

April 2017 - N° 50

BUSINESS IN CAMEROON

**MAJOR PROJECTS
AGRICULTURE
ENERGY
MINING
INDUSTRY
SERVICES
FINANCE**



**Carrefour, Dovv, Casino, Mahima,
Super U, Ecomarché, Santa Lucia...**

Mass distribution brands storm into Cameroonian market

**Exclusive interview with
Abbas Mahamat Tolli,
Governor of BEAC**



**Land tenure, key to
agricultural development**



BUSINESS IN CAMEROON .COM

Daily business news
from Cameroon



Compatible with
iPads, smartphones
or tablets



APP AVAILABLE ON IOS AND ANDROID



Racing to the trolleys

In Cameroon, competition in the mass distribution sector is about to get tougher as French giant, Carrefour, will enter the market within months. The firm would follow the steps of another major brand, Super U that recently came into this market where both local and foreign companies are battling to satisfy and win customers.

Cameroon has thus become a major commercial playfield and a coveted market. The driver to this is mainly the nation's dominant young population combined with an emerging middle-class which mass retail brands wish to tap into. The brands are aiming to firmly position themselves in the market and secure a pool of consumers. Carrefour, France's mass distribution leader, in fact, plans to open six medium-size malls in Douala and Yaoundé. A development which should give rise to significant changes in the sector. More so given that in the framework of establishing itself in Cameroon, the brand will partner with the CFAO group (Compagnie française de l'Afrique Occidentale), leader in specialized distribution and services in growing markets across Africa. Besides Carrefour's, six other malls are expected in Douala and Yaoundé, three in each, by 2020, for a total of FCFA80 billion. These surely will pave the way for the arrival of multiple fashion brands.

Though many are concerned over Carrefour's arrival, mainly due to its upmarket status in comparison to brands that are more oriented towards first price products, the French group should stimulate an already-competitive sector where are present Indian Mahima, Mercure International which is owned by Monegasque business man (of Lebanon-Senegal origin), Adnan Houdrouge, and Super U. Running against these are nationals Dovy, Santa Lucia, among others.

Most of these businesses opt more and more for a customer-centered strategy, opening local supermarkets (24hours a day or late closing). Carrefour's arrival in Carrefour highlights the importance of supply, logistics and a growing need for stores in the country. It should boost local business with an accent on agriculture, animal husbandry, and the cold chain given that mass distribution is closely related to processing and supply. Cameroonian SMEs and actors of the sector could leverage on this to thrive and it could create employment for the youth.

CONTENTS

FOCUS



- 08 • Retail, the revolution !
- 09 • Dovv and Santa Lucia, two national companies competing with the multinationals
- 09 • Supermarket Mahima plays for the Indian side
- 10 • Supermarket chain Super U lands in Cameroon
- 10 • French Carrefour in the starting-blocks
- 11 • Casino shapes up in the face of competition
- 11 • Bargain sales: a way to democratise supermarket visits

LEADER OF THE MONTH

- 34 • Isidore Biyiha takes the helm of the African Alliance for Electronic Trade



INTERVIEW



- 12 • Abbas Mahamat Tolli: In regards to Mobile Money, "the BEAC's approvals concern only transfers made in the CEMAC area"

BUSINESS IN CAMEROON

Publisher

Stratline Limited

Publication Director

Yasmine BAHRI-DOMON

Contributors

Brice R. MBODIAM, Mamadou CISSÉ.

Operator

Médiamania Sàrl

www.mediamania.pro

Design : Jérémie FLAUX, Web : Christian ZANARDI,

Translation : Schadrac AKINOCHO, Bérénice BAH

Advertisement

regiepub@investiraucameroun.com

In Cameroon

Albert MASSIMB, almassimb@yahoo.fr

Tel : 00 237 694 66 94 59

Printing

Rotimpres, Aiguaviva, Espagne

Circulation

Albert MASSIMB, almassimb@yahoo.fr

Tel : 00 237 694 66 94 59

Free – cannot be sold

www.businessincameroon.com - info@businessincameroon.com

PUBLIC MANAGEMENT

P 16-19



FINANCE

P 20-22



AGRIBUSINESS

P 23-27



INFRASTRUCTURE

P 28-29



ITC & TELECOM

P 30



SERVICES

P 31



www.stopblabblacam.com

P 32-33



**Rumours, preconceived notions, clichés,
superstitions, urban legend:
What is real? What is fake?**

THE CAST



**JEAN CLAUDE
NGBWA**

After BVRM in Côte d'Ivoire, Jean Claude Mgbwa, President of the Financial Market Commission (CMF), regulatory authority on the Douala Stock Exchange (DSX), went to Libreville in February. During his stay in Gabon, the President of CMF had a work session with the management of the Central African Financial Market Monitoring Commission (COSUMAF), regulatory body on the Bourse des valeurs mobilières de l'Afrique centrale (Bvmac). This meeting between the regulatory authorities of the two stock markets, who are competing in the CEMAC zone, we learned, *"is part of the cooperation process meant to give a development momentum to financial markets in Central Africa"*. A development which many experts do not envision outside of the merger of Bvmac and DSX, two stock markets created more out of national egotism, than a real commitment to provide the CEMAC zone with an efficient financial market.



**HENRI EYÉBÉ
AYISSI**

The Minister of Agriculture, Henri Eyébé Ayissi, recently officially launched the 2017 crop season in the town of Buéa. To boost the national agricultural production at the end of this new season, he announced various forms of support from the government for farmers. These supports will take the form of, he listed, distribution of fertilizer and other pesticides, then seedlings and improved seeds. From this point of view, we learned, 5.4 million of cassava cuttings will be made available to producers, as well as 3 million plantain shoots, 1,000 tons of maize seeds, 725,000 tons of rice seeds, and 500,000 tons of yam cuttings. In a sort of warning to his colleagues, often accused of reselling inputs which were however offered by the government to farmers, Minister Eyébé Ayissi repeated that these agricultural materials to be distributed during the season are entirely free.



**ALAMINE
OUSMANE MEY**

The confession came from the National Credit Council itself. In a recently published press release, this organization chaired by the Minister of Finance, Alamine Ousmane Mey, confessed that “*except for the CEMAC countries*”, the performance of the Cameroonian financial system “*remain inferior to those of African countries with he similar level of development*”; even though this performance “*improved these past years*”.

Therefore, we learned, the National Credit Council, at the end of a session held on 30 January 2017 in the Cameroonian capital, “*recommended that the causes of this low performance be identified, the objectives to reach in terms of development for said system be defined, and measures to reach said objectives be proposed*”. Evaluating the year 2016, the National Credit Council however noted an upturn in the banking and micro-finance sectors.



**MICHAEL
NDOPING**

The 2015-2016 coffee crop in Cameroon in Cameroon is still providing information on the performance during that season. According to the National Cocoa and Coffee Council (ONCC) led by Michael Ndoping, during the last season, there was a slight improvement in the global quality of the product, due to producers respecting good agricultural practices. Indeed, out of the inspected cargos of Robusta, 10% of the volumes were of superior quality while for the Arabica variety, 41% of the volumes were qualified as extra-prima, prima and superior; thus 11% more than during the previous season.

With regards to exports, coffees are graded in five categories. In decreasing order there are excellent coffees, then extra-prima, prima, superior and common coffees. As a reminder, the 2015-2016 coffee season in Cameroon was characterized by a slight increase in the production which peaked at 24,500 metric tons, against 23,865 for the previous season. Local processing also jumped from 448 metric tons in 2014-2015 to 3,786 metric tons during the last season.



**ELUNG PAUL
CHÉ**

In an official press release he just published, the deputy Minister of Finance, Elung Paul Ché, denounced the actions of “*ill-intentioned people organized in networks*”, which “*are using all types of tricks and ploys to defraud senior civil servants and economic operators, by promising them the acquisition, at preferential terms, of luxury vehicles waiting to be cleared at the offices of the Customs authority*” at the port of Douala, the economic capital of the country.

Indeed, after several warnings last year, the Cameroonian Customs services started auctioning about 400 containers and other luxury vehicles abandoned by the importers at the port of Douala. Auctions which are now subjected to various schemes. “*Some people come with recommendations or requests from prominent figures, to buy dozens of containers at once. And this, at prices which correspond to nothing. These are often fake recommendations*”, revealed one of the managers of this operation.



ISSA HAYATOU

After 29 years at the head of the Confederation of African Football (CAF), the central structure for football on the continent, Cameroonian Issa Hayatou, who was seeking a 8th term on 16 March in Addis Ababa, Ethiopia lost the election to Ahmad Ahmad, President of the Madagascar Football Federation. The Malagasy candidate was chosen by 34 out of 54 African federations voting, against 20 votes for Issa Hayatou.

The new President-elect of CAF had the support of the Council of South African Football Federations (Cosafa), as well as the President of the Nigerian Football Federation, and above all, the current President of the International Federation of Football Associations (FIFA), Gianni Infantino. The Cameroonian candidate, who temporarily took the helm of FIFA, after Sepp Blatter resigned, is credited with a record marked by the implementation, over three decades, of important reforms which enabled African football to better project its influence at the global level.

Retail, the revolution !



The story told by a colleague journalist is astonishing. In the middle of the 90's, the house of our storyteller shared a common wall with a President of the Cameroon Federation of Football (Fecafoot), in a densely populated neighbourhood of the capital. The wife of this dignitary of Cameroonian football used to load crates of empty beer bottles into her vehicle, to replenish the supply at the supermarket Score, today known as Casino.

The surprise of our speaker was greater each time with the whole business of his neighbour, in so far as the area where the scene was taking place had the reputation of hosting the greatest number of drinks depots to the square kilometre in the town of Yaoundé. How could one cross so many drinks outlets in one's immedi-

ate neighbourhood, and go across all the town with the sole aim of going to the supermarket?

Well, this nagging question which gnawed at the mind of our colleague found an answer in the perception that Cameroonians had about supermarkets at the time: a place of luxury, reserved for people of a certain social class. Or else, people who, by snobism, claimed to be of that class.

Today, thanks to the multiplication of these retail spaces, supermarkets appear to have become commonplace. They have even become a daily stop for a number of Cameroonians. For the good of operators in the retail sector, on the one hand, and consumers who seem to have incorporated this new reality as a way of life, on the other hand.

Indeed, in Cameroon, long gone

are the days when the population watched with a certain envy their compatriots who walked in the door of the supermarket Score (today Casino), in Yaoundé, or that of defunct Monoprix, in Douala. Nowadays, there are Dovv, Santa Lucia, Ecomarché, Mahima, Super U, Casino and other Carrefour which are coming to them, practically knocking at their door daily.

This reality reveals above all the increasing power of a middle class in the country, capable of paying for the price of comfort offered by the supermarkets, to the detriment of the brouhaha of classic markets, in which many of the products sold are questionable.

Brice R. Mbodiam

Dovv and Santa Lucia, two national companies competing with the multinationals



The other main element in the strategy of Santa Lucia and Dovv supermarket chains seems to be the diversification of attractions.

To each neighbourhood, its supermarket. This is the slogan that seems to have been adopted by the Cameroonian retail brand promoters Dovv and Santa Lucia. There is practically no year without one of these operators, who have become truly established brand names in the retail market in the country, opening a new shop in the Cameroonian capital. This strategy which consists in

bringing the supermarkets closer to the population has served them rather well, if one takes into account the crowds observed in these retail areas each evening and on weekends. Things have worked out very well for Santa Lucia and Dovv, and more especially as these two brands mainly target highly populated areas to set up their shops. It is the case for major intersections often linking

many neighbourhoods, or close to bus stations where travellers pass throughout the day.

The other main element in the strategy of Santa Lucia and Dovv supermarket chains seems to be the diversification of attractions. As well as distributing consumer goods, these Cameroonian brands also house bakeries, fast food restaurants and other snack areas frequently visited by clients.

The architecture of these local brands, which is in contrast with the simplicity which characterised the supermarkets operating in Cameroon until recent times, seems also to have an undeniable element of appeal with clientele. Investments achieved with the support of local banks like Afriland First Bank and Société Générale, appear to have found a new niche in the retail sector.

Supermarket Mahima plays for the Indian side

The battle in the retail market in Cameroon is firstly French-Cameroonian. But, beside the French groups (Casino and Super U) and local operators, who have made a remarkable entry in this sector for some years now, there is an Indian operator who is not insignificant. This is supermarket Mahima.

With two shops in the Cameroonian capital, notably in the town centre and in the Elig-Essono neighbourhood, Mahima, which offers a varied range of products from consumer goods to

furniture, succeeds from time to time in interesting Cameroonians in products made in India. It is notably the case with often very cheap liqueurs.

The economic model of this supermarket also includes wholesale, which consisted initially in supplying resellers buying generally large quantities of goods. But, quite quickly, housewives in the capital, also sneaked in, becoming clients of the wholesaler Mahima, where prices are very reasonable.



With two shops in the Cameroonian capital, notably in the town centre and in the Elig-Essono neighbourhood, Mahima, which offers a varied range of products from consumer goods to furniture, succeeds from time to time in interesting Cameroonians in products made in India.

Supermarket chain Super U lands in Cameroon

The Minister of Commerce, Luc Magloire Mbarga Atangana, proceeded on 30 June 2015 in Douala, the economic capital of the country, with the inauguration of the first hypermarket of the French chain Super U, launched by the Mercure International group presided by Adnan Houdrouge, which also owns Casino supermarkets.

This hypermarket, whose investment amount has not been disclosed, is the achievement of a goal nurtured by the sponsor of the Super U chain since 2006, we learned. Indeed, revealed Minister Mbarga Atangana, *"during a previous visit to Cameroon in 2006, Mister Houdrouge requested the support of public authorities in order to erect, in Yaoundé, a more ambitious retail space than Casino stores"*. But finally, it is in Douala that the project is implemented, without Mercure International group necessarily abandoning its ambition to set up in the Cameroonian capital. *"I note the desire of Mercure International group to build another*



The Minister of Commerce, Luc Magloire Mbarga Atangana, proceeded on 30 June 2015 in Douala, the economic capital of the country, with the inauguration of the first hypermarket of the French chain Super U

shopping centre in Yaoundé", announced the Minister of Commerce. Recalling the recommendation of the Cameroonian Head of State, who constantly invites Cameroonians to consume what they produce and to produce what they consume, Minister Mbarga Atangana wished that *"cassava from Ngoulémakong, plantain from Njombé, yam from Mbe, beef from Ngaoundal, fish from Youpé, shrimps from Kribi"* find *"their rightful place on the shelves (of the hypermarket Super U of Douala), in*

the same manner as the manufactured imported products".

This government member, moreover, suggested to the management of this new hypermarket, that they *"multiply promotional sales to become true discount stores, vectors of a society of democratised consumption, central facilities, that I would like to consider as places of conviviality, intermixing and fraternisation, within which a set of services are concentrated for all the daily needs of an ordinary consumer"*.

French Carrefour in the starting-blocks

The group CFAO announced in March 2016 that it will soon be investing to the tune of 500 million dollars (about FCfa 275 billion) in the construction of 20 shopping centres in Central and West Africa. The countries concerned by these investments are, we learn, Cameroon, Gabon, DRC, Senegal, Nigeria, Ghana and Côte d'Ivoire.

In Cameroon, revealed the group which is henceforth associated with the retail brand Carrefour, leader in France in the retail sector, CFAO has already identified five sites on which

the proposed commercial centres will be constructed. This positioning of CFAO in retail in Cameroon will open the doors of the first economy in the CEMAC zone to its associate Carrefour.

On this market, the couple CFAO-

Carrefour will find other French brands such as Casino, well established for decades, or even Super U, which recently opened its first shopping centre in Douala, the Cameroonian economic capital.

This positioning of CFAO in retail in Cameroon will open the doors of the first economy in the CEMAC zone to its associate Carrefour.

Casino shapes up in the face of competition

It is no exaggeration to think that the opening of Casino supermarket in the residential area of Bastos, in the Cameroonian capital, has a direct link with the fierce competition observed for some time now in the retail market in Cameroon. In any case, having had a single store in the town centre for years, this supermarket has opened a second in the poshest neighbourhood of the capital, with which the local operator Dovv is engaged in stiff competition. The other means found by Casino to face hardening competition, is promotion of local products. Indeed, for some months now, it is possible to buy cassava batons popularly called "bobolos"; "mitoumba", a sort of cassava cake greatly appreciated in Bassa country; maize couscous; or even cocoyam, etc. well packaged on the stalls of this supermarket formerly known for its imported products.

The price of these local products are slightly higher in Casino than those in the streets of the country where they are plentiful, but customers are not rare, we learn from supermarket managers. The latter however remark



The price of these local products are slightly higher in Casino than those in the streets of the country where they are plentiful, but customers are not rare, we learn from supermarket managers.

that most of the customers of these products are from the diaspora or families wishing to send food pack-

ages to their relatives or friends also living in certain cities in countries on the other side of the Atlantic.

Bargain sales: a way to democratise supermarket visits

For a dozen years now, the Cameroonian Ministry of Commerce strives by an activity which, year in and year out, contributes to democratising visits to the supermarkets in the country. Indeed, on the eve of year end festivities, Easter, Ramadan, etc., this ministerial department is used to organising operations of promotional sales of consumer products, in partnership with certain supermarket chains.

The publicity which often accompanies these commercial operations generally limited to certain big cities in the country, but above all the very attractive prices offered on these occasions, has allowed numerous Cameroonians to discover supermarkets, and thereafter become permanent clients of these commercial centres.

The success of these operations has been such that in receiving New Year

wishes from his staff on 27 January 2017 in Yaoundé, the Minister of Commerce, Luc Magloire Mbarga Atangana, revealed that the brands Casino and Dovv agreed to continue, throughout the year 2017, these bargain sales. Thanks to the concept "*product of the month*", we learned officially, each of these brands will put on sale for a whole month, a consumer product of its choice. For the delight of consumers.

Abbas Mahamat Tolli: In regards to Mobile Money, “the BEAC’s approvals concern only transfers made in the CEMAC area”

Reviewing the economic environment in the CEMAC with the new governor of the central bank who made his first public appearance at a press conference held on March 22 in Yaoundé, Cameroon’s capital.

Business in Cameroon: Governor, you have just presided the very first monetary policy committee (MPC) of the bank which rules over the CEMAC’s six States (Cameroon, Congo, Central Africa Republic, Chad and Equatorial Guinea) since you assumed office in February 2017. What are the main conclusions of this meeting?

Abbas Mahamat Tolli: BEAC’s monetary policy committee (MPC) indeed gathered on March 22, 2017, in Yaoundé, in the framework of its first session for the year. During the meeting, the Committee examined the global economic environment and that of the sub-region. At the occasion, we noted that in 2016, the global economic environment was difficult, marked by a general decrease of growth. In our region, we felt the impact via our real econo-

my. In addition to the slowdown of growth, we suffered a fall in prices of commodities, especially oil’s which we export. This led to a slump in the growth rate (0.2% in 2016 against 1.7% in 2015).

As for 2017, BEAC, just like all forecasting institutions, projects a slight growth, both at the international and sub-regional levels (1.6%). This, in spite of the tightening of monetary policies worldwide, rising extremism in some developed economies and protectionist trends in others. Growth increase in our region will mainly be driven by a higher demand for our products, an increase in commodity prices, paired with ongoing discussions between our States, IMF and other development partners, plus reforms which are being implemented by CEMAC nations.

In line with efforts towards budget-

ary consolidation here and there, the monetary policy committee also decided to align the monetary policy with public finances policies, which translated into a slight increase of the benchmark rate, from 2.45 to 2.95. We also decided to maintain the refinancing cap of the States at the 2016 level.

BC: MPC decided to raise the benchmark rate by 50 points while, given the actual economic context, most expected the rate to be maintained at its previous level, or decreased even. Why has the body opted for this after months of stagnation, ignoring the global economic context and that in the CEMAC?

AMT: For more than two years now, the BEAC has adopted monetary easing policies such as the increase



Abbas Mahamat Tolli, gouverneur of BEAC: "As for 2017, BEAC, just like all forecasting institutions, projects a slight growth, both at the international and sub-regional levels (1.6%)."

of refinancing caps and the continuous decrease of benchmark rate. Recently, the MPC brought down the required reserve ratio of banks, to give them more margin and support our various economies.

Today, the situation has changed. You may recall the extraordinary Summit held by CEMAC's head of States on December 23, 2016, in Yaoundé, to assess the economic environment of the region. Out of the 21 resolutions that came out of the Summit the first was to avoid monetary adjustment. Generally, when there are easing policies which allow to pump more funds into the economy, what happens often is that this money goes outside, either because it has been invested or due to massive imports. When significant volumes of capital transfers exit the CEMAC region, exchange reserves go down, sub-

sequently reducing our capacity to import goods and services. Therefore, the situation reveals that when lots of funds are injected into the system, a lot also exits it.

Moreover, in the framework of adjustment programmes which are currently debated by the CEMAC's States and IMF, the States expect external financing, which will help reduce budget deficits and promote investments. Once all these are effective, the MPC will be able to progressively assess the economic environment and needs for financing. Presently, what we need is to better preserve foreign exchange reserves, to have a coherent monetary policy, which falls in line with public finances. This is what pushed us to raise the benchmark rate. In the meantime, you will notice that between this nominal rate and that

at which banks effectively lend, there is a huge gap. This gap is due to the level of risk which must be reduced, by improving the business environment, mitigate information asymmetry as much as possible when lenders are interacting with their customers. In this regard, there is an initiative going on at the central bank, knowingly via the establishment of a credit office, review centres. All these tools should help banks access more information when providing financial support.

BC: Less than a year ago, the MPC decided to decrease the required reserve ratio to allow banks in the region have access to more liquidities to finance the economy. Today, you keep this ratio down but announced a new calculation method which will be effective



Abbas Mahamat Tolli : "For more than two years now, the BEAC has adopted monetary easing policies such as the increase of refinancing caps and the continuous decrease of benchmark rate."

starting next July 1st. Does this new method aim to boost bank liquidity?

AMT: Decreasing the required reserve ratio generated about FCFA600 billion worth of additional opportunities for banks, so they support the economy more. Measures are defined as the situation progresses. Looking at our evaluation of the economic context, we thought smart to maintain things as they are.

However, regarding the calculation of required reserved ratio, there are multiple factors which are being assessed. For now, we cannot presume of knowing what is to happen, since we are still at the discussion stage.

BC: Is the BEAC involved in ongoing discussions with IMF, for the central bank to insure that the negotiations are coherent with the regional economic programme?

AMT: It's indeed the case. In its statutory missions, the central bank is to advise States in regards to ongoing discussions. We are therefore in-

volved the process which is collective at the community level. Our issuing institute has already played this role in the past, by advising States in this kind of negotiations and by providing them the necessary support to insure that they are conclusive, in the interest of the States.

BC: Governor, given your status as president of the Central Africa Banking Commission (COBAC), do you confirm that the COBAC just licensed a 15th bank in Cameroon?

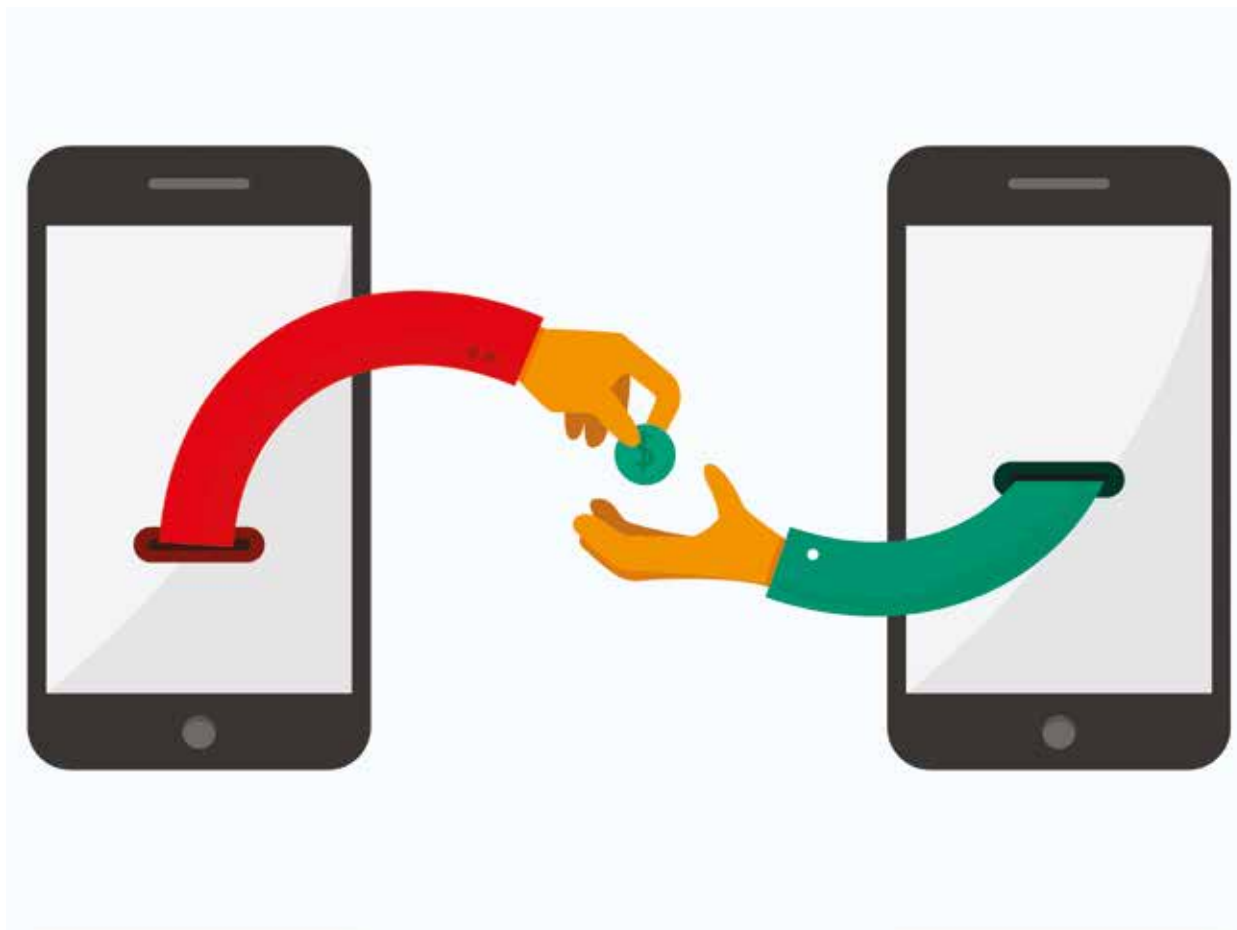
AMT: I think you are referring to the CCA (Crédit Communautaire d'Afrique) which until now was a microfinance institution with very healthy finances and whose management system is well-seen by regulatory authorities. We have been asking them for a few years now to switch to a more solid structure, to become a bank that is. CCA's management finally agreed and regulatory authorities approved their decision by granting them a license.

It is good news because CCA will from now on have more margin to use its treasury to keep supporting Cameroon's economy. With its license, the CCA will also be able to be refinanced at the central bank.

BC: While taking contact with the BEAC's team, in February, you announced in your speech that you would design a new strategic plan for the bank. How far have you progressed with this and when do you think this plan will be effective?

AMT: The drafting process is still underway. Presently, the technical structures have already been put in place under the central bank's Secretary General. Guidelines have

"It is good news because CCA will from now on have more margin to use its treasury to keep supporting Cameroon's economy."



"There are currently people, and especially mobile telephony operators who, without the required authorization or not meeting the necessary requirements to which banks are subjected to, act exactly as though they were banks. We must do better to avoid this."

already been sent. We also have the support of our partners. In the framework of this participative process, we also sought the participation of the bank's personnel. The plan's designing is thus still ongoing. There will be many steps and I cannot presume of knowing when it will be over. However, theoretically, it should be ready within the next six to eight months and validated by the board of directors. This is what we have planned at the moment. It could go faster or slower depending on the new factors that might change the initial calendar.

BC: Recently, the BCEAO, the West African counterpart of BEAC, recently suspended mobile money international transfers conducted

by one of the region's operators claiming that the service was not part of the operator's range of services and that it had no access to the volume of transactions made via this channel. Since then, most await for BEAC's reaction, since this kind of transactions also goes on in the CEMAC area...

AMT: BEAC's approvals concern only transfers made in the CEMAC area. The central bank initiated a general brainstorming session with the banking Commission in order to amend the community regulation in regards to technological innovation. There are currently people, and especially mobile telephony operators who, without the required authorization or not meeting the necessary requirements to which banks are

subjected to, act exactly as though they were banks. We must do better to avoid this.

In regards to technological innovation, it is also used by some in money laundering, tax evasion and terrorism financing acts. Our teams are working to counter that. We are going to have instruments which take into account all these parameters, in order to expand the monitoring radius for this type of innovation. Under our current rules, such transactions are possible. However, we are thinking of ways to assess the available system and innovations which could be developed to amend these rules and make them take into account such technological innovations.

Recorded by Brice R. Mbodiam

PUBLIC MANAGEMENT

The disbursement of funds provided by the World Bank to the State of Cameroon reached 23% in 2016

According to Elisabeth Huybens, Operations Director for the World Bank in Cameroon, the government made important progress in the disbursement of funding made available by the World Bank group. On 29 March, during a meeting at the Ministry of Economy, she revealed that the disbursement rate moved from 7.5% in 2016, to 23% last year. *"Globally speaking, we can say that the performance of the portfolio is relatively satisfactory. It considerably improved during the past 4 years thanks to the efforts of the project teams who I congratulate and the sup-*

port of the government", specified the Operations Director for the World Bank in Cameroon.

As a reminder, to speed up the disbursement of external funding, the Caisse Autonome d'Amortissement (CAA), in charge of managing the Cameroonian public debt, set up in 2015, with the support of the World Bank, a new mechanism called Integrated Disbursement Management System (SIGED), as well as a handbook of simplified procedures of State-run projects.

The ambition of these tools is, according to the World Bank experts,



to *"reduce the major obstacles linked to low rates of disbursement of funds allocated in the framework of foreign aid, to carry out investment and development projects"*.

An arrest warrant has been issued against the former Cameroonian Minister of Finance, Essimi Menyé



On 14 March 2017 through the examining magistrate Blaise Wo'o Minko, the Special Criminal Court, a special court created to track

down public fund embezzlers, issued an arrest warrant against Essimi Menyé, former Minister of Finance of Cameroon currently living in the USA, we learned from reliable sources.

The Cameroonian Justice accuses this former Finance Minister, who left the government in October 2015, after occupying the position of Minister of Agriculture and Rural Development, of aiding and abetting in the misappropriation of FCfa 1.7 billion in public funds, we learned, through a payment to a firm called Challenger Corporation without any services rendered.

Let us recall that immediately after his eviction from the government,

Essimi Menyé was admitted to a hospital in Yaoundé, the capital. While the grapevine was announcing his imminent arrest, for a case of misappropriation of about FCfa 10 billion during the sale of the assets of the Cameroonian bank Amity Bank to the Ivorian group Banque Atlantique, the former Minister of Finance was finally evacuated for health reasons after several weeks of negotiations with the Cameroonian public authorities. He has been working as consultant at the International Monetary Fund (IMF), an international financial institution which he had left when entering the Cameroonian government in 2007.

Cameroon ranked 23rd in Africa and 153rd worldwide for UNDP's 2016 Human Development Index



According to the 2016 Human Development Index report (HDI) published on 21 March by the United Nations Development Programme (UNDP), Cameroon is in the category of countries with a low level of human development in the world. The country is indeed ranked 153rd globally, out of 188 countries studied, and gets the 23rd position in Africa. Presented as the economic engine of the CEMAC zone, Cameroon is however outranked in the 2016 HDI report by three countries in this community, who are all in the category of countries with a medium level of human development. These are Gabon (109th globally and 7th in Africa), Congo (135th in the world and 13th in Africa) and Equatorial Guinea (135th worldwide and 14th in Africa). Seychelles win the gold medal in Africa in this UNDP ranking, followed by Mauritius, Algeria, Tunisia and Libya, two countries who are however facing many social challenges since the so-called "Arab Spring" period.

Let us recall that HDI is a summary measure of the average level reached in key components of the human development: living a long and healthy life, acquiring knowledge and having

from a decent standard of living. The health/longevity component is evaluated based on the life expectancy at birth; the education dimension is measured through the number of years of schooling for adults aged 25 and over and the expected number of years of schooling for school-aged

children. The standard of living by component is measured by the gross national income per capita. The results for the three HDI component indexes are then aggregated to get a composite index from the geometric mean.

French company Sofema delivers patrol boat to Cameroonian navy

Re-christened Dipikar, the former French patrol boat Grèbe joined the Cameroonian navy fleet last week, we learned from reliable sources. This new army acquisition, reveals the French website meretmarine.com, left the city of Toulon in France, on 10 February 2017, on board the Dutch transport vessel Happy Diamond.

The new patrol boat, we learned, will join the 212th combat division of the 21st combat flotilla based in Douala, the economic capital of the country. After its retirement from the French

naval fleet in 2010, this vessel was bought by Cameroon, who had it entirely renovated by the company Sofema, a French company specialized in the sale and maintenance of land, air and naval army equipment. This new acquisition, according to the management at the Ministry of Defence of Cameroon, should help in strengthening surveillance actions along the Cameroonian coastline, where illicit activities often take place such as the plundering of fishing resources and various other trafficking.

Paul Biya in Italy: “My government remains open to any dialogue which does not question the unity and diversity of the country”

Speaking at the end of his face-to-face meeting with his Italian counterpart Sergio Mattarella, on 20 March in Rome, the Cameroonian Head of State declared having broached, with the Italian President, the current situation in the North-West and South-West regions, affected by secessionist demands for some months now.

“We have also mentioned the situation in the North-West and South-West regions of Cameroon. I have assured him of the commitment of the majority of Cameroonians to peace in our country”, declared President Biya. Before specifying: “Our people is attached to two fundamental principles: unity and diversity of the nation. Inscribed in our constitution, they have a tangible value. My government remains open to any dialogue which does not however question the unity and diversity of the country”.

Aside from the situation which is still tensed in the Anglophone areas of Cameroon, the Cameroonian



Head of State also talked about the fight against the Islamist sect Boko Haram, in which the Cameroonian army has been involved for several months now. *“This obscurantist sect, despite its current weakening, remains dangerous. I have reiterated to the President our gratitude for the support that Italy has given us and*

continues to give us in this fight. I seize this opportunity to sincerely thank all the other countries and international organisations who have also supported us. This support enables us to face many security, economic, and humanitarian challenges”, said President Biya.

Bonassama hospital among the first health structures in Africa to introduce artificial intelligence to improve healthcare

Sophia Genetics, world leader in evidence-based medicine, announced on 24 March 2017 in Phoenix, USA, the list of African hospitals using Sophia, an instrument of artificial intelligence developed by the company, in order to improve patient diagnoses and healthcare. Out of the seven African health

facilities cited, five are Moroccan, the two others are South African and Cameroonian. In Cameroon, it is the hospital in the Bonassama district, a public health facility located in the town of Douala, the economic capital of the country. *“In joining our community, the African hospitals break down technological barriers which prevent*

their patients from benefitting from the same standard of genomic tests as those of the best medical centres in Europe and the United States, for example. It is a magnificent story of accessibility, democratisation and hope”, stated Jurgi Camblong, CEO and co-founder of Sophia Genetics.

Russian Federation has an eye on the Cameroonian drinking water sector

Nikolay Ratsiborinsky, Ambassador of Russia in Cameroon, met with the Cameroonian Minister of Energy and Water, Basile Atangana Kouna, on 21 March 2017 in Yaoundé, the capital of the country. Accompanied by the Director of the Information and Analysis Centre for the Development of Water Resources in the Federation of Russia, the Russian diplomat came to request the establishment of a joint committee between the two countries in the water and energy sector.

This is, we learned, a workgroup which will be in charge of reviewing a set of projects presented by the Cameroonian side and which could benefit from the Russian expertise. This attempt to boost the Russian-Cameroonian cooperation in the water sector comes in at a time when important water conveyance projects are carried out in the country. Concurrently, the service contract for the distribution of drinking



water throughout Cameroon awarded to the Moroccan company Onep a few year ago, will expire in 2018. In a correspondence dated 3 August 2016, Minister Atangana Kouna indicated to the MD of CDE

(the company through which the Moroccans operate), that *"on the very high instructions of the hierarchy, said contract will not be renewed upon expiry"*.

Public administrations get acquainted with the new industrialisation master plan



Familiarise experts in the Cameroonian public administrations with the contents of the Industrialisation Master Plan (PDI) recently adopted by the Cameroonian government to turn Cameroon into "the factory of the new industrial Africa" by 2050. This is the objective of a seminar chaired in Yaoundé by the Minister of Industry, Ernest Gbwaboubou.

As a reminder, the PDI adopted by the Cameroonian government is based on the development of three priority sectors. These

are the agro-industry, energy and the digital sector which, considering the impact that their development can have on the rest of the economy, were described as real industrial "sanctuaries" by the experts in charge of developing the PDI. According to the Cameroonian public authorities, the implementation of the PDI should help increase by 11 points the contribution of the industrial sector to the creation of the country's GDP, taking it from the current 13% to at least 24% by 2035.

FINANCE

Funding for infrastructure projects make client loans soar at UBA Cameroon in 2016



Thanks to client deposits which reached 116.612 million Nairas (FCfa 221.8 billion) as at 31 December 2016, the Cameroonian subsidiary of the Nigerian banking group UBA provided its clients with more loans. Indeed, according to the financial statements of the group which were just published, UBA Cameroon granted its client base a volume of FCfa 109.35 billion (57.485 million Nairas) in loans during 2016. This indicator has sharply risen since 2015, when UBA Cameroon funded the local economy with credit worth a total of 37.559 Nairas, equivalent to FCfa 70.38 billion. According to sources close to this bank, this substantial increase (over FCfa 30 billion) in the volume of credit granted by UBA Cameroon last year is explained by the important funding made available by the bank to carry out or develop

major infrastructure projects in the country.

This is the case for the long term loan (7 years with a grace period of 6 months) of FCfa 24.5 billion granted to the Cameroonian government to finance its share in the project for the construction of a 600,000-seat stadium in Olembé, Yaoundé in the run up to the organization of the 2019 AfCON in Cameroon.

The same goes for the FCfa 46.5 billion loan guarantee given to the Turkish company Yenigun, in charge of building a 50,000- seat football stadium in Japoma, in the suburbs of Douala, the economic capital of the country. Concurrently, we learned from reliable sources, last year UBA Cameroon co-arranged with the local subsidiary of Ecobank, a syndicated loan worth a total of FCfa 47 billion for Dangote Cement Cameroon, who last year, took away the leadership

from Lafarge-Holcim in the local cement market.

Still in 2016, the Cameroonian subsidiary of the Nigerian group UBA gave a lifeline to a Gabonese Public Treasury lacking liquidity due to the drop in international crude oil prices, with a medium term loan of FCfa 15 billion. Over the period under review, UBA Cameroon invested 38.133 million Nairas (FCfa 72.28 billion) in public securities, against 26.659 million Nairas in 2015, about FCfa 49.5 billion. This sharp rise can be explained by the launch last year of a new debenture loan of FCfa 150 billion by the Cameroonian government, and the increase in financial need on BEAC's public securities market where UBA Cameroon is a primary dealer (SVT in French) for several member States of this central bank.

For the first time in 2 years, BEAC raises its interest rate to slow down the expatriation of capitals, according to the governor

At the end of the first session of the Monetary Policy Committee (CPM) for 2017, held in Yaoundé this past 22 March, the Bank of Central African States (BEAC), issuing institution for the six CEMAC countries comprising Cameroon, Congo, Gabon, Equatorial Guinea, the Central African Republic and Chad, decided to raise by 50 points its main key interest rate. This rate moves from 2.45 to 2.95%, thus returning to its level before 9 July 2015, date on which it dropped for the last time. This decision from BEAC is in line with the projections of the consultancy firm BMI Research who, last month, was already announcing an increase in BEAC's key interest rate by 55 points. However, while BMI Research justified this probable rise with the necessity of curbing inflation in the CEMAC zone, the Governor of BEAC, Abbas Mahamat Tolli, justified the decision taken on 22 Mars by the desire to limit expatriation of capital outside the CEMAC zone, currently facing great treasury challenges following the drop in international oil prices, the main export product in five of the six countries in this community.

"For over two years now, BEAC has adopted easing policies, particularly with the rise in maximum refinancing ceilings and continuous lowering of the key interest rate. Lately, CPM lowered the ratio of legal reserve requirements for banks, to afford them more room for maneuver and participate in funding our economies. Today, the situation is not the same", explained the Governor of BEAC at the end of the last CPM.

And he specified: *"Generally, when you have policies of easing which enable the injection of liquidity in the economy, what happens most often times is that this money goes abroad, either because it is invested (the biggest contracts are generally won by foreign companies, Ed.), either because there are a lot of imports. When you find yourself with important volumes of capital transfers leaving the CEMAC zone, foreign exchange reserves decrease, thus reducing our capacity to import goods and services. Therefore, the economic situation leads us to notice that when there is a lot of liquidity in the system, a lot also*



comes out of the system".

Aside from this ambition to restrict the expatriation of capital, Abbas Mahamat Tolli claims that this rise in the BEAC key interest rate follows the ongoing discussions between the CEMAC States and the IMF, negotiations which bode well for *"external funding, which will help in reducing budget deficits and promote investments. When all this will be effective, CPM will be able to assess the economic situation and financing needs as and when. Today, we have a higher need for ensuring the integrity of our foreign exchange reserves, a coherent monetary policy, in line with public finances"*, concluded the Governor of BEAC.

SCB Cameroun will finance imports from Arab countries through IFTC credit lines

The International Islamic Trade Finance Corporation (ITFC), a member of the Islamic Development Bank group (BID), recently signed with the Moroccan banking group Attijariwafa, parent company of SCB Cameroun, an agreement to support trade between Arab countries and African countries. Through this agreement, revealed the

platform Arabnews, ITFC will provide funding complying with Shariah law to Attijariwafa Bank subsidiaries; who will in turn finance companies wishing to import goods from Arab countries. The amount of the credit line to be opened by ITFC was not revealed.

According to again Salem Sonbol, CEO of ITFC, the first phase of

this financing agreement with Attijariwafa targets the subsidiaries of the Moroccan banking group in three countries. These are Cameroon, Côte d'Ivoire and Senegal. The agreement was signed during the fifth edition of the International Africa Development Forum, which just ended in Casablanca, Morocco.

Mohamed El Kettani: “We want to contribute to the modernisation of capital markets in Cameroon”



According to Mohamed El Kettani, CEO of the Moroccan banking group Attijariwafa, the Cameroonian subsidiary (SCB) of this group is looking to play a decisive role in the development of a dynamic capital market in the country.

“We have a demand and the proof is that we have taken the decision to create an asset management subsidiary in Cameroon. It will also deal with public debt”, he revealed in an interview with the pro-government daily Cameroon-Tribune, on the fringes of the latest edition of the Africa Development Forum, which recently ended in Casablanca, Morocco. According to Mr Kettani, the creation in Cameroon of Attijari Securities Central Africa on 10 February 2016, with a scope of action covering Central Africa, *“demonstrates SCB Cameroun’s will, with the support of its parent company, Attijariwafa Bank, to make a modest contribution to the modernisation of capital markets in Cameroon. We will use all our expertise and savoir-faire to serve the country”*.

We can recall that the Cameroonian subsidiary of Attijariwafa Bank has already arranged two of the four domestic debenture loans of the Cameroonian State. There was, in 2013, a loan of FCfa 50 billion on the Douala Stock Exchange (Dsx), and another one of FCfa 150 billion launched in 2014 on the same market.

Both operations were over-subscribed. The 2013 debenture loan, totalling FCfa 50 billion, even had subscriptions for a total amount of FCfa 80 billion. To the great pleasure of the Cameroonian State, who then requested and obtained from the local financial market regulatory authority, an over-allocation of the resources initially requested.

AGRIBUSINESS

A mission of Cameroonian agricultural entrepreneurs announced in Israel for June 2017

Isragro, an Israeli structure specialized in improving farming profitability is organizing, in June 2017, an economic mission for Cameroonian operators in this sector of activity. According to the pro-government daily who revealed this information, this mission is meant to expose the Cameroonian operators to the treasures of an extremely developed

Israeli agriculture. The goal is also, for the Cameroonian participants, about immersing themselves in the Israeli experience in sectors such as hydraulics and renewable energy, and establishing partnerships.

This project, benefiting from the support of the Israeli embassy in Cameroon, is locally organized by a company called Human and Animal

Protection (HAP), local representative of Isagro. As a reminder, in terms of cooperation between Israel and Cameroon in agriculture, producers from the town of Massakal, in the Far North region, are already experimenting with the Israeli drip irrigation technology, which enables farmers in dry areas to improve their yields.

Cocoa farm gate prices in Cameroon dip below FCfa 1,000 per kilogram

Based on data compiled in the Sector Information System (SIF), which publishes on a daily basis the average cocoa and coffee prices throughout the country, one kilogram of beans has been sold these past weeks in the production areas between FCfa 900 and 960 on average. In some remote areas at the start of this rainy season, particularly in the South-West region, it is not rare for a kilogram of cocoa beans to be sold at FCfa 700 to exporters, authorized sources in the sector inform.

At the origin of this drop in farm gate cocoa prices, whose prices reached 1,600 per kilogram in some production areas during the previous crop season, operators particularly point out the downward trend in cocoa prices on the international market.



PIDMA launches awareness campaign on the dangers of mould for maize, cassava and sorghum producers

The Agricultural Markets Investment and Development Project (PIDMA), financed by the World Bank with FCfa 50 billion, to promote the cultivation of maize, sorghum and cassava to supply food industry units; just launched an awareness campaign for producers on the negative impact of mould on their activities.

Indeed, we learned from PIDMA experts, mould can result in up to 20% loss in production, thus depriving producers of important revenues. On top of these production losses, we learned, the fight against mould, with inappropriate products, can be harmful to the health of consumers. This is about avoiding these different possible cases, especially as the crops of producers managed by PIDMA are meant to be used in priority as raw material in the food industry.



4.5 million cocoa and coffee seedlings to be made available to producers in 2017

The Cameroonian government, through its various branches in charge of promoting the cultivation of cocoa and coffee, will make available to producers a cargo of 4.5 million seedlings during the 2017 crop season, officially launched on 10 March 2017 in the town of Buéa, the South-West regional capital. Based on revelations made by the Minister of Agriculture, Henri Eyébé Ayissi, this cargo will be made of 2 million cocoa seedlings against 2.5 million coffee seedlings. This planting material graciously offered to producers by the State should help with renewing aging cocoa-cof-

fee trees which are consequently increasingly less productive. As a reminder, the unavailability of planting material has often been listed by producers among the challenges to the development of agriculture in Cameroon. As an example, at the end of the catastrophic 2012-2013 coffee season (16,000 tons produced), the Inter-Professional Cocoa and Coffee Council (CICC) launched, in January 2014, in three production areas of Cameroon (Western, Eastern and Littoral), the Targeted Emergency Programme to revive Coffee Cultivation (Purc-café). Purc-café, whose objective was to

create 600 hectares of new farms on an annual basis, thus 1,800 hectares in 3 years, was unfortunately not implemented, mainly due to the unavailability of seedlings. According to CICC, who then requested from the national seedling programme a lot of 780,000 coffee seedlings, only 75,000 seedlings were handed over to Purc-café, barely 10% of the demand. Relaunched and redefined in 2016, Purc-café should also provide this year, a "record cargo" of 2 million coffee seedlings, the Executive Secretary of CICC, Omer Gatineau Malédy, announced. This was a year ago during a ceremony in Yaoundé.

Estimated at FCfa 8 billion, cattle thefts represent 15% of losses linked to the war against Boko Haram



On the fringes of the official launch of the Project to Support the Improvement of Livestock Farming (PAPE) in the town of Maroua (Far North), on 10 March, professionals and other experts in the sector revealed, during a workshop, that one of the sectors most affected by the war against Boko Haram is the breeding activity, through cattle thefts.

This practice, which has always existed in this main beef production area in Cameroon, due to gangster activities, we learned, has worsened with the start of the war against Boko Haram, particularly through sacking operations on the general population's properties organised by members of this Nigerian Islamist sect.

Based on the statistics from the Ministry of Livestock, these thefts resulted in losses of roughly FCfa 8 billion over the past three years. This sum, we learned, covers the global value of the cattle stolen by thieves, as well as the taxes generally collected by boroughs during cattle markets, commercial spaces which have practically all been shut down due to insecurity.

FCfa one billion to set up young Cameroonian farmers in 2017



The Programme to support young farmers in establishing their business (PAIJA), implemented by the Cameroonian Ministry of Agriculture for 11 years now, will inject FCfa one billion in 2017, to set up young people in the agricultural sector, through project funding in this line of business. The information was revealed by the Minister of Agriculture, Henri Eyébé Ayissi, during a recent session of the steering committee of PAIJA.

This programme is meant to provide financial support to young farmers established on their own lands, or on property lots serviced by the State in specific towns. PAIJA encourages the cultivation of crops such as maize, plantain, cocoa or potato.

Launched in 2006 in the towns of Wassandé, Adamawa, and Nlobesse, in the Central region, PAIJA has already provided support, we learned, to approximately 2,350 young Cameroonians in launching agricultural projects; to renew the agricultural production workforce in the country.

Bird flu is back in Western Cameroon, the main production area in the country

25,000 chickens. This is the number of birds killed since 13 Mars in poultry farms in the town of Foubot, located in the Noun district, Western Cameroon, local sources declare. These slaughterhouse operations, we learned, follow the discovery of the H5N1 bird flu virus on dead chickens in the farms of Mr Charles Tsagué and Jean Meli, two poultry farmers of the area.

Following the revelation of the results of the tests carried out on these chickens by the Yaoundé veterinarian laboratory extension, the Governor of the Western region, Awa Fonka Augustin, even signed on 17 March 2017, a decree prohibiting the sale and movement of poultry in the Noun district. Farm cleaning operations are also underway.

The Western region, main chicken production area in Cameroon, is thus going through its 3rd bird flu epidemic in less than a year. To the great displeasure of poultry farmers, who had already announced losses of about FCfa 16 billion at the end of the May 2016 epidemic, which broke out in the capital of the country, before spreading to several regions in Cameroon, including in the West.



Close to 10% of the population affected by food insecurity

According to the strategic review of food and nutrition security in Cameroon, 9.6% of the population is affected by this issue, we learned during a ceremony for the presentation of this document, meant to better direct the interventions of the State and its partners in the process to eradicate hunger in the country by 2030.

Statistics on food insecurity in Cameroon reveal that the Far North region is the most affected, with 35% of the population suffering from malnutrition, against 0.7% in the South-West, 2% in the North-West, 3% in the Central region and 4% in

the Littoral region. The situation has worsened over the past 3 years in this northern Cameroon region, due to the crimes committed by the Islamist sect Boko Haram, pushing the population to abandon their fields to escape death.

"It appears from this study that there is a real need to continue supporting the efforts of the government in the fight against poverty, food insecurity and malnutrition", commented Abdoulaye Balde, Resident-Representative of the World Food Program (WFP) in Cameroon. Despite this bleak situation, the 2016 Global Hunger Index ranked

Cameroon among the countries who managed to lower by more than 45% the proportion of the population victim of malnutrition during the past 15 years. This performance had already been applauded by FAO in June 2015.

Indeed, this specialised United Nations organisation awarded, on 8 June 2015, a degree to the Cameroonian ministry of Agriculture, for succeeding in reaching the first Millennium Development Goal (MDG) before the 2015 deadline.

Cameroonian private sector demands more access to land ownership for agro-industries



During the Cameroon Business Forum (CBF), an exchange platform between Cameroonian private and public sectors, whose 8th edition took place on 13 March 2017 in Douala, the economic capital of the country, economic operators expressed a request which will probably not please strong opponents of land grabbing by agro-industrial companies. At the expense of village communities. Indeed, through the President of the Chamber of Commerce, Industry, Mining and Arts (CCIMA) of Cameroon, Christophe Eken, the community of businessmen wished for the government to carry out a *"land reform, to facilitate access to land ownership for investors, especially in the agro-industrial sector"*, one can read in the official press release issued at the end of the 8th CBF. For economic operators, this reform is to be considered as a *"priority"*, if the government wants to *"increase the competitiveness of the Cameroonian economy"*.

This request comes in a context marked by civil society organisations blowing the whistle on the land grabbing operated by agro-industrial units, a practice which according to

these NGOs, challenges the survival of neighboring communities. The latest denunciations to date came from Greenpeace and local NGOs against the company Sithe Global Sustainable Oils Cameroun (SGSOC), subsidiary of the American firm Herakles Farms, then owner of a land concession of 20,000 hectares dedicated to the cultivation of oil palm in the South-West region.

In September 2015, in a memorandum addressed to the public authorities, neighbouring communities living close to the farms of the limited company Hévéc du Cameroun (Hévécam) in the Lokoundjé and Kribi II arrondissements, both located in the Southern region of the country, openly accused this subsidiary of the Chinese group Sinochem International of grabbing farming lands, stepping beyond the limits of some of its land concessions. A situation which, according to them, deprives them of a livelihood generally provided by agricultural activities on the lands under dispute. As a reminder, according to two studies published at the end of 2015 and carried out separately by LandMatrix, the global watchdog

on large scale land acquisitions, and Deborah Brautigam, Director of China Africa Research Initiative at John Hopkins University in the USA; Cameroon is one of the top 10 African countries who have sold the most lands to Chinese agricultural investments.

Indeed, specifies the Thomson Reuters Foundation, with 10,120 hectares of lands sold to the Chinese company Shaanxi Land Reclamation General Corporation (operating under the name IKO), to farm maize and rice in the Central region of the country (Nanga Ebola and Ndjoré), *"Cameroon, Ethiopia and Mozambique have some of the most important Chinese investments"* in agriculture on the Dark Continent. But at the continental level, we learned, Cameroon comes far behind Zimbabwe, who sold 100,000 hectares to the Chinese company CWE to farm maize. Or countries like Nigeria and Mozambique, who have sold 25,000 hectares each to Chinese agricultural investments; Mali and Ethiopia, each with 20,000 hectares sold.

INFRASTRUCTURE

Commissioning of the deep water port of Kribi again postponed

Contrary to the commitment taken by Patrice Melom, Managing Director of the Autonomous Port of Kribi (PAK), when responding to a question from the Head of the European Delegation in Cameroon on 1st December 2016, the first commercial vessel will not berth at the deep water port of Kribi during the first quarter of 2017.

After yet another postponement in its commissioning, the most important port infrastructure in Cameroon, whose construction works were completed 2 years ago, continues to rust.

As proof of this, we learned from reliable sources, the two tugboats purchased and received since 2014 by the State of Cameroon will be sent for servicing in the coming days, because they have been left to wait for so long at the port. At the source of this stalling in the commissioning of this port infrastructure which has however been ready for operation from a technical standpoint for months, are the delays noted in signing with the consortiums who won the concession contracts to manage the multi-purpose and container terminals. These operators have however been identified since August 2015.

If the Dutch company Smit Lamnaco, winner of the tugging and mooring contract has its contract since 2 February this year, almost 2 years after being recruited by the State of Cameroon in April 2015; the consortiums Necotrans-KPMO (multi-purpose terminal) and Bolloré-CMA CGM-CHEC (container terminal), both recruited since August 2015, are still waiting for the government's approval to start operations on their



respective terminal. The signing of the concession contract for the management of the container terminal, scheduled for 2 February, was adjourned sine die. For unclear reasons.

For the moment, we learned, the management of the Autonomous Port of Kribi regularly tests the port equipment, by carrying out operations simulating vessel arrivals and departures. This, while waiting for the vessels, which are at the moment virtual, to become real.

Built by the Chinese company CHEC, with funding from Eximbank China, the deep water of Kribi has 650 m of docks, including 350 m for the

container terminal and 265.5 m for the multi-purpose terminal. The two terminals have respective capacities of 300,000 Twenty Equivalent Unit (TEU) per year and 1.2 million tons per year.

The second phase in the construction of this infrastructure projects the expansion of the container terminal to a 700 m-long dock, meant to extend it to 1,050 m, as well as the construction of an ore terminal and an oil terminal. With a 15.5m-long channel, this port infrastructure, which can take in vessels with a draught of 16 m, is presented by experts as the best along the West African coastline.

Road Fund's plea for automation of revenue collection

If the Cameroonian government plans to fulfill its goal to bring the portion of the national asphalted road network from the current 10% to 17% by 2020, it is imperative to automate the collection of revenues at toll booths and weigh stations throughout the country, and link the payment of the axle tax to the payment of the vehicle inspection. These are some of the recommenda-

tions made by the Road Fund at the end of a workshop held in Ebolowa, South Cameroon. According to the management of the Road Fund, a State structure in charge of centralizing financial resources for road maintenance in the country, these reforms should enable the State to raise more resources, to meet the ever-increasing needs in terms of road maintenance.

In addition to reforms meant essentially to secure and maximize the collection of road revenues, Jean-Claude Atanga Bikoé, Coordinator of the Road Fund, expressed his desire for the collected monies to be directly deposited in the account of the structure at the central bank, instead of the public Treasury accounts, who is usually very slow in transferring said funds to the Road Fund.

According to Deloitte, Cameroon accounts on its own for 54% of major infrastructure projects in Central Africa

In a report entitled *"Africa's changing infrastructure landscape"*, Deloitte, one of the four main audit and consultancy firms in the world, revealed that at the end of 2016, Cameroon, a country presented as the economic engine of Central Africa, housed on its own 54% of the major infrastructure projects listed in the sub-region. Moreover, in the biggest projects top 10 in terms of financial costs, the report highlights, Cameroon has five projects (Lom Pangar, Memvé-élé and Mentchum dams, the Yaoundé-Douala motorway and the deep water port of Limbe), against three for the Democratic Republic of Congo and two for Gabon. At the continental level, 24 of the largest infrastructure projects under development are located in Central Africa (Cameroon, Congo, CAR, Chad, Equatorial Guinea, São Tomé & Príncipe and DR Congo). Which represents, we learned, 8.4% of the projects, for an estimated global cost of USD 7 billion (over FCfa 4,000 billion), equivalent to 2.2% of the global infrastructure project envelope in Africa. This number of projects and volumes of corresponding investments,



Deloitte points out, are however "definitely less important" than in 2015 and 2014, due to the drop in international prices for commodities and the suspension of some large scale projects. Among the two projects listed by the audit and consultancy firm, is the project for the mining of the Mbalam iron deposit, located astride Congo and Cameroon.

Indeed, at the end of 2015, while the Cameroonian government was getting ready to sign with the company China Ghezouba a contract for the construction of infrastructure (500 km railroad and ore terminal at the deep water port of Kribi) linked to this mining project, the Chinese side withdrew at the last minute; arguing an international business environment unfavorable for iron ore.

ITC & TELECOM

Cameroon wants to join the Convention on Use of Electronic Communications in International Contracts

The Cameroonian Minister of Trade, Lucile Magloire Mbarga Atangana, defended on 28 March 2017 in front of members in Parliament, the bill authorizing the President to proceed with the ratification, on behalf of Cameroon, of the United Nations Convention on the Use of Electronic Communications in International Contracts, adopted on 23 November

2005 in New York.

This tool developed by the United Nations Commission on International Trade Law (UNCITL), Minister Mbarga Atangana specified, puts particular *“emphasis on the fact that the increase use of electronic communications could improve the efficiency of trade activities, to strengthen trade relations, and offer*

new opportunities to previously isolated markets...”

The governmental procedures to join this international mechanism come in a context characterized by the digital boom in Cameroon. Actually, the country recently adopted a digital economy development plan, which requires FCfa 600 billion in funding.

MTN Cameroun announces its return to football funding, with new 3-year contract



“Today’s meeting was focused on football. We announced MTN’s return to this sport. We will soon sign a contract of three years to sponsor this sport”. These are the comments made by the Managing Director of MTN Cameroun, South African Philisiwe Sibiyi, at the end of a meeting at the presidential palace this past 17 March, during which she met with

the Secretary General of the Office of the President, Ferdinand Ngoh Ngoh. The amount of the contract that the Cameroonian subsidiary of the telecoms firm MTN International is about to sign has not been revealed. But, we learned, funding provided by this mobile telephony company will be mainly directed towards football clubs in the 1st and 2nd leagues. As a reminder, MTN Cameroun funded Cameroonian football continuously from 2002 to 2012 without a break. But, the mobile operator was forced to announce its withdrawal in January 2013, citing the poor organisation characterising football championships in the country, an organisation which was the time marked by several interruptions, programs and counter-programs, and above all, the lack of enthusiasm shown by the associated unlock for these tournaments.

Despite promises from General

Semengué (President of the Professional Football League) to make the competitions more attractive and better organised MTN Cameroun bowed out. A few months ago, we learned, the President of the Professional League went back in search of football funding from MTN Cameroun. With more success this time.

We can notice however that this return from the leader in the Cameroonian mobile market in the football sector comes at a time when Cameroon is back under the African football spotlight. Indeed, the national football, the Indomitable Lions, won the last edition of the Africa Cup of Nations (AfCON) organised earlier this year in Gabon, against all expectations. The country will moreover host in 2019 a new AfCON edition, an extremely popular moment for football.

SERVICES

French company Tessi Documents Services eyeing archive digitization market in Cameroon

Offer to the Cameroonian government, through the Ministry of Posts and Telecommunications, digital filing services for public administration documents. This is the objective of the French company Tessi Documents Services, whose management met with the Cameroonian Minister of Posts and Telecoms, Minette Libom Li Likeng, on 23 March in Yaoundé, the capital of the country.

In other words, this French firm plans to somewhat revolutionize the management of documents within the Cameroonian public administration, which still relies extensively on paperwork. Tessa Documents Services presents itself as “leader

in the document processing and payment option market” in France. Listed on Euronext, this firm has over 3,300 employees, all activities included, spread mainly throughout France but also globally.

A directory of financial and non-financial support sources made available to SMEs

The SME promotion agency (APME), a public organization in charge of supervising and supporting these companies, officially presented the directory of financial and non-financial support sources for SMEs. This document, we learned, will now be used as a compass by SME in their search for financing and other existing supports, to develop their

activities.

According to APME, the creation of this document follows a study carried out by the agency of the real needs of Cameroonian SMEs. Over 133 pages, the directory lists financial and non-financial sources of support from the public, private sector, or from programmes implemented with development partners. Presented as the main economic growth leverage in Cameroon, SMEs, which represent 80% of the companies registered in the country, are however facing many difficulties. The first being access to funding, whose main sources have just been listed in the document created by APME.

Cameroonian economic operators on a business development mission in the Czech Republic

A delegation gathering a dozen of economic operators from the agro-industrial sector just visited the Czech Republic, to find business opportunities, the pro-government daily revealed.

The Cameroonian businessmen among other experiences they had in this European country, we learned, became more knowledgeable about cold palm kernel oil extraction methods, contrary to the hot extraction method widely used by local agro-industrial units.

“I am very happy to have our country participating in the expansion of the agro-industrial sector in Cameroon, a



stable country experiencing economic growth. It can become a model in the application of methods to raise itself to the international level in this commodity. This also requires a cooperation with the research sector and training establishments; we are ready for it.

This relationship is new as we did not traditionally have direct links with Africa”, Jiri Sir, Vice-Minister in charge of Agricultural Raw Materials, Foreign Relations and Organic Production, confided to the pro-government daily.

Cameroon has apparently engineered a variety of oil palm which rather benefited Malaysia

In the meantime, the Cameroonian government is forced to import every year approximately 115,000 tons of palm oil.

TRUE



It is often told like a legend: “Malaysia benefited from Cameroonian palm trees”. But we probably do not know to what extent this declaration is close to the truth. According to the Centre of Analyses and Research on Economic and Social Policies in Cameroon (Camericap-Parc) who presented on 28 March 2017 in Yaoundé, a study on the appropriation of research in the country, it is confirmed that Malaysia indeed benefitted from

research carried out by Cameroonian researchers.

“As part of a project to improve the productivity and competitiveness of the oil palm sector in Central and Western Africa (Aprocom-PH), the studies carried out on the palm kernel in the laboratories of the Institute of Agricultural Research for Development led to the development of a revolutionary variety which starts producing after 4 years”, reveals Camericap.

The Cameroonian think tank adds:

“The implementation of these results enabled some Asian countries such as Malaysia to climb to the top spot as a main global producer of palm oil to our detriment”.

Camericap-Parc notes that Cameroon is forced to import every year approximately 115,000 tons of palm oil to fill the production deficit estimated at 270,000 tons and meet the demand on the internal market which is at 385,000 tons per year.

Sylvain Andzongo

Is it true that some of the 50 students-choir members who travelled with Paul Biya to Italy ran away to remain in Europe?

Rumour has it that these students found an easy option for clandestine immigration. Really?

FALSE

The most shared tweet on Wednesday in Cameroon was obviously the one suggesting that “13 of the 50 students from the Yaoundé 1 University who travelled with Paul Biya to Italy apparently fled from the group”.

In total: 395 retweets! The author of this announcement wrote with in the conditional language, to indicate that they are not sure themselves. In reality, the 50 members of the “Glorious Voices” choir from the Yaoundé 1 University all returned to Cameroon yesterday after 4 days in Italy.

According to trusted sources and journalists who interacted with them in Italy, they landed at the Nsimalen airport dazzling their audience in the country of Sergio Mattarella. It was actually the Italian President who triggered their trip. The latter was indeed very impressed by the Ngoa Ekellé choir during his recent work visit in Cameroon in March 2016. Sergio Mattarella had given an inaugural lecture in Hall 700 at the Yaoundé 1



University and had listened to the campus choir. He expressed his wish to hear them again.

A wish fulfilled by President Paul Biya this month, by including 50 choir members (30 young ladies and 20 young men) in his delegation for the Cameroon-Italy economic forum which took place from 20 to 22 March.

The chosen choir thus gave a

beautiful performance at the Paolina Chapel in Rome and a magnificent concert at the Italian Presidential Palace, on Sunday 19 March. It would certainly take some nerve to travel with a president and ran away to immigrate in clandestinity...

Monique Ngo Mayag

LEADER OF THE MONTH

Isidore Biyiha takes the helm of the African Alliance for Electronic Trade

Cameroonian Isidore Biyiha, Managing Director of the Single Window for External Trade in Cameroon (Guce), was elected on 14 March in Nairobi, Kenya as the new President of the Executive Committee of the African Alliance for Electronic Trade (AACE). Elected in the presence of 18 member countries, he takes over from Senegalese Ibrahima Nour Eddine Diagne, at the head of this organisation since its creation in March 2009.

Previously First Vice-President of the African Alliance for Electronic Trade, Mr Biyiha is one of the founding members of AACE. *"It is an honour for Cameroon and even for Central Africa, who now has the important duty of increasing the facilitation of external trade in Africa and beyond"*, commented the Guce after the appointment of its Managing Director at the AACE top position.

This organisation, gathering countries such as Benin, Burkina Faso, Congo, Côte d'Ivoire, Gabon, Egypt, Ghana, Libya, is a platform to exchange and share on trade facilitation. It estimates that the single window stimulates the development of inter- and intra-regional trade in Africa, and enables companies to be more competitive on markets and ready to take on globalisation challenges.

A premise on which Isidore Biyiha, as Head of Guce, has been working to turn it into reality in Cameroon. Through the change to a paperless system for 25 out of 38 external trade procedures to date. *"The digitisation*



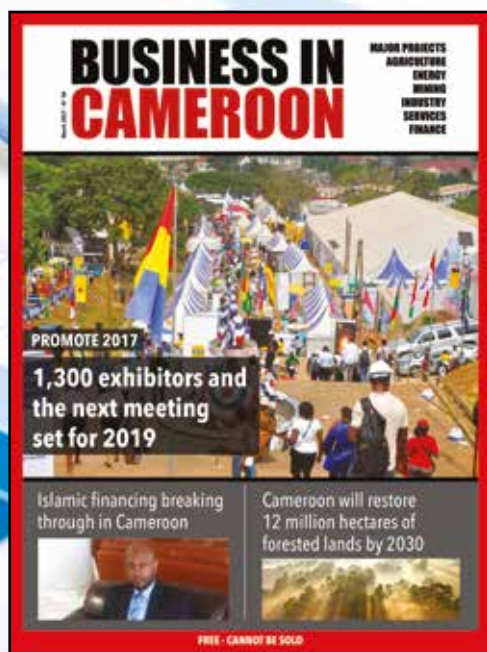
Previously First Vice-President of the African Alliance for Electronic Trade, Mr Biyiha is one of the founding members of AACE.

of procedures represents at the same time a considerable gain of time, and has helped securing State revenues... What was previously done in a week is currently being done in five minutes", insisted the MD of Guce, who pointed out that in January 2016, the digitisation of Guce in Cameroon enabled the State to raise and secure over FCfa 300 billion.

These are the first results of the Guce Paperless Project, whose target is the gradual installation of an electronic Guce based on the full digitisation of customs procedures. A system which came to replace the physical Guce, which gathered in a single space all the players in the chain, whether public or private.

Be a part of building tomorrow's Cameroon

Each month, learn about Cameroon's economic progress



The *Business in Cameroon* and *Investir au Cameroun* magazines are both free!

- In Cameroon's embassies and diplomatic posts
- In airport VIP lounges in Paris, London, Brussels, Zurich, and Frankfurt
- In Bourget company lounges
- In Business Class on Brussels Airlines
- In Cameroon's business travel hotels and ministries



IL Y A DU SERVICE DANS L'AIR



La valeur n'attend pas le nombre des années. 2 ans au compteur, un personnel hautement qualifié, des appareils régulièrement révisés, des valeurs, une vision, un sourire, l'étoile du Cameroun est bel et bien lancée sur sa trajectoire. Voyagez sereins, voyagez Camair-co.

Une nation, une compagnie, une étoile. Camair-co.

www.camair-co.cm

 **Camair-Co**
L'étoile du Cameroun