

June 2015 - N° 28

BUSINESS IN CAMEROON

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Yasmine Bahri-Domon



Cameroon and the era of Mobile Money

After the emergence of messengers years ago thanks to the Internet revolution, Cameroon is now taking advantage of the huge advances of mobile phone services. Beyond the usual communication tools that now connect people from the four corners of the Earth, cellular phone service providers have just made a big splash in the profitable remittance sector and are now claiming a part of a rapidly growing market that accounts for 80% of the money sent among Cameroon, Europe, the Americas and Asia and 75% of domestic financial trading by creating new specialised modules for telephone messaging. So, the cellular phone is no longer used just to make phone calls as it facilitates financial exchange and trade. In light of its profitability, the Orange group created Orange Money and MTN created MTN Mobile Money. Mobile Money is a modern means of transferring money via a cellular phone. The device has become a sort of electronic wallet which enables customers to do various types of financial transactions using their cellular phones. Available in thirteen countries in Africa and the Middle East, Mobile Money has more than 15 million customers today. In Cameroon, this service has been available since September 2011, in partnership with commercial banks who provide regulatory supervision in its usage. The phenomenon has been growing since 2014. There are now over 700 payment locations across the country. This new concept allows for a great deal of security, confidentiality and speed, which is why it so quickly became a part of Cameroonian daily life. In the world of business, they say "time is money". Well, Mobile Money spread throughout Cameroon overnight because of the time it saves when paying electricity and various other bills by allowing customers to skip the long lines and loss of time in branch. Money transfers are free and available twenty-four hours a day and seven days a week. In addition, the service comes without the added electronic payment fees and minimum balance require-

ments typically associated with traditional banks.

Mobile Money is now a reality in Cameroon. Consumers are using this electronic payment method more and more. Today, flights are now on the menu. MTN-Cameroon shares 59% of electronic plane ticket sales with *Brussels Airlines* and has just signed a partial partnership agreement for plane ticket purchasing via Mobile Money. *Kenya Airways* has also signed a partnership agreement to promote Mobile Money. Insurance companies are also lining up for Mobile Money while a company has announced further development in this sector with three new services that have attracted the keen interest of the general public. Canalsat is using the same modern approach to improve its sales as customers are making more and more orders online via Mobile Money. Business is thriving, the economy is moving and growth has returned. Companies are certainly taking advantage of this technology, but the government has not been left behind as it just signed a partnership agreement with a few mobile companies to implement "Mobile Tax" – a new way to pay taxes using Mobile Money. Already slated to be paid with this service, property taxes represent 8 billion FCFA in annual fiscal revenue. This modern payment method will help to end 6 billion FCFA in losses each year. In the long term, mobile payment will be available for all taxes provided for in Cameroon's General Tax Code.

New in Cameroon, Mobile Money is iconoclast, profitable, attractive and efficient. Although it currently only involves 25% of cellular phone users, this service offers foreign investors a great business opportunity in a sector that once lay fallow, but is now growing. The market is still wide open to the many innovations and uses Mobile Money allows in a country where people are into modern technology. It is a win-win sector. This is the deal in Cameroon today. In this *with it* country, the Mobile Money adventure is only just beginning...

BUSINESS IN CAMEROON

Publisher • Mediamania Sàrl • 6, rue du Léman • 1201 Genève • Suisse

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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

FUH CALISTUS GENTRY



"Our country is located in the heart of Africa. Its strategic position in the Gulf of Guinea, its bilingualism, its abundant natural resources, qualified skilled labour force, immense potential in energy, competent labourers, ports, roads and railways make it the negotiation centre of the CEMAC zone

for mining," indicated the State Secretary to the Ministry of Mining, Industry and Technological Development, Fuh Calistus Gentry, on March 18, 2015 in Yaoundé.

Fuh Calistus Gentry was presenting the second International Conference and Exhibit on Mining in Cameroon (CIMEC) to the press; an event held by Cameroon in collaboration with Ame Trade from May 27-29, 2015 at the Palais des Congrès in Yaoundé. He affirmed that *"CIMEC is the perfect platform to gather mining sector businessmen in Central Africa who are seeking partners to develop, improve, diversify and grow their operations and experts, entrepreneurs, lenders, financial institutions and banks to discuss financing matters, and also invest."*

The conference's theme is "Developing Central Africa's mining sector for current and future generations."

VÉRONE MANKOU



By the end of 2015, Cameroonian smartphone and tablet lovers will be able to test "Way-C". Presented as the first African tablet, it has been sold since December 2011. They will also be able to try out "Elikia", the first African smartphone which hit the market in

2012. The two products are being sold by VWK, the company founded and directed by Congolese national, Vérone Mankou, who designed the two devices. Mankou plans to open a store in Douala this year.

After Brazzaville, the man being nicknamed "the Congo's Steve Jobs" opened his second VMK store in Abidjan, Cote d'Ivoire. In addition to the Cameroonian economic capital, Douala, his expansion plan for 2015 includes opening stores in Kinshasa in the Democratic Republic of Congo, and in Senegal's capital, Dakar. *"My first plan is to reduce Africa's digital gap. These VMK stores will be set up to make new technologies accessible to the largest number of persons possible,"* stated Vérone Mankou.

DAVID NKOTTO EMANE



Cameroon's public telecom company, Camtel, led by David Nkotto Emane, officially launched an agriculture-oriented website, camagro.cm, on April 23, 2015 in Yaoundé, at Festicoffee 2015. In addition to this portal, Cameroon's longstanding telecommunications provider was also the official sponsor of the 2015 edition of the international coffee festival which ran from April 23-25, 2015 on the theme: "Cameroonian women in coffee".

The agriculture portal aims "to promote the development of agricultural activities and the transition to a new generation of agriculture through the provision of online documentation and technical, financial and sales information adapted to meet user needs to break the isolation of producers (small scale farmers in particular), to give actors access to a range of necessary digital services."

OLIVIER MADIBA



Kiro'o Games, the young Cameroonian company which began producing a video game using a local studio, announced the closing of its investment capital at 182,505 euros (120 million FCFA), two years after its launch. "The project generated enough guarantees and global visibility. This was apparent in the explosive effect that followed, generating more achievement and subscriptions," stated the visibly satisfied Olivier Madiba, the company's young Managing Director. Kiro'o Games is already the first video game production studio in French-speaking Africa.

According to the company, the funds were raised in three stages. The first, "spray of bullets" involved opening up the capital to everyone. The following year, 2014, with a "sniper shot" approach, the goal was to get few subscriptions for 98% of achievement. At the start of 2015, the project had a "snow ball" effect which yielded more results.

JOËL NANA KONTCHOU



Out of the total of 37.7 billion FCFA that Eneo, led by Joel Nana Kontchou, plans to invest in modernising its network in 2015, 10 billion FCFA will be used to improve production infrastructure. "Most of this portion (of the total sum) will be devoted to improving and securing the Songloulou, Edea and Lagdo hydroelectric plants," the company announced in a release.

However, stated Wilfred Ntuba, Financial Director of Eneo, "our goal is to invest 37.7 billion FCFA, of which 16.2 billion loaned by banks and 21.5 billion from our cashflow, therefore from our sales. We think we can get there especially since, in 2014, we invested 16 billion FCFA from our sales revenue. Despite our optimism, we note that our forecasts for 2015 will only be a reality if we regularly recover and within deadlines 100% of all sales made, all categories included," he warned.

HERVÉ BÉRIL



A former Courier Services and Networks Director with Cameroon Postal Services (Campost), French national Frédéric Fenni has just been appointed to the post of Managing Director of Cameroon Postal Services. This was announced in a press release by Cameroon's Postal Services and Telecommunications Minister, Jean Pierre Biyiti, who is also the company's Board Chairman. Frédéric Fenni replaces his countryman, Hervé Béril, who resigned, indicated Minister Biyiti bi Essam.

This resignation came a little over a month after the company's employees went on strike, demanding the restoration of the former temporary workers who were later recruited, the payment of social benefits which had been suspended for two years, and the settlement of monies owed following the merger of Caisse d'épargne postale and Sonaposte, two companies which gave birth to Campost. Since 2010, Campost has been managed by a team from Sofrepost, a subsidiary of the French postal service, after the establishment of a technical assistance contract with the Cameroonian government.

The Dawn of Mobile Money in Cameroon

With a banking development rate of barely 20%, Cameroon is one of the rookies when it comes to banking service access. Despite rapid improvement in this area over the last ten years (it used to be 10%), particularly with the dynamism seen in the microfinance sector (close to 500 institutions have been approved by the State), which spreads as far as rural neighbourhoods, when compared to many countries of the same level, Cameroon is still lagging behind

Yet, according to the nation's Telecommunications Regulations Agency, the mobile telephone penetration rate in Cameroon rose from 9.8% to 71% between 2004 and 2014. This explosion in mobile service usage has become an excellent opportunity to develop mobile banking services that could help improve banking access in Cameroon.

It is for this reason that the two mobile phone market leaders, MTN and Orange Cameroon, launched Mobile Money in 2012 – a service that enables users who do or do not have bank accounts to do various financial transactions via their cellular phone. Since then, Mobile Money usage has exploded in Cameroon.

Mobile Money's appeal in Cameroon and the opportunities that this method of payment offers have already led experts to dream of duplicating this Kenyan M-Pesa phenomenon in the wider CEMAC zone.



Thanks to partnerships signed between Mobile Money providers and various companies in Cameroon, cellular phones have been gradually becoming a means of paying electricity, internet and water bills, cable subscription, groceries, university tuition, insurance premiums and more.

Mobile Money's appeal in Cameroon and the opportunities that this method of payment offers

have already led experts to dream of duplicating this Kenyan M-Pesa phenomenon in the wider CEMAC zone. Indeed, according to Orange Cameroon's Managing Director, Elisabeth Medou, in that country where mobile payment first became widespread, banking has achieved a 70% penetration, of which 40% can be attributed to M-Pesa, the Mobile Money service launched by telecommunications company SAFARICOM.

Cameroon promotes tax payment via mobile phones



The goal of this initiative is to provide taxpayers with flexibility, but especially to secure revenue

On December 5, 2014 in Yaoundé, Cameroon's Finance Minister, Alamine Ousmane Mey, signed a partnership agreement with MTN Cameroon and Orange Cameroon to implement "Mobile Tax", a new tax payment system using Mobile Money.

Available 24/7, the service will be rolled out in two phases. For the first phase, which has been underway for a few months now, "Mobile Tax" Mobile Money is only used to pay property taxes. *"For the time being, only landowners in Yaoundé and Douala are able to use this service,"* stated Alamine Ousmane Mey.

This solution will be expanded to other towns for the payment of other types of taxes. In the long

term, Mobile Tax will be adapted to process all forms of taxes provided for in the General Tax Code. It is to this end that the Cameroonian government recently launched a call for tenders to recruit a supplier to design and install, in an effort to free up the tax payment process, platforms that will enable tax payment using Mobile Money.

In Cameroon, property tax, which has been chosen for the Mobile Money trial period, represents around 8 billion FCFA in annual tax revenue, but with the current approach to tax collection, the Tax Directorate of the Ministry of Finance has only been bringing in 2 billion FCFA, sustaining 6 billion FCFA in losses per year.

HOW DOES IT WORK?

The "Mobile Tax" system the Cameroonian government hopes to use

close the gap in tax collection is accessible by opening a "free" Mobile Money-MTN or Orange Money account at any branch of these mobile phone companies across the country.

But how does it all work? Using its database, the tax administration sends a pre-filled out filing document to the tax payer. Once

With the current approach to tax collection, the Tax Directorate of the Ministry of Finance has only been bringing in 2 billion FCFA, sustaining 6 billion FCFA in losses per year.

received, the tax payer is invited to pay the tax using a unique number indicated in the pre-filled out form.

In the absence of the pre-filled out form, tax payers may file their taxes on the tax directorate's website (www.impots.cm) to download the declaration. However, to facilitate access to these services, counters will be opened in regional and divisional centres from the 10th to the 15th of each month – the country's tax payment period.

In the long term, Mobile Tax will be adapted to process all forms of taxes provided for in the General Tax Code.

Brussels Airlines and Kenya Airways to fly with Mobile Money

The Belgian airline, Brussels Airlines, and the leader of the Cameroonian cellular phone industry, MTN Cameroon (59% market-share), signed in February 2014 a partnership agreement for the purchasing of plane tickets using Mobile Money, the mobile banking service of MTN International's Cameroonian subsidiary.

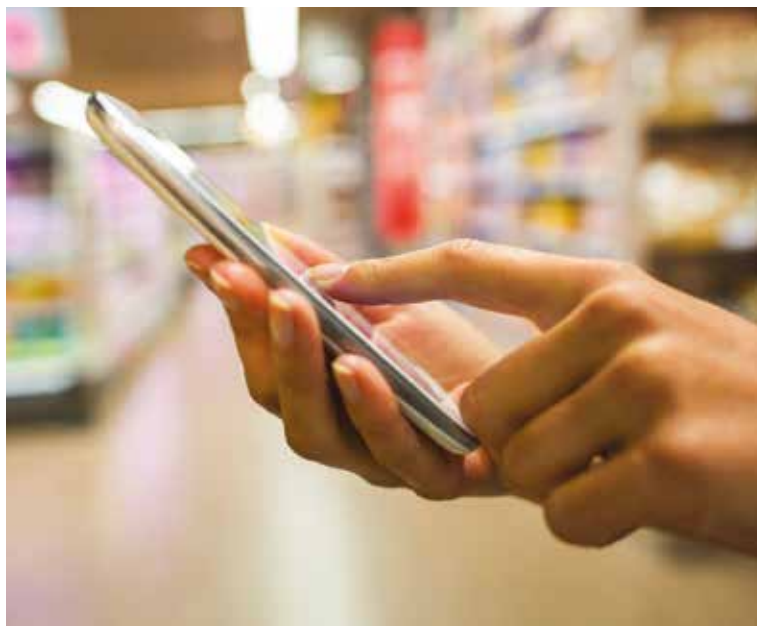
Brussels Airlines (300 daily flights, 70 destinations and 43 planes) is now the first airline to use the electronic pay-

ment service in Cameroon, offering customers the possibility of buying their tickets without having to go anywhere or carrying large sums of money on them to get to a travel agency.

To get the airline's customers to try-out this new service that turns your cellular phone into an electronic wallet, the two companies have announced a promotional campaign that was running until March 31, 2014, providing discounted tickets for the customers to use the service.

Back in April 2014, the Kenyan airline, Kenya Airways and MTN Cameroon, also entered a partnership deal for the promotion of Mobile Money, the mobile banking service launched by the local subsidiary of the South African group, MTN International. Again with this partnership, Kenya Airways customers who have Mobile Money, will be able to buy their tickets using their cell phones.

Paying for your groceries with your mobile device



A few months ago, MTN launched a new payment method called "Retail Payment". This offer gives MTN Cameroon Mobile Money account holders the possibility of paying for goods and services in partner supermarkets.

"With this offer, it is now possible to go into a partner store, do your grocery shopping and pay, not with cash or cards, but by phone," explains Joël Awono Ndjodo, Mobile Money service head at MTN. During the experimental phase, the new offer was tested only in Tsekenis supermarkets.

For now, only Yaoundé and Douala will have "Retail Payment". MTN also announced that it has contacted other business entities such as hotels, pharmacies, bookstores, travel agencies and even neighbourhood shops about spreading the availability of this method of payment.

Activa launches insurance premium payment by cellular phone



On December 2, 2013 in Douala, Richard Lowé, the Activa insurance Managing Director signed a partnership with Orange Cameroon for insurance premiums to be paid using cellular phones with Orange Money.

To do this, the Activa customer need only have an Orange Money with enough credit to pay the premium due. The two companies indicated that this partnership aims not only to promote Mobile Banking in Cameroon, but also to increase its insurance penetration.

MTN Cameroon announces three new Mobile Money offers

MTN Cameroon has added three new options to its Mobile Money service launched on April 14, 2014. The three newcomers are “Money Transfer”, “Airtime Top Up” and “Bill Payment” which all provide users with several benefits. The “Money Transfer” solution was created for customers who frequently send remittances. The customer receives

bonus credit whenever he or she sends money. The money transfer rates are also very attractive – 50 FCFA for 50,000 FCFA.

“Airtime Top Up” is for customers who top up regularly using Mobile Money. They get free credit as well as bonus credit whenever the top up using this method of payment.

“Bill Payment” offers users benefits if they pay their bills on a regularly basis using Mobile Money. They receive get free deposits to their Mobile Money accounts, bonus phone credit with each bill payment made using Mobile Money and a 50% reduction in payment fees when they pay their electricity bill.

MTN and Ecobank Cameroun launch phone-based banking services



The South-African telecommunication's group, MTN International, and the pan-African banking group, Ecobank, announced on March 17, 2014 a new mobile phone and banking product in 12 African countries. The countries are Cameroon, Benin, Cote-d'Ivoire, Ghana, Guinea Bissau, Guinea Conakry, Liberia, Congo Brazzaville, Ruanda, South Sudan, Uganda and Zambia. This alliance between the two African groups will enable users of their Cameroonian subsidiaries, once subscribed

to MTN Mobile Money and Ecobank customers, to conduct transactions such as withdrawals at Ecobank ATMs. Customers of both companies will also enjoy the possibility to transfer money between their MTN Money and Ecobank accounts.

On December 31, 2013, MTN International already had 14.8 million Mobile Money users, up by 57% in a year. The Ecobank group is present in 35 African countries, including Cameroon, and has a network of 1,250 agencies. “MTN is

particularly delighted about this agreement which falls perfectly in line with our continued efforts to improve our customers' access to financial services,” stated MTN Sales Director, Pieter Verkade. *“This demonstrates our commitment to making out-of-branch banking a reality. Our pan-African presence allows us to be at the forefront in the development of phone-based, border-area banking services in Africa,”* stated Ecobank Executive Director, Patrick Akinwuntan, in charge of Domestic Banking.

You can now use your cellular phone to pay your tuition!



Registration in Cameroon always comes with long lines in front of the banks where universities have their accounts. Students often have to return to wait in long lines settle the pre-registration and registration fees required and all this must be done in a limited space of time.

To tackle this problem, MTN decided to give a hand by launching Mobile Money tuition payment on September 2, 2014. Since then, students have been able to pay all required fees any time or day of the week. They just have to open an MTN Mobile Money account and add credit. This allows them to pay their school fees with their cellular phone.

Each establishment that signs a contract with MTN is assigned a Mobile Money account. If necessary, the student can receive a printed receipt from any MTN branch. Relatives and friends of the student can also make direct tuition payments on his or her behalf.

Cdiscount Cameroon signs on to Orange's mobile payment service



Customers of the Cameroonian subsidiary of the e-commerce company, Cdiscount, will be able to make payments using Orange Money, Orange Cameroon's payment service.

In the absence of credit cards which still are not widely used in Cameroon, Orange Money gives customers an excellent opportunity to make distance payments.

Orange Money and Mobile Money, the two mobile payment services provided by Cameroon's two mobile market leaders (Orange and MTN) have been quite successful since being launched.

Since the start of the year, the Cameroonian government has even signed a partnership with MTN and Orange to launch property tax payment via mobile phones. This is a pilot programme that is expected to become widespread in the next few years, facilitating the payment of all taxes.

Canalsat-Canal+ sig up for Mobile Money

With the "Canalsat-Canal+ Bill Payment", the fruit of a partnership between MTN International's subsidiary and Canalsat, MTN Cameroon customers who have a Canalsat subscription may now pay their bill whenever and wherever they wish using Mobile Money.

Of course, to enjoy this offer, the customer will need a Mobile Money account which, along with Canalsat bill payments, customers have been using for several months to pay their electricity and water bills.



Société générale and Eneo launch Monifone

Cameroon's third service for electricity bill payment by cellular phone is called Monifone. It was launched in May 2013 by Société générale Cameroun (SG) and Eneo, nation's public electricity provider.

With this service, subscribers can directly pay their electricity bills using their cellular phones to avoid the inconvenience of lines at the electricity company's branches. What makes Monifone unique in comparison to Mobile Money and Orange Money, two similar services created by mobile phone companies in Cameroon, is that Monifone is open to users of both networks.

Subscription to Monifone is free when you open a Monifone account at SG or at the micro-finance companies, Advans and Crédit communautaire d'Afrique (CCA). *"Ninety-seven percent of Eneo customers own a cellular phone and prefer to communicate via sms messages. This is what led us to launch this service,"* stated Monifone project head, Salifou Ndjifendjou.



In 2015, the electricity company Eneo, projects 20% of its bills will be paid via mobile devices

Electricity bill mobile payment in Cameroon is a source of hope with Eneo, the public electricity provider. Based on consumer interest in this method of payment, the company projects that 20% of its electricity bills will be paid with mobile devices in 2015.

According to Alex Siewé, Eneo's Marketing and Communication Director, mobile-based transactions have increased from 675,000 in 2013 for 4.2 billion FCFA to 700,000 in 2014 for 8.2 billion FCFA.

Eneo has indicated that the method of payment was particularly well received

in North Cameroon where the distance between the electricity company's branches often penalised numerous consumers. "In some cases, the cost of transportation to get to the branch was higher than the bill itself," stated Mr. Siewé, who went on to say that his depiction was by no means an exaggeration of the reality.

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.

PUBLIC MANAGEMENT

In late 2014, China had an investment portfolio of 1.850 trillion FCFA in Cameroon

According to Wei Wenhua, the brand new Chinese Ambassador to Cameroon in late 2014, China gave its financial support to 21 major projects in Cameroon for a total amount of around 3 billion dollars (around 1.850 trillion FCFA). Indeed, the major infrastructural projects underway or recently completed in Cameroon, in energy (dams), transportation (port and road construction) and telecommunications (fibre optic cables)

sectors are predominantly financed by Eximbank of China. The construction is also being carried out by Chinese companies.

The financing granted by Eximbank of China has made it Cameroon's top lender according to figures provided by the amortisation institution, CAA, the public structure which manages the external debt of countries.



Germany announces 10.4 billion FCFA to strengthen the Cameroonian health system



Chancellor Angela Merkel's representative to Africa, Günter Nooke, announced that the Federal Republic of Germany will disburse a total of a little over 10 billion FCFA to improve the Cameroonian health system.

According Mr Nooke, the funds will allow the government to improve the care provided to displaced Cameroonians and refugees who have been flowing into Cameroon since the start of Central African crisis and the attacks of the Nigerian Islamist sect, Boko Haram.

In 2014, in a show of solidarity to Cameroon in the fight against Boko Haram, the Federal Republic of Germany provided 120 all-terrain vehicles to the Cameroonian army.

The South African Grindrod delivers two locomotives to Cameroon Railways for 3 billion FCFA



The national public company Cameroon Railways (Camrail), has just received two new trains with a traction capacity of 1,500 tonnes of merchandise each. The trains, which cost Camrail 3 billion FCFA,

were built by the South African company Grindrod. Grindrod is listed on the Johannesburg Stock Exchange (JSE).

According to Camrail, the two trains "are a part of a first batch of eight new trains expected for this year." The railway company's release indicates that "two other trains are expected in May at the Port of Douala and four more will be here by the end of the year."

For the two new acquisitions, Camrail chose the South African company Grindrod instead of its usual partner, the Chinese company Csr Nanjing Pulszen which has had, for a few years now, the contract to supply trains, passenger coaches and merchandise platforms to Camrail.

Infrastructure: Turkey eyes CAN 2016 and 2019 contracts in Cameroon



The first Turkish mall in Central Africa Turcam Hall, which opened in September 2014 in the Cameroonian capital, held a fair organised by Turkish infrastructure companies starting on May 11, 2015. For five days, these companies presented their know-how to public and mainly the Cameroonian authorities. Fair participants are seeking to land infrastructural contracts in Cameroon for

the CAN 2016 and 2019 that Cameroon will be hosting.

"Turkey's nine top contractors met in Cameroon to hold this small fair. In so doing, our country has demonstrated its keen interest in helping to build roads, hotels, stadiums and other infrastructure needed for CAN," stated Turkish diplomat, Omer Farouk Dogan.

Cameroon: Tax bureau surpasses goal to collect 45 billion FCFA in revenue in first quarter



At the end of March 2015, the Tax Directorate of the Cameroonian Ministry of Finance collected 570 billion FCFA in tax revenue above the 525 billion FCFA target.

This achievement is reportedly due to the total number of reforms implemented almost a year ago by the administration. Among these reforms are the creation and installation of multiple tax centres for medium-sized companies (CIME) to support SMEs which represent 85% of Cameroonian companies, the possibility of filing taxes on-line and paying property taxes via cellular phone.

The Cameroon government's budget for 2015 is balanced at 3.476.6 trillion FCFA, of which 2 trillion FCFA is to be raised by way of customs duties.

230 tonnes of La Grain flour stuck at Douala port



Declared unfit for human consumption by Groupement des meuniers du Cameroun, 230 tonnes of "Papa Africa" flour imported by a representative of the Swiss company, La Grain, have been blocked at the port of Douala by Cameroonian customs.

According to accusations made by Cameroonian flour producers, the shipment of 4,600 bags does not meet Cameroon's standards governing flour production and is even less compliant with the nation's import regulations.

The blocking of this shipment comes at a time when Cameroonian flour manufacturers have been speaking out, for years, against the massive importation of flour. According to the corporative association, local production, which meets national demand, is being sacrificed for imports which force many local manufacturers to have their factories run below full capacity.

Feicom and KfW pump 8 billion FCfa in town development



Philippe Camille AKOA, Feicom Director.

Thanks to financing provided by the German organisation KfW and the Special Support Fund for Municipal Assistance (Feicom), the Cameroon Municipal Bank has announced that 8 billion FCFA will be made available to twelve of the sixteen municipalities that have applied to participate in the

“Feicom medium-sized town decentralisation programme”.

The financing granted to municipalities in the Centre, West, South-West and Extreme-North regions will be used to build basic infrastructure such as markets, bus terminals, truck stops as well as provisions for water and electricity in rural areas.

IMF doubts Cameroon's capacity to meet emergence goal deadlines



According to indicators presented by the IMF on the Cameroonian economy, emergence goals might not be achieved by 2035 if concrete measures are not adopted.

“In forecasts outlined in the Strategy Document for Growth and Employment, the Cameroonian authorities planned to achieve at least 10.2% growth by 2020. One notes in these projections that 2015 should have been a decisive year. Yet,

based on our estimates, the current performance suggests that growth will barely reach 5% in the next five years,” noted Mario Zamaroczy, one of the IMF mission members who knows Cameroon well.

Indeed, in the report on economic perspectives on Africa presented by the IMF, Cameroon's indicators are discouraging. Although Cameroon managed to achieve budgetary stability after entering the Heavily Indebted Poor

Countries (HIPC) initiative in 2006, its budget and external situation have deteriorated. Public debt continues to grow despite the reduction in subsidies to hydrocarbon fuels. Although it is still sustainable, the debt has almost doubled in four years, climbing from 15% to 30% of GDP, while the nation's trade balance has declined.

GOVERNMENT EMERGENCY PLAN

Added to that, Cameroon must now deal with a double blow. The first is linked to the lower price of oil. Oil now represents 20% of budget revenue and 54% of export revenue. The other blow to the country has been the insecurity at some of its borders, particularly in the East region adjacent to the Central African Republic, but especially in Extreme-North where resources have been mobilised in the fight against the terrorist Nigerian sect, Boko Haram.

The Cameroonian authorities have addressed these negative indicators, maintaining that the government anticipated this issue by taking emergency measures such as the three-year emergency 925 billion FCFA implemented by the State of Cameroon. Some observers are, however, sceptical about the emergency plan's ability to resuscitate the economy already due to the lag in external trade revenue (750 billion FCFA) needed to finance the greater part of this plan.

Cameroon: Citizens raise 1.2 billion FCFA to fight Boko Haram



As of April 30, 2015, the special account opened by the Treasury Department, at the request of the president, to channel donations made by the Cameroonian people to support soldiers on the front lines of the fight against the Nigerian Islamist sect, Boko Haram, has a balance of 1.2 billion FCFA. To this amount, one must add the 118 million FCFA raised on May 2, 2015 (55 million FCFA in the Haut-Nyong department and 63 million FCFA in the Koung-Khi department). For a few months now, in a gesture of solidarity towards the Cameroonian soldiers fighting Boko Haram in the Extreme-North region, town and villages have had daily shows of support in the form of funds and kind (food items) to encourage Cameroon's military and populations displaced by the threat of Boko Haram.

USA to donate 20 billion FCFA in Cameroon, Chad, Niger and Nigeria to fight Boko Haram



American Ambassador to Cameroon, Michael Stephan Hoza, announced on May 5, 2015 that his country will be donating 40 million dollars (around 20 billion FCFA) over a three-year period to Cameroon, Nigeria and Chad.

The American diplomat indicated that the funds will directly help the efforts of these four African countries in their fight against the terrorist sect Boko Haram, which the United States ambassador referred to as a *"bunch of hoodlums"*.

The United States' financial support will be used to provide training to the defence forces of the four above-mentioned countries as well as the purchase of military equipment. This American support has been granted within the framework of the Global Security Emergency Fund Programme aimed at ensuring security in the Lake Chad basin. This programme also seeks to develop border patrols among the four countries.

AGRICULTURE

An agricultural project co-financed by Japan is harnessing the expertise of Andom residents in East Cameroon



For four years, thanks to the implementation of the Forest-Savannah Sustainability Project (FOSAS), jointly financed by the Cameroonian government and its Japanese counterpart through the

latter's international cooperation agency (JICA), everything has changed in the village of Andom in the East region which is one of the most isolated in Cameroon. "Many children are now

going to school thanks to this project. Parents who do farming have increased their production using the cassava driving and processing facilities," stated a village resident.

Indeed, in Diang, the FOSAS, which promotes using natural resources to improve peoples' living conditions while preserving the environment, turned to cassava farming and processing to get Andom's residents out of poverty.

Four years after the project's implementation, Andom's 200 households have produced 33 tonnes of couscous by processing cassava. This keen interest in processing has increased the price of this product on the local market, bringing in additional income to farmers. In the meanwhile, Andom's households have made a lot of money by selling 800,000 cassava cuttings to farmers in neighbouring communities.

Louis Dreyfus to supply 290.5 million de FCFA worth of fertiliser and herbicide to the Cameroon Development Corporation

The Cameroonian subsidiary of the multinational Louis Dreyfus Commodities, is the announced recipient of six contracts to supply fertiliser, herbicides and insecticides to the Cameroon Development Corporation (CDC), an agro-industrial company that produces palm oil, bananas and rubber in South-West Cameroon.

The contracts with a delivery deadline of

45 days, according to the release issued by the Cameroonian Minister of Public Contracts, Abba Sadou, are worth a total of 290.5 million FCFA.

Louis-Dreyfus Commodities is a multinational trading company which operates in 53 countries worldwide. The group is one of the "Big 5" of global trading, alongside ADM, Bunge, Cargill and Glencore.



Cassava seedlings in store for Sotramas in Cameroon



The Cameroonian Minister of Agriculture has just provided the Programme for the Development and Promotion

of Roots, Tubers and Plantain with improved cuttings of certified cassava to plant fields in the vicinity of the Sangmélina (Sotramas) cassava processing plant in the South.

Construction on the Sotramas factory, which is expected to convert 120 tonnes of cassava into starch, was completed several months ago, but activities are slow to start because of the cassava shortage.

According to official estimates, in the next five years, 4,000 hectares of cassava will have to be planted in the Sangmélina area for Sotramas to operate at full capacity.

Agro-industrial company PHP projects 170,000 tonnes of banana production in 2015



Plantations du Haut Penja (PHP), a Cameroonian subsidiary of French-based Compagnie Fruitière de Marseille, projects 170,000 tonnes of bananas in 2015. The company's production is up by over 13,000 tonnes compared to 2014's 157,000 tonnes.

The banana market leader in Cameroon, accounting for more than half of the nation's total production, PHP exports its

bananas primarily to the European Union, but also to African countries such as Morocco, Chad and Nigeria.

In addition to the 3,000 hectares that it already farms in the Moundou department in the Coastal region, PHP is currently expanding with the creation of a banana plantation covering a surface area of 800 hectares in the locality Dehane in South, Cameroon.

Cameroonian agro-industrial company, PHP, projects 40 tonnes of Penja pepper production in 2015



Plantations du Haut Penja (PHP), Cameroon's national banana dessert producer, expects to harvest 40 tonnes of Penja pepper in 2015, according to internal sources.

Granted a "protected geographical location" label since September 13, 2013 within the framework of the African Intellectual Property Organisation (OAPI in French), with the support of the European Union, Penja pepper, named after the place where it is cultivated, is one of the world's leading spices.

Coveted the world over, Penja pepper will soon be an ingredient in Maggi bouillon cubes produced in Cameroon by the Swiss agro-foods company, Nestlé, which is currently conducting a programme to reduce raw material imports by 75%.

Acram wants to export Festicoffee, the international Cameroonian coffee

The Togolese national Anselme Gouthon, the president of the Association of Robusta Coffees of Africa and Madagascar (Acram in French), has been singing the praises of Festicoffee, the international Cameroonian coffee festival. *"Festicoffee is becoming a major event for promoting African coffees,"* he stated on April 23, 2015 in Cameroon's capital during the opening of the third edition

of this event which involved coffee-tasting in six African cities.

In light of the event's success Acram's president revealed that the organisation would like to host the festival by way of a rotation among Acram member countries. According to Anselme Gouthon, the recommendation was formulated during a board meeting held in March 2015 and will be discussed at the up-

coming General Assembly in November of this year.

Festicoffee 2015 came to a close on April 25 with an award gala for the Cameroonian coffee sector's top performers. The ceremony aims to promote coffee consumption. This was preceded by an April 24 forum on the theme: *"Coffee: a business opportunity for women"*.

Cameroon: With access to land, women could increase coffee production by 20%-30%



If Cameroonian women had more access to land and financing, their involvement in coffee farming could increase national production by 20%-30%. This was revealed by an FAO study cited on April 24, 2015 at the 3rd Festicoffee, the International Cameroonian Coffee Festival held from April 23-25, 2015.

Under the theme, *"Coffee: a business opportunity for women"*, the forum not only revealed the faces of women marginalised in the coffee sector (they do the farming, but the men do the selling), despite the important role they play (50% of Cameroon's farmers are women), but also looked at the advantages of having women participate in the development of Cameroon's coffee sector.

In order to enable women to have a real share of the coffee sector, an association for women involved in coffee (AFECC) has just been created.

In late April 2015, Robusta prices in Cameroon remained around 1,000 FCFA per kg



Since the start of 2015, the price of Robusta coffee, the variety that makes up 80% of the total production in Cameroon, has remained at a stable 1,000 FCFA per kilogramme, despite some minor fluctuations.

The SIF project which was launched in September 2009 is financed by the Cocoa and Coffee Development Fund (FODECC in French) and the National Cocoa and Coffee Board (ONCC in French). Its primary goal is to support farmers in their dealings with buyers by informing the former, in real time, of the latest (FOB and CAF) prices daily.

To do this, in addition to daily text messages sent to cocoa and coffee sector operators to broadcast the reference prices, the SIF project also uses a network of 14 local radios, 30 notice stations in farming areas and the national media.

Cameroon targets 100 hectares of cocoa farm land with WCF support



The World Cocoa Foundation (WCF), an international NGO financed by American billionaire, Bill Gates, has provided the Cameroonian government with the financing necessary to create 15 hectares of cocoa crop. This was revealed by Hope Sona Ebaï, a WCF official.

The 15 hectares being financed by the WCF complement the 85 hectares that the government is planning to create this year. In total, there will be 100 hectares of cocoa planted across the country.

Despite annual national production totalling 200,000 tonnes for at least 5 years, the Cameroonian cocoa sector continues to suffer from a lack of quality, more disease-resistant seedlings that can produce better yields per hectare.

Cameroon may double its cocoa production via whole crop processing

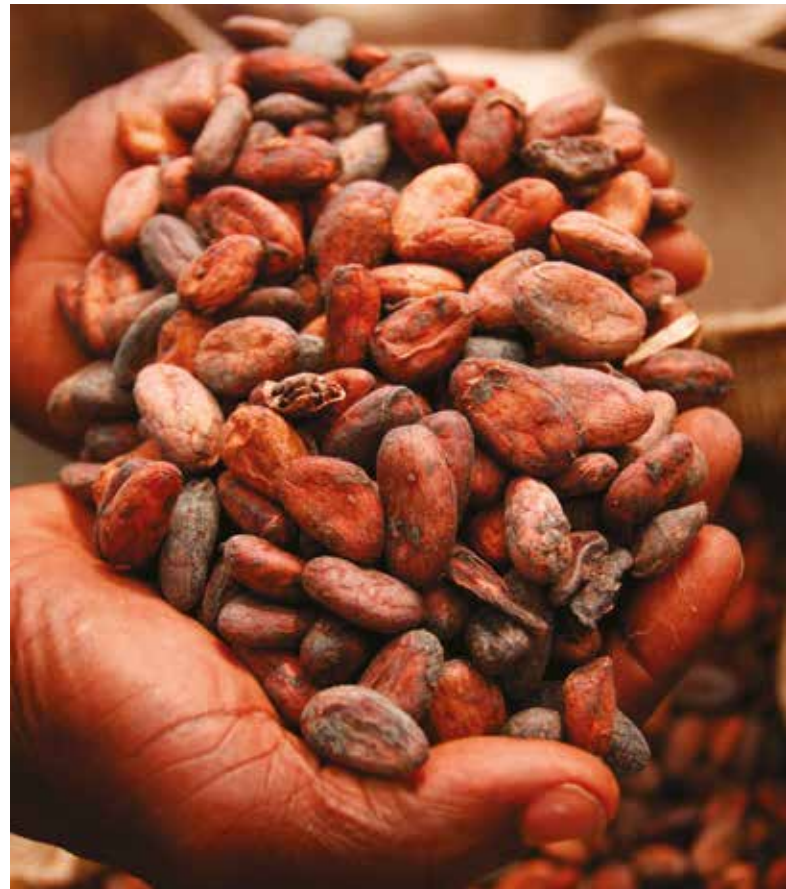
On May 5, 2015, Cameroonian Minister of Agriculture, Essimi Menyé, launched the whole crop processing campaign for 2015. *“Previously, we only processed 20% of the crop. From now on, we will be processing all the nation’s production basins,”* stated Minister Essimi Menyé.

According to Ministry of Agriculture, although the aging of plantations and farmers alike is a hindrance to improving cocoa production, the bad processing of Cameroonian cocoa has reduced current yield by 40 to 50%.

More appropriate processing methods would therefore help to reduce the above-mentioned losses and also substantially increase national production.

Indeed, Cameroon could quickly achieve 400,000 tonnes of annual production. The average yield over the last five seasons was 200,000 tonnes. Cameroon is aiming to produce 600,000 tonnes by 2020.

Cameroon: Cocoa exports have increased by 34,000 tonnes in the first eight months of the season



At the close of March 2015, some eight months into the 2014-2015 cocoa season, Cameroon, the 4th largest producer of cocoa beans, exported 177,509 tonnes, according to the National Cocoa and Coffee Board. These exports have increased by 34,000 tonnes relative to the 143,374 tonnes exported for the same period in the previous season.

Although production has significantly increased compared to the last season, exports slowed in March 2015, amounting to only 10,810 tonnes compared to 19,806 tonnes in February.

The export market was dominated primarily by three operators: Cameroon Marketing Commodities (Camaco), the export leader with 2,558 tonnes; Olam Cam with 1 713 tonnes; and the Ndongso Essomba establishments which exported 1,621 tonnes of cocoa bean last month.

Cameroonian State provides 200 million FCFA in support for four companies to develop projects

The Cameroonian Ministry of Scientific Research has just signed a 200 million FCFA grant agreement with four companies to contribute to the development of their projects.

The companies, each of which will receive 50 million FCFA, have ginger production and processing projects as well as others concerning cocoa, banana and rice-based animal food manufacturing. According to Madeleine Tchuinté, Minister of Scientific Research, these C2D-derived grants are a “*new form of making public research results available to private Cameroonian companies.*”



Decline in global rubber prices sinks Safacam's net figures for 2014



Listed on the Douala Stock Exchange (DSX), Société africaine forestière et agricole du Cameroun (Safacam) made a net return of 1.8 billion FCFA compared to 2.8 billion FCFA at the end of 2013. This is a one billion FCFA downturn compared to the previous period.

According to Safacam's auditors, this profit loss in 2014 is due to a decline in global rubber production and pricing last year. Safacam palm oil production grew by 8% in 2014, but that of rubber fell by a 12% for the same period while world prices for the latter raw material fell by 31%.

Despite this poor performance, Safacam will distribute close to 1.4 billion FCFA in 2014 dividends to its shareholders at a rate of 1,120 FCFA per share before tax.

Pamol to open a 30 TM per hour palm oil plant



Shareholders of the Pamol agro-industrial company have been invited to an extraordinary general assembly held on 27th April 2015 in Yaoundé to authorise the Managing Director to approach local and international banking institutions for the necessary funding to build a 30 metric tonne (MT) per hour palm oil production plant.

The investment of an undisclosed sum is a part of a contract plan signed between the Cameroonian government and Pamol within the framework of the agro-industrial company's upgrading.

The 14 billion FCFA contract plan also involves the construction of a soap factory, a facelift for the company's oil palm plantations, and new plantations including a 500 hectare plantation to be created in the Bakassi Peninsula, an area once disputed by Nigeria and Cameroon.

FINANCE

Ecobank Cameroon to raise 30 billion FCFA to finance Camair Co recovery

The Cameroonian subsidiary of the pan-African group Ecobank has been approached by the Cameroon Airlines Corporation (Camair Co) to raise 30 billion FCFA in financing to implement recovery programme for the airline. This was revealed by Camair Co Managing Director, Jean Paul Nana Sandjo, in an interview with the Cameroonian government's daily publication.

"The financing is already available. It will be disbursed in the next two to three weeks. After, we will roll out the recovery plan which will involve purchasing six planes to add to the two MA60s we already have. This will bring Camair-Co's fleet to 11 by July-August," stated the company's managing director who in-



dicated that the airline was 30 billion FCFA after 4 years of activities.

In addition to strengthening the company's fleet, Jean Paul Nana Sandjo stated that the financing from Ecobank will be used to put in place maintenance facil-

ities for the airline's aircrafts. Indeed, explains the managing director, despite a lack of cash-flow, Camair Co spends a lot on the maintenance of its planes abroad, at times due to maintenance issues as basic as a flat tire.

418 microfinance institutions licenced in Cameroon for 2015

Finance Minister, Alamine Ousmane Mey, has just published a list of microfinance institutions (MFIs) authorised to operate in Cameroon. There are a total of 418 for 2015 compared to over 500 last year. In a year, almost one hundred were removed from the official accredited list due to various lacks.

In February 2014, the Finance Minister had already published a list of 84 MFIs operating illegally and had urged their promoters to comply with regulations in effect.

Notwithstanding these difficulties, microfinance officially accounted for 15% of loans granted in the national financial sector. This sector also contributes to improving the rate of banking development due to the establishment of MFIs even in rural areas.



TELECOM

Orange Cameroon provides mobile finance training to economic journalists

On 15th and 16th April, 2015, some forty Cameroonian journalists met under the auspices of the Cameroon Economic Press Association (Press Eco) to be trained by the local subsidiary of the Orange telecom group on the theme “*Mobile Finance: The stakes, practices and opportunities for Cameroon*”. For two days, the media professionals received information from the Cameroonian authorities, heads of Orange and leaders of GSMA the international body for telecom companies. Though Cameroon’s Communications Minister, Issa Tchiroma, stressed the need for jour-

nalists to get beyond advertising and get training, especially about hot topics such as mobile finance.

“In Cameroon, we have seen an increase in this form of payment. This ecosystem will grow in keeping with our ability to establish efficient partnerships to expand the availability of this method of payment in the spirit of financial inclusion,” stated Elisabeth Medou Badang, the Managing Director of Orange Cameroon who presented mobile finance as a “*path to financial inclusion*”.



E-commerce penetration in Cameroon at barely 2%



Barely 2% of Cameroonians make purchases online. This was revealed at the opening of the 2nd Afrikebiz Fair. The event gathers e-commerce companies based in Africa to look at ways and means of supporting the development of e-commerce in Africa.

According to official figures, the low rate is due to the fact that hardly 400,000 Cameroonians have access to the internet out of a population of over 20 million inhabitants.

The costs in Cameroon are noticeably higher than in countries of comparable level such as Cote d’Ivoire or Senegal.

Cameroon: In 2015, the electricity company Eneo, projects 20% of its bills will be paid via mobile devices



Electricity bill mobile payment in Cameroon is a source of hope with Eneo, the public electricity provider. Based on consumer interest in this method of payment, the company projects that 20% of its electricity bills will be paid with mobile devices in 2015.

According to Alex Siewé, Eneo’s Marketing and Communication Director, mobile-based transactions have increased from 675,000 in 2013 for 4.2 billion FCFA to 700,000 in 2014 for 8.2 billion FCFA.

Eneo has indicated that the method of payment was particularly well received in North Cameroon where the distance between the electricity company’s branches often penalised numerous consumers. *“In some cases, the cost of transportation to get to the branch was higher than the bill itself,”* stated Mr. Siewé, who went on to say that his depiction was by no means an exaggeration of the reality.

The MTN telephone company counting on 3G boost for sales in 2015



MTN International's Cameroonian subsidiary is counting on the 253 sites it currently has deployed for the 3G services it was licenced to provide in March 2015, to increase its data consumption revenue.

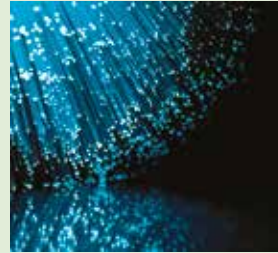
A goal not without its fair share of challenges, as customers' first experiences on the 3G network of the MTN subsidiary and its competitor, the local subsidiary of the French group, Orange, were not convincing, despite promotional offers targeting volume-rate and discounted rates on the required phones.

But, despite the difficulties launching 3G services, MTN Cameroon has announced new growth in its customer base which, it alleges, has reached 10.1 million subscribers. This is a 4.9% increase relative to December 2014 figures. Call length is also on the rise, climbing by 15.4% and 23.4% between December 2014 and March 2015, compared to March 31, 2014.

Although the average revenue per user (ARPU) has increased by 2.7% from one quarter to the next, reaching 2,225 FCFA in March 31, 2015, compared to 2,166 FCFA in December 31, 2014. These figures are far from the 2469.15 FCFA ARPU generated up to March 31, 2014. In American dollars, the international currency for investment return, there has been a downward trend for the last four quarters. From \$5.60 up to March 31, 2014, it gradually declined to settle at \$3.60.

Looking at the company's figures for the last five years, one can see that although the number of subscribers has doubled (5 million in 2010 vs. 10 million at the close of 2014), the ARPU in US dollars sustained an opposite trend, sinking from \$8 in late 2010 to \$4 at the end of 2014. This reveals that the conversion rate for confirmed customers remains quite low. One can also note that this has an impact on the operational margin rate, which declined from 46% in 2010 to 43% in 2014.

Burkina Faso comes to Cameroon to learn about fibre-optics



A delegation of telecommunications heads from Burkina Faso visited Cameroon to learn from Cameroon's experience in fibre-optics. "Cameroon is ahead of us in the area of fibre-optics as it already has this infrastructure in place. South-South cooperation will help us to draw from their experience when putting our own infrastructure in place," stated Lamoussa Oualbeogo, the delegation chief.

In the advice he gave, the Managing Director of Camtel, David Nkotto Emame, Cameroon's public telecommunications company, recommended that the Burkinabe delegation not entrust the management of fibre-optic infrastructure to a private sector entity. "If you want to develop Burkina Faso's telecom infrastructure, the fibre-optic backbone should be handled by a State-run organisation. This will be more beneficial for the country relative to this being done by a private company," he stated. Burkina Faso has just signed a contract with the Chinese firm Huawei to lay over 5,444 km of fibre-optic cables in that country. Cameroon already has a network of over 6,000 km which, according to government plans, will be increased to 10,000 km in the medium term.

Cameroon launches 400 million FCFA fund to provide university access to the internet

The Cameroonian government has just launched a special telecommunications fund with a total of 400 million FCFA, to modernise digital infrastructure in the nation's public universities. This took place during a session of the University Coordination Commission on April 30, 2015.

The fund will facilitate the acquiring of an adequately broad bandwidth to spread internet usage in Cameroonian universities.

Due to the high cost of bandwidth, the penetration rate for internet usage remains very low, including in universities. According to the Minister of Postal Services and Telecommunications, only around 400,000 Cameroonians currently use the internet. This represents around 5% of the total population compared to the continental average of 18%.

ENERGY

Société camerounaise des dépôts pétroliers to increase its storage capacity by 13,000 m³

At its facilities in Douala, Cameroon's economic capital, Société camerounaise des dépôts pétroliers (Scdp) will be increasing its storage capacity by 13,000 m³. This increase in capacity will be done by building two 6,500 m³ reservoirs.

The Cameroonian government has just announced that the contract to build

the "product pump" and refilling station to the Canada-based company, has been awarded to Blaze Energy Limited. The total investment will cost 3.852 trillion FCFA.

In 2014, the storage capacity of this parapublic company's facility in Yaoundé, the capital, increased from 52,000 m³ to 65,000 m³.



Cameroon: Eneo launches 50 MW central gas plant in Douala

On, April 28, 2015, the Minister of Energy and Water, Basile Atangana Kouna, officially opened a 50 MW thermal gas plant. Eneo's investment cost 20 billion FCFA.

The new plant is crucial to preserving the balance between electricity supply and demand in the dry season which generally suffers a decline in production due to the low water levels in the dams. The Logbaba-Bassa gas plant was built in three months by Altaaqa Global, while Gaz du Cameroun (GDC) connected the plant to the pipeline to ensure gas supply.

However, although it is satisfied with the efficiency of its partnership between Eneo, Altaaqa Global and Gaz du Cameroun, which enabled the plant to be launched quickly, Eneo's Managing Director, Joël Nana Kontchou, thinks there is a lot more to be done in the electricity sector in Cameroon.



Parlym lands 3.3 billion FCFA contract to build gas storage tank in Cameroon

French group Parlym will build and launch a 1,000 m³ capacity domestic gas tank at the filling station of Société camerounaise des dépôts pétroliers (Scdp) in Yaoundé, for a total of 3.3 billion FCFA. According to the release issued by the Minister of Public Contracts, the French group made a bid for the

deal in collaboration with the Paresa company. The project should help to ease challenges frequently encountered in Cameroon with domestic gas supply for households due to the low storage capacity available for this fuel source. Current storage capacity barely surpasses four days of consumption.



Cameroon: 28 manufacturing companies now use Logbaba natural gas



Since its January 2012 launch, the Logbaba-Ndogpassi natural gas treatment plant operated in the suburbs of Cameroon's economic capital by Rodeo Development, a subsidiary of the British company, Victoria Oil and Gas (VOG), is landing more and more customers.

Indeed, from its initial 16 corporate clients when it opened in November 2013, Rodeo Development now has 28 pipeline users.

Despite the exodus of companies switching to natural gas (cleaner and cheaper than oil and electricity) produced in Douala, VOG and its subsidiaries are confident about their ability to ensure market supply. Logbaba's natural gas reserves are estimated to be over 212 billion cubic metres. To date, only 14 to 16 million cubic metres are being mined per day.

Gaz du Cameroun to drill two wells in the Logbaba gas field in 2015-2016



For the 2015-2016 period, Gaz du Cameroun (GDC) plans to increase production by drilling two new wells in the Logbaba gas field, which was developed in the suburbs of Douala by its parent company, the British oil company, Victoria Oil & Gas (VOG).

According to GDC Business Development Director Henri Serge Job, the first well will be drilled in late 2015, while the second will be drilled in 2016.

Without specifying the amount of the investment, Mr. Job indicated that the funds will be used to address Cameroon manufacturing companies' growing demand for natural gas.

Cameroon: Lom Pangar Dam to be monitored with drones



Currently under construction in the East Cameroon region, the Lom Pangar hydroelectric dam will be monitored by a system of drones according to a call for expressions of interest issued by Electricity Development Corporation (EDC) “with the aim to recruit a provider of remote surveillance using drones along the Lom Pangar Dam’s security perimeter.”

EDC has explained that the perimeter “covers the entirety of the Lom Pangar dam, the plant at its base, the spillway, a portion of the retention wall, the project

manager’s area on the left river bank, the construction site on the right bank and facilities to prevent fuel spills from the COTCO (Cameroon Oil Transportation Company)”, the company managing the Cameroonian side of the Chad-Cameroon pipeline.

The Lom Pangar Dam has a storage capacity of 6 billion m³ of water. The facility, which will be equipped with a 30 MW plant and a 105 km transport line, will enable the regulation of the Sanaga River’s flow.

Almost 11,000 Cameroonian villages still without electricity, says ARSEL



According to the Director of Studies at the Electricity Sector Regulation Agency (ARSEL in French), Issiaka Fonfatawouo, these Cameroonian villages are still without the comforts of electricity as “the rural electrification projects, due

to their structural shortcomings and small scale, seldom attract the attention of corporations as they prefer larger projects with greater potential financial gains,” says the ARSEL representative.

According to the ARSEL director, “In light of the minimal interest electricity companies have shown in rural electrification, solar energy projects and other renewable energy projects can play a major role in the provision of electricity to rural areas.”

It is certainly because of this that ARSEL revealed, in March 2015, the results of the search for sites for renewable energy in Cameroon. There is a total of 300 sites in total, of which 261 can accommodate small 5 MW hydroelectric plants and 35 sites able to produce electricity using biomass.

Cameroon announces a first-time trial run at the 42 MW windpower plant in the Monts Bamboutos hills



To promote renewable energy, the Cameroonian government is expected to launch its very first windpower project this year with “a pilot project in energy production [...] in the Monts Bamboutos hills, with the construction of a 42 megawatt plant that can be extended to 80 megawatts.”

Cameroon is facing a major energy shortage despite having the second largest hydroelectric potential in Sub-Saharan Africa behind the Democratic Republic of Congo.

The windpower plant will reinforce Cameroon’s complement of energy sources which is currently dominated by hydroelectricity, accounting for 73.3% of national production compared to 1% for biomass. Thermal plants produce 25% of the nation’s electricity.

MINING

Sundance Resources started topographical survey on Mbalam-Kribi rail route

The fledgling Australian mining company, Sundance Resources, whose subsidiary, Cam Iron, is developing the Mbalam iron mining project in the East region, has announced that it has started topographical surveys and is having on-the-ground consultations to determine the path of the future Mbalam-Kribi railway.

The 510 km railway will transport iron produced in Mbalam, East-Cameroon to the Kribi deep water port in the nation's South region.

If the surveys identify a path that, in turn leads to cadastral plans being drafted, Sundance Resources explains, consultations on the ground will help to identify local residents' goods and cultural sites that will be affected by the project, influencing future compensations. According to the Australian company, as of March 2015, these operations were 35% complete and will continue in the coming months.



Cameroon: Sundance reevaluates Mbalam iron production capacity

According to new estimates by Sundance Resources, the Australian company in charge of the Mbalam-Nabeba mining project on an iron deposit that straddles between Cameroon and the Congo, 40 million tonnes of iron could be produced there annually, from the

very start, instead of the 35 million tonnes initially suggested.

Sundance Resources reevaluated the production capacity using a “dynamic simulation” in the first quarter of 2015.

With this increase in annual mining tonnage, “annual revenue (for the min-

ing company) will increase by 295 million dollars (around 147.5 billion FCFA) per annum” based on CFR China’s price of 80 dollars/DMT and a freight cost of 21 dollars /DMT.

TRANSPORT

NGOs boost hospitality sector in Cameroon's East region

In light of the insecurity that was present a few months ago in some localities of Cameroon's East region bordering the Central African Republic which has been experiencing a tense and precarious political situation since 2013, tourism, particularly in hospitality, has been booming. Indeed, for several months now, humanitarian organisms and NGOs have taken up residence in the East region of Cameroon to manage the flow of Central African refugees fleeing their

country's ongoing political crisis. The deployment of these NGOs has had a visibly positive impact on tourism, particularly in the hospitality sector.

This contrasts with the Extreme-North region where, because of the Nigerian Islamist sect, Boko Haram, and its several murderous incursions, tourism has totally plummeted. Hotel occupancy has reached the drastic low of 10% which has been accompanied by a 25% loss in employment.



After Douala, ECAir to service Yaoundé

On May 10, 2015 at the Africa Aviation Summit in Dubai, the Congolese airline, ECAir (Equatorial Congo Airlines) announced that it will be launching new flights in Africa, including from Yaoundé, the Cameroonian capital, *"in the next few weeks"*.

Starting flights from Yaoundé, after Douala, is a part of the company's regional network expansion programme. This expansion will include Abidjan, Luanda, Bangui, Ndjamena and the Brazzaville-Beyrouth line.

According to the Aviation Authority's statistics, ECAir, which will be the official carrier for the African Games in Brazzaville (from September 4-19, 2015), only provided 2% of the air transportation from Cameroon in the first quarter of 2014.



BUSINESS FEATURE

Buetec to invest 650 million FCfa to hit the European market

Specialised in knitting, dying and sewing and promotional product market leader in Cameroon, Buetec has just announced a 650 million FCFA plan to target the European market where Buetec plans to export 100% made in Cameroon products by 2017.

According to the plan, 250 million FCFA are to be immediately invested to improve the company's productivity and production capacity while 450 million FCFA will be subsequently used to increase production capacity to meet export demands to Europe.

With these investments and exports to Europe, the Cameroonian company,



which imports thread from India because of limitations on local thread in terms of knitting, plans to quadruple its sales in the next 5 years. Exports cur-

rently represent 60% of total sales. In 2014, the company announced 700 million FCFA in sales.

Addax Petroleum offers 100 million FCFA worth of equipment to the laboratory of the Faculty of Industrial Engineering at the University of Buea

Vice-Chancellor of the University of Buea in Cameroon's South West region, Nalova Lyonga just received donated equipment worth 100 million FCFA for the the laboratory of the brand new Faculty of Industrial Engineering at Cameroon's only English-language university. The donation is the work of the oil company, Addax Petroleum, with which the University of Buea has signed a cooperation agreement protocol.

Nalova Lyonga indicated that the equipment provided by Addax Petroleum will allow the university's industrial engineering students to conduct experiments related to renewable energy production mechanisms which could help to supply some districts in the South West region.



Cameroon's dairy company increases its capital by over one billion FCFA



Société camerounaise des produits laitiers, more known as Camlait, recently increased its social capital for over one billion FCFA. This was revealed in a notice recently published by the agro-industrial company.

The company's capital rose from a little over 2.2 billion FCFA to over 3.3 billion FCFA. The increase in capital was done by creating "111,138 new 10,000 FCFA shares to be issued by incorporating the revaluation reserve."

A small limited liability company founded in 1972 with 15 million FCFA in capital, Camlait, which has been dominating the Cameroonian dairy market for several years (especially yogurt), also has a subsidiary in Central African Republic and also sells its products in Gabon and Congo.

After two dry years, SEMC brings in 261.9 million FCFA in net profits



The Douala Stock Exchange's (DSX) first listing, Société des eaux minérales du Cameroun (SEMC), made a net profit totalling 261.9 million FCFA for the period that ended on December 31, 2014. This is a significant increase relative to the first quarter of 2014 when SEMC

had already announced a 36 million FCFA profit.

With this 2014 result, SEMC is finally turning a profit after two consecutive years of losses. Indeed, a subsidiary of the Castel group's Brasseries du Cameroun, the company closed 2013 with -319 million FCFA, compared to -50.5 million FCFA in 2012.

SEMC is the DSX company with the worst results in 5 years, far behind Safacam and Socapalm. This was due to the fierce competition in Cameroon's mineral water market.

Camerounaise des eaux has made 3004 low rate connection in Douala since the start of the year

According to Camerounaise des eaux (CDE), a Moroccan company that has the country's drinking water contract, since the start of 2015, some 3004 low rate connections of been made in Douala.

Since September 2014, thanks to an agreement signed with Camwater, the CDE has launched a major campaign to install 10,000 connections in twelve months at a price that is only 10% of the standard cost. Four months into the campaign which aims to increase official access which was 35% in 2011, 80% of the target has already been achieved. The CDE is already announcing the imminent launch of a new campaign to complete 15,000 connections by 2016.



Tractafic Motors lands two contracts worth over half a billion FCFA from agro-industrial company, the CDC



Tractafic Motors has been announced as the winner of the two contracts to deliver heavy and light-duty vehicles to the Cameroon Development Corporation (CDC). The two deals are worth a total of over half a billion FCFA. The first, totalling

207.9 million FCFA, is for the delivery of 10 extended cab pick-ups while the second is for 10 ten-tonne trucks to the CDC for a total of 511.4 million FCFA. These contracts have been given to Tractafic Motors which beat out rivals such as Socada, Cami Toyota and Cfao.

Cameroon: After the Kribi port, is CHEC eyeing the Edea-Kribi-Lolabe railway?



On May 6, 2015 in Yaounde, the Cameroonian government signed an MOU with CHEC out of China to conduct a feasibility study on the Edea-Kribi-Lolabe railway project which will service the Kribi deep water port which was built by CHEC in South Cameroon. After building the first (container and multipurpose) terminals and other port-related infrastructure already presented as being the largest on the West African coast, CHEC is now not only poised to land the container terminal

contract but also participated, alongside the Cameroonian government, in negotiating necessary financing (750 million dollars or around 375 billion FCFA) with Eximbank of China to build the second container terminal at the port of Kribi which is twice the size of the first port. In the past, CHEC had applied for and landed the contract to dredge the Douala port's channel for a total of 18.7 billion FCFA.

Cameroon Railways cops Institut RSE Afrique's "RSE-RH Marikana 2015" award



Institut RSE Afrique, which works for the approval and use of CSR (Corporate Social Responsibility or RSE in French) practices in African businesses has just attributed the RSE-RH Marikana 2015 award to Cameroon Railways (Camrail). According to the national railway company, *"this award honours the human resources policy engagement of Camrail, which employs an average of 2,100 agents. In place for 15 years now, this policy has helped to improve the average monthly salary, increasing it from 245,000 FCFA (1997-1998 ex-Regifercam) to 400,000 FCFA (Camrail) in 2014, and ensures medical coverage is available to 80% of the staff, with 10,000 staff members in 7 medical centres spread across the network."*

The award celebrates best practices in terms of work relations and conditions in Africa in memory of the Marikana miners who died fighting for better working conditions in South Africa.

Leader of the month

Boubakary Halilou: the CEMAC zone banking sector's top officer

This Cameroonian has just been promoted to the post of Secretary-General of the Central African Banking Commission headquartered in Libreville, Gabon.

At the close of their annual conference in Libreville, the Gabonese capital, the Heads of State of the Economic and Monetary Community of Central Africa (CEMAC in French) decided to appoint Cameroonian national Boubakary Halilou as Secretary-General of the Central African Banking Commission (COBAC in French), the top banking sector official in this sub-regional entity which includes Cameroon, Gabon, Congo, Equatorial Guinea, Chad and the Central African Republic.

COBAC is not new to the newly appointed Secretary-General as, since November 2012, Boubakary already held the position of Deputy Secretary-General of this sub-regional institution whose headquarters were recently relocated to Libreville. This senior Cameroonian official was obliged to vacate his post as Managing Director of Société de recouvrement des créances (SRC), a position to which he was appointed in 2005 by President Paul Biya. But, before heading the remuneration-driven recovery effort against dubious or contentious loans by public financial institutions, Mr. Halilou was Deputy Managing Director at Crédit Lyonnais Cameroonian, which later became Crédit

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agricole, before finally being taken over by the Moroccan banking group, Attijariwafa, a few years ago. Created on 16th October 1990 by a convention signed by the six member States of CEMAC, the Central African Banking Commission is mandated “to ensure that credit establishments respect applicable legal and regulatory provisions put in place by the authorities, by the Central Bank or by the Banking Com-

mission itself and sanction any lacks identified.”

The regulatory body for the CEMAC banking sector, COBAC was created after the last sub-regional banking system crisis in the late 80s. This event led to significant structural reforms including the creation of a common transnational organisation responsible for the monitoring of credit establishments.

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