

March 2015 - N° 25

BUSINESS IN CAMEROON

MAJOR PROJECTS
AGRICULTURE
ENERGY
MINING
INDUSTRY
SERVICES
FINANCE



**Paul Biya resolves to
eradicate Boko Haram**

**The first 750 billion
FCFA Eurobond for
Cameroon**

**Mobile:
the battle
is on!**



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

Yasmine Bahri-Domon



All United

“Boko Haram, you’re going to die”, “Boko Haram, you’re dead”

Thousands of Cameroonians walked the streets of Yaoundé, Brussels, Paris and elsewhere to protest the Islamist Nigerians’ murderous attacks and crimes as they called for the death of the terrorist group’s leader, Abubakar Shekau. It was also the opportunity for them to express their support for their Head of State, President Paul Biya and the government forces engaged in an international operation against the sect. More and more initiatives of support have recently been made in Cameroon. The Yaoundé Conference was the catharsis for these gatherings. It was a decisive turning-point in the collective efforts of several nations to prepare, with full autonomy, for a global war against terrorism. The event aimed to adopt a common strategy for CEEAC member countries. Some 8,700 soldiers from the countries of the Economic Community of Central African States (CEEAC in French), the Lake Chad Basin Commission (CBLT in French) and Benin will be mobilising to fight the Boko Haram sect by as the Mixed Multinational Force. A total of 50 billion FCFA was disbursed for the Cameroonian and Chadian armies. These are the main resolutions resulting from the Extraordinary Summit of Heads of State and Heads of Government of the Central African Peace and Security Council (COPAX) held on February 16, 2015 in Yaoundé. Gathered around President Paul Biya, the leaders meeting in the Cameroonian capital answered the call to fight the barbarism of the Boko Haram sect. No Head of State hesitated to go

to Yaoundé. Speaking in a single voice in unison, Presidents Paul Biya (Cameroon), Idriss Deby Itno (Chad), Ali Bongo Ondimba (Gabon), Denis Sassou Nguesso (Congo), Teodoro Obiang Nguema (Equatorial Guinea) and Catherine Samba Panza (Central Africa), heads of the delegations of the Democratic Republic of Congo, Sao Tome and Principe, Burundi and Angola showed their determination to eradicate this sect whose crimes need not be demonstrated.

During the meetings, Paul Biya reaffirmed that, *“Boko Haram’s Islamists are supporters of an ignorant, tyrannical society. They wish to do away with the foundations of a modern, tolerant society that guarantees human rights and religious freedom.”* He called on his counterparts to *“eradicate Boko Haram”* while specifying that this fight is not *“a crusade against Islam.”*

Since then, hope has been returning little by little among the people and thousands of refugees are eager to return to their lands to live in peace as they tend to their occupations in the Sahel where the economy has been at a standstill because of the insecurity caused by Boko Haram. Yaoundé’s COPAX is a considerable diplomatic victory for Cameroon, the oasis of peace par excellence. Cameroon’s people are united around their leader and determined to restore calm so that the nation can once again focus on developing major projects and furthering growth. As the war is affecting only a small part of Extreme-North, Cameroon remains a destination of choice for investors.

BUSINESS IN CAMEROON

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

Publication Director • Yasmine BAHRI-DOMON

Contributors • Beaugas-Orain DJOYUM, Idriss LINGE, Brice R. MBODIAM

Operator • Médiama Sàrl • www.mediamania.pro • Design : Jérémie FLAUX, Web : Christian ZANARDI, Translation : Craig Bloomfield

Advertisement • regiepub@businessincameroon.com • In Cameroon • Albert MASSIMB • almassimb@yahoo.fr •

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

Free – cannot be sold

www.businessincameroon.com • info@businessincameroon.com



CONTENTS

- 08 ▶ Paul Biya and Idriss Déby resolve to eradicate Boko Haram
- 11 ▶ Mobile telephones: the battle is down to the wire
- 12 ▶ Nexttel has disappointing start after its network launch for having higher rates than Orange and MTN
- 12 ▶ Telecom veteran Camtel lands 4th GSM licence
- 13 ▶ Orange launches 15 FCFA per minute call, tackling MTN's 25 FCFA rate
- 14 ▶ Government demands 150 billion FCfa for 3G and 4G licences to Orange and MTN
- 15 ▶ Bilan: MTN beats out Orange in the first three quarters of 2014
- 16 ▶ Laurent Fabius: *"I would like to pay homage to Cameroon's bravery in the fight against Boko Haram"*
- 16 ▶ Standards for products entering Nigeria widen trade deficit with Cameroon
- 16 ▶ Cameroon to sign a 30.5 billion FCFA financial agreement with Commerzbank Paris to help maintain peace in the Central African Republic
- 17 ▶ Facing the fall in oil prices, Cameroon raises debt load to 900 billion FCFA
- 17 ▶ Facing plummeting oil prices, Cameroon announces strategy to boost tax revenue
- 18 ▶ Cameroon raises 143.5 billion FCFA on the regional bank market to refinance SONARA
- 18 ▶ Deutsche Bank finances tourism project in Cameroon to the tune of 21.5 billion FCFA
- 18 ▶ Deutsche Bank and Caixabank lends 8.5 billion FCFA to Cameroon to build refrigerated slaughterhouses
- 19 ▶ Business Creation Centres produced 33,000 SMEs between 2010 and 2014
- 19 ▶ Nine projects worth 58 billion FCFA have been chosen to encourage private investment
- 19 ▶ Tunisian businessmen invited to invest in Cameroon
- 20 ▶ Nealiko Enterprises and Nestlé Cameroon lead in Robusta exports at the start of the season
- 20 ▶ Cameroon doubled its coffee production to 32,800 tonnes in the course of the 2013-2014 season
- 20 ▶ Nestlé Cameroon will soon buy its coffee directly from local producers
- 21 ▶ Cameroun aims to produce 40,000 tonnes of coffee by the close of the 2014/2015 season
- 21 ▶ Cameroon raises tax levies on cocoa and coffee exports
- 22 ▶ Cameroon again to import 60,000 tonnes of palm oil in 2015
- 22 ▶ The American Herakles Farms' agro-industrial project hits snag
- 22 ▶ Tunisia-based Medoil Company's *"Jadida"* soy oil sparks controversy in Cameroon

- 23 ▶ Following what Nescafé's move with Cameroonian coffee, Nestlé plans to add Penja pepper to Maggi bouillon cubes
- 23 ▶ Price hike on alcoholic beverages follows excise tax reform
- 23 ▶ Cameroon to invest 6.5 billion FCFA in 2015 in family-run agricultural projects
- 24 ▶ Semry to diversify its production to face famine expected in Extreme-North
- 24 ▶ Sodecoton to buy 266,400 tonnes of cotton from Cameroonian farmers in 2015
- 24 ▶ Cameroon's banana exports rise by 12 423 tonnes in 2014
- 25 ▶ Alamine Ousmane Mey: *"Cameroon has all the assets to be successful with its first 750 billion FCFA Eurobond"*
- 25 ▶ Cameroun, Chad and Gabon will raise 670 billion FCFA on BEAC market in 2015
- 25 ▶ Cameroonian SMEs stifled by "the highest" bank interest rates
- 26 ▶ Cameroun-Vie insurance union returns to Sunu insurance brand
- 26 ▶ Cameroonian insurance company Activa sees sales soar to 37.3 billion FCFA in 2014
- 26 ▶ 12% of Cameroonian bank loans in trouble
- 27 ▶ MIGA Operations Director pays prospecting visit in Cameroon
- 27 ▶ IFC loan on the Douala Stock Exchange comes to a close with mixed results
- 27 ▶ IFC supports Advans Cameroon to increase access to affordable financial services
- 28 ▶ Internet access will soon be available in secondary schools in Cameroon
- 28 ▶ Cameroonian bloggers speak-out against Boko Haram on Twitter and Facebook
- 28 ▶ Cdiscount Cameroon signs on to Orange's mobile payment service
- 29 ▶ Norwegian company Norfund positions itself in Cameroon's energy sector
- 29 ▶ Sustainable Energy Fund for Africa to support first solar IPP project in Cameroon
- 29 ▶ Despite financial problems, Lom Pangar Dam to be impounded in September 2015, says EDC
- 30 ▶ South African entity, Umnombo Consortium Partners to build 65 billion FCFA Electricity Tower
- 30 ▶ Cameroon's energy shortage hits 100 MW per day since dry season
- 31 ▶ New Age lands exclusive Etinde natural gas mining in Cameroon
- 31 ▶ Domestic gas consumption in Cameroon increased by 14% in the 2013-2014 period
- 32 ▶ African Development Bank approves two loan agreements worth 110.3 billion FCFA to build 248 km of roadway in Cameroon
- 32 ▶ In 2014, Royal Air Maroc flew 40,000 passengers on the Cameroonian market
- 32 ▶ French shipowner CMA CGM inaugurates container terminal at Douala port
- 33 ▶ Camgaz explodes share capital in response to fierce competition
- 33 ▶ Cameroonian companies Biopharma and Himore Medical in high demand in Morocco
- 33 ▶ China Road and Bridge Corp Cameroon land two deals worth 1.7 billion FCFA from MAETUR
- 34 ▶ Linda Kouam Kamche appointed Chief Marketing Officer of MTN Cameroon

CASTING



MARTIN LUTHER NJANGA NJOH



According to insider sources, the Commercial Bank of Cameroon's restructuring could soon be finalised. *"The bank has already resumed what one could consider to be a normal rhythm of activity. We are now awaiting the holding of a general assembly that will officially recognise this and appoint the bank's directors,"* said a source who wished to remain anonymous.

The bank was previously headed by Martin Luther Njanga Njoh, its interim head. In October 2014, Finance Minister Alamine Ousmane Mey had issued a release extending his tenure for the 6th time. Though published in October, this extension should come to an end in November 2014.

So far, restructuring has cost taxpayers hundreds of billions of FCFA and, in almost every case, lending establishments have either disappeared or have sold their assets to other entities, but this does not appear to be the case in this instance.

ESAÏE MASSOUME



The Cameroonian company, Amla, directed by Esaïe Massoume, just designed an innovative initiative to limit fraud in domestic gas cylinder distribution. The project involves using a digital seal which enables one to trace gas cylinders from the gas-filling centre to

the distributor. It also allows for the exact weighing of the cylinder at the point of sale and gives the consumer the means of checking the amount of gas left in the cylinder.

According to the promoter, this electronic device will revolutionise the fight against the fraudulent under-filling of cylinders in the domestic gas sector. According to various reports by the Ministry of Trade's Anti-Fraud Brigade, thousands of domestic gas cylinders being sold in Cameroon weigh less than the regulated 12 kg as distributors have created a pre-sale cylinder syphoning network.



JAMES ONOBIONO



Propero SA is the name of the company registered on December 15, 2014 by its CEO, James Onobiono, at a notary in Douala, the country's economic capital. The company has 10 million FCFA in start-up capital. Its board members are all from the Onbiono

family as well as the International Financial Corporation (IFC). The creation of this company suggests that it is to be entirely devoted to investment, to participating in existing companies or in companies being created.

Propero SA's main objective is to participate in *"the subscription, the purchasing of securities and shares in companies already in existence or in the process of being created, able to directly or indirectly or a similar arrangement by any means by providing, subscribing for or purchasing shares through mergers, alliances or limited partnership."*

IDRISS DEBY



On January 17, 2015, a convoy of 400 military vehicles from Chad, including tanks, armoured cars, pick-ups and combat helicopters crossed the Chari River en route to Kousséri. *"Our forces are crossing the border today. Tomorrow, will be operational,"* stated the Chadian

Head of State, Idriss Déby Itno, whose army is coming to reinforce Cameroon's armed forces to fight the advance of the Nigerian Islamist sect, Boko Haram, which has been carrying out frequent incursions in Cameroon.

The arrival of Chadian soldiers for the crusade against Boko Haram was greeted in Extreme-North, Cameroon with applause by the people. *"I call on the other CEEAC countries to create a large coalition to fight Boko Haram [...]. We answered President Paul Biya's call. We cannot remain indifferent to what is happening to our neighbours,"* stated President Déby of Chad.

JEAN-MARIE WETONDIEU



In 2014, customs revenue raised in Cameroon's Extreme-North region fell by a little over a billion FCFA. This was revealed on January 22, 2015 in Yaoundé at a day of reflection held by the general management of the Ministry of Finance on the theme:

"Cameroonian customs facing the challenge of coordinating border management in a context of insecurity".

"In terms of revenue, we previously made approximately 5 billion FCFA per annum. Most of the revenue came from the Fotokol and Kousséri customs posts [...]. In 2014, we made 3.9 billion FCFA in revenue thanks to the excellent performance of Fotokol in the first quarter. But, figures fell starting in July with the bombing of this post by Boko Haram," stated Jean Marie Wetondieu, Sector Chief of Extreme-North customs.

MARTIN TUMENTA CHOMU



The Cameroonian government will soon sign a financial agreement with Comerzbank Paris for 30.5 billion FCFA. This was revealed in a presidential decree published on February 2, 2015 by authorising the Ministry of Economy to sign the said agreement. The agree-

ment will enable the financing of Cameroon's participation in peacekeeping efforts in Central African Republic (CAR). This instability in CAR is having a negative impact on communities residing along Cameroon's border with Central Africa in the form of Central African refugees entering East, Cameroon as well as the attacks perpetrated in Cameroon by armed militants from the CAR.

In the CAR, the Cameroonian general, Martin Tumenta Chomu, who led the International Support Mission to Central Africa was appointed as head of the United Nations' Integrated Multidimensional Stabilisation Mission in the Central African Republic on September 15, 2014.

Paul Biya and Idriss Déby resolve to eradicate Boko Haram

The day after the Nigerian Islamist sect's first attack in Chad, an extraordinary summit was held by COPAX in Yaoundé. The meeting was much like a war council for both CEEAC countries facing the threat of Abubakar Shekau's men.

The presidents of Cameroon and Chad reaffirmed their determination to fight the Islamist sect Boko Haram on February 16, 2015 in

Created in February 1999, COPAX is the armed force within the CEEAC.

Yaoundé, the Cameroonian capital, where the Central African Peace and Security Council (COPAX) held an extraordinary summit. The objective: to organise a joint response to Boko Haram's criminal activity. Both presidents also raised contradictions between the discourse and actions of the Islamist sect which has professed its aim to establish an Islamist State.

"You will agree with me when I say that these two societal models are completely incompatible and so compromise would be impossible. We must therefore put an end to terrorist actions and activities. We must eradicate Boko Haram", declared Paul Biya, President of Cameroon.



IN TOTAL UNISON

According to the President of Cameroon, Paul Biya, the war "is not at all a crusade against Islam, neither is it a war of civilisations. The reality is simple. On one hand, ours, we have the tenets of a modern, tolerant society that guarantees human rights, including the rights to religion and democratic representation. On the other hand, that of Boko Haram and similar movements, there are supporters of a tyrannical, ignorant society that

has no regard for human dignity. You will agree with me when I say that these two societal models are completely incompatible and so compromise would be impossible. We must therefore put an end to terrorist actions and activities. We must eradicate Boko Haram." President Biya paid "fraternal" homage to the President of Chad who sent a contingent of 2,500 soldiers to fight alongside the Cameroonian army.

In his role as President of the

CEEAC, Idriss Déby, made similar remarks about the sect's intentions. *"The paradox of this attack is that people of Muslim faith, for whom they allege they are fighting, are paying the heaviest price. To face this threat and in the spirit of solidarity, my country sent a military contingent to Extreme-North, Cameroon,"* the Chadian president explained. For him, the war against Boko Haram *"is a wonderful opportunity for CEEAC countries to reaffirm their solidarity and interrelation facing security threats."*

He acknowledges that it would be difficult to face these terrorists alone. *"Chad is resolutely in favour of pan-Africanism. Our intervention in Mali and in other areas demonstrates this,"* stated Idriss Déby to his Central African counterparts. His hope is that, *"[their] efforts can lead to immediate, concrete actions being undertaken in the fight against Boko Haram."* He concluded his remarks with ovations from his CEEAC colleagues by adding that, *"Boko Haram must know that, as the Chinese strategist Sun Tzu once stated: War is like fire. The longer it burns, the more*

"Boko Haram shall have no place in Central Africa!", concluded Idriss Déby with ovations from his CEEAC colleagues



doro Obiang Nguema Mbasogo, the Secretary of State to Foreign Affairs representing the President of Angola, José Eduardo Dos Santos and Laurent Kavakure, the Minister of Foreign Affairs and International Cooperation representing the Burundian president Pierre Nkurunziza were all in attendance.

SUPPORT FROM COPAX

The extraordinary COPAX summit in which CEEAC Heads of State or their representatives participated follows the meeting of the Lake Chad Commission's military and legal experts and those of partner countries held in Yaoundé, Cameroon from February 5-7, 2015 on decisions taken by African Heads of State at the recent African Union summit. According to Paul Biya, the summit, which ended on February 16, was *"devoted to the aggression to which some of our nations have been subjected by Boko Haram. Your presence is a testament to our organisation's collective solidarity. It also demonstrates our commitment to implementing the various deci-*

sions that we have taken against Boko Haram. As you know, this sect rejects the values of civilised society. It uses terroristic methods that are blind and ruthless. It has already killed thousands and caused destruction and considerable loss of human lives in Nigeria and its neighbouring country."

Created in February 1999, COPAX is the armed force within the CEEAC. It aims to prevent, manage and resolve conflicts; undertake actions that promote, maintain and consolidate peace and security in the sub-region; work towards strengthening sub-regional peace and security; reduce and prevent the explosion of armed conflicts; build confidence among member States; promote policies for peaceful resolution; implement relevant anti-aggression measures and mutual defence assistance; develop and intensify sub-regional cooperation for defence and security or facilitate mediation efforts for crises and conflicts within and among member States of the sub-region or with third party countries.

The President of Chad sent a contingent of 2,500 soldiers to fight alongside the Cameroonian army.

it endangers those who started it. *Boko Haram shall have no place in Central Africa!"* The President of Transition in the Central African Republic, Catherine Samba-Panza, the President of Congo Brazza, Denis Sassou Nguesso, the President of the Republic of Gabon, Ali Bongo Ondimba, the President of Equatorial Guinea, Teo-

50 BILLION FCFA IN EMERGENCY AID



The Heads of State and government of the Central African State Economic Community (CEEAC), concluded their meeting with a commitment “to provide 50 billion FCFA (86.5 million dollars) in emergency aid to the governments of Cameroon and Chad” to support their current military efforts facing the security challenges posed by the armed militant group, Boko Haram.

This commitment is a major step as participants left the previous COPAX meeting in Yaoundé without agreeing upon any financial commitment.

In Yaoundé, government and State heads also decided to create a multidimensional support fund for logistics, humanitarian aid, communication and political and diplomatic actions. They instructed the CEEAC Secretary General to develop an action plan for these various areas which will be submitted to COPAX for adoption and implementation.

The final release issued from their meeting specifies that the Heads of State have decided to reinforce the surveillance of their respective territories and lead awareness and commu-

nication actions to help their nationals to reduce the risks of infiltration by Boko Haram members within the sub-region's borders and cut off their supply network. On the inter-regional model of the fight against maritime piracy in the Gulf of Guinea, they showed their desire to develop an active cooperation with the Economic Community of West African States (CEDEAO in French) in order to eliminate the terrorist group Boko Haram. The Presidents of Equatorial Guinea and the Congo, respectively Teodoro Obiang Nguema and Denis Sassou Nguesso have been mandated to work more closely with the CEDEAO president to explore the possibility of holding a joint summit of the CEEAC and the CEDEAO to adopt a common strategy to fight Boko Haram. They will also be working more closely with Nigerian President Goodluck Jonathan to increase cooperation between his country and two member States of the CEEAC that share his country's borders.

B.O.D.

Mobile telephones: the battle is down to the wire

In the last 10 years, the mobile telephone sector has certainly been the most flourishing, dynamic sector in Cameroon. Indeed, according to Telecommunications Regulations

up to September 2014 when a third company arrived, officially created 6,000 direct jobs and over 300,000 indirect jobs, mainly through its vast network of subcontractors.



Agency (TRA) statistics, the nation's telecom watchdog, the mobile penetration rate moved from a low 9.8% to 71% in the 2004-2014 period.

In addition, though telecom and ICT companies account for 50% of the jobs in this tertiary sector, as the Cameroonian Postal Services and Telecommunications Minister, Jean Pierre Biyiti bi Essam suggests, most of these jobs are actually in mobile telephone sector. This is all the more the case as the MTN-Orange duo, which dominated this market

The cellular phone industry in Cameroon generated 500 billion FCFA in sales in 2013 and paid around 617 billion FCFA in taxes to the Treasury Department in the last five years. It also has 17 million customers out of a national population of 20 million. Some 11.2 million of these customers are signed with the local subsidiary of the South African company, MTN. Only three months after its September 18, 2014 launch, the third cellular service company, Nexttel already has 400,000 subscribers. This is a testa-

ment to the dynamism and wealth of opportunities found in this sector.

Since the start of 2015, new energy has been pulsing through the cellular phone sector in Cameroon. Firstly, because of the newcomers, including Nexttel, which should now be established after over 5 months of activity, then Camtel, the longstanding operator, which should be launching its cellular licence this year. 2015 marked the beginning of the era of 3G and the 4G innovative technologies which should significantly improve the efforts of the operators to improve service quality (particularly the internet which is still hardly accessible in the country), to improve the quality of service and probably lower costs.

Lastly, and most importantly, 2015 is the year of the 2nd generation mobile phone service in Cameroon. Indeed, the licences of the two operators, MTN and Orange, are coming to a close in the coming weeks. And renewal negotiations, which have been going on for days now, are very tight. Each mobile phone company is required to pay 75 billion FCFA to renew their 3G and 4G licences for a period of 10 years.

According to Maas Telecom, the firm assisting the government in these negotiations, this fee is in keeping with the company's profits which range between 750 billion and 1.2 trillion FCFA that MTN and Orange are expected to make in 10 years with the 3G licence. This despite the battle which promises to be a rough one, with the two new operators, including Camtel which has the monopoly on fibre optics.

According to Telecommunications Regulations Agency (TRA) statistics, the nation's telecom watchdog, the mobile penetration rate moved from a low 9.8% to 71% in the 2004-2014 period.

Nexttel has disappointing start after its network launch for having higher rates than Orange and MTN

Officially launched on September 18, 2014, Nexttel has published its rates. According to information provided by the company, its rates are more expensive than those of Orange and MTN that were there before it.

Calls will be billed at a rate of 0.9 FCFA per second (54 FCFA per minute) within its own network and 1.1 FCFA per second (66 FCFA per minute) for calls to other networks. These prices contradict statements made by the company that it would be offering rates 15-20% lower than those of its competitors.

At MTN Cameroon, for example, MTN Elite and MTN Best, the two plans it offers to its prepaid customers, are cheaper than Nexttel's. With MTN Elite, the subscriber

gets a rate of 90 FCFA for the first minute of the day and 0.75 FCFA per second for the rest of the day on the network. Outside the network, calls cost 90 FCFA for the first minute and the same price the rest of the day, which is 1.5 FCFA per second.

Orange's rates are lower than those of Nexttel. With the Orange Plen-

ty plan, with its Classic, Fun (250 FCFA), Smart (500 FCFA) and Relax (1,000 FCFA) packages, Orange customers have lower rates. The customer can call at a rate of 0.5 FCFA per second (30 FCFA per minute) to all networks and 0.55 FCFA per second (33 FCFA per minute) for international calls.

400,000 CUSTOMERS ALREADY

The Cameroonian Minister of Postal Services and Telecommunications, Jean Pierre Biyiti bi Essam, stated that Nexttel already has 400,000 customers since launching on September 18, 2014. With rates of 54 FCFA on its network and 66 FCFA to other networks, the company has been developing promotions and

bonuses which have reduced the cost of calls on its network and to competitors' networks for less than 50 FCFA.

On December 2, 2014, Minister Biyiti bi Essam revealed in parliament. He was presenting his ministry's achievements for 2014 with a budget of 12.7 billion FCFA.

Telecom veteran Camtel lands 4th GSM licence

The telecom veteran industry Cameroon Telecommunications (Camtel), received government authorisation to create and run electronic communication networks with national coverage open to the public. Camtel can now offer mobile services to its customers along with land line services.

Camtel's mobile division, Cameroon Mobile Telecommunications (CMT) S.A., was created in 2006 at a general assembly held in Yaoundé. At that time, David Nkoto Emame, the company's managing director announced to the press that *"very soon, we will be using our 3rd mobile licence"*, but



nothing happened for seven years. With the new mobile phone company on the market, Cameroonians are hoping that Camtel will become

a quality company like Sonatel in Senegal, Maroc Telecom and Tunisie Telecom.

Orange launches 15 FCFA per minute call, tackling MTN's 25 FCFA rate



On January 30, 2015, mobile phone company Orange made its first manoeuvre against its main competitor in lowering calling rates in Cameroon. While it is true that both telecom companies have been reducing their per-minute rates, it should be noted that this reduction does not involve the whole minute. With both companies there are conditions that apply.

On its website, Orange indicates that the per-minute rate of 15 FCFA is only available after activating a short code along with adding more than 500 FCFA in credit. The 15 FCFA is also only for domestic

calls within the company's network. Outside the network, the rate per minute is 60 FCFA. With less than 500 FCFA worth of credit, the plan subscriber can no longer receive the 15 FCFA per-minute rate. The rate would be 20 FCFA. After activating the plan, the offer is only valid for two days.

At MTN, the set-up is similar. The MTN 25 plan is also a package that can be activated using a short code. The difference with Orange is that its local per-minute rate is 25 FCFA, regardless of the amount of credit the customer has. The rate to even other networks is 60 FCFA and the

plan is valid for three days.

By slashing prices, the MTN and Orange seem to be using a dumping-oriented competitiveness strategy. They are lowering their rates to go on the offensive on the market knowing that they will have easy profit margins. The price of voice communication, though included in the plan, lowers and raises the consumption levels of customers who wish to chat longer. The short term limit on these plans encourages renewals. This is certain to have a ricochet effect on the companies' average revenue per user (ARPU).

Muriel Edjo

Government demands 150 billion FCfa for 3G and 4G licences to Orange and MTN

Mobile phone companies MTN and Orange are currently in negotiations with the Cameroonian government to lower the 75 billion FCFA fee each is required to pay to renew their 2G licensing which goes with 3G and 4G. The fees now deemed to be too high by the telecom companies were determined by the American firm Maas Telecom which the government had hired to conduct a financial assessment of the new licence.

The 75 billion FCFA per company set by Maas Telecom was determined by taking into account the companies' current financial situation, their financial forecasts for the next ten years (the lifespan of the licence), and the renewal procedures used in other countries of Sub-Saharan Africa.

According to Maas Telecom, with 3G, MTN Cameroon will make an estimated 3.571 trillion FCFA in profits over the next ten years with gross earnings before interest, taxes, depreciation and amortisation (EBITDA) amounting to 1.282 trillion. Orange Cameroon will make 2.147 trillion francs Cfa with an EBITDA of 750 billion FCFA.

Orange Cameroon is offering the sum of 40 billion FCFA for the new licence, while MTN is offering 35 billion FCFA. In the event that both companies raise the argument that they have made infrastructural investments in an effort to lower the fees, the Minister of Postal Services and Telecommunications will maintain that MTN and Orange will not spend much: 18 billion FCFA at the most to modernise 900 telecom sites and update their network for 3G.

VIETTEL'S REQUEST

The nation's 3rd mobile phone service provider, Nexttel's Viettel Cameroon had written to the Office of the President to extend its 3G monopoly. According to the contract signed with the government in December 2012, Viettel was to have two years of 3G exclusivity as of the signing date.

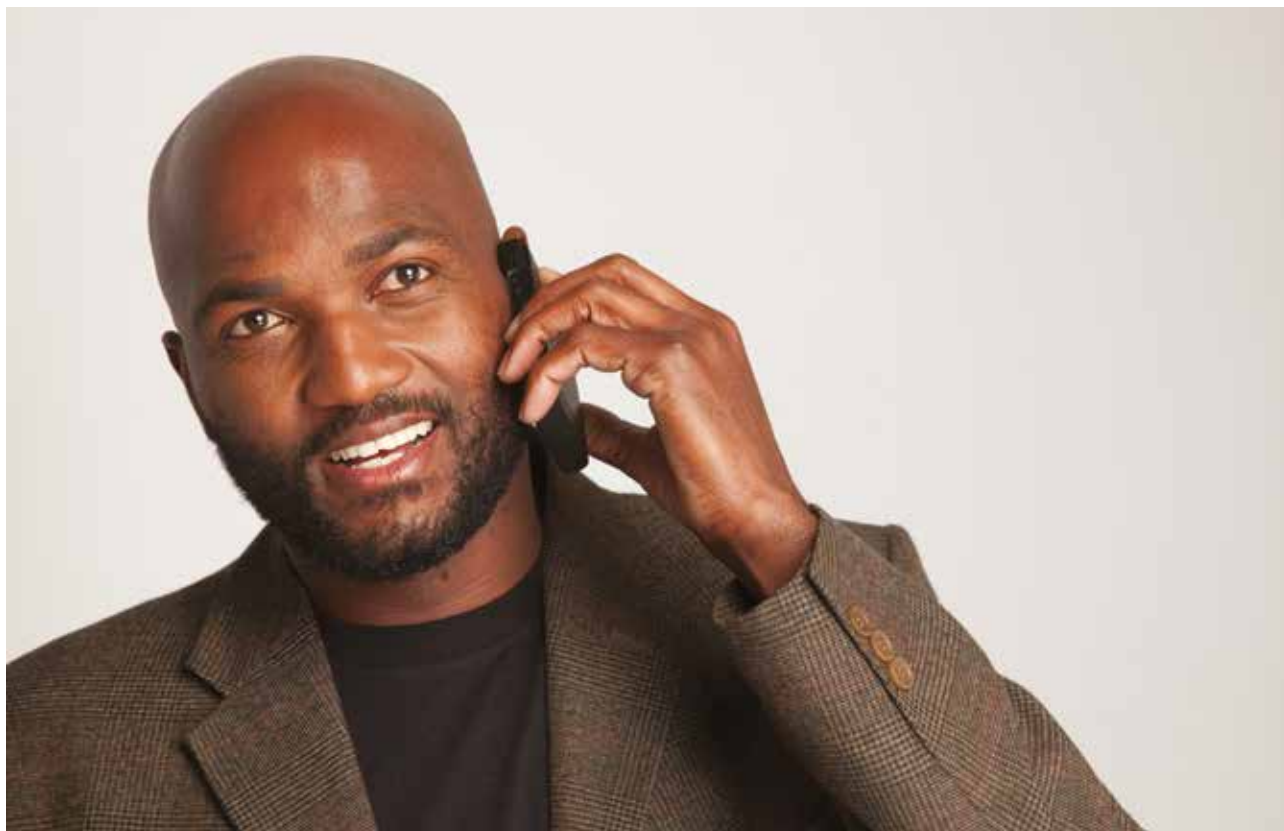
Viettel's heads are seeking to convince the government that the monopoly should have been valid as of "*the start of activity*" in Sep-

tember 2014 instead of the signing of the contract. If approved, this would extend the monopoly to 2016.

However, the request comes at a bad time for the Vietnamese company. Indeed, the 15-year contract deals, respectively signed on July 7, 1999 and February 15, 2000 signed by Orange and MTN with the Cameroonian government come to an end this year. Both are currently in the process of renegotiating their contracts with 3G included.



Bilan: MTN beats out Orange in the first three quarters of 2014



Since the 3rd mobile phone operator launched in September 2014 and MTN's local subsidiary Camtel received its 4th licence, the local subsidiary of South Africa's MTN established itself as a leader for the first three quarters of the year, beating out Orange's subsidiary, particularly in terms of customer base and generated revenue.

Based on interim results reported by the two groups on their key performance for the period ending on September 30, 2014, MTN Cameroon's subscriber base grew quickly, reaching 11.233 million customers, which represents a 9.7% growth over the previous year. Orange also grew in this area, but to a lesser degree: only 6.465 million customers. The subscription leader, MTN Cameroon is also surpassing its

main competitor in overall revenue. Indicators suggest that Orange Cameroon's cumulative revenue for the first three quarters of 2014 amounted 213 million euros or 139,632 billion FCFA. MTN has not yet published its overall financials for the 3rd quarter, but already for the first quarter closing in June 2014, the company announced 3.048 billion South African rand or over 144 billion FCFA in overall revenue, to which should be added the 25.526 billion FCFA generated in the third quarter from mobile products. This brings its total earnings to close to 170 billion FCFA up to September 30, 2014.

Throughout 2014, awaiting the launch of the 3rd mobile service provider and its 3G exclusivity, the two leading companies made many

service and incentive offers to attract more customers. A real performance assessment was made at the end of the first quarter of 2015 as Nexttel (a Viettel group subsidiary) will have already been in business for some time.

Orange announced that it has made significant investments in Cameroon to improve its voice service as well as the internet – the sector's new battleground. Pending these investments yielding results, MTN Cameroon continues to lead by using marketing that seems to be working. Its dominant position should not, however, affect both companies' profit margins as net profit depends on a range of factors such as operational costs, various fees, amortisation and the volume of taxes associated with gross revenue.

PUBLIC MANAGEMENT

Laurent Fabius: “I would like to pay homage to Cameroon’s bravery in the fight against Boko Haram”



Speaking before the press on February 21, 2015 after meeting with Cameroon’s Head of State, Paul Biya, French Foreign Affairs Minister, Laurent Fabius, who visited countries affected by the Boko Haram threat, paid “homage to Cameroon’s bravery.” The Cameroonian army has inflicted heavy losses on the terrorists whenever they have carried out incursions on Cameroonian soil.

“They are criminals and must be fought. [...] Nigeria must also lead this fight. We have examined how we can be a part of this effort, but it is especially up to the Africans to lead. You have seen the decisions taken by the African Union. We must now take this together to the United Nations Security Council. France will, of course, stand beside Cameroon to carry this new African mission,” stated Laurent Fabius when indicating France’s support in the crusade against Boko Haram. *“We are providing and will continue to provide the intelligence necessary for Africans to defend themselves,”* he added.

Cameroon to sign a 30.5 billion FCFA financial agreement with Commerzbank Paris to help maintain peace in the Central African Republic



The Cameroonian government will soon sign a financial agreement with Commerzbank Paris to the tune of 30.5 billion FCFA. This was revealed following the February 2 publication of presidential decree authorising the Economy Minister to sign the said agreement.

The agreement will allow for funds to be raised to finance Cameroon’s participation in peacekeeping efforts in Central African Republic, a country mired in political instability since the overturning of the Bozizé regime in 2013.

This instability in the CAR has had a negative impact on Cameroonian communities neighbouring that country’s border, particularly because of the influx of Central African refugees in Cameroon’s East region as well as attacks carried out in Cameroon by armed militants from the CAR.

Standards for products entering Nigeria widen trade deficit with Cameroon

Between 2011 and 2014, Nigeria’s exports to Cameroon increased by 36% while Cameroon’s to Nigeria for the same period grew by 24%. This was revealed on January 28, 2015 in Douala at a preparatory meeting for the implementation of a platform between busi-

nesses from both countries. Cameroon Chamber of Commerce representatives assert that the trade deficit is due to the rigid standards imposed on products at the Nigerian border.

In addition, before the setting-up of a platform to boost trade between Africa’s

leading economic power and the engine behind the CEMAC zone’s economy, the purpose of the January 28 meeting in Douala, Cameroonian businesses expressed their need for the said standards to be revised.

Facing the fall in oil prices, Cameroon raises debt load to 900 billion FCFA



Instead of the initial 375 billion FCFA to be raised in 2015 by the Cameroonian Treasury Department, by issuing public securities on the capitals market, Cameroon has decided to aim for 900 billion FCFA that Cameroon will attempt to raise this year. The debt load was raised by presidential decree signed on February 6, 2015. The presidential decision has specified that this financing has to be raised through the Treasury's issuance of bonds, which are long-term loan instruments.

This decision comes at a time of lower

oil prices on the global market. Oil accounts for 20% of Cameroon's budget and 40% of the country's exports. According to the government's forecasts, the current international oil situation is likely to leave the National Treasury short of 300 billion FCFA in 2015, while the country is undertaking several major investment projects which needed considerable financing.

The financing will be used to refinance Société nationale de raffinage (Sonara) and enable the financing of the three-year 925 billion FCFA emergency plan

that the government will be officially launching this year to restart growth.

The Cameroon government's activities on the capitals market comes at a time when the country has received a positive rating. "According to our forecasts, Cameroon's real GDP growth is around 5.6% or 5.7% per annum from 2014 to 2017. This forecast is based on increasing oil production (...), improving energy supply for industrial sectors from the start of production at the Kribi gas plant in the second half of 2013," highlighted S&P.

Facing plummeting oil prices, Cameroon announces strategy to boost tax revenue

Invited to talk about "measures taken or planned to optimise State budget execution for the 2015 fiscal year, both in revenue and expenditure", Finance Minister Alamine Ousmane Mey announced that a strategy aiming to increase tax and customs revenue collection will be im-

plemented to make-up for expected losses in oil revenue. This will put a lot more pressure on local businesses which could pay a heavy price for the current gloomy oil situation on the international market.

If expert predictions hold firm and per

barrel oil prices do not rebound in 2015, it will be difficult for oil revenue in Cameroon to reach 500 billion FCFA. This would represent a significant decline of over 275 billion FCFA. This would have to be sourced elsewhere unless the 2015 Finance Act is amended.

Cameroon raises 143.5 billion FCFA on the regional bank market to refinance SONARA

On February 10, 2015, the Cameroonian Finance Minister, Alamine Ousmane Mey, and a consortium of four banks led by BGFI Bank Cameroon followed by SG Cameroon, Afriland First Bank and Ecobank Cameroun, signed a 143.5 billion FCFA bridge loan to finance Société nationale de raffinage (Sonara).

While the Cameroonian subsidiaries of BGFI Bank and d'Afriland First Bank aligned on this operation, Société générale and Ecobank are calling for capital from their Congolese subsidiaries and Equatorial Guinea.



Deutsche Bank finances tourism project in Cameroon to the tune of 21.5 billion FCFA



The Cameroonian Minister of Economy, Emmanuel Nganou Djoumessi, received the go-ahead from President Paul Biya to sign two loan agreements worth 21.5 billion FCFA with Deutsche Bank GA of London to finance the touristic and economic development of the municipal lake of Yaoundé, in the Cameroonian capital, a project which should create around 2,000 direct jobs. The first agreement worth 3.5 billion

FCFA is a “*complementary loan*” which, according to inside sources, represents the 15% of the project’s cost to be disbursed by Cameroon in the form of a counterpart fund.

The second agreement for a little over 18 billion FCFA represents the remaining 85% of the total amount for the improvement project for Yaoundé’s municipal lake. The project is expected to be completed in 2018.

Deutsche Bank and Caixabank lends 8.5 billion FCFA to Cameroon to build refrigerated slaughterhouses

Caixabank and Deutsche Bank will soon lend the Cameroonian government 8.5 billion FCFA.

This money will be used to finance the construction of refrigerated slaughterhouses and warehouses in Cameroon. This was revealed in a presidential decree authorising the Economy Minister to sign the loan agreement.

The refrigerated warehouse and slaughterhouse project is a part of the three-year emergency plan being launched by the Cameroonian government this year for a total of 925 billion FCFA.

Business Creation Centres produced 33,000 SMEs between 2010 and 2014

Before 2010, starting a business in Cameroon was like the way of the cross and the business environment rating instruments, like Doing Business, always ranked Cameroon at the bottom of their lists. With the 2010 launch of the Business Creation Centres (CFCE), things have changed a lot.

Indeed, with the launch of these centres representing all the administrative agencies involved in the business creation process, 33,000 companies were created from 2010 up to today, in 72 hours or less. This was revealed in an information day on CFCEs recently held in the Cameroonian capital.



Nine projects worth 58 billion FCFA have been chosen to encourage private investment

Nine Cameroonian companies have just been selected to take part in the private investment incentive initiative in Cameroon. This allows them to receive 5 to 10 years of tax exemption during their set-up and launch phases.

Among the companies chosen are UCB, the Cameroonian Breweries Union company, the cocoa grinding company, Fapam Industry Sarl and the palm oil refinement company, SCR Maya. The total investment agreed upon is an estimated 58 billion FCFA and is expected to create 2,500 direct jobs.

In total, the government has already signed such agreements with 26 companies with projects, representing a cumulative investment of over 283 billion FCFA and over 7,000 direct jobs.

Tunisian businessmen invited to invest in Cameroon



CEO of the Tunisian Centre for Export Promotion (CEPEX), Abdellatif Hamam, invited businessmen from his country *“to invest in Cameroon, a country that has potential in the agro-foods, health, education and training, ICT, energy and environment sectors.”* This was revealed in

the Tunisian press on January 22, 2015 in a report the Cameroon-Tunisia partnership opportunity meeting held that day in Tunis.

The CEPEX CEO stated that Cameroon is a country *“that is open to the world’s investors”* while stressing that it is essential that the Cameroonian business community’s interest should also be attracted by arranging visits for them to discover the Tunisian production apparatus and experience that country’s medical, educational and touristic services.

AGRIBUSINESS

Nealiko Enterprises and Nestlé Cameroon lead in Robusta exports at the start of the season

In December 2014, the first month of the 2014-2015 coffee season for the Robusta variety, Cameroon exported 698 tonnes of Robusta coffee. This was a significant increase relative to the 263 tonnes exported for the same period in the previous season.

Exportations:

1. Nealiko Enterprises exported 284 tonnes.
2. The Swiss agro-foods' Cameroonian subsidiary, Nestlé exported 180 tonnes of Robusta in December 2014
3. Polis Agro Cam exported 27 tonnes of Robusta coffee in December 2014

According to the National Cocoa and Coffee Board (ONCC), 249 tonnes of Arabica were exported since the start of this variety's season in October 2014.



Cameroon doubled its coffee production to 32,800 tonnes in the course of the 2013-2014 season



Cameroonian coffee growers have produced 32,800 tonnes of coffee in the course of the 2013-2014 season compared to a little over 16,000 tonnes only in the previous season. This was revealed on February 5, 2015 in Bafoussam, in the West region of the country at the launch of the 2014-2015 season.

An increase was observed in the prices to producers, which were around 1,000 FCFA throughout the season according to businesses and institutions in charge of the sector.

Nestlé Cameroon will soon buy its coffee directly from local producers



Nestlé's Cameroonian subsidiary, which has been selling Nescafé products made with Cameroonian coffee, is planning to create a network of cooperatives from which it will buy coffee, ending its partnership with Olam. This was revealed by company inside sources.

To do this, Nestlé Cameroon's deputy head, Bruno Olierhoek indicated that the company will *"make contact with cooperatives in the next few weeks so that they meet the requirements"* of the Swiss agro-foods company.

Cameroon aims to produce 40,000 tonnes of coffee by the close of the 2014/2015 season

After a 2013/2014 season that doubled coffee production, Cameroon aims to produce 40 000 tonnes by the end of the new season which officially opened on February 5, 2015 in Bafoussam in the country's west region.

According to official figures, the country rose from 17,000 tonnes produced in 2012/2013 to 32,800 tonnes in 2013/2014. It now hopes to achieve its goal to pro-

duce 160,000 tonnes of coffee in 2020.

According to the leadership, producers should receive better prices during this season's harvest due to the current global 4% deficit relative to demand, which caused prices to rise. Looking at this situation, Trade Minister, Luc Magloire Mbarga Atangana, finds that, *"it may not be a highway, but a path is opening-up to Cameroonian producers."*



Cameroon raises tax levies on cocoa and coffee exports

Since the start of the 2014-2015 cocoa and coffee seasons, Cameroon has been imposing tax levies on cocoa and coffee respectively at rates of 150 FCFA and 100 FCFA per kilogramme. This tax levy was previously only 54 FCFA. This amounts to a 200% increase on cocoa and a 100% increase on coffee.

According to the head of the Prime Minister's Technical Coordination and Monitoring Division of Cocoa and Coffee sectors, when quoted in the Cameroonian government's daily publication, these tax levies will bring in around 31 billion FCFA in 2015.

Collections for 2016 are estimated to be 35 billion FCFA. *"These funds will be paid over to the Cocoa and Coffee Sectors Development Fund (FO-DECC in French), which will thus have more resources for the projects,"* in the framework of the cocoa-coffee re-launch plan adopted by the Cameroonian government on September 30, 2014. This was announced by Mr. Evane.



Cameroon again to import 60,000 tonnes of palm oil in 2015

As was the case last year to ease a production shortage estimated at over 100,000 tonnes, Cameroon will be importing another 60,000 tonnes of crude palm oil this year to guarantee supply to refineries, soap manufacturers and

households.

To encourage these imports, the above-mentioned committee is suggesting that the government authorise that they receive a preferential customs duty of 5% along with VAT exemption.



The American Herakles Farms' agro-industrial project hits snag



In the national and international NGOs' outcries against the environmental threat of the palm plantations in South-West, Cameroon by the American firm, Herakles Farms, they were definitely right about the project.

Yet, the American company finally obtained, with three presidential decrees signed on November 25, 2013, a provisional deal on close to 20,000 hectares of land. The agro-industrial company had 73,000 hectares, according to the convention signed with the Cameroonian government in 2009.

With activities being suspended for a year, the spectre of not obtaining a definitive deal and the possibility of plain and simple abandonment of the project by Herakles Farms are growing more and more.

Tunisia-based Medoil Company's "Jadida" soy oil sparks controversy in Cameroon



The physical and chemical ingredients of the Jadida brand of soy oil manufactured by the Tunisia-based Medoil Company and imported into Cameroon by COPPEQ Sarl, are not in conformity with applicable standards in Cameroon which have been in effect since 2011. This is the claim made by the Cameroon Oil Refiners' Association.

Presenting tests ordered by the Standards and Quality Agency (ANOR in French), and conducted on a sample of this vegetable oil by Paléologos Laborato-

ries, the oil refiners allege that, in violation of standards in place, the manufacturer of "Jadida" makes no mention of the quantity of vitamin A present in its product and add that the amount of this vitamin is below the prescribed standard.

Recommended usage for this product suggests it be used for cooking and frying, but *"this oil cannot be used for cooking and frying because, when its temperature rises, it becomes cancerous, endangering the health of consumers,"* stated Jacques Kemleu, one of the heads of the association's heads.

Following what Nescafé's move with Cameroonian coffee, Nestlé plans to add Penja pepper to Maggi bouillon cubes



After a 4-year process, Nestlé Cameroon began to sell its Cameroonian coffee-based beverages on January 29, 2015. According to inside sources at the company, Swiss agro-foods giant's Cameroonian subsidiary plans to add Penja pepper to its Maggi cube ingredients.

The project will enable farmers of this Cameroonian pepper to have a great break since Maggi cubes represent close to 90% of Maggi production at the Nestlé factory in Douala (only in Central Africa) where all products (Maggi bouillon cubes, Nido bag milk, Nescafé) bring in 5 million FCFA per month in the six CEMAC countries – Cameroon, Congo, Chad, Central African Republic and Equatorial Guinea.

Cameroon to invest 6.5 billion FCFA in 2015 in family-run agricultural projects



Steered by the Cameroonian Agriculture and Animal Husbandry Ministers, the Family Farm Competitiveness Improvement Programme (ACEFA in French) intends to invest 6.5 billion FCFA to finance eligible projects.

In its pilot phase, the ACEFA enabled the financing of 1,500 projects to the tune of 5 billion FCFA. This first phase was limited to 10 departments in Cameroon from 2008 to 2012. In the framework of the second phase, which ran from 2013-2016, the programme was expanded to all 58 departments..

During this second phase, the programme's managers anticipate *"a visible increase in revenue for the 250,000 participating farmers. According to estimates, additional agricultural revenue should lie somewhere between 21 and 48 billion FCFA and jobs created in agriculture are expected to be between 50,000 and 100,000."*

Price hike on alcoholic beverages follows excise tax reform

On February 12, 2015, joint ordonnance by the Cameroonian Trade and Finance Ministers fixed the amount *"of excise tax to be imposed on alcoholic beverages subsequent to specific excise tax reform contained in the Finance Act [...] for the 2015 fiscal period."*

It was therefore revealed that *"the amount of additional excise tax resulting from the application of the specific duty*

system is 75 FCFA for all 65 centilitre beers and 37.5 FCFA for all 33 centilitre beers."

After several weeks of struggles with the government, the brewing companies won their case after immediately rising to action following the 2015 Finance Act's promulgation to demand a price increase on beer due to the significant excise tax increase.



Semry to diversify its production to face famine expected in Extreme-North

In order to face the famine looming in the distance in Extreme-North, Cameroon, where murderous incursions being carried out by the murderous Islamist, terrorist Nigerian sect, Boko Haram, made frightened local people abandon the fields, Société d'expansion

et de modernisation de la riziculture de Yagoua (Semry) has decided to diversify its production in 2015.

According to the decision taken by the rice company during its January 30, 2015 board meeting, in addition to rice, Semry will be cultivating millet and

sorghum. The company also increased its budget to 12.5 billion FCFA. *"This amount will certainly enable Semry to restructure things not only in terms of increasing production, but also by diversifying it to fill the gap in food supply,"* stated Board Chairman, Midjiyawa Bakari.

Sodecoton to buy 266,400 tonnes of cotton from Cameroonian farmers in 2015



According to the Managing Director of Société de développement du coton (Sodecoton), Abdou Namba, the agro-foods star of northern Cameroon intends to buy 266,400 tonnes of cotton from 250,000 farmers with whom it has a working arrangement in the country's Extreme-North region.

Mr. Namba indicated that this is essentially the purpose for which the 36.5 billion FCFA raised via the pool of five local banks on January 27, 2015 will be used in the current cotton season. The bank loan will facilitate the payment of farmers a week after their harvest has been sold to Sodecoton, compared to the previous 3-month delays.

These extended delays combined with unattractive prices led Cameroonian farmers to sell their produce to neighbouring Nigeria despite receiving loans from Sodecoton. This practice often compromised local production, creating considerable losses in revenue for Sodecoton.

Cameroon's banana exports rise by 12 423 tonnes in 2014



According to the Cameroonian Banana Association (Asso-bacam), farmers exported 267,502 tonnes of bananas in 2014. Over half of this production (152,067 tonnes) was exported by Plantations du Haut Penja, the local subsidiary of the Marseille-based fruit company.

The same source has also revealed that these exports have increased by over 12,423 relative to 2013. That year, the current leader's exports had reached only 83,325, which was half of 2014's exports.

FINANCE

Alamine Ousmane Mey: “Cameroon has all the assets to be successful with its first 750 billion FCFA Eurobond”

In keeping with a presidential decree signed on February 6, 2015, the Cameroonian subsidiary of Standard Chartered Bank and Société générale Paris officially received the mandate letter from the Cameroonian government to raise on the international capitals market the 750 billion FCFA needed to finance the three-year emergency plan launched this year by the government.

Finance Minister, Alamine Ousmane Mey indicated that this first international bond loan, beyond its financial intent, was intended to strengthen Cameroon's reputation on the international capitals market.

“After the local and sub-regional markets on which Cameroon fulfilled all its obli-



gations, it is now time to prove ourselves on the international market. We're confident because our country has all the assets

to be successful with the first Eurobond issuance in its history,” stated Minister Alamine Ousmane Mey.

Cameroun, Chad and Gabon will raise 670 billion FCFA on BEAC market in 2015

According to calendar forecasts for the three countries of the CEMAC zone which has been on the market since its creation, namely Cameroon, Gabon and Chad, 670 billion FCFA will be raised this year.

- Cameroon: securities issuance forecasts for a total amount of 375 billion FCFA, 55 billion FCFA of which will be used for fixed-rate interest payments on assimilable Treasury bills.
- Chad: 160 billion FCFA, of which 130 billion FCFA are in ATBs and 30 billion FCFA in assimilable Treasury bonds.
- Gabon: 135 billion FCFA on the BEAC market, of which 105 billion in assimilable Treasury bills and 30 billion FCFA in assimilable Treasury bond issuance.

Cameroonian SMEs stifled by “the highest” bank interest rates

Between September 2013 and September 2014, the National Loan Committee of Cameroon, which met on January 13, 2015, noted “a considerable increase” in loans granted to companies, with a 48% progression in the volume of credits received, while deposits by these companies increased by 25% over the same period.

But behind this bank support for SMEs lurks another reality: the high interest on loans to these companies which are generally considered to be the country's engines of economic growth.

In order to avoid these exorbitant bank loan interest rates, which remain more manageable than the borderline usurious rates used by microfinance establishments, SMEs are turning to tontines.

Cameroun-Vie insurance union returns to Sunu insurance brand

Sunu Cameroun-Vie is the new name of the insurance company previously known as Union des assurances du Cameroun-Vie (Uacam-Vie). This was recently announced in many local press publications. The name-change has nothing to do with any change in the insurance company's shareholdings.

Uacam-Vie has simply adopted the brand name of its parent company, the Sunu Assurances group which is the company's primary shareholder with an 85% stake.

The one billion FCFA company made 6.24 billion FCFA in sales in 2013 according to the Cameroon Insurance Company Association (ASAC in French).



Cameroonian insurance company Activa sees sales soar to 37.3 billion FCFA in 2014

According to reliable sources, Cameroonian insurance company Activa made 37.3 billion FCFA in sales (around 57 million euros) via its African subsidiaries in 2014.

According to the same sources, the company's sales increased by 2 billion FCFA as it was 35.3 FCFA a year before.

This performance could have been even better if business at the insurance company's subsidiaries in Liberia, Sierra Leone and Guinea had not slowed due to the Ebola epidemic which swept through these countries last year.

12% of Cameroonian bank loans in trouble



The loan portfolio of Cameroonian banks is worrying the country's National Loan Council. Indeed, in a release issued following the body's last meeting, the portfolio "remains unsatisfactory with 12% of loans in delinquency."

However, despite the gloomy numbers, the Nation Loan Council notes that, between September 2013 and September 2014, "the Cameroonian bank sector's financial situation significantly improved."

This significant improvement, one can conclude, is certainly the result of the announced end of Commercial Bank of Cameroon (CBC) restructuring, which was recently recapitalised.

MIGA Operations Director pays prospecting visit in Cameroon



Multilateral Investment Guarantee Agency (MIGA) Operations Director, Edith Quintrell, is scheduled to arrive in Cameroon on February 18, 2015. MIGA is a World Bank entity based in the United States that specialises in political risk insurance and credit rating improvement

In January 2014, the Cameroonian authorities held working sessions with Michel Wormser, the institution's vice-president. Six months later, MIGA approved an 82 billion FCFA guarantee to Energy of Cameroon (Eneo), the public sector electricity provider which was acquired by the British fund, Actis.

MIGA also granted breach of contract risk insurance to Globelec Africa, which manages the 216 MW Kribi gas plant and the 88 MW Dibamba fuel facility for a period of 20 years. This cost a total of 66 billion FCFA.

IFC supports Advans Cameroon to increase access to affordable financial services



On February 2, 2015, the International Financial Corporation (IFC), the World Bank subsidiary devoted to the private sector, announced the signing of a grant agreement with Advans Cameroon to accelerate financial inclusion in Cameroon by extending the range and accessibility of financial services offered to underprivileged urban and rural people.

With this agreement, IFC will provide 1.18 million dollars in financial advising services (around 500 million FCFA) to Advans Cameroon over the next four years in order that the micro-finance institution can create, pilot and implement a banking model without branches, using small branches instead, collectors and mobile agents.

IFC loan on the Douala Stock Exchange comes to a close with mixed results

On January 22, 2015, the Caisse autonome d'amortissement (CAA), which acts as a central deposit facility for securities (DVCM), announced the December 17, 2014, the close of the "IFC 4.25% 2009-2014" bond loan. The CAA notes that this follows "the full reimbursement

of the principal and the final payment to investors by the International Financial Corporation, the issuer of this security". This was indicated in an official release. The exercise was certainly a positive one for the bond loan's placement arrangers and leaders – Banque internationale du

Cameroun pour l'épargne et le crédit (BICEC), the local subsidiary of Banque populaire; EDC Investment Corporation, the investment division of the Eco-bank group; and BGFI Bourse, the BGFI group's stock market intermediation subsidiary.

TELECOM

Internet access will soon be available in secondary schools in Cameroon

The Ministry of Postal Services and Telecommunications and the Ministry of Secondary Education have just signed an agreement on internet access in the multimedia resource centres (CRM) of public secondary and higher education establishments in Cameroon.

The agreement between the two parties stipulates that the Postal Services Ministry will contribute to paying for the bandwidth access and will provide ICT training for the centres' personnel.



Cameroonian bloggers speak-out against Boko Haram on Twitter and Facebook



Cameroonian blogging community is committed to the war against the terrorists of the Islamist sect Boko Haram, which has been carrying out more and more incursions in Cameroon. Bloggers chose to fight on the front lines of the internet by launching a campaign on Twitter and Facebook in order to mobilise the public against the terrorist sect.

The campaign is symbolised by the hashtag #StopBokoHaram. The aim is to support the soldiers fighting on the front lines, as well as the people of the Extreme-North region where Boko Haram has been carrying-out attacks. The bloggers also designed a visual aid using the colours of Cameroon for the campaign.

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.

ENERGY

Norwegian company Norfund positions itself in Cameroon's energy sector



The Norwegian investment fund that focuses on developing countries, Norfund, announced on February 2, 2015 that it has bought 30% of the British government development agency, the CDC's stake in Globeleq Africa – an Actis investment firm that handles several electrical plants in Africa.

Among these energy plants are the Dibamba 88 MW thermal plant and the Kribi 216 MW gas plant in Cameroon.

The deal, which will enable Norfund to position itself in the Cameroonian energy sector by entering the capital of KPDC and DPDC, entities that manage the above-mentioned plants, officially cost 112.5 billion FCFA. With a 304 MW cumulated production capacity, Cameroon is Globeleq Africa's main producer in Africa, ahead of Cote d'Ivoire (288 MW with the Azito plant) and South Africa (three solar and windmill plants with an overall capacity of 238 MW).

Sustainable Energy Fund for Africa to support first solar IPP project in Cameroon

On January 30, 2015, the ADB approved 38.5 million FCFA in financing from the Sustainable Energy Fund for Africa (SEFA in English) to prepare the first ever independent power production project in solar energy.

This financing granted to JCM Greenquest Solar Corporation will enable feasibility studies to be carried out on the 72 MW solar plant construction project.

"As the country's first IPP project in the area of renewable energies, we hope that it will encourage development in renewable energies in Cameroon and attract more investors in clean energy," stated Michaël Straït, Managing Director of JCM Capital.

Despite financial problems, Lom Pangar Dam to be impounded in September 2015, says EDC



According to the Managing Director of Electricity Development Corporation (EDC), the Lom Pangar Dam's construction in East Cameroon is 65% complete.

The Lom Pangar Dam has a water retention capacity of 6 billion M3 and is co-financed by:

- The World Bank (66 billion FCFA)
- The European Investment Bank (19.7 billion FCFA),
- The African Development Bank (33 billion FCFA),
- The Central African States' Development Bank (20 billion FCFA),
- The French Development Agency (39.3 billion FCFA)
- The government of Cameroon

South African entity, Umnombo Consortium Partners to build 65 billion FCFA Electricity Tower



With its 41 stories, Cameroon's Tour de l'électricité (Tourel) or Electricity Tower is already being presented as the future tallest building in Central Africa. It will be built by the South African company,

Umnombo Consortium Partners, whose head, Pascal Oloo, signed the agreement on February 10, 2015 in Yaoundé with the Managing Director of the Electricity Sector Regulatory Agency (Arsel), Jean-Pierre Kédi, with Cameroon's Prime Minister Philémon Yang in attendance. Worth 65 billion FCFA, the tower will house the administrative offices of the electricity sector's three public companies: Arsel, the regulatory agency, the Rural Electrification Agency (AER in

French) and Electricity Development Corporation (EDC), the State's energy infrastructure construction company. The project will enable the creation of over 1,700 direct jobs and around 2,700 indirect jobs. In addition to the above-mentioned offices, the building will have a hotel, conference rooms and luxury apartments. The construction is slated to last 36 months for technical studies.

Cameroon's energy shortage hits 100 MW per day since dry season

Cameroon's electrical energy production deficit has been reaching daily highs of 100 MW since the start of 2015, which coincides with the dry season when water levels in the dams used by Energy of Cameroon (Eneo), the public electricity provider, fall considerably.

This figure revealed by the government daily publication concerns primarily the interconnected south network (RIS), which excludes Cameroon's northern region.

In order to address the shortage, which is expected to last at least until March 2015, the electricity company and the Cameroonian authorities decided to implement emergency measures such as re-opening the 60 MW Ahala thermal plant run by the British company, Aggreko.



New Age lands exclusive Etinde natural gas mining in Cameroon

A presidential decree signed on February 6, 2015 grants “exclusive rights to hydrocarbon gas mining” on a 460.5 km² stretch of Etindé, off the coast of Cameroon, to the British company, New Age, through its local subsidiary, Camop (Cameroon Offshore Petroleum Ltd.). The British company is partnered with the Russian company, Lukoil, on the project. Each company has a 30% stake, while Cameroon companies Euroil and Société nationale des hydrocarbures (SNH) each has a 20% stake in the project.

This exclusivity is “valid for a period of 20 years and may be renewed only once for a period of 10 years, at the request of the interested party.”

The presidential decree stipulates that exclusivity also relies on the completion of “the construction of a chemical fertiliser factory to be supplied with natural gas for at least 20 years and natural gas liquefaction with a production plateau of 600 million cubic feet per day.”



NEW AGE WILL INVEST CLOSE TO ONE BILLION FCFA TO TRAIN CAMEROONIANS IN OIL AND GAS

In the February 6, 2015 presidential decree granting natural gas exclusivity on a 460.5 km² stretch of the Etindé authorised mining area, located offshore, the State requires that the British company New Age, which received the approval to participate in the professional training of Cameroonians in the area of oil and gas.

For the 20 years of the approval's validity, New Age and its partners, Euroil and Lukoil, respectively based in Cameroon and Russia, will invest 150,000 USD per annum in “professional training in the area of oil and gas for Cameroonian nationals holding any qualifications outside of this sphere.” For a period of 20 years, this will amount to one billion FCFA.

Domestic gas consumption in Cameroon increased by 14% in the 2013-2014 period

Domestic gas consumption in Cameroon rose from 60,000 to 90,000 metric tonnes from 2013 to 2014 according to Malloum Bra, depot chief with Société camerounaise des dépôts pétroliers (SCDP), the country's main oil product storage facility. Bra indicates that this growth in consumption represents a 14% increase in one year.

This increase in domestic gas usage, for which the average rate of 9% was significantly surpassed last year, is a good sign in the fight against deforestation which normally occurred due to wood being used as fuel in homes in some parts of the country.

Domestic gas is also a good alternative to using lamp oil.



TRANSPORTATION

African Development Bank approves two loan agreements worth 110.3 billion FCFA to build 248 km of roadway in Cameroon

On February 2, 2015, the President of Cameroon authorised the Economy Minister to sign two loan agreements with the African Development Bank totalling 110.3 billion FCFA to build 248 km of roadway between Batchenga and Lena in the Centre region.

Worth a total of 101 billion FCFA, the first loan agreement will be signed with the non-concessional division of the ADB while the second loan, worth 9.3 billion FCFA, will be signed with the African Development Fund, the concessional division (at an interest rate of less than 1%).



In 2014, Royal Air Maroc flew 40,000 passengers on the Cameroonian market



Throughout 2014, Royal Air Maroc flew 40,000 passengers on the Cameroonian market. This was indicated by Imad Ghanmi. The airline's Africa Director made these remarks during the "Moroccan week" event held from February 10-14 in Douala, Cameroon's economic capital where Royal Air Maroc made its first Cameroonian landing 10 years ago.

According to the Aeronautics Authority's figures for the first half of 2014, Royal Air Maroc was Cameroon's 8th largest airline, carrying only 4% of passengers arriving in or departing from Cameroon. The Moroccan airline fell behind Air France (22%), Camair Co (13%), Brussels Airlines (11 %), Ethiopian Airlines (8 %), Asky and Turkish Airlines (7 % each), and Kenya Airways (5 %).

French shipowner CMA CGM inaugurates container terminal at Douala port



On February 19, 2015, French maritime transporter CMA CGM inaugurated its container terminal located at Douala port, the country's largest port while awaiting the opening of the Kribi deep water port in the South region.

Christened 3CTC (CMA CGM Cameroon Container Terminal), the terminal covers a surface area of 2 hectares. The new logistical platform will enable CMA CGM customers to stock containers, empty or full, in a secure 1200 m² area.

3CTC was given to CMA CGM as a part of a 25-year deal.

INDUSTRY

Camgaz explodes share capital in response to fierce competition



In June 2014, the Cameroonian liquefied gas company, commonly known as Camgaz, increased its share capital significantly, catapulting it from 10 million FCFA

to 500 million FCFA – 490 million FCFA increase. This was revealed in a legal announcement on January 26, 2015. This capital increase was achieved through gap revaluation (381.3 million FCFA) and by drawing from the retained earnings account (108.6 million FCFA).

This capital increase should lead to major investment which is intended to enable the domestic gas sector's number 2 company to keep its footing in an increasingly competitive market overflowing with production (Perenco-SNH) and storage (SCDP) project opportunities.

China Road and Bridge Corp Cameroon land two deals worth 1.7 billion FCFA from MAETUR

The Urban and Rural Land Development and Servicing Mission (MAETUR in French), officially devoted to land preparation in Cameroon in order to facilitate public access to land, has just handed out two deals worth a total of 1.7 billion FCFA. This was revealed by MAETUR Managing Director, Louis Roger Manga, in a release published on February 17, 2015.

Respectively worth 873.4 million and 898.2 million FCFA, the two land dredging and road construction deals are parts of the 2nd and 3rd tranches of the first phase of construction for low-income housing in the Olembé district of the Cameroonian capital.

MAETUR's Managing Director stated that the project is slated to last 8 months.

Cameroonian companies Biopharma and Himore Medical in high demand in Morocco

The dominant force on the local cosmetics market in Cameroon for a few years now, Biopharma has been named the “2nd best African company” behind Gabon's energy company and ahead of the Cote d'Ivoire company, SN Sotici. This was revealed at the Africa Development Forum that just came to a close in Casablanca, Morocco. Created by the young Cameroonian engineer, Arthur Zang, who invented the Cardiopad, which is being presented as Africa's first medical tablet, received an entrepreneurship trophy in the “Innovation” category.



Leader of the month

Linda Kouam Kamche appointed Chief Marketing Officer of MTN Cameroon



"The appointment of Mrs. Linda Kouam Kamche to this senior management position from within the organization proves the success of our policy", states Karl O. Toriola, CEO of MTN Cameroon.

In a press release on February 9th 2015, MTN Cameroon CEO, Karl Toriola, announced the appointment of Linda Kouam Kamche, 35 year-old, to the position of Chief Marketing Officer of MTN Cameroon.

In her new capacity as the CMO, Linda Kouam Kamche will be in charge of providing strategic direction and also ensuring brand development, sustainability and revenue generation. There is a lot of expectation from the new CMO as she will be responsible to grow "MTN Cameroon's leading customer service organization through consistent focus on activities and behaviours which influence a customer experience and overall improvement of business performance."

This will not be an easy task as the mobile market in Cameroon is becoming increasingly competitive. With new comers like Viettel entering the arena through its brand Nexttel, and with this year Camtel, country's historic telecommunications operator, entering the 3G

In her new capacity as the CMO, Linda Kouam Kamche will be in charge of providing strategic direction and also ensuring brand development, sustainability and revenue generation.

market. The World Bank stated in November 2014 that, "With 4 3G licences, it is highly probable that the 20 million consumer market won't be enough for the four operators to make a profit on the necessary investments necessary for the transition while providing quality 3G service."

Holding a degree in Telecommunications Engineering from the Technical University Carolo-Wilhelmina at Braunschweig in Germany, Linda Kouam Kamche joined MTN Cameroon in 2006 boosting an impressive record of driving revenue and market share growth as well as brand affinity for the MTN Cameroon group. "To further show MTN's commitment to promoting local talent, the company has implemented arguably one of the most successful policy of nationalization of its senior executive positions, the organization also prides itself in turning local talents into world class executives. With the appointment of

Mrs. Linda Kouam Kamche to this senior management position from within the organization, this proves the point. Currently, 3 employees of MTN Cameroon are non-locals, 7 Cameroonians are working abroad on senior expatriate assignments with the MTN Group.", stated Karl O. Toriola commenting on her appointment. MTN Cameroon was recently recognised for its people management practices by receiving the Investors in People (IiP) Standard Gold accreditation by the IiP Governing Board in the United Kingdom, following a rigorous assessment that ran from 19-30 January 2015.

The Cameroonian subsidiary of the South African company, MTN, is currently in negotiation for the renewal of its GSM licence from the government along with 3G and 4G technology and has recently increased its bid from 35 billion FCFA to 65 billion FCFA.



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, Geneva, and Frankfurt
- In Bourget company lounges
- In Business Class on Brussels Airlines and Camair-Co
- In Cameroon's business travel hotels and ministries

BUSINESS IN CAMEROON .COM

**Daily
business
news from
Cameroon**



IPHONE, IPAD, AMAZON, AND ANDROID APPLICATIONS

