cargill's Cameroonian trading company, which exported 853 tonnes in June 2014.

Overall, the ONCC statistics reveal that Cameroon has already exported 152,941 tonnes of cocoa since the current season began on August 1, 2013. This suggests a 25% decline compared to the 203,220 tonnes exported over the same period the previous cocoa season.

FINANCE

Seven private banks appointed to the governmental emergency monitoring committee

According to a decree signed on July 21, 2014 by the Cameroonian Prime Minister, Philémon Yang (photo), seven private Cameroonian and foreign banks and financial institutions will sit on the technical committee responsible for the implementation of the government's emergency monitoring plan. The selected institutions are Standard Chartered Bank, Deutsch Bank Madrid, the Moroccan group, Alliance, BICEC of SCB Cameroon, Banque atlantique and Société générale Cameroon.

Alongside the representatives of the public administrations involved in the plan, these local and foreign banking institutions will contribute to "*the implementation and monitoring of the execution of the government's priority actions in specific sectors*" such as health, agriculture, road infrastructure, energy, water, urbanisation and security in major cities.

Overall, the technical committee, now extended to include the private sector, will focus on "*defining the strategic orientations to be adopted by the relevant sectorial structures and administrations within the framework of the implementation of the above-mentioned sectors; identifying and undertaking the specific projects to be adopted, their geographic implantation, in keeping with the sectors identified; conducting negotiations with the government's technical and financial partners with the aim to raise the necessary funds to implement the emergency plan; selecting the Cameroonian PMEs and SMEs that are eligible to be a part of the plan based on specific objectives.*"

For the first time, Cameroon wins big with treasury bonds on BEAC

Following its first issuance of assimilatable treasury bonds in 2014 on the Central African States BANK MARKET (BEAC) on August 6, 2014, Cameroon's Treasury Department achieved a subscription rate of 191.55%. According to the press release issued by the Central Bank, investors offered 19.155 trillion FCFA while the Directorate General of the Treasury only needed between 5 and 10 billion FCFA.

To date, this is the largest volume resulting from Cameroonian Treasury bonds on the BEAC since, for the first time, the State's expected funding range was far surpassed on both counts. According to the Minister of Finance, 10 billion collected out of the total offer had a rate of 3.75% (comparedto 4% for the two previous operations on the BEAC) for a period of two years and will be used to complete three projects – the partial financing of the construction of the Yaoundé-Nsimalen highway (3 billion FCFA) and the rehabilitation of the Shell Nsimeyong-Biyem-Assi road (3.3 billion FCfa).

Nigerian, Udom Isong, replaces Georges Wega as Managing Director of UBA Cameroon

The Nigerian banking group, UBA has just appointed Nigerian Udom Isong to the post of Managing Director of its Cameroonian subsidiary, replacing Georges Wega, terminated by Société générale Cameroun, according to the *Quotidien de l'Economie*.

Managing Director of UBA in Congo Brazzaville until his transfer to Cameroon, the Nigerian born Udom Isong has, for a time, occupied the post of Managing Director at UBA Cameroon and knows the subsidiary he will be directing very well.

The former UBA Cameroon Managing Director, Georges Wega, was recruited in late June 2014 by SG Cameroon, at the very moment where the Cameroonian subsidiary of the French banking group was facing unease among staff, who were demanding the sacking of Jean Philippe Guillaume, accused of disregarding employee rights.

Insurance company Chanas on the brink of the abyss

Losses sustained in 2013 by the giant of the Cameroonian insurance market, are alleged to be in the range of 2 billion FCFA, according to what Financial Afrik has just revealed. According to the website, "*the Cameroonian leader of the IARDT is now paying the price for its managerial instability over the last few years.*"

Indeed, in the last two years, Chanas Assurance's management team and board have been at odds, creating a tense climate between the company's main shareholders, all on the basis of injunctions and punitive threats by the Central Africa's insurance market regulator, the CIMA.

The battle between Mrs Cassalegna, the former CEO and the other Chanas shareholders (particularly SNH), for control of the company, peaked in September 2013, with the ousting of the powerful CEO, despite injunctions by the CIMA to remove the post of CEO; and the appointment of a Managing Director, Henri Ewélé.

This taking over of the reins of the company formerly fully controlled by Cassalegno, would only be a fleeting moment. Indeed, only seven months after his appointment Henri Ewélé, fiercely fought by the almost 90 year-old Jacqueline Cassalegno, was sacked to the benefit of his replacement, Albert Pamsy who is alleged to be very close to the woman nicknamed "*the iron woman*".

However, the former head of the Insurance Division of the Ministry of Finance appointed as head of Chanas Assurance in April 2014, could not be responsible for the colossal losses amassed by the company. These losses resulted from Mrs Cassalegno's refusal to do some deals for "personal" reasons, and also because of the falling-out between the former CEO of Chanas and SNH, a major shareholder in and client of Chanas.

According to reliable sources, this discord led SNH to cancel its contracts with SNH for 2014.

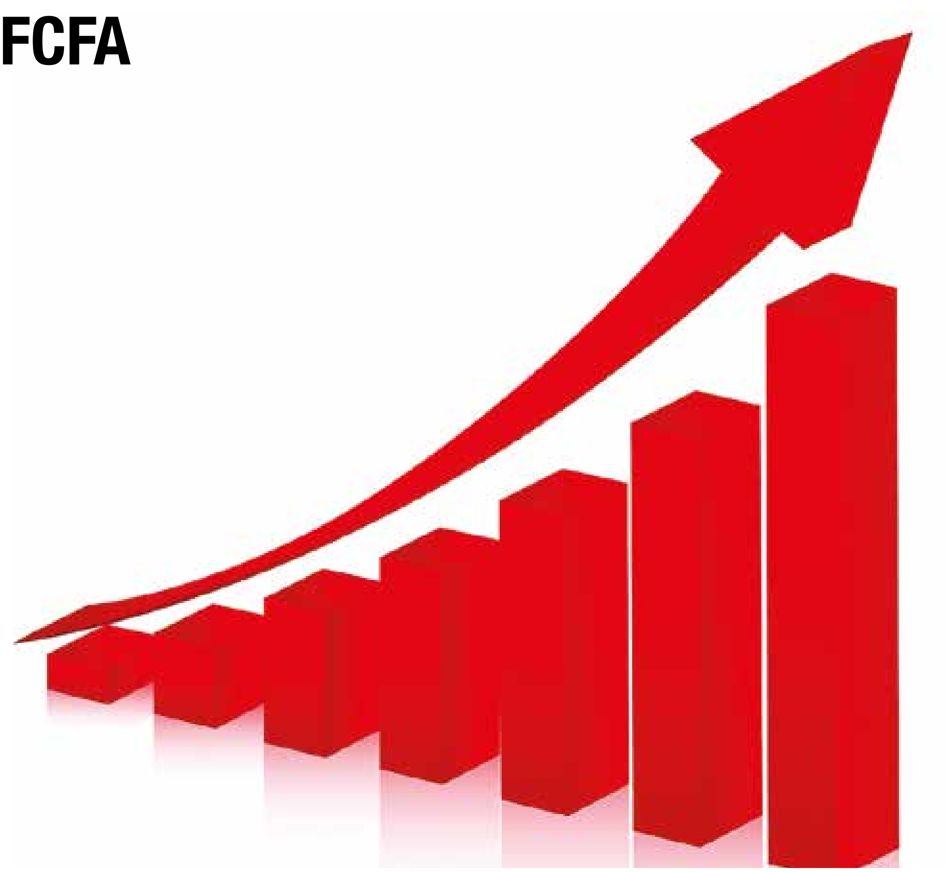
BRM

Citi Bank Cameroun increases capital by 2.4 billion FCFA, bringing its total to 10 billion FCFA

On June 24, 2014, Citi Bank Cameroon made its shareholders' decision official in Douala, the economic capital of Cameroon, to increase the bank's social capital by 2.4 billion FCFA, bringing the total to 10 billion FCFA.

In a legal announcement published on August 4, 2014, it was revealed that this was done through incorporation into the above-mentioned capital, taken from the retained earnings account. After taking the money, they then looked to "*the distribution of 243,135 free shares*" to the American capitalised banking institution's shareholders.

This increase in Citi bank Cameroon's capital meets demands made by Central Africa's banking sector regulator, COBAC, which incited all banks of the CEMAC zone to bring their social capital to at least 10 billion FCFA.



TELECOM

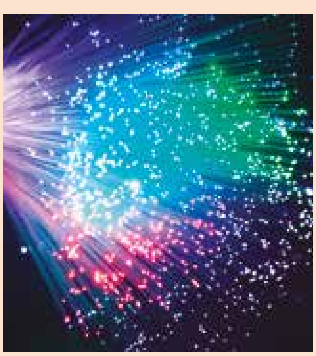
Camtel to have risk assessment done by Bloomfield Investment Corporation

According to stock market analysis by Investment Corporation, Cameroon Telecommunications (Camtel), the country's public telecommunications company, is on a list of companies currently being rated by the pan-African agency based in Abidjan with a branch in Douala, Cameroon's economic capital. The organisation is specialised in corporate and institutional credit risk assessment

Camtel might become the first Cameroonian public company to go on the national or sub-regional market to seek capital for its investment projects. The same goes for Backbone National and Central African Backbone (CAB), which are respectively aspiring to create a fibre optic network nationally and in the CEMAC zone.

Although information on the request to be rated by Bloomfield has not publicised much within the company, it is known that Camtel, with the autonomous port of Douala, Société camerounaise des dépôts pétroliers (SCDP) and Cameroon Water Utilities (CAMWATER), was one of the four public companies invited by the Minister of Finance in December 2013, to an information workshop on the importance of being rated financially when seeking capital.

Cameroon and Brazil soon to be connected by 5,900 km fibre-optic cable



In the government daily publication of July 4, 2014, the Managing Director of Cameroon Telecommunications (Camtel), David Nkotto Emane, announced that "*negotiations are quite advanced to make Cameroon the first African country to have a submarine cable connection to South America.*" The managing director revealed that the Cameroonian government is currently working "*to have a 5,900 km fibre-optic cable lain between Kribi (in the South) and Fortaleza in Brazil.*"

The new submarine cable announced by Camtel will be the fourth to arrive in Cameroon after the WACS lain by the consortium of which MTN was a member. Its "*operation is awaiting only the government's go-ahead,*"according to the Camtel managing director; the SAT3 that Camtel already runs, Main One (currently under construction) which will connect Cameroon and Nigeria; and ACE that the group is planning to take on.

Cameroon to develop operating procedures for submarine cable usage

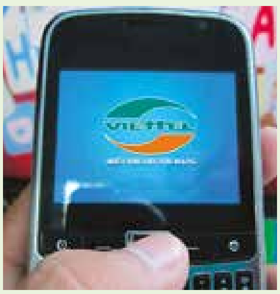
The Cameroonian Minister of Postal Services and Telecommunications, Jean Pierre Biyiti bi Essam, has just launched a call for expressions of interest to recruit a consultant for the development of operating procedures for submarine cables in Cameroon.

As a part of his or her work, the consultant will be required "*to specify the governance and operating mechanisms for the WACS (West Africa Cable System, brought to Cameroon by the MTN group) and other landing stations, to propose an operational management plan, to develop a commercial strategy and define a regulatory framework that guarantees open access.*"

Applications are expected to be submitted no later than July 23, 2014 to the coordination unit services of the Central Africa Banckbone (CAB) financed by the World Bank.

Cameroon is already the landing station for submarine cables, of which the WACS laid by a consortium that MTN was a part of, the SAT3 that the public telephone company, Camtel is already managing and Main One (currently under construction), that will connect Cameroon and Nigeria.

Orange preparing to hold on to its subscribers ahead of Viettel's arrival



Facing significant changes in the pipeline for the Cameroonian mobile phone market, the French cellular service provider, Orange, has plans afoot to mitigate the potential impact of these developments on its profitability based on what is apparent in its human resource management.

With the arrival of the new provider (Vietnamese provider, Viettel), and portable numbers coming into effect, Orange Cameroon is worried about its subscriber base, 98% of which are prepaid consumers who are therefore customers who have no permanent contract.

Moving forward, the Cameroonian subsidiary hopes to invigorate and advance its current fidelity programmes and increase customer value, to increase its per subscriber income, create monthly client management plans and reduce the rate of turnover. To do this, the subsidiary plans to hire a marketing value and customer fidelity manager.

Viettel Cameroon to become Nexttel ?

On August 7, as has been done for a year now, the daily papers and some weeklies in Cameroon ran the story on page 4 announcing that Viettel Cameroon, the third largest cellular service provider, will "soon be operational". Only the daily paper, Le Jour, published the same news on the same page but with the name "Nexttel".

According to reliable sources, this should be the company's new name. However, company heads of the new Nexttel fear that the Cameroonian regulatory body could reject the name change request to avoid confusion since, in Argentina, there is already a Nexttel and it has no shares in the company more commonly known as Viettel Cameroon.

Viettel Cameroon, the local subsidiary of the Vietnamese company, which is partnered with the billionaire Baba Danpoulo, has had the 3rd cellular phone licence since 2012 with the bonus of exclusive 3G rights for two years. However, since that time, due to construction delays, the company has had two consecutive postponements and is now scheduled to launch in September 2014.

In the interim, the company continues to face inner turmoil, particularly from shareholders (though these quarrels are now officially resolved), accusations of heavy importation of Vietnamese workers to the detriment of the 6,300 local jobs promised to the Cameroonian government at the time the concession was signed and there is an adversarial climate between Cameroonian and Vietnamese workers within the company.

Chinese supplier Huaweï opens first store in Cameroon

On July 3, 2014 in Douala, the economic capital of Cameroon, the Chinese telecommunications product supplier, Huaweï opened its very first store in the country. The store will sell the supplier's products and provide post-sale services.

According to a representative of the Chinese company's Cameroonian subsidiary as quoted in the government's daily publication, the opening of this space in a mall in the economic capital "*marks the beginning of the mass market in Cameroon,*" with the aim being to become number one in the promotion and sale of smartphones in the country.

Established in Cameroon since 2006, Huaweï, which is among the world's top three ICT solutions providers and suppliers, has staked out a place for itself in Cameroon with the launch of the CTphone, a project carried by the public phone company, Camtel. Camtel is a partner alongside which Huaweï has also contributed to the laying of the 6,000 km of fibre optic cables that Cameroon now possesses.

ENERGY

Cameroon aims to produce 3,000 MW by 2020

Following a meeting with the ADB and Cameroonian business leaders in Douala, the Minister of Economy, Emmanuel Nganou Djoumessi, announced that Cameroon is aiming to attain a production capacity of 3,000 MW of electricity by 2020 thanks to "*a 10-year planning programme that will run from 2010-2020. We can't talk about industrialisation without available, accessible energy,*" he stated.
Indeed, with the second highest hydroelectric potential in Africa after the Democratic Republic of Congo, with 12,000 MW, Cameroon currently has a production capacity of only 1,100 MW with demand climbing at a rate of 6-8% per annum. The result? Homes and businesses generally experience power outages which make Cameroon lose .5 growth points each year.
To reverse this trend, the government has launched a vast infrastructural programme in this area. This includes the Lom Pangar Dam, the largest ever to be built in the country. It is slated to be launched in 2015 while those of Mekin

and Memvé'éle are also being built.
The processes for starting the construction of the Menchum and Bini Dams are well underway, as are discussions between partners for the construction of the Natchigal hydroelectric plant. Many solar park construction projects in various regions are also ongoing.

World Bank covers Actis risks in electricity sector in Cameroon

The World Bank office in Cameroon announced on July 14 that the Multilateral Investment Guarantee Agency (MIGA), the institution specialised in insurance services against policy risks and the improvement of credit conditions, decided to lend its support to the investments of the private investment fund Actis LLP in electricity in Cameroon.
Based on a decision taken by the chairman of the board on June 30, 2014, MIGA will grant a guarantee of 180 million USD (around 82 billion FCfa) to Energy Cameroon Coöperatief B.A, an Actis subsidiary, in the framework of his participation in the capital of Société nationale d'électricité (AES Sonel). The eight year insurance covers the risks of restrictions on money transfers, war, civil unrest and breaches of contract.
In the meanwhile, MIGA granted to Globeleq Africa, another subsidiary of Actis, insurance against the risk of breach of contract for a maximum period of 20 years for a total amount of 145.7 million USD (approximately 66 billion FCfa) for its participation in the Kribi gas plant (216 megawatts) and in the Djbamba heavy fuel plant with a 88 megawatt capacity.
"*Our support adds to the assistance that Cameroonian electricity sector has been receiving for a long time from the World Bank and the International Finance Corporation. Actis and Globeleq are providing significant investments in Cameroon and we are happy to contribute to efforts undertaken in the energy sector to ensure the stability, continuity and recovery by reducing their investments' exposure to risk,*" stated Michel Wormser, Vice-President and Managing Director at MIGA.

EDF opens office in Cameroon to develop the Natchigal plant project

On July 9, 2014 in Yaoundé, the Cameroonian capital, Electricité de France (EDF), the French electricity giant, officially opened its offices. The inauguration took place only 24 hours before signing with the Cameroonian government, an agreement for ceding all its rights to the development of the Natchigal hydroelectric plant construction project to EDF (to the detriment of Aluminium du Cameroun - Alucam who divested it).
According to the agreement protocol signed on July 10, EDF should not only carry out the construction of this energy infrastructure for the expansion of Alucam's factory as the company hopes to triple its production and also produce and transport energy produced by the Natchigal plant.
With a 400 MW production capacity, the plant, which will officially be operational starting in 2019, will cost approximately 400 billion FCfa. Among the lenders, Société financière internationale (SFI) is already on its marks.

In Cameroon, the end of fuel marking could increase fraud

In the structure of oil product prices published in the Fuel Price Stabilisation Fund (CSPH), after the readjustment of fuel prices at the pump which came into effect on July 1, 2014, the charge devoted to "fighting fraud" was terminated due to "pressure from transporter unions," according to an authorised source.

Yet, this fee which involved a .26 FCFA charge per litre sold, helped with oil product marking fees (3 billion FCFA), which was a sizable weapon in the fight against adulteration, a phenomenon which, according to the Energy and Water Minister, still causes annual losses estimated at 32 billion FCFA.

To combat oil product adulteration, Cameroon first undertook the dying lamp oil green to avoid having this product mixed with premium (to increase quantity) by unscrupulous operators eager to make a considerable, easy profit. "*But these fraudulent persons were able to find a way to undo the dye in order to continue their dirty deeds,*" explains the source.

It is in light of this that, starting in 2012, the Cameroonian authorities adopted fuel marking which involved the adding a specific amount of a detectable chemical during screenings. "*With this technique, we know exactly how much of this chemical should be in a fuel sample taken at a service station. When we find that the amount is lower, we can conclude that the fuel sample tested has been mixed and this means fraud has been detected,*" explained our source.

In 2012, this technique helped to reduce fraud, resulting in 25 billion FCFA in savings from the usual losses experienced. These gains amounted to 58 billion FCFA in 2013, stated an internal source at the CSPH. The same source goes on to say that, "*coupled with the recent price increase at the pump, the removal of the charge that helped to finance fuel marking is akin to giving fraudsters a wage increase, which will certainly increase their activity, to the detriment of the quality of fuel products which could deteriorate significantly in the coming days.*"

BRM

The strategic alliance between Bowleven and Petrofac on the Etindé permit in Cameroon coming to an end

Bowleven Plc, the British oil and gas exploration company active in Africa announced on July 15, 2014 that it has reached a "*mutually acceptable*" agreement with UK/Italy-based Petrofac to end their strategic alliance.

"*This satisfies one of the conditions of the amodiation transaction,*" between Lukoil of Russia and New-Age for the Etinde permit in Cameroon which was announced on June 24. The London stock exchange company specified that planned termination is subject to amodiation completion.

Bowleven, which holds 75% of the permit, will pay 9 million dollars (approximately 4 billion FCFA) to Petrofac, upon the completion of the amodiation arrangement, as an integral and final act in the conclusion of the strategic alliance.

Indeed, the agreement forced Bowleven to pay 15 million dollars in the event of a change of control or transfer of its interests in the Etinde permit to a third party.

On June 24, Bowleven had engaged purchase agreement actions with Lukoil and New-Age to sell them 50% in total of its interests in the Etinde permit.

In Cameroon, Bowleven Plc is the operator with the Bomono permit made up of two blocks onshore and the Etinde permit which includes three blocks covering 2,316 km^2 in offshore.

TRANSPORT

Cameroon to build 3rd bridge over the Wouri River

The Cameroonian Ministry of Public Works has just made an international call for tenders, shortlisting 10 companies and corporate groups "*to conduct bypass studies on the city of Douala for the construction of a third bridge over the Wouri River.*" Among the companies invited to bid, there are two Tunisian groups (Scet-Tunisie-Didon Conseil and Comete-Luxan), the French engineering firm Louis Berger, and Cameroonian engineering firms such as Ecta BTP, Egis Cameroun, Sadeg, Beta Consult and Integc, all partnered with foreign companies.

According to the call for tenders, the project consists of "*conducting a technical feasibility study on the bypass project for the city of Douala and the construction of a third bridge over the Wouri River taking into account the socio-economic and environmental aspects of the site; to develop consultation files on the project's completion and assisting the project leader; and to develop the financial estimate (cost target) for the operation.*"

Bidders are required to pay a 35 million FCFA deposit and 500,000 FCFA to purchase a call for tenders application. The successful bidder will have 26 months to complete the project and will receive 1.8 billion FCFA, the provisional amount of the deal, according to the government. Bids are expected at the Ministry of Public Works no later than August 27, 2014.

Cameroon ratifies two airport transportation agreements with Congo and Kingdom of Spain

On July 22, 2014, the Cameroonian Head of State, Paul Biya issued two decrees ratifying the air transportation deals struck respectively with Republic of Congo and the Kingdom of Spain in December and November 2012.

These two agreements will enable the Congolese and Spaniard airlines to serve Cameroon and will help to boost trade between the two countries and Cameroon.

While trade with the Congolese Republic corresponds to 5% of the intra-communities in the CEMAC zone of which Cameroon and Congo, in 2005 for example, Spain was Cameroon's top trading partner in exports, with a 357 billion FCFA sum, compared to 38 billion FCFA for imports. The authorities of both countries assert that these numbers can be improved in light of the potential projects to come.

MINING

A billion FCFA to fight gold trafficking in Cameroon in 2014

For the 2014 fiscal period, the Cameroonian government has provided the small-scale mining support framework, CAPAM, with one billion FCFA for the purchase of gold mined by small-scale miners, particularly those from the East region of Cameroon. This development was revealed by Jean Marcel Essomba, the CAPAM Coordinator.

A programme financed by the Cameroonian government with HIPC funds, CAPAM was created and placed under the auspices of the Ministry of Mining in order to channel the 100 kg of gold officially produced in that country, of which 90% is lost along the way to the black market due particularly to traffickers invading mines.

To do this, CAPAM's offices in production zones are now to buy the gold from small-scale miners, group them in the GIC and encourage them to help each other by creating community funds. CAPAM is also involved in community development such as building schools. These efforts aim to prevent small-scale miners from being tempted to turn to traffickers to meet their financial needs.

In order to amass gold reserves at the Treasury Department, a few years ago, CAPAM launched an operation called "Gold". This project should get a boost this year thanks to a recent government decree authorising CAPAM to take, on site, 15% of all miners and industrial entities operating in the nation's gold mines.

Canyon Resources hopes to mine DSO bauxite in Birsok

Canyon Resources Ltd plans to produce bauxite in the Birsok project which involves two permits for a surface area that spans 1,460 km2 in Cameroon.

The last set of samples collected during the reconnaissance drilling on Baoua, a 700 by 350 metre plateau yielded "the best results" of the drilling programme carried out on 19 plateaus in 4 prospecting zones.

Boua revealed deposits "*with 44% aluminium oxide (Al203) and 8.9% silicium dioxide (Si02) with mineralisation at a depth of 6 metres on average,*" announced Canyon Resources.

According to Phillip Gallagher, Managing Director of Canyon Resources, the high levels of aluminium oxide and low amounts of silicium dioxide show the company's potential for finding DSO (Direct Shipping Ore) bauxite.

These deposits have characteristics similar to those found at Minim Martap, one of the largest undeveloped bauxite sites in the world, located in northern Cameroon in the Adamaoua region) which connects to the Birsok project.

The ASX listed company interrupted reconnaissance drilling due to rain and plans to resume no later than October with the hope of starting drilling on priority targets identified during the first phase.

Ngovayang iron now in Jindal Steels' hands

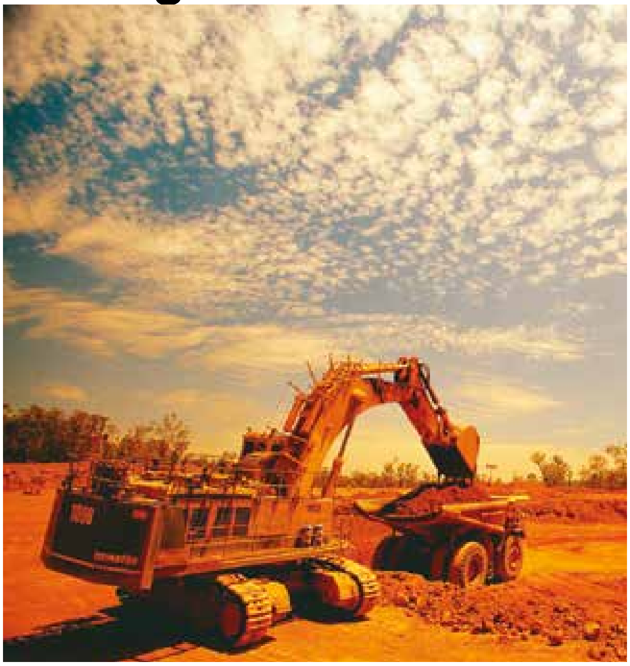
Listed on the Australian Securities Exchange, Legend Mining Ltd, is now officially no longer a part of the Ngovayang project in Cameroon, having been replaced by the Indian steel manufacturing giant, Jindal Steel and Power Ltd.

The small Australian mining company announced on August 5 that the sale of 90% of its interest in the holding company, Camina SA, was complete, the company created for the mining project now handed over to the Indian group which will now assume 100% control of the Ngovayang project.

The company has stated that it has received the first tranche of 6 million Australian dollars that the guidelines provide for in three portions. The total amount for the deal is 17.5 million dollars. "*Legend is currently well positioned to pursue exploration in its Fraser Range property for nickel and copper in Western Australia as well as in other projects,*" commented Mr Mark Wilson, Managing Director of the Australian mining company.

The Ngovayang iron project includes three exploration permits covering 2,970 Km^2 in the South region of Cameroon.

Fears mount about Cameroon's 2014 mining revenue



According to the services of the Cameroonian Ministry of Industry, Mining and Technological Development in the East region, the heartland of Cameroonian mining, only 486 million FCfa in revenue has been collected from mining since the start of the year, which is less than half off the 1.2 billion FCfa expected this year from this region.

In addition, nationally, only 12% of the estimated 11 billion FCfa in mining revenue has been made by the central services of that ministry.

Now halfway through the fiscal year, the government daily publication reveals that officials from that ministry have just completed an assessment of the situation to determine the source of this underperformance which could seriously compromise mining revenue this year.

The analysis reveals that some companies mining gold in the East region are completely unknown to the ministry and are therefore operating clandestinely. This brings to mind the site visit paid to Lom et Djerem in March 2014 which led to the discovery of five secret companies operating without the slightest care in the mine fields. The companies in question are Gipo Mining, Ging Ma SA, D'or de lion, Danshang Ming and Fuhaï Ming.

Apart from the under-the-table mining, ministry officials also identified companies engaged in mining, though they only possessed exploration permits, the refusal of some mining companies to be monitored, false declarations on the quantity of mined product extracted – a practice achieved with the aide of government workers – and more.

Greenpeace denounces the sale of 3,000 m³ of illegal logging in Cameroon

The international NGO, Greenpeace, announced on August 20, 20145, that a cargo of 3,000 m³ of illegally cut timber from Cameroon left the port of Douala for the Chinese port of Zhangjiagang. The incident involved a portion of the 10,000 m³ of timber illegally cut by Uniprovince, a Herakles Farms company, which recently received a land concession in South-West region of Cameroon for oil palm farming.

While it has never stopped speaking out against this project, not only about Herakles Farms commencing logging activity without receiving a land concession to do so, but also because of the negative effect the project has on the environment and the well-being of the local population, Greenpeace revealed in a May 27, 2014 press release that "*the American company Herakles Farms, through a front company, allegedly schemed with the Cameroonian Minister of Forestry to illegally acquire a woodcutting permit as a part of a land concession granted in November 2013. Herakles Farms is preparing to export wood cut in violation of Cameroonian law to China.*"

According to Greenpeace, these fears have been realised based on "*official documents from the port of Douala*". "*It was with little surprise that we learned that this lumber is being shipped to China despite all the proofs of its illegality,*" stated Irene Wabiwa, head of Greenpeace's forest preservation campaign in Africa.

She goes on to add that "*three Cameroonian State attorneys general have received information proving the unlawfulness of Uniprovince's wood cutting activity, but nothing, to our knowledge, has been done about it. The Forestry Ministry and the EU responsible for the implementation of the FLEGT partnership agreement, were also informed several times. But unfortunately, this did not prevent the wood from being exported.*"

The Greenpeace local representative also adds that "*if this activity continues with complete impunity, it will demolish the credibility of the FLEGT partnership agreement ratified in December 2011, thus accelerating the destruction of the forest and depriving communities of their means of subsistence.*"

INDUSTRY

Cameroon Development Corporation encouraged to diversify products to regain financial balance

The Cameroon Development Corporation (CDC), the public agro-industrial company that works in banana desserts, hevea and oil palms in the South-West region, is currently in financial difficulty partially due to the decrease in the price of rubber on the international market. This was revealed by the Minister of Agriculture, Essimi Menyé, when announcing the appointment of Mutanga Benjamin Itoé on August 18, 2014 as the company's first board chairman.

In an effort to improve returns from its traditional sectors the Minister of Agriculture encouraged the new board chairman to work on rejuvenating plantations and its aging workforce. The CDC is the second largest employer in Cameroon after the State, with a total of 22,000 employees compared to 200,000 in the government service.

Sodecoton increases its social capital by 600%

During a shareholder general assembly held on July 22, 2014, Société de développement du coton (Sodecoton) moved to increase its social capital by 19.1 billion FCFA. This brings the total to 23.6 billion as opposed to the previous 4.5 billion. This, mathematically, represents an increase of close to 600%. According to the press release, the move was made through "*an increase in the nominal value per share, amounting to 42,200 FCFA, freed by incorporation from the total gap resulting partly from revaluation (19,087 billion FCFA) and partly from free reserves (26.6 million FCFA).*"

One of the leaders of the agro-industrial sector in Northern Cameroon, the collective of some 250,000 cotton producers, had a net yield of 3.5 billion FCFA in 2013 which was a decline of over 40% relative to the 5.6 billion FCFA made in 2012. This year, Sodecton is aiming to increase its annual production by 30,000 relative to the 2013 season.

The top 10 products most imported by Cameroon

In its report on port activity for 2013, presented to its board members on July 4, 2014, the National Ports Authority (APN) reveals that cement and fuel were largely predominant in Cameroon's imports last year. Indeed, the APN highlights that the two products respectively represented 16% and 15.1% of shipments to the port of Douala which handles 99.7% of the nation's imports

The report goes on to say that a little over 1.26 billion tonnes of cement were offloaded at Douala Port between January and December of 2013, a phenomenon that was no doubt due to the high volume of construction projects underway in Cameroon. National production being 1.7 million tonnes per annum (1.2 million by Cimencam and 500,000 tonnes by Cimaf), for a demand that currently stands at 4 million tonnes, this situation has created a deficit that is officially projected at 8 million tonnes.

APN statistics indicate that 1.19 billion tonnes of hydrocarbon fuel were imported by Cameroon in 2013 as the country has a refinery (Sonara) which does not process crude locally.

Behind cement and fuel come rice and clinker (raw material for manufacturing cement) respectively amounting to 759,000 tonnes and 655,000 tonnes, which is a relative value of 9.6% and 8.3% of the country's total imports last year.

Hardware and bulk wheat are 5th and 6th, with 558,000 and 543,000 tonnes imported respectively, which is approximately 7.1% and 6.9% of total imports.

Frozen fish (212,000 tonnes or 2.7% of total imports), industrial chemical products (over 203,000 tonnes or 2.6% of imports) and vehicles and engines (187,580 tonnes, representing 2.1% of imports).

Cameroon: Bolloré Group reclassifies stake in SAFACAM

Compagnie du Cambodge, a Bolloré group company, which held 20.32% of the shares in Société anonyme forestière et agricole du Cameroun (SAFACAM), sold its assets (by saving only one of its 84,127 shares, which enables it to remain on the board) to Française SAFA, the parent company of SAFACAM, also controlled by Vincent Bolloré, announced the company of the same name.

Following this reclassification of the Bolloré Group securities, SAFA now cushions its majority shareholding position of SAFACAM with "*68.93% of the social capital and voting rights*" while total participation by the group itself in the agro-industrial company listed on the Douala Stock Exchange (DSX), remains unchanged.

The deal, the reasons for which have not yet been stated by the Bolloré Group, took place on June 4, 2014."*The off-market operation has made SAFA cross the threshold of 50% and 66.57% of SAFACAM's capital voting rights, and Compagnie du Cambodge's have declined by 20%, 10% and 5%. For the next 12 months, SAFA has no plans for SAFACAMs securities (…) and has no intention of un-listing SAFACAM,*" indicates the above-mentioned release.

SAFACAM cultivates over 14,826 acres of oil palm in the department of Sanaga Maritime, in the coastal region of Cameroon. According to the financials published by the company in May 2014, its net result from 2013 declined by over 40%, falling to 2.871 trillion FCFA, against 4.363 trillion FCFA the preceding year.

Grimpower out of Slovenia to invest 25.5 billion FCFA to treat solid waste in Cameroon

According to Jehu Doumi, CEO of NetOil Petroleum SA oil company created in 2013, has partnered with the Slovenian company, Grimpower to build a solid waste treatment facility in the suburbs of Douala (Pk 35), Cameroon's economic capital.

NetOil Petroleum's CEO has stated that financing for the 40 billion FCFA investment will be provided by the Slovenian partners who have already committed to shelling out 25.5 billion FCFA on this project. "*Currently, we are raising financing from the Cameroonian portion,*" explains Jehu Doumi in an interview with Quotidien de l'Economie.

"*We have moved from the simple processing of fatty waste and hydrocarbon sludge to processing municipal solid waste. Once the collection has been completed by structures such as Hysacam, we will be able to collect and process all solid material and produce biodiesel, kerosene, and other bi-products,*" indicates the CEO of NetOil Petroleum.

Leader of the month

Actis appoints Cameroonian, Joël Nana Kontchou as Managing Director of AES Sonel

On August 19, 2014 in Douala, the economic capital of Cameroon, Joël Nana Kontchou officially assumed his new post as Managing Director of AES Sonel, the nation's public electricity provider which just fell into the hands of the British Investment Fund, Actis, after buying up the assets of the American company AES Corp in the electricity sector in Cameroon. Joël Nana Kontchou's appointment in this time of changing shareholders, was made following the company's board meeting held on July 7, 2014.

A trained engineer and graduate of the Ecole Polytechnique in Yaoundé, former Managing Director for the company's Central and West African divisions, the new Managing Director's immediate mission will be the implementation of a 170 billion FCFA investment programme from 2014-2018. According to internal sources at the company, these investments will affect all phases of the company's activities, from production to distribution via energy transportation, transport network management and sales.

In his first message to the company's staff by way of the organisation's internal channels, the new managing director stated that customer satisfaction is at the top of his list of priorities. "*We're going to make the customer our number one priority. The customer's satisfaction has to be an ever-present concern for each of us as those who pay for our services should be able to enjoy them. Making electricity available to our customers and collecting what is due must, more than ever before, be our daily mission. We will have to share with our customers the indispensable effort required to provide them with reliable, quality electricity. We need their support and they need to always be aware of what we are doing,*" he writes.

Before AES Sonel, Joël Nana Kontchou earned his stripes primarily with Schlumberger where he started working in 1984 as an engineer. From then until 1995, he also worked at the Nigerian, Algerian, Syrian and Indian subsidiaries. In 1995, Mr Nana Kontchou was promoted to the post of Head of Operations with Schlumberger Information Solutions (SIS) in Nigeria (Port Harcourt), before being transferred to the same post in the United Kingdom in 1998.

Later appointed to the positions of Human Resources Manager and Marketing and Communications Manager in various Schlumberger subsidiaries between 1998 and 2004, Joël Nana Kontchou was then propelled to the post of Vice-President of SIS. He remained in this post up to 2010 when he became Managing Director for Schlumberger's Central and West African divisions, with 2,400 employees under his leadership.

This Schlumberg stalwart has now risen to lead an electricity production, transportation and distribution company with a record that is constantly lamented by the Cameroonian people since the privatisation of the now defunct public electrical company, Sonel, in 2001.

Brice R. Mbodiam