

April 2015 - N° 26

BUSINESS IN CAMEROON

MAJOR PROJECTS
AGRICULTURE
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Investment: The Dawn of the Chinese Spring

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flood Cameroon's
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sets high objectives
for its Islamic bank**

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Yasmine Bahri-Domon



China takes centre stage

Trivia: Why has China been having an economic boom and rubbing shoulders with the United States and the European Union on the global investment stage in so few years? The answer is self-evident: because China is the only country in the world to really know how to take advantage of the trading opportunities that globalisation allows. Be it bilateral or multilateral, China is omnipresent on the international financial stage. Thanks to the abundance of its everlasting “*economic dumping*”, a theory that involves negotiating cheaper interest rates abroad, China has quickly risen to the forefront as a partner of choice for powerful economies. It quickly realised that by supporting developing countries, it can earn dividends on its growth which has continued to climb.

Cameroon is among the African countries that have been attracting Chinese investment. Over twelve projects currently underway have been touched by China on the vast construction site that Cameroon has become since the President of Cameroon launched infrastructural projects in 2011. The exponential nature of the construction sector has been attracting the most Chinese investors, particularly hydroelectric dam construction, mining, and large scale infrastructure. Readers will have the opportunity to learn about companies that are flourishing in each sector in this edition of *Business in Cameroon*, the shop window through which you can accompany the emergence of this on-the-go country. Chinese investments are carried by Eximbank of China, the import-export bank that has become the leading financier of the economy of “*little Africa*”. Eximbank has already injected over 536 billion FCFA to finance infrastructural projects and various economic aspects of Cameroon’s economy since 2011. This is a record contribution and demonstration of trust. China is taking centre stage in Cameroon. There is no sector that has not been touched by Chinese. From urban trade to farming,

China is accompanying Cameroon’s emergence. Knowing that Chinese companies do not invest at a loss and that they take into account the political, social economic and natural profile they find, we can easily understand why Cameroon is so sought after. The country has an endless supply of human and natural resource potential, soil rich in raw materials, much of which remains unexplored and even unexploited, a business and multi-sectorial investment-friendly, and social peace carried like a banner by each citizen in the spirit of national unity. All of this is looked at by Chinese feasibility studies before taking on investments with returns that are guaranteed by the adoption of a bill on the ratification of the promotion and protection convention and reciprocal investment protection between China and Cameroon. According to the terms of the bill, the convention was submitted to parliament for ratification in 1997. China financed and gobbled up virtually all of the major projects proposed by the Cameroonian government. Apart from the construction of the Kribi deep water port, the Douala-Yaoundé and Yaoundé-Nsimalen roads, the Lom Pangar and Memevé’élé dams, real estate, agriculture, investments and trade between the two countries reached 1.8 billion dollars (around 800 billion FCFA) in 2012 compared to 170 million dollars (around 85 billion FCFA) in 2000. This represents 800% growth in 10 years, the same growth rate hoped for in 2016.

Although China is present everywhere in Cameroon, it has not claimed everything. The country is rich, not bare. Several profitable sectors are growing, such as telecommunications. Money and jobs are there in abundance. The two mobile pioneers, MTN and Orange, have just renewed their operating licence, each paying 75 billion FCFA to have 3G and, soon, 4G. Mobile phone service is not the only profitable sector as other opportunities generating hope and growth are featured in this super-value free newspaper.

BUSINESS IN CAMEROON

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Tel : 00 237 94 66 94 59 / 00 237 77 75 13 98

Printing • Rotimpres, Aiguaviva, Espagne

Circulation • Albert MASSIMB • almassimb@yahoo.fr • Tel : 00 237 94 66 94 59 ou 00 237 77 75 13 98

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THE CAST



EDITH QUINTRELL



The Operations Director of the Multilateral Investment Guarantee Agency (MIGA), Edith Quintrell, arrived in Cameroon on February 18, 2015. She held this position until February 20. According to the official release announcing the visit by the World Bank

entity specialised in insurance against political risk and State credit rating improvement, *“the goal of this mission [was] to identify the areas in which MIGA can help Cameroon to raise capital for large scale projects, particularly those pertaining to infrastructure, energy and other opportunities for job creation.”*

Edith Quintrell is the 2nd MIGA official to visit Cameroon in a year. In January 2014, the Cameroonian government held working meetings with Michel Wormser, the organisation’s Vice-President, who had said that he had come to present MIGA’s products. Six months later, following its June 30, 2014 board meeting, MIGA approved a guarantee worth 180 million dollars (around 82 billion FCFA) to Enegy of Cameroon (Eneo), the public electricity provider.

LAURENT FABIUS



Speaking before the press on February 21, 2015 in Yaoundé after meeting with President Paul Biya, French Foreign Affairs Minister, Laurent Fabius, who was visiting countries threatened by Boko Haram, paid *“tribute to Cameroon’s courage”* as its army inflicts heavy

losses on the Nigerian Islamist sect whenever it carries out an incursion in Cameroon.

“They’re criminals and must be fought [...]. Of course, Nigeria must also wage this battle. We looked at how this fight could be done. It is especially up to Africans. You saw the African Union’s decisions! Now, together, we will take this to the United Nations Security Council. France will of course stand by Cameroon to complete this new African mission,” stated Laurent Fabius when revealing the French government’s plans to support the crusade against Boko Haram. *“We are providing and will continue to provide the intelligence necessary for Africans to defend themselves.”*

ESSIMI MENYÉ



On February 19, 2015, the Cameroonian Minister of Agriculture, Essimi Menyé, officially launched the 2015 agricultural season in the South-West region. This year, the focus was on the distribution of improved seeds to increase production. It was on this occasion

that an improved seed treatment and processing plant was opened in Muyuka.

In 2015, the Ministry of Agriculture announced the distribution of 900 tonnes of improved corn seeds able to produce 8-10 tonnes per hectare. There are also plans to provide farmers with 1,100 tonnes of potato seeds, 2.5 million plantain seedlings and 400,000 fruit tree seedlings. Although 25% of Cameroon's 475,000 km² is made up of fertile soil, the country has countless production shortages.

LUC MAGLOIRE MBARGA ATANGANA



On February 18, 2015, at the request of the Ministry of Trade, Cameroonian companies committed to showing their solidarity by supplying the soldiers of the national army fighting Boko Haram in the Extreme-North region with food. Speaking before a gathering of

members of the business community, Luc Magloire Mbaraga Atangana recalled that *"Boko Haram is a hindrance to the country's business development. In the context of promoting brand Cameroon, which touches the sub-regional and regional levels [...] Boko Haram has been harming our northern border. This affects your bottom line, your revenue."*

A few days later, over 1,000 tonnes of food supplies were delivered to Defence Minister, Edgar Alain Mebe Ngo'o at the Yaoundé airbase. Among the companies that participated in this show of solidarity were Société anonyme des brasseries du Cameroun, the top brewery in the country; Nestlé Cameroun; Sosucam, the sugar sector leader, oleaginous product refineries and Société alimentaire du Cameroun (Soacam).

CYRILLE NKONTCHOU



Based in Johannesburg and London and founded by Cyrille Nkontchou, Enko Capital Management announced in a March 2, 2015 release that Africa-oriented fund, Enko Africa Private Equity Fund (EAPEF) assumed a minority shareholder's stake in the

Zambian financial services company Madison Financial Services PLC. Launched in June 2014, Enko Africa Private Equity Fund invests in private companies that have reached a stage of maturity that spans a wide range of economic sectors in Africa.

Madison Financial Services was founded in 1992 and operates in general and life insurance, asset management and microfinance in Zambia. It also has a general insurance company in Tanzania. The Zambian group's sales increased by an average of 16% per annum and its results tripled over the last three years, according to a release by Enko Capital Management. *"We are pleased to have made our first investment in Zambia, a country with a promising outlook for growth, a solid macroeconomic foundation and just had a peaceful political transition,"* stated Cyrille Nkontchou.

MOHAMADOU BAYERO FADIL



Cameroon's economic capital, Douala, now has a Pullman hotel. Formerly the Meridien hotel, it has been renamed as the Pullman Douala Rabingha. The Accor group which owns the high-end brand, signed a management contract with Société nouvelle des cocotiers, the

owner of the hotel. The latter company belongs to the Fadil group which is directed by Cameroonian businessman Mohamadou Bayero Fadil.

The hotel will undergo substantial renovations to meet the Pullman brand's standards starting in December 2016. *"While Douala remains the country's main point of entry, there are only 13 hotels. Calling on internationally renowned professionals will guarantee Cameroon's economic and touristic development,"* stated the Fadil group's CEO. The Managing Director of Accor Afrique Services, Antoine Guego, has insisted on the implications of this investment. *"Developing the network in Africa relies on building and acquiring hotels. With Pullman Douala, we are strengthening our position in Africa,"* he explained.



How China is building Cameroon

At the end of 2014, China, South Korea and India had an investment portfolio in Cameroon worth a total of 1.2 trillion FCFA, according to statistics provided by the Cooperation Directorate of the Ministry of Economy. The same source suggests that this portfolio has enabled the management of fifteen projects in total, twelve of which may be attributed to China. This statistic alone shows the degree of involvement China has had in Cameroon's economic development for several years now.

Indeed, there are virtually no sectors in Cameroon in which China's presence is not somehow felt. Located in the Akwa district, the main commercial avenue of Douala, the country's economic capital, has transformed into a kind of China Town. The Chinese shop-owners number in the thousands in Cameroon's major cities. Some have even become roaming vendors or do odd jobs.

Local textiles are only 1% Cameroonian, the rest being mainly from Chi-

Apart from the intense trade, there have also been colossal development projects being implemented by the Chinese. These include road, port and energy infrastructure construction projects all being done by Chinese companies.

At the end of 2014, China, South Korea and India had an investment portfolio in Cameroon worth a total of 1.2 trillion FCFA, according to statistics provided by the Cooperation Directorate of the Ministry of Economy.



na with a miniscule amount being Nigerian. Electronics and appliance stores are overflowing with Chinese made products. Their cheaper prices draw crowds who lament the poor quality of Chinese goods.

Apart from the intense trade, there have also been colossal development projects being implemented by the Chinese. These include road, port and energy infrastructure construction projects all being done by Chinese companies. Mining and agriculture, particularly the rice cultivation project in Nanga Eboko, have not escaped the Chinese tidal wave. All these Chinese companies at the helm of billion FCFA industries are all being mentored by Eximbank of China, which is the main financier by granting loans to the government. While China has recently appeared to be the lead architect in the effort to build Cameroon, Chinese and Cameroonian relations have

been anything but a bed of roses. On construction sites, local workers complain about unbearable working conditions and even slavery. In several cases, Chinese companies also disregarded Cameroonian law.

Apart from the fact that they completely violate workers' rights on the construction sites they manage, some Chinese-led operations have been accused of disregarding environmental protections or of engaging in illegal mining. There is also the issue of massive labour importing which not only prevents unemployment reduction, but also makes it virtually impossible to transfer skills as stipulated in the contractual agreements with the Chinese companies. But despite all of this, China remains the Trojan horse for Cameroon's emergence objectives for 2035.

Brice R. Mbodiam



Eximbank of China: Cameroon's top lender

How China's investment bank has been paving the way for Chinese businesses to take-over all infrastructure markets in Cameroon.

Eximbank of China, the public financing institution for Chinese foreign investment, may soon open a subsidiary in Cameroon. This was revealed on January 13, 2015 in Yaoundé, the Cameroonian capital, during the visit of the Chinese Foreign Affairs Minister, Wang Yi.

According to official documents made for the visit, the project for the investment bank to open a subsidiary in Cameroon was already broached in July 2011 at a meeting between the CEO of Eximbank of China and President Paul Biya during a State visit to China.

Indeed, since 2011, according to official figures provided by the Caisse autonome d'amortissement (CAA), Cameroon's public debt management institution, Eximbank of China has become the country's primary lender. The CAA indicates that, this year, the Chinese bank injected 536 billion FCFA in Cameroon's economy, compared to only 105 billion FCFA provided by the French Development Agency.

The Chinese financial institution is currently financing most of the major infrastructural projects underway in Cameroon: the Memve'ele hydroelectric dam (243 billion), the Kribi deep water port (218 billion), the Yaoundé-Douala roadway (241 billion), fibre-optic installation by Cameroon Telecommunications (Camtel), the country's public phone company (around 72 billion FCFA to date), the e-post project to interconnect the country's post offices (32 billion) and drinking water in four major Cameroonian cities (84.7 billion FCFA).

The Cameroonian Energy Minister, Basile Atangana Kouna indicated that the government will ask Eximbank of China again to finance the project of the Song Dong Dam located in the Centre region of Cameroon, for which the required investment is estimated to be around 375 billion FCFA.



According to our sources, Eximbank of China will also be participating in the financing of sports infrastructure in Cameroon in preparation for the Africa Football Nations Cup that the country will host in 2019. It is also involved in the completion of the Kribi deep water port's second container terminal which will cover 700 metres of quai against 350 metres for the former.

In addition, the Chinese investment bank could finance a portion

or all of the construction work on the Song Dong Dam located in the Centre region of Cameroon. The Cameroonian Energy Minister, Basile Atangana Kouna, indicated during a ceremony held on January 19, 2015 in Yaoundé that the government will ask Eximbank of China again to finance the project, for which the required investment is estimated to be around 375 billion FCFA.

BRM



Chinese company CWE beats out four other Chinese companies to land the Lom Pangar dam project



Currently under construction in the East region of Cameroon, the Lom Pangar Dam will be impounded in September 2015. These are the assurances given by China International Water and Electric Corporation (CWE), the company in charge of the largest energy infrastructure project in Cameroon. CWE, which built the Lagdo dam in the North, was chosen over four other Chinese companies (Sinohydro Corporation Limited, China Gezhouba Group Company Ltd, China Communications Construction Company and Xian Jiang Beixin Construction and Engineering Company), which were short-listed in 2010 by the project foreman.

A 30 MW plant will be built at the base of the dam. According to calls for expressions of interest to prequalify companies for this other project, eleven companies were being considered, including five from China. After the bids were screened, only one was shortlisted while the others were disqualified for various inadequacies identified in their applications.

Sinohydro picked to build Memvé'élé dam

Following initial discussion with Globeleq, the Cameroonian government handed the Chinese company, Sinohydro, the Memvé'élé hydroelectric development project to be built in Nyabizan, the country's South region. Construction was officially launched on June 15, 2012 by Cameroonian President, Paul Biya.

Based on forecasts made by the Energy Ministry, the 201 MW Memvé'élé dam will be completed in 2017 for a total cost of 420 billion FCFA. Of this amount, 243 billion FCFA will be from an Eximbank of China loan. The African Development Bank is also providing 112 billion FCFA in financing for the project, while the remaining 65 billion FCFA represents the State's counterpart funding for the project which is expected to reduce the State's energy shortage.

Hydrochina to develop 270 MW Song Dong project plant

On January 19, 2015 in Yaoundé, the Cameroonian government signed a commercial agreement with Hydrochina International to develop the Song Dong dam project in the Centre region. This dam will be equipped with a 270 MW hydroelectric plant and two 225 KV 75 km-long distribution lines.

According to the Cameroonian government and its Chinese partner, preliminary studies that commenced last month should be completed in December 2015. *"It is after this that the characteristics and final cost of the project will be known,"* stated the Cameroonian Energy and Water Minister, Basile Atangana Koua.



Roadwork to be done by the Chinese



The first eighty kilometres of the Douala-Yaoundé roadway will be built by China First Highway Engineering. This was revealed by Economy Minister, Emmanuel Nganou Djoumessi. The government cabinet member made this announcement following the signing of the financing convention for this phase of the project with China for a total of 241 billion FCFA. However, overall, the Yaoundé-Douala road construction project aims to build a modern road network of around 215 km relying on two cities in order to address traffic demands and facilitate the transportation of goods and passengers.

At the same time, the Cameroonian government handed the building of the 10 km rural portion of the Yaoundé-Nsimalen to China Communications Construction Company Ltd. Three other companies, two of which are Chinese companies (Sinohydro et China Road and Bridge Corporation) will share building of the 10 km urban section of the 20 km stretch of roadway.

Two Chinese companies to share Kumba-Mamfé road construction



According to a release published on February 18, 2014 by Cameroonian Public Works Minister, Patrice Amba Salla, the Chinese companies China Communications Construction Company Ltd (CCCC) and Jiangsu Provincial Transportation Engineering Group were awarded the deals to build the Kumba-Mamfé.

Of the two deals totalling 54.6 billion FCFA, the CCCC landed 32.6 billion FCFA for the first portion of the construction project on a 100 km stretch of roadway while Jiangsu Provincial Transportation Engineering Group will pocket a little over 22 billion FCFA for the second portion covering 46.8 km.

The Public Works Minister notes that thirteen and fourteen companies respectively submitted bids for phases 1 and 2, including six Chinese companies in each case, namely industry giants such as Sinohydro and CEW.

China Road and Bridge Corp bag 2 Urban and Rural Land Development Mission contracts worth 1.7 billion FCFA

The Urban and Rural Land Development Mission (MAETUR), a body devoted to the preparation of land in Cameroon to facilitate access to land ownership, has just handed out two deals totalling 1.7 billion FCFA. This was announced by MAETUR Managing

Director, Louis Roger Manga, in a February 17, 2015 release.

Respectively totalling 873.4 million and 898.2 million FCFA, the two contracts which are for dredging, road construction and road repaving are a part of tranches 2 and 3 of the first phase of

the low income housing project in the Olembé district in the Cameroonian capital. The MAETUR Managing Director indicated that the projects are slated to last 8 months.



China Harbour Engineering Company: the port construction leader

In 2015, the brand new Kribi deep water port built in the seaside region of South-Cameroon may receive its first commercial vessel. Equipped with the largest draught on the West African coast, this port was built by China Harbour Engineering Company (CHEC). Financing provided by Eximbank of China (218 billion FCFA) enabled the construction of the protective dyke and two multipurpose container terminals. In addition to the specialised terminals that will be built by public-private

partnerships, a second, larger container terminal is also in the works for the Kribi port and will be provided by CHEC as authorised sources have stated that CHEC has already fulfilled the conditions for the financing of another container terminal with Eximbank of China.

Obtaining financing and building a second terminal are among the conditions to be filled in order to receive the contract for the first terminal. One can understand why CHEC is also bidding for

this contract with the Bolloré group and the French ship owner CMA CGM.

While CHEC was building what would become Cameroon's largest most important port, the Chinese company applied for and was awarded, in February 2014, the deal to dredge the port of Douala. The Chinese company pocketed 18.7 billion FCFA, after beating out its competitors - Jan de Nul (Belgium), Boskalis (The Netherlands), Dredging International and Assigna (Spain).

Mining: the Chinese digging deep

The Cameroonian mining sector has not escaped the Chinese landslide that has covered almost every segment of the Cameroonian economy. However, outside of current exploration of an iron deposit in Kribi by Sinosteel, the Chinese presence in the mining sector is still discreet. This has been particularly through the SMEs which have been engaging in small scale gold mining in the mine fields in the East region.

However, this should soon change. Indeed, after the failed negotiations between the fledgling Australian mining company Sundance Resources and the Chinese group Hanlong, for the acquisition of Australian assets in the Mbalam iron project, straddling Cameroon and the Congo, several other Chinese companies are interested in the project, according to inside sources.

On January 12, 2015, the London-based mining company, IMIC, which has been piloting the Nkout iron project in South Cameroon, announced that it has turned to the Chinese investment bank CITIC Securities Co. Ltd, to raise Chinese funds for its projects in Africa, particularly in Nkout in Cameroon.





Workers and Cameroonian authorities angered by Chinese companies

Several attacks have been levied against these companies that do not respect all laws and are responsible for unbearable working conditions.

In March 2014, while touring mining fields in the capacity of her work, Marguerite Ndeh, the departmental mining delegate for Lom and Djerem in the East region, found five Chinese compa-

the Minister of Forestry and Wildlife, Philip Ngole Ngwese that this was identified. The Minister was surprised to discover a large quantity of cut wood piled up at the site. Yet, wood is not to be cut without prior authorisation from the Ministerial Department in Charge of Forests.

After reminding Sinohydro heads of the regulations in effect in Cameroon regarding the cutting

heads of the Chinese company CWE, accused of disregarding workers' rights. On November 6, 2014, 1,500 workers held yet another protest, demanding better working conditions, despite the commitments made by the CWE during previous strikes.

Among the commitments that have not been respected are the absence of worker registration with the CNPS, Cameroon's social security service, and the payment of certain bonuses. During the November 2014 strike, Electricity Development Corporation (EDC), the project foreman had spoken out against the Chinese construction company's "dithering" and "double games".

"There is a wide gap between what the texts prescribe and what is actually happening on the ground [...] the site that we visited had piles of un-separated waste. There management has no traceability. Some actions need to be taken to prevent the water supply from being polluted. Yet, bags of cement, for which the chemical composition remains unknown, are being thrown into the water and ingested by the fish that live there, and we eat these fish," stated the Environment Minister, Hélé Pierre, despairingly. This was expressed on October 23, 2014, during a visit to the Mékin dam construction site in the South region, by China National Electric Engineering Corporation (CNEEC).

In March 2014, while touring mining fields in the capacity of her work, Marguerite Ndeh, the departmental mining delegate for Lom and Djerem in the East region, found five Chinese companies operating unlawfully.

nies operating unlawfully. Indeed, when they were discovered, Gipo Mining, Ging Ma SA, D'or de lion, Danshang Ming and Fuhai Ming had no legal authorisation to operate. They were promptly mandated to comply with applicable regulations.

A few months earlier, the Chinese company Sinohydro, which is currently building the Memvé'élé dam in the Cameroon's South region which was found to be in total violation of the law, illegally cutting wood. It was during a visit paid by

of wood on sites with on-going projects, Minister Ngole Ngwese decided to sell the wood found via auction, as the law stipulates, while promising to organise "timber salvaging" to prevent further illegal activity by the Chinese company.

DISREGARD FOR THE ENVIRONMENT

In Lom Pangar, the construction site for largest intake barrage, the tension often peaked between Cameroonian workers and the

BRM

AGRIBUSINESS

Cameroon's tax administration plans to make cocoa/coffee producers pay income taxes

In light of a provision in the general tax code, which stipulates that all persons possessing known, traceable income are required to pay income tax, the government of Cameroon intends to have cocoa and coffee producers pay this tax. This was revealed on March 12, 2015 in Yaoundé at the 23rd session of the National Cocoa and Coffee Board (CICC). Being developed since 2013, the reform is being resisted by cocoa and coffee exporters who have been targeted

by the tax administration to collect this tax for the State by way of duties on the purchase of cocoa and coffee in the grouped markets held by the producers.

This increase in duties on exports will be used to finance the revival of the cocoa-coffee industry for the 2015-2020 period, for a total of 600 billion FCFA. The plan aims to achieve 600,000 tonnes of cocoa, 150,000 tonnes of Robusta coffee and 35,000 tonnes for Arabica coffee.



Plant unavailability buries emergency coffee cultivation revival programme

The Emergency Programme for the Reviving Coffee Cultivation (Purc-café), officially launched in January 2014 in three productions of zones of Cameroon (West, East and Coastal), after a catastrophic 2012-2013 coffee season (16,000 tonnes produced), did not yield the results expected post-implementation.

According to the CICC, which had requested 780,000 coffee plants for the programme, only 75,000 plants were available to Purc-café last year, which was less than 10% of the amount requested. The programme will be "restructured". Instead of creating 600 hectares of new coffee plantations per annum, the CICC is now aiming for 300 hectares. Despite Purc-café's difficulties, coffee production in Cameroon doubled while in the 2013-2014 season, reaching 32,800 tonnes compared to a little over 16,000 tonnes in the 2012-2013 season. Bolstered by these figures, the country is now aiming to achieve 40,000 tonnes by the close of the 2014-2015.



17% decline in Cameroon cocoa grinding at 2014-2015 season midpoint

Local grinders only bought 24,855 tonnes of cocoa up to late January 2015 which is six months in to the 2014-2015 cocoa season. According to the ONCC, this represents a 17% decline in grinding relative to the same period the previous year.

Meanwhile, 146,893 tonnes of cocoa have been exported. So far, Cameroon has processed only 12.5% of the 171,748 tonnes of cocoa theoretically produced in late January 2015, excluding stored produce for which statistics are currently unknown.



The international Cameroonian coffee festival, Festicoffee 2015, will take place from April 23-25 in 23 towns and cities

The 2015 edition of the International Cameroonian coffee festival (Festicoffee) will take place from April 23-25, 2015 in the Yaoundé Palais des Sports. Sticking to tradition, this coffee celebration put on by the National Cocoa and Coffee Board (CICC) and the Ministry of Trade will involve coffee tasting in 23 towns and cities. Festicoffee 2015's theme will be: "Women in coffee". According to the organisers, this theme will focus on the little known role women play in coffee cultivation in Cameroon.

Indeed, in the main coffee production areas, the West and North-West, traditional practices have thus far not recognised women's rights to own land as land traditionally belongs to men. Women simply farm the land. It is rare to find female coffee farmers in the strictest sense of the term as the women work on plantations owned by men and have no control over their income.



Festicoffee 2014

Tayap agricultural project could one day be expanded to Central Africa

In 2009, agricultural entrepreneurial Adeline Flore Ngo Samnick and some colleagues decided to launch their project based on ecological, ecotourism and solidarity microfinance.

“Organic fruit trees and staples were planted on 60 hectares. In parallel, guest homes have been created and eco-friendly cottages are under construction, adding economic value to the village’s cultural and natural heritage,” she explains in the French newspaper *20 Minutes* before adding that a community savings and

loans establishment was put in place to finance women’s initiatives in that district.

With the results it has had and the international recognition it has received, the project will hopefully be replicated in other Central African countries. Last February, it won the Climate Challenge competition launched by the French Development Agency (AFD in French) and the Agricultural Research Centre for International Development (CIRAD in French). This initiative’s first success



perhaps promises a that a greater destiny lies ahead.

Cameroon develops five new varieties of more nutritious beans designed for various soil types



The Institute of Agricultural Research for Development (IRAD in French) has just developed five new bean varieties. This innovation was presented to the Minister of Scientific Research and Innovation, Madeleine Tchuinté, on March 10, 2015 at IRAD, Foumbot, in the West region.

According to the institute’s researchers, these new bean varieties provide better yields in addition to being more disease-resistant. In addition, they are not only adapted to suit various soil types and agro-ecological zones, but are also rich in nutrients such as zinc, iron, calcium and protein.

According to IRAD heads, these new beans were developed in collaboration with the International Centre for Tropical Agriculture (CIAT) and the Pan-African Alliance for Bean Research.

Call for tenders to create a potato-processing plant in Cameroon



The Cameroonian Ministry of Industry has just issued a call for tenders to hire a research firm to conduct a technical, institutional and financial study on behalf of the government to create a potato-processing project for Kumbo in the North-West region.

According to statistics provided by the National Potato Revival Programme, Cameroon produces between 220,000 and 400,000 tonnes of this staple each year, depending on the climate and other natural factors.

Seventeen percent of production is exported to neighbouring countries. Over 80% of national production originates in the West and North-West regions.

The sweet dream of producing 650,000 tonnes of rice by 2018



Three years after the launch of the Bimodal Rainfall Forest-based Pluvial Rice Development Project (PRODERIP in French), the Cameroonian government's initiative, with the support of

the Japanese International Cooperation Agency (JICA), enabled an increase in rice production of only 2,500 tonnes after the producing and distributing 152 tonnes of seeds to the producers.

PRODERIP's newly released report, although satisfactory according to project heads, casts a shadow on the government and JICA's plans to produce 650,000 tonnes by 2018. PRODERIP is one of the backbones of government drive to increase rice production after Cameroon received the support of the Coalition for African Rice Development (CARD) in 2010.

Essentially, in addition to traditional rice farming in irrigated zones, the goal was to develop pluvial rice farming - an effort to which PRODERIP has been devoted for over three years now with results that leave little room for optimism about the annual production target of 650,000 tonnes in 2018. This is because, in order to reach the goal, based on the current results, annual production would not only have to be increased from the present 100,000 tonnes to 150,000 tonnes per annum for the next three years, but local consumption of SEMRY produced rice, usually sold to Nigeria, would also need to be promoted.

Sosucam to invest 10 billion FCFA in 2015 to strengthen production

Louis Yinda, the CEO of Société sucrière du Cameroun (Sosucam), the Cameroonian sugar market leader and company of the French group, Somdiaa, led by the Vilgrain family, has just announced that the agro-foods company will invest 10 billion FCFA in 2015 to reinforce and modernise production.

For a few years now, the company has committed to expanding its sugarcane plantations in Mbandjock and Nkoteng, in the country's Centre region, covering 12,000 hectares. Sosucam is currently farming over 20,000 hectares on two sites.

M. Yinda had indicated that these investments will enable the company



to achieve a production level ranging between 165,000 and 170,000 tonnes, compared to 120,000 tonnes currently

for an official national demand estimated at 300,000 tonnes.

ENERGY

British investors flood Cameroon's energy sector

Cameroon's energy sector is now dominated by British investments, both in terms of prospects and actual production. On March 6, 2015, it was revealed that Eranove, formerly Finagestion, plans to build a 315 MW thermal plant in Limbé in the South-West (read below). Eranove is 57%-owned by the investment fund Emerging Capital Partners (ECP). In this international investment fund, which manages 1.8 billion FCFA in assets in Africa, the British government's pro-development institute, the Commonwealth Development Corporation (CDC), has a few assets.

On February 3, 2015, the CDC announced its plan to strengthen its position with the Norwegian fund via a strategic alliance that will enable it to acquire Globeleq Africa, the British investment fund's (Actis) main establishment in the independent production of electricity in Africa. This alliance should enable Globeleq Africa to boost its investments in the electricity sector in Africa, including Cameroon where it is already present with a majority participation in the capital of companies that manage Kribi's gas plant and Dibamba's fuel oil plant.

But the most remarkable presence in



Cameroon's energy sector is without a doubt Actis, which acquired 47% of shares previously held by the American group AES Corporation, in Cameroon's electricity (Eneo).

THERE'S DYNAMISM, BUT IT STILL ISN'T ENOUGH

More discreetly, there are companies such as Victoria Oil and Gas (VOG), which has set-up the first natural gas treatment plant in Sub-Saharan Africa. VOG is also the majority shareholder in Gaz de Cameroon (GDC), which is today's pioneer in the distribution of industrial gas to established companies in Douala.

Another discreet company is Scotland-based Bowleven, which has a majority stake in the oil and gas exploration company, Euroil. The latter organisa-

tion is pursuing the development of an oil project as well as another for gas off the coast of Cameroon on the Etinde. Among the British companies in Cameroon's energy sector is Joule Africa, which is currently working on a major hydroelectric dam construction project on the Katsina River in the North-west. For this project, feasibility studies are on-going. However, on June 2, 2014, the company signed an agreement with Cameroon's Energy Minister to build a 200 MW photovoltaic electrical plant. Based on all that has occurred so far, the engagement of British companies in Cameroon's energy sector is a tangible reality. Yet, all of this is yet to become an economic opportunity for the nation as this energy source remains inaccessible and too expensive for many Cameroonian households and businesses.

Eranove to build 315 MW thermal plant in Limbe

The Eranove group plans to build a 315 MW thermal plant in Limbé in South-West Cameroon. This was revealed in a call for expressions of interest made by the company on March 5, 2015 to recruit an engineering and research firm to evaluate the project.

An independent water and electricity production company with 1.22 million

customers in Africa in the electricity sector and 1.35 million water consumers, Eranove is controlled by the Emerging Capital Partners investment fund (57%), its primary shareholder. Well established in West Africa, particularly in Côte d'Ivoire by way of four companies (Sodeci, CIE, Awale and Ciprel), Eranove has also been present in Senegal

since 1996 via its Senegalese company (SDE).

In Central Africa, Eranove has been present in the Democratic Republic of Congo (DRC) since 2012, thanks to a service contract for the administrative, financial and technical management of the DRC's public water distribution company, Regideso.

Cameroon identifies 37 sites to enable the production of 37 MW of energy using biomass



Wood-based biomass

With the support of the European Union (EU), the Rural Electrification Agency conducted a study in Cameroon to identify sites that could host rural electrification and renewable energy development projects.

According to the Rural Electrification Agency, after this three-year study, 37 sites were identified in 9 of the country's 10 regions. On these various sites, 37 MW of energy can be produced using biomass.

In electricity production in Cameroon, biomass seems to be the poorest house on the block, contributing only 1% to overall production. Hydroelectricity is way ahead with 73.3% compared to 25.5% for thermal energy.

Cameroon hosts first investment fair for electricity sector



On March 10, 2015, Yaoundé held its first national investment fair focused on electricity, particularly in rural areas. Held by the Electricity Sector Regulation Agency (ARSEL in French), in association with the Cameroonian Federation of Water, Electricity and Electronics Enterprises (FECAME in French), participants will be looking at investment opportunities in renewable energies and access to electricity in rural areas.

According to recent studies, the electricity production potential of the 200 sites across the country, suggests that a total of 304 megawatts could be generated with an estimated investment of 400 billion FCFA.

The study identified around 100 sites capable of producing hydroelectricity. Yet, recent analysis clearly shows that investing in this sector is only profitable above a certain volume and in a certain market.

South Africa-based Kazang to launch *à la carte* electricity consumption service in Cameroon

Within the framework of the enhancement projects for electricity transportation/ distribution and rural electrification being carried out by the Electricity Development Corporation and the Rural Electrification Agency, Cameroon could be hiring the services of Kazang to launch its *à la carte* elec-

tricity consumption service.

Kazang is offering to provide an electrical metre management platform that allows consumers to prepay for their electricity. According to its promoters, this *à la carte* energy consumption system will help users to monitor their usage to avoid the inconvenience of high bills.

This mechanism should help to prevent the energy waste apparent in some homes. According to the Electricity Sector Regulation Agency, more efficient electricity consumption could save homes and business up to 30% of the amount currently distributed in Cameroon.

Memvé'élé hydroelectric dam in the South region of Cameroon is already 60%

The Chinese company Sino-hydro, which is building the Memvé'élé hydroelectric dam in Nyabizan, located in the South region of Cameroon, completed the second diversion of the Ntem River on this energy facility's site. This was announced by Cameroon's Energy Ministry, Basile Atangana Kouna, in a release.

According to the government official, who has determined

the project to be 60% complete, the diversion represents the end of the first stage of the edifice's construction by paving the way *"to the remainder and end of the construction of the main dyke."* Regarding the status of the project, Minister Atangana Kouna indicates that the project's various stakeholders have affirmed their commitment to completing *"this important work in 2017"*.



Seven companies vie to build a production plant at Cameroon's Lom Pangar Dam



The Cameroonian government has just released a list of seven companies and corporate groups that have pre-qualified for the deal *"to design, supply, set-up and implement the Lom Pangar production plant and its spillway"*, the energy structure being built in East Cameroon.

Among the companies in the race are Cegelec, which is leading a group, and the Indian company Angelique International, also in a group with another company. There are also companies that are little known in Cameroon such as Cobra instalaciones y servicios SA and Elecnor SA of Spain, CRBC Addis Engineering Plc of Ethiopia; Voith Hydro GmbH of Germany and China Camc Engineering Co.

The dam itself, for which the partial impounding is scheduled for September 2015, will have a water retention capacity of over 6 billion m³. It is being built by China International Water and Electric Corporation (CWE). The total cost for the project is 238 billion FCFA.

Joël Nana Kontchou, Managing Director of Eneo: *"we have a degraded network with transformers overburdened by 140%"*

Visiting in Garoua, in the North region, where people have been experiencing significant electricity outages, Joel Nana Kontchou, the Managing Director of Eneo, the country's public electricity company in Cameroon, summed up the country's electricity situation by saying: *"We have to cut out the evil at the root. We have a degraded network with transformers that are overburdened by 140%, and falling posts,"* reported the government daily.

In order to address this situation which has been on-going for several years, Eneo Managing Director noted that, in 2015, his company will invest 37 billion FCFA, of which, a major portion will be used to renew the electricity network.

In 2016, the funds to be used for investment will be more since, according to our sources, it will be 65 billion FCFA. This will be used for the implementation of an investment plan totalling 170 billion FCFA for the 2014-2018 as the Managing Director announced in August 2014 during his official appointment to the head of Eneo.

Bowleven postpones Zingana drilling due to mechanical difficulties



In the end, Bowleven did not start drilling the Zingana well on Bomono in the Douala Basin as initially planned for February 2015.

The drilling company explains that the delay is due to “*mechanical and monitoring problems identified on the site*” which “*must first be addressed before drilling operations can commence.*” At the same time, the company indicates that it is continuing its “*technical and commercial work on project development options in case Bomono is a success.*”

Along with the Moambe oil well where it is still active, Bowleven has stated that Zingana is one of the two wells the British oil and gas company plans to drill in 2015 on Bomono in Cameroon.

Bowleven receives 102 billion FCFA to farm-out Etindé permit to Lukoil and NewAge



It’s finally happened! The British oil and gas company, Bowleven, announced on March 17, 2015 that it has received the first tranche of 165 million dollars (102 billion FCFA) paid over to the Russian and British companies, respectively Lukoil and New Age, for the acquisition of 30% and 10% of Bowleven’s stake in the Etindé permit, located in Cameroon’s waters offshore.

For the financial closure of the farm-out arrangement worth a total of 250 million dollars (around 154.5 billion

FCFA), it still needs to pay-out 52.5 billion FCFA to Bowleven.

Bowleven will hold on to only 20% of Etindé, compared to the 30% belonging to NewAge, which is now an operator in Cameroon via its subsidiary, Camop (Cameroon Overseas Petroleum), 30% for Lukoil and 20% for Société nationale des hydrocarbures(SNH), Cameroon’s State-run oil company. The Etindé permit covers three offshore blocks totaling 2316 km².

Cameroon now has a 2nd 100 TM gas-filling plant in Bertoua

According to reliable sources, on March 14, 2015, the Cameroonian Minister of Trade, Luc Magloire Mbarga Atangana, will open the gas-filling centre. A 5 billion FCFA investment, which received CSPH approval, the 100-metric tonne capacity facility will boost gas consumption in the East region.

The Bertoua gas-filling centre will allow people to purchase gas at the official

price of 6,500 FCFA per 12 kg cylinder. Until now, domestic gas in the East has been filled at Société camerounaise oil depots in Yaoundé and Douala before being transported to Bertoua and surrounding areas. Due to the exorbitant transportation cost, local consumers paid 8000-10,000 FCFA in the East region area.

A part of the promotional strategy for

domestic gas consumption in Cameroon to prevent desertification in the northern region and deforestation in the south, the consequences of using wood to fuel homes, the domestic gas filling centre in Bertoua is the 2nd to be built by the CSPH, after the one built in Maroua in Extreme-North.

FINANCE

Afriland First Bank seeks to raise 3 billion FCFA in 2015 at its Islamic bank



For the inaugural year of its Islamic bank-oriented agency officially launched on February 20, 2015 in Yaoundé, the Cameroonian banking institution, Afriland First Bank, has set high fundraising and loan approval targets for its Islamic finance clientele.

Indeed, according to Youssoufa Bouba, the bank's Director of Specialised Finance, Afriland First Bank is aiming to "achieve 3 billion FCFA in Islamic checking accounts." Bouba goes on to state that the bank intends to grant 2 billion FCFA in loans at the same branch.

These goals depend not only on the size of the Muslim population in Cameroon (the institution's target market), which represents 20% of the population there, but also on the products the bank implements with private sector support provided by the Society for International Development (SID) which is a subsidiary of the Islamic Development Bank (IDB).

Cameroon's microfinance sector in turmoil



After microfinance establishments opening without approval, a hundred of which the Minister of Finance ordered closed last year, now there are licenced microfinance companies that are engaging in activity unrelated to "the category" for which they were licenced.

A warning issued by the Ministry of Finance, Alamine Ousmane Mey, reveals that "some category 1 microfinance establishments are engaging in savings collection operations and loan granting with non-member third parties; activities that are regulated to be exclusively for category 2 microfinance establishments. And in these operations, some others are having people make social contributions as if they are fees without explaining to them the real nature of these initial charges."

500 microfinance establishments are operating in Cameroon. They officially represent 15% of the loans granted in the national financial sector and are improving the country's banking rate because of their presence in rural areas.

Ecobank Cameroon's 2014 net results rise by 51% to 6.05 billion FCFA

After a 154% leap in 2013, Ecobank Cameroon's 2014 net results amounted to a little over 6 billion FCFA which is a 51% increase over the previous year. The bank made this announcement at its February 27, 2015 general

assembly in Douala.

These results are also apparent in customer deposits which increased by 14% last year, reaching 355.8 billion FCFA compared to 312.2 billion FCFA in 2013. Its overall results also rose by 14%

to 439.4 billion FCFA, against 384.3 billion FCFA in 2013.

This performance keeps the local subsidiary of the pan-African bank among the top institutions of the Cameroonian banking sector.

SFI seeks to launch credit bureau in Cameroun to ease SME access to financing

The Cameroonian government, Central African States Bank (BEAC in French) and the International Financial Corporation (IFC) are currently in talks to create a credit bureau to facilitate local SMEs access to bank financing. This was revealed by the IFC resident representative, Henri Rabarjohn, as he approaches the end of his stay. With a system of information sharing of companies' financial obligations and history among loan establishments, the credit bureau will enable the creation of a kind of individual rating system for companies depending on their solvability and credit. According to the IFC, the availability of this information is not only likely to reduce interest rates for companies, particularly SMEs which are generally hardly structured, but will also considerably increase the total amount loaned by banks to finance the economy.



Y. M. Fotso's assets in Commercial Bank Centrafrique sold in public auction



On March 31, 2015 in Bangui, "the public auction of all related rights and securities" in Commercial Bank Centrafrique, belonging to Fotso Group Holdings and Capital Financial Holdings Luxembourg, as well as those of Yves Michel Fotso, the Cameroonian businessman who runs both establishments. The auction concerns some 136,250 shares worth a nominal value of 10,000 FCFA per unit (or 1,362,500,000 FCFA in cash), held by the above-mentioned companies in Commercial Bank Centrafrique.

BEAC issues 500, 1000 et 2000 FCfa bills that are more resistant to premature decay



Banque des Etats de l'Afrique centrale (BEAC) announced in a release that it has issued "a volume of 500, 1000 and 2000 FCFA bills that have been treated with the aim to protect these bills against premature decay and also allows them to be processed mechanically."

According to the bank, these bills "will be in circulation concurrently with those previously issued."

According to the CEMAC central bank, "the appearance, dimensions, colouring and security features of these bills are identical."

In nine years, DSX has only had 500 billion FCFA in stock capital



Since May 2006, when the first company entered (Société des eaux minérales du Cameroun) the Douala Stock Exchange (DSX), Cameroon's stock exchange, this financial market has had a total of only 500 billion FCFA in stock market capital, stated Finance Minister Alamine Ousmane Mey, during a presentation at Cameroon Business Forum (CBF) – an exchange platform between the government and private sector business entities. The Finance Minister also specified that DSX capital represents barely 3.25% of the country's GDP against the banking sector's 16%.

This nine-year performance for the DSX, which was created in 2001, but began activity in 2006, is all the more worrying as, according to the Minister Alamine Ousmane Mey's figures, the share portion of this financial market totals only 164 billion FCFA, compared to the bond compartment's 337 billion

FCFA. Yet, when the DSX was launched, the Cameroonian government wanted to list some ten companies in the first five years of operation.

Fourteen years after being created and nine years after its launch, the DSX has only three share listings: SEMC, Socapalm and Safacam.

TOO EXPENSIVE

The Cameroonian private sector seems to have snubbed the DSX. Yet, businesses that continue to complain about their difficulties accessing financing in Cameroon, have been using this stock exchange in the country's economic capital where there are 79 of the 100 top companies in terms of sales figures, according to National Statistics Institute (NSI) data. Even the State's tax incentives, particularly a significant reduction in income taxes for companies that use the DSX, were unable to convince in-

vestors to raise funds on the stock exchange.

Companies have attributed this lack of interest to the high cost. It is expensive enough for banking institutions, approved investment service providers (ISP) to the DSX, to levy unfair competition against the Cameroonian financial market.

Indeed, reliable sources have stated that it is not rare for ISPs on the Douala stock market, playing on the DSX's high costs, to turn companies seeking funding to their own loan portfolios.

In such instances, these stock market intermediaries suggest much more competitive loan interest rates much to the chagrin of the DSX which is unknowingly helping to boost the bank loan market.

PUBLIC MANAGEMENT

Cameroon Business Forum wants President's office to process cases more quickly



The most pressing call emanating from the Cameroon Business Forum (CBF), which held its 6th meeting on 9th March 2015 in Douala, the country's economic capital, was addressed to President Paul Biya. The participants of the forum called on the President to intervene in the discussions between government officials and companies in order to end the delays evident in the President's service with processing the institutional

reforms intended to improve the business environment in Cameroon.

Since its inception in 2009 with the initiative of the Cameroonian government and the IFC, some 198 reforms have been proposed, but in five years, the results have been mixed. Only 60% of

the recommendations from these meetings have been implemented and 2015 is turning out to be one of the least fruitful years, with only 50% of recommendations being implemented. One of the challenges with the implementation of these reforms is the time taken, sometimes two to three years.

The 6th Cameroon Business Forum was therefore the opportunity for new recommendations to be made. Finance

Minister Alamine Ousmane Mey insisted on efforts which could help to make the Douala Stock Exchange (DSX), which has been struggling to become the choice financing instrument for companies, more dynamic. President of the business leadership entity, ECAM, Protas Ayangma, insisted on the necessity of strengthening the participation of the private sector in public-private partnerships.

All eyes now look to Cameroon's improvement in *Doing Business*, the ranking publication which evaluates the implementation of reforms to create a business development-friendly environment. Some observers, however, feel that the overall consensus resulting from the sixth CBF is that one of the major challenges is to manage to combine the efforts of the government and the private sector to overcome their shared obstacles.

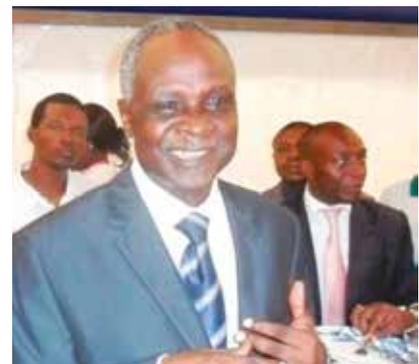
Cameroon's government declares 175 job-placement companies to be in breach of the law

Cameroonian Employment Minister, Zacharie Pérevet, just released a list of 175 temporary employment companies and private job-placement officers operating in total illegality. According to the cabinet member, these companies either no longer have valid authorisation or are simply operating clandestinely.

Minister Pérevet has urged, *"The heads of companies that use temporary labour to cease all professional relations with the organisations implicated in this issue."* He is also threatening to impose fines on

the employment agencies in question if the latter fail to comply with regulations in effect.

Illegality is visibly pervasive among employment companies in Cameroon. Indeed, in September 2014, the Minister of Employment had already identified 150 temporary employment companies and private job-placement offices that were skipping around the regulations. The brandishing of threats of fines seems to have had little effect.



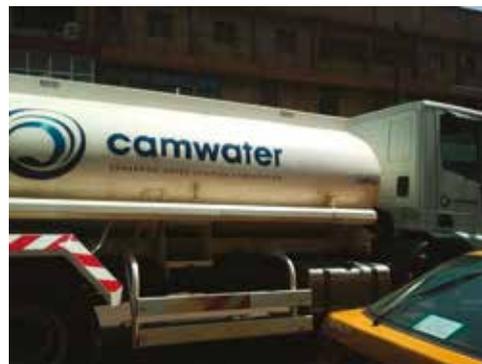
Cameroon pays out 30 billion FCfa to 31 companies and organisations

In a joint announcement published on February 25, 2015, Cameroon's Economy and Finance Ministers released a list of 31 public companies and organisations that will receive "rehabilitation resources" in keeping with "plan contracts" signed with the government. These companies and organisations will receive a total allocation of 30 billion FCFA.

The donations range from 100 million FCFA for the National Veterinary Laboratory (Lanavet) to 6 billion FCFA for Cameroon Water Utilities (Camwater), the state entity responsible for the construction and maintenance of drinking water infrastructure.

Sectors (incomplete):

- Health: 10 billion FCFA
- Water: 6 billion FCFA
- Agriculture: 6 billion FCFA
- Construction: 3.5 billion FCFA



Trade between Cameroon and Tunisia reaches 15.7 billion FCFA in 2014



At the end of his tenure in Cameroon, Tunisian Ambassador, Landoulsi Abderrazak, revealed on March 2, 2015 that trade between his country and Cameroon amounted to 15.7 billion FCFA in 2014.

Ambassador Abderrazak noted that trade is increasing as trade between Tunisia and Cameroon generated only 11.4 billion FCFA in 2010.

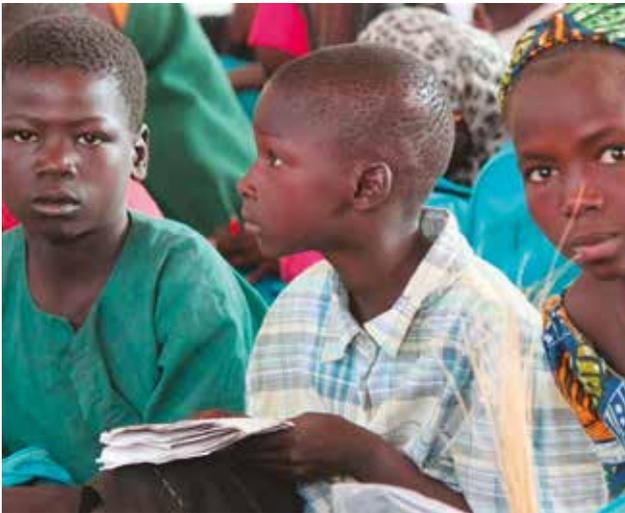
Japan pays out 26 billion FCFA for 248 Km road project in Cameroon



An order signed on March 5, 2015, indicates that the Cameroonian government will sign a 26 billion FCFA loan agreement with Japan for the partial financing of the 248 km Batschenga-Yoko-Ntui-Lena road construction project in Centre, Cameroon.

The road project for this financing is a part of an initiative to pave 598 km of roadway between Centre (Batschenga-Yoko-Ntui-Lena) and Adamaoua, in northern Cameroon (Tibati-Ngaoundéré). The project will cost 258 billion FCFA. It is financed not only by the JICA, but also the ADB, BDEAC, FDA and the Cameroonian government.

Cameroon launches 5.3 billion FCfa emergency plan for Extreme-North schools



Due to repeated attacks by the Nigerian Islamist sect, Boko Haram, close to one hundred schools in the Extreme-North region were closed while their students sought refuge in more secure areas where capacity has been overtaken by those fleeing Boko Haram.

In order to increase the capacity of these schools flooded by pupils whose parents have fled their homes because of Boko Haram, the Cameroonian government has just authorised the allotment of 5.3 billion FCFA for the emergency construction plan for that region of the country.

To do this, the government required the services of the military's engineering unit, a specialised division of the army that will handle the construction of school facilities in at risk areas while firms will execute the emergency plan in calmer areas, meaning those that run a low risk of being attacked by Boko Haram.

Feicom disburses 11.7 billion FCFA to 60 Cameroonian municipalities



The Special Fund for Equipment and Inter-Municipal Intervention (Feicom) has just granted financing totalling 11.7 billion FCFA to 60 municipalities seeking loans. The loans were approved during the 29th session of the Feicom Financial Support Committee. This was revealed in a February 16 release by Cameroon's municipal bank led by Philippe Camille Akoa. The sum will be used to finance 64 projects initiated by the beneficiary municipalities. According to the breakdown published by the Municipal Bank, the West (20%) and Centre (17%) will receive 37% of the total amount.

They are followed by Extreme-North (12%), South (9%) and South-West (9%). The East region will get 8% while the North, North-West and Adamoua regions will each get 7%. The Coastal region will receive the remaining 4%.

Yves Michel Fotso stands accused of costing Ex-Camair 18 billion FCFA

On March 4, 2015, Cameroonian businessman, Yves Michel Fotso, son of billionaire, Victor Fotso, is to appear before the Special Crimes Court (TCS in French) for 18 billion FCFA in losses for the now defunct Camair, the former national air-

line where he was Director and CEO.

According to the liquidator of the former Camair, the former Director and CEO cost the company he led some 18 billion FCFA by way of unjustified payments to "front companies", the aban-

doned purchase of two aircrafts from the Canadian manufacturer Bombardier and the compensation process for the Boeing 747 Combi crash as well as the "fraudulent sale" of the wreckage of what was the gem of the company.

TELECOM

Cellular phone payment takes first baby steps

According to Roger Fapom, the Deputy Director of Recovery at Eneo, the electricity distribution company, 250,000 of the company's 970,000 customers have registered for the bill payment service by cellular phone provided by the country's two largest mobile service companies.

However, in an interview with the Cameroonian weekly, *Repères*, Fapom notes that only 60,000 Eneo customers regularly pay their electricity bills using their phones. This represents around 25% of all mobile money customers.

Mobile money payment users have identified a number of inconveniences that they find discouraging. It is a recurring problem to have one's electricity disconnected for non-payment despite paying the bill via cellular phone.



Orange and MTN shell-out 75 billion FCFA a piece for 3G and 4G licences

On Wednesday, 11th March 2015, the Cameroonian subsidiary of the South African telecom company, MTN, signed an agreement with the Cameroonian government to renew its mobile telephone service licence which expired at the start of the year. According to our sources, in 48 hours (March 13, 2015), the Orange group's local subsidiary will also renew its licence.

After several weeks of back-and-forth, the two companies finally decided to pay the 75 billion FCFA demanded by the Cam-

eroonian government to renew their licences, but this time with approval to rollout 3G and 4G technologies. To date, the duration of validity for the licences has not been disclosed.

It was certainly in light of Cameroon's position that MTN, after its 35 billion FCFA offer for a 10-year licence, had sought a 13-year validity when it raised its offer to 65 billion FCFA. For the 75 billion FCFA fee, both companies secured a 15-year validity according to information which has not yet been confirmed.



MTN Cameroon invested around 43.6 billion FCfa in 2014, ahead of 3G licence

Telecom company MTN Cameroon made 73 million dollars (around 43.6 billion FCfa) in investments in 2014. This was revealed in the South-Africa-based parent company's published figures.

"On all of our markets, we will be redirecting around 50% of our investments to expand 3G coverage. We strongly believe that data will be an important part of our operations in the future," stated the company's

CEO, Siphiso Dabengwa on March 5, 2014 in a South-African radio station.

The third company to enter Cameroon's mobile market, which arrived on September 2014, has gotten a head start with rather good coverage. In the 3G market, the struggle for turf remains with MTN Cameroon and even its current main challenger, Orange Cameroon, will no longer be merely about providing the service.



MTN Cameroon loses 1.6 million customers in the 4th quarter of 2014, but makes 300 billion FCFA

Telecommunications company MTN Cameroon closed 2014 with 9.7 million subscribers. This was revealed in the financial results published by its parent company based in South Africa. These figures clearly suggest that between September 2014 when the telecom company had 11.3 million subscribers and late December 2014, MTN Cameroon lost some 1.6 million customers.

The telecom company explains these results by an alignment of its calculated client base using new methodology adopted internally. It also prefers to see the positive side of the situation which can be summed up in two points. Firstly, the number of subscribers in December 31, 2014 is up by 1.5 million compared to December 2013 indicators. Secondly, with the number of customers it currently has, MTN remains the leader of the Cameroonian telecom sector with its 59.4% market share, ahead of its competitors – Orange Cameroon and Nexttel, the third telecom company which arrived in September 2014.

Beyond this mixed year-end result, the company's sales grew by 19%, reaching 6.2 billion rand (299.9 billion FCFA) in December 2014, against 5.2 billion rand (250 billion FCFA) at the close of 2013. The operational result (gross profits, provisions and amortisation) improved only slightly by 0.2% for the same period, but displays a comfortable margin of 42.5% on overall revenue.

South-African Philisiwe Sibiyi replaces Nigerian Karl Toriola as Managing Director of MTN Cameroon



By signing the licence renewal agreement on March 11, 2015 for MTN International, Nigerian Karl Toriola made one of the most significant moves in his three years at the help of MTN Cameroon. Inside sources have revealed that, as of this April, South African native and professional accountant, Philisiwe Sibiyi,

will take the reins of the organisation.

Before her appointment, which actually took place weeks ago though it has not been formally announced due to intense on-going negotiations with the Cameroonian government and MTN's local subsidiary concerning its 3G and 4G licence renewal, Philisiwe Sibiyi held the position of Financial Director to MTN South Africa from July 2013.

The former Arthur Anderson employee will inherit a company that is dominating the mobile phone sector in Cameroon with a 59.4% market share thanks to 9.7 million subscribers – an indicator that has, however, declined by 1.6 million customers in the last quarter of 2014. MTN quickly attributed the decline to an internal change in how subscriber volume is calculated.

TRANSPORT

Cameroon railway expansion feasibility study will soon start

The 3rd session of the Chad-Cameroon Commission, held from March 2-9, 2015 in Yaoundé, culminated in the press release on the adoption of “a simplified procedural manual on the development of a feasibility study on the extension of Cameroonian railway to Chad.”

Authorised sources assert that this suggests the imminent start of the said study for which the results should be available by the end of 2016.

In addition, the commission, which adopted an action plan and financing modalities for construction in 2015, has started the implementation of the project leadership with the appointment of its members by two States and the technical partner – Bolloré Africa Logistics. It also examined the final draft of the Chad-Cameroon Rail Commission’s constitution.



Air France, Brussels Airlines and Camair Co dominated Cameroon’s skies in 2014



According to the statistical report provided by the Cameroon Civil Aviation Authority (CCAA), air traffic rose by 2% in Cameroon in 2014 with over 45% of flights originating from or terminating in nations of the Economic Communi-

ty of Central African States (CEMAC). Meanwhile, a very small number of domestic flights were exclusively carried by the national airline, Camair Co.

The same source indicates that Air France carried 21% of passengers ar-

iving in or departing from Cameroon. This confirms its status as the leading carrier in Cameroon’s skies. Brussels Airlines follows with 13% of passengers carried in 2014. The Belgian airline is followed by Camair Co with 11% of passengers flown last year.

By slipping into the top three airlines in Cameroon, Camair Co, despite its financial struggles, has thumbed its nose at the African and European airline heavyweights such as Ethiopian Airlines (8%), Asky and Turkish Airlines (each at 7%), Kenya Airways and Royal Air Maroc (each at 5%) and South African Airways (4%).

TOURISM

Cameroun is the 25th tourism destination in Africa and 155th in the world

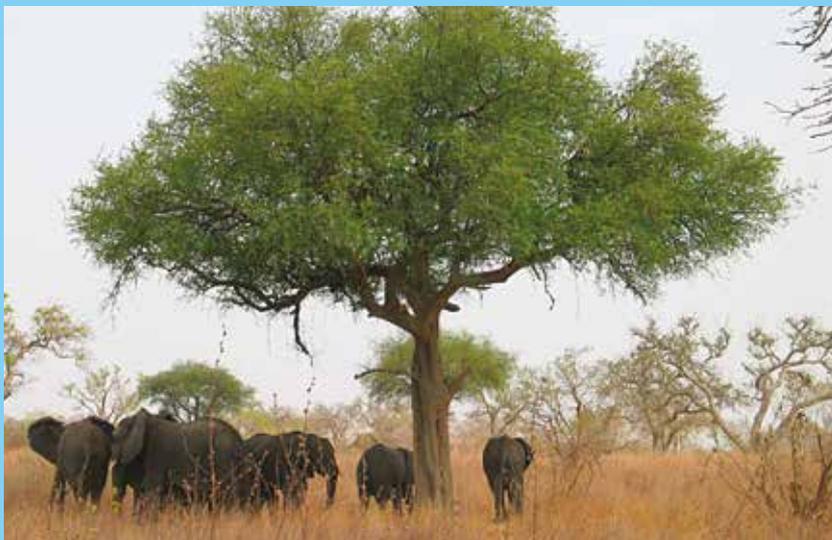
According to Bloom Consulting Brand Ranking, an annual rating of the best tourism destinations done by Bloom Consulting, in partnership with The Economist and Forbes magazines, and CNN, Cameroon is 2015's 25th tourism destination in Africa and 155th in the world. Compared to 2014, Cameroon has

moved up three places, which has been described as one of the "best improvements" along with Zimbabwe (+5), Sudan (+6), Seychelles (+3) and Cote d'Ivoire (+3). Cameroon's improved ranking comes at a time when tourism has been slowing in Extreme-North due to insecurity caused by the Nigerian ter-

rorist Boko Haram.

The 2015 Bloom Consulting Brand Ranking reaffirms the country's nickname as "Miniature Africa" because of the diversity its touristic treasures which has encouraged the government to officially aim to welcome 2 million tourists in 2015.

MINIATURE AFRICA



The Cameroonian government promotes the country as "Africa in miniature", asserting that the country offers all the diversity of Africa—in climate, culture, and geography—within its borders. Other touristic phrases sometimes used include "the melting pot of Africa" and "Africa in microcosm". Cameroon's tourist destinations are in four general areas: the coast, the major cities, the Western highlands, and the north. The coast offers two major beach resort towns: Limbe is English-speaking with black, volcanic sand; and Kribi is a French-speaking city with

white-sand beaches. Mount Cameroon on the coast is the highest mountain in Central and West Africa and draws hikers and climbers. The stepping-off point for climbing Mt. Cameroon is the city of Buea, where guides can be hired and equipment can be rented. There are several tin-roofed huts for hikers to sleep in during their trek up the mountain.

Yaoundé is home to most of Cameroon's national monuments. It also has several museums. The Western highlands offer picturesque mountain scenery, waterfalls and lakes, and the altitude provides

a cooler climate. Bamenda is the main city in the western highlands, and is the capital of the Northwest province. This area is known for its traditional culture and crafts. The city of Bafoussam is especially famous for its wood-carving culture and artifacts. In fact, the area produces more crafts than any other in Cameroon. The West is also home to traditional chiefdoms and fondoms, such as the sultanate of Foumban. Each chief typically has his own palace or compound which visitors may visit for a fee.

MINING

Cameroon's new mining code to be examined by parliament in March 2015



From March 7-14, 2015, relevant ministries, civil society, development partners and industry experts met in Limbé in the South-West to discuss the nation's new mining code bill which, according to sources, will be tabled in parliament during its session in March of this year.

Requested by Cameroonian civil society for five years now, this revision of the Cameroonian mining code finalised in 2001, NGOs argue, is very indulgent with mining companies, but fails to protect the interests of the local people and the State.

For example, the tenets of this argument suggest that the legislation is burdened by an excessive degree of fiscal and customs exemptions, losses and import duty fees during the exploration and construction phases.

Cameroon: Canyon Resources signs MOU with Bolloré and Camrail for Birsoke bauxite

Fledgling Australian mining company, Canyon Resources Ltd, has signed a memorandum of understanding with Bolloré Africa Logistics Cameroun SA and Camrail SA for a complete logistical assessment of the Douala port and railway network prior to starting pro-

duction at the Birsoke bauxite deposit in Cameroon.

Camrail and the Bolloré group, which respectively operate the railway and the port, will be "*important partners*" for Canyon in the project's development and functioning.

The Birsoke project covers 1462 km² in the Adamoua region in the country's northern region and possesses a bauxite rich area of 3.5 km by 40 metres with an average thickness of 4 metres and aluminium oxide levels ranging between 40 and 45%.

INDUSTRY

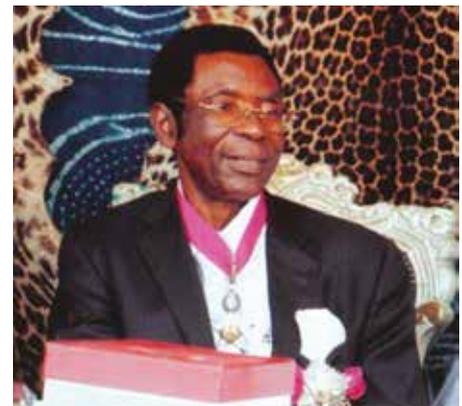
Turkish company BSN Yapi Ltd plans to build a paint production plant in Cameroon

Following his meeting with the Minister of Industry, the Managing Director of the Turkish company, BSN Yapi Ltd, Nedim Hamurkaroglu, has just announced his joint venture product with Cameroonian businessman, Lucien Wantou Siantou, to build a wall surfacing plant in Cameroon.

The Turkish investor and inventor of the said product explained that it is “a kind of paint made using glass debris and 14 other raw materials.” This paint offers the advantage of being inflammable up to 1200° in case of fire, al-

lows for a naturally regulated ambient temperature, protects against humidity, mould and noise disturbance.

With its plans to make its new discovery widespread in Cameroon, BSN Yapi Ltd hopes to benefit from the provisions outlined in the Cameroon’s private investment incentive code. With certain conditions, this legislation grants 5 to 10-year tax and customs exemptions to companies in set-up and production phases. The investment would cost one billion FCFA.



3,500 jobs on the chopping block for 2015 in plastic manufacturing sector



In a letter to the Prime Minister of Cameroon, Philemon Yang, the members of the Cameroonian Plastics Association (AC2P) express concern about the 30% decline in business since the start of 2015. This downturn is expected to result in 3,500 jobs being cut. The authors of the letter go on to write that this situation has

resulted from “the closure of ten non-biodegradable plastic packaging factories,” after the government’s April 10, 2014 decision to ban the production, importation, distribution and sale of this packaging in Cameroon to protect the environment. Another factor: although they are non-biodegradable, these packages continue to affect consumer bills as they are billed independently as if they were biodegradable.

Taken-over by Accor, Douala’s Meridien Hotel to be renamed Pullman Douala Rabingha

Cameroon’s economic capital, Douala, now has a Pullman hotel. The new hotel, the Pullman Douala Rabingha, is the new name for the former Meridien Hotel.

The Accor group, which owns this high-end international brand, signed a management contract with Société nouvelle des cocotiers, the hotel’s owner. The company itself belongs to the Fadil group which is headed by Cameroonian businessman, Mohamadou Bayero Fadil.

The hotel will undergo extensive renovations to meet the Pullman brands standards by December 2016. “Though Douala is the country’s main point of entry, the hotel offering is low as there are only 13 hotels. Calling on internationally renowned professionals will guarantee the success of Cameroon’s economic and touristic development,” stated the Fadil group’s CEO, Mohamadou Bayero Fadil.

Leader of the month

Philippe Camille Akoa: The Magistrate Turned Banker



For nine years, the current Managing Director of Feicom has been working on financing the development of local municipalities.

The Special Fund for Equipment and Inter-Municipal Intervention (Feicom in French) has just granted 11.7 billion FCFA in financing to 60 municipalities that requested loans. The funds were approved at the 29th session of the Feicom financial support committee. This was revealed in a February 16, 2015 release by the Cameroonian Municipal Bank directed by Philippe Camille Akoa.

The funding will be used to finance 64 projects started by the recipient municipalities. According to the breakdown published by the mu-

Apart from the community infrastructure financed within the country's municipalities under Philippe Camille Akoa, Feicom became a lender for some industrial projects.

nicipal bank, the West and Centre regions will respectively receive 20% and 17% of the total amount. They are followed by the Extreme-North's 12% of the total and the South and South-West, each of which will receive 9%. The East region received 8% while the North, North-West and Adamaoua regions received 7% each. The Coastal region received 4%.

Through these new financial allocations, Feicom has introduced "*newly innovated financing tools adopted by the Board on December*

disbursed 63 billion FCFA in 2013 and a total of 115 billion FCFA between 2007 and 2013. This financing, which has been increasing over the years, bears the mark of Philippe Camille Akoa, the magistrate who left the bench to direct the municipal bank since the presidential decree signed in September 2006.

Apart from the community infrastructure financed within the country's municipalities under Philippe Camille Akoa, Feicom became a lender for some industrial projects.

The institution managed by Philippe Camille Akoa has already created jobs in local, decentralised municipalities for which Feicom disbursed 63 billion FCFA in 2013 and a total of 115 billion FCFA between 2007 and 2013.

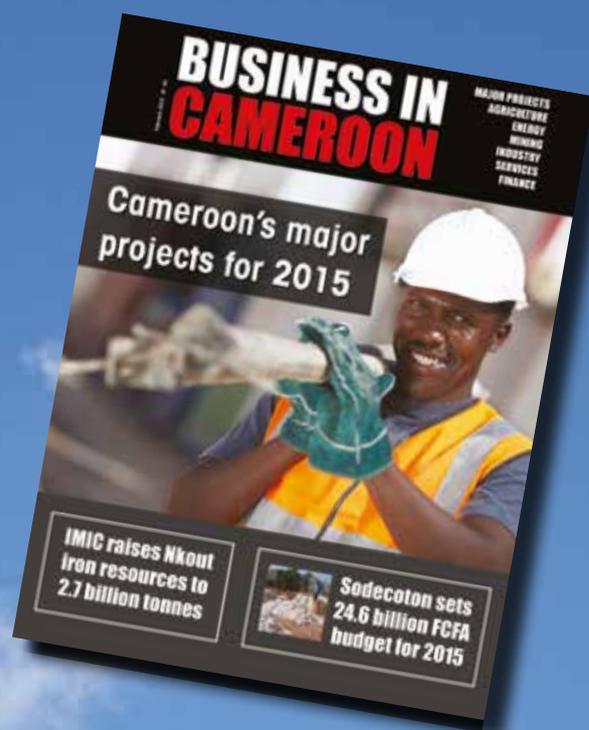
22, 2014. With these tools, Feicom intends to strengthen its interventions in the areas directly related to improving people's daily lives. It also involves the promotion of job creation for young people," stated the organisation.

The institution managed by Philippe Camille Akoa has already created jobs in local, decentralised municipalities for which Feicom

For example, financial support provided to the Mbalmayo district in the Centre region to take part in the capital of Fapam Industry, the cocoa company. The funding was made available to municipalities of the East region to buy assets in the sugar complex development project in the Bertoua-Batouri zone.

Brice R. Mbodiam

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