

May 2015 - N° 27

BUSINESS IN CAMEROON

MAJOR PROJECTS
AGRICULTURE
ENERGY
MINING
INDUSTRY
SERVICES
FINANCE



Michael Stephan Hoza:
*"The time for Cameroon's
economy to take off is now!"*

**Cameroon and Korea
prepare renewable
energy development plan**

**Dangote aims for 30%
share of the cement
market in 2015**

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L'étoile du Cameroun

Yasmine Bahri-Domon



All signs say, "Go!"

Once again, Cameroonian diplomacy headlined during the first visit of the new Secretary General of the Organisation Internationale de la Francophonie (OIF), Canadian national Michaëlle Jean, which ran from the 13th to the 16th April 2015. This is her second official visit to Africa and shows Cameroon's importance within the OIF and its commitment to cultural exchange. Historically speaking, it was President Paul Biya who led Cameroon to become a member of the OIF on 19th November 1991 and a member of the Commonwealth on 26th October 1995. These dates ended the distance that had to be taken before Cameroon could express its desire to turn a new page and share in the cultural, intellectual and economic wealth of this linguistic community. It is this vision that led the Head of State and his guest to review the multifaceted cooperation that exists between Cameroon and the OIF, the new Secretary General's plans for a stronger Francophonie, and actions to be taken against terrorism as a whole and specifically against Boko Haram.

Economically, Cameroon continues to attract investors near and far. Recently, British funds and companies cast aside their usual reticence to hop on board the CEMAC train with keen interest in the energy sector.

Through its ambassador, the United States unreservedly expressed its enthusiasm about the entrepreneurial enthusiasm of the Cameroonian people. According to His Excellency, Michael Stephan Hoza, not only is it *"easier to do business in Cameroon than in some places in America,"* but also *"this is truly Cameroon's moment. Now is the time for Cameroon to take off economically."* His message is a clarion call for investment. Yes, all signs are affirmative and it is important to seize this encouraging momentum and turn this opportunity into significant job creation for young people. Nothing could be worse than disappointment for our young people at a time when hope is taking hold of the country.

In the major projects underway, Cameroonian and international companies are playing the games of competition and emulation. Lom Pangar, Kribi, Limbe... just about everywhere in Cameroon is under construction. No sector has escaped investor interest.

The news about this rebound in dynamism has no doubt reached Algiers. Starting in 2016, Air Algeria will be landing regularly in Yaoundé and Douala. We welcome them.

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THE CAST



PATRICE AMBA SALLA



The Cameroonian Minister of Public Works, Patrice Amba Salla, has just launched a nationwide call for tenders to recruit local construction companies to conduct immediate and periodic maintenance on some rural roads in Cameroon.

In total, 124 km of rural roads located in the Adamaoua, Coastal, West and South-West regions will be involved in the government project. The maintenance works are slated to last five months and will cost 803 million FCFA, financed by the Road Fund.

Companies interested in these contracts had until April 8, 2015 to submit their bids to the sub-directorate of contracts of the General Affairs Directorate of the Ministry of Public Contracts.

YVES-MICHEL FOTSO



In a release signed on March 25 and announced on March 30, 2015 in Cameroon, Capital Finance Holdings Luxembourg, owned by Cameroonian industrialist and holder of 123,250 shares in the Commercial Bank Centrafrique's capital, Yves Michel Fotso spoke out against "an

attempt to defraud" after the publication of an auction notice a few days earlier by the Central African judicial officer, Alain Benoît Serge Dameyo.

Following this, Mr. Fotso's holding indicated in its release that it "expressly reserves the right to take legal action, through all available legal recourses, against any sale which would be done in violation of its rights." The auction concerned 136,250 shares with a nominal value of 10,000 FCFA (which is 1,362,500,000 FCFA in cash), held by the Mr. Fotso's companies and also by him individually in Commercial Bank Centrafrique.

EKOKO MUKÉTÉ



According to Lebogang Makoloi, the head of the Central and East African department of the Johannesburg Chamber of Commerce and Industry, Cameroon is a country that is “*strategic for South African investors due to the role the port of Douala plays in the CEMAC zone*” – the regional organisation made up of six countries: Cameroon, Gabon, Congo, Equatorial Guinea, the Central African Republic and Chad.

With countries such as Chad and the Central African Republic being dependent on the port of Douala, “*doing business with Cameroon also opens the door to conquering other CEMAC markets.*”

With these South African goals in mind, Vice-President of the Cameroon Chamber of Commerce, Ekoko Mukété, simply wished to quickly create partnerships between the businessmen of both countries, but noted that several contacts have been made between Cameroonian and South Africa investors without any tangible result in the end.

ALAMINE OUSMANE MEY



The Cameroonian parliament has adopted a bill authorising the Head of State, Paul Biya, to proceed with Cameroon joining the Organisation for Economic Cooperation and Development (OECD) on mutual administrative assistance in tax matters.

Finance Minister Alamine Ousmane Mey, explained that “*the ratification requested would enable the entry into force of this convention which provides our tax administration with the opportunity to improve its collection capacities, particularly with regards to the Cameroonian subsidiaries of multinationals which, for the most part, have parent companies based in tax jurisdictions that are already signatories of the convention.*”

Developed in 1988 then amended in 2010, the OECD has stated that this convention “*is the most comprehensive multi-lateral instrument and provides [member countries with] all the possible forms of tax cooperation to fight tax evasion and tax fraud.*” Previously used by only some countries, the agreement was opened to all countries on June 1, 2011.

THÉODORE NSANGOU



70%. That’s how far the Lom Pangar dam’s construction has reached in the East region of Cameroon. This was announced on March 27, 2015 after a site visit paid by Théodore Nsangou, the Managing Director of Electricity Development Corporation (EDC), the

company implementing the project.

Everything appears to be on target to meet the partial impounding deadline scheduled for September 2015. The only unknown for the EDC and CWE is the weather.

Indeed, the rainy season, which started in mid-March in Cameroon and should last three months, promises to be a rough one. In addition, the construction site leaders fear that heavy rains will halt the gains made on the site and postpone the September 2015 deadline.

CLAUDE ALTERMATT



On March 31, 2015 at a dinner debate on “Swiss-Cameroon Commercial Balance: Trade, Obstacles and Solutions”, Swiss Ambassador Extraordinary and Plenipotentiary to Cameroon, Claude Altermatt, announced the creation of a Swiss-Cameroon Chamber of Commerce (Swisscam).

Located in the city of Douala, Cameroon’s economic capital, the organisation aims to boost trade between Switzerland and Cameroon. Although actual figures have not been revealed, current trade is predominantly in favour of Switzerland, which has a currency exchange rate that is one of the main obstacles to trade between Cameroon and the world’s 20th economic power.

In order to boost trade, “*we have implemented a framework to support and promote imports: the Swiss Import Promotion Programme,*” explained Bonheur Hiol, Swiss Honorary Consul to Douala.

Paul Biya promises that he and Cameroon will support the new Secretary General of Francophonie

From April 13 to 16, 2015, Canadian native, Michaëlle Jean, Secretary General of Francophonie, devoted her second official visit to Africa to Cameroon since her appointment to her new post which impacts French-speaking countries.

Secretary General of Francophonie, Michaëlle Jean, who completed her four-day official visit to Cameroon on April 16, 2015, received a warm welcome from Cameroonian President Paul Biya. On April 14, 2015, President Biya met at Yaoundé's Palais de l'Unité for an hour with the first female to be appointed to this post.

In a toast offered by the President and the First Lady to Cameroon's guest, Paul Biya stated his determination to support Michaëlle Jean in her role as head of the Organisation internationale de la Francophonie (OIF). *"Your distinguished university career and your past as an admired States woman assure us that you will execute your mission well. Know that you can count on my support and that of Cameroon,"* stated President Biya.

According to President Biya, the decision made by the member countries of the Francophonie to make

the former journalist and Governor General of Canada the first woman to hold *"the high office"* of Secretary General of the OIF *"is a tribute"* to her *"personal journey"*. He went on to say that this decision *"also recognises the eminent role Canada plays within the French-speaking community."*

Reacting to what she referred to as the *"exceptional welcome"* extended to her by the Cameroonian authorities, the Secretary General of

Haram, stated Michaëlle Jean as she likened terrorism to a *"cancer"* which *"is seeking to take root via all society's points of access."*

ECONOMIC COOPERATION ON THE MENU

Before her meeting with the president at Palais de l'Unité, the Secretary General of the Francophonie, who arrived in Cameroon on April 13, 2015 in the evening, had previously met with the Prime Minister, Philémon Yang, and had had

"The OIF isn't a lending institution, but it can provide professional training to young entrepreneurs and targeted training for sectors deemed to be important to the economy,"
indicated Secretary General Jean when speaking with economic operators.

the Francophonie spoke about the support her organisation would be providing to Cameroon as a victim of attacks made by the Nigerian terrorist sect, Boko Haram. *"I would like to say to Cameroon that it is not alone"* in the crusade against Boko

a working meeting at the Ministry of External Relations where talks focused on economic cooperation between the Francophonie and Cameroon. In the spirit of economic cooperation, Michaëlle Jean, who received an honorary doctorate



“With the most diversified economy in Central Africa, Cameroon can play a major role in the implementation of the economic strategy for the Francophonie,” insisted Secretary General Jean.

from Université de Yaoundé I, met with local business people on April 16, 2015.

“The OIF isn’t a lending institution, but it can provide professional training to young entrepreneurs and targeted training for sectors deemed to be important to the economy,” indicated Secretary General Jean when speaking with economic operators before going on to specify that her organisation now has *“a very ambitious strategy”* for economic cooperation between member countries.

“These are concrete efforts that begin with partnerships between States and businesses followed by the implementation of start-up incubators and start-up innovation,” she noted. In an official release issued by the OIF before Michaëlle Jean’s arrival in Cameroon, the Secretary General indicated that *“cooperation and linkages between the Republic of Cameroon and the Organisation internationale de la Francophonie are rich and fruitful. This is particularly why it was important for me to visit Cameroon on my second official visit*

to Africa since assuming my appointment.”

Secretary General Jean, whose Chief of Staff is Cameroonian academic, Jean Louis Atangana Amougou, had also indicated that *“with the most diversified economy in Central Africa, Cameroon can play a major role in the implementation of the economic strategy for the Francophonie. To this end, I would like the Organisation internationale de la Francophonie and Cameroon to intensify their collaboration.”*

Michael Stephan Hoza: *“It is easier to do business in Cameroon than some places in America”*

The US Ambassador to Cameroon recognizes that there is a huge opportunity in Cameroon Economy and affirms that now is the time for Cameroon to take-off economically.

Business in Cameroon: Recently, in an interview with CRTV, you said that, at the request of the Cameroonian army, US military personnel would be present in Cameroon to provide advice and training to Cameroonian military. How many US military experts are present in Cameroon alongside the national army?

Michael Stephan Hoza: We can't say the exact number, but the number of American personnel is consistent with the number the government wants to have in Cameroon. Let me just state that the security support here in Cameroon at the govern-

ment's invitation has indicated the need for training between both militaries. We both have a lot to learn from each other and so we jointly agreed on the number and then we brought the troops here. That number will be open as the fight against Boko Haram continues, but bear in mind that it isn't just to fight against Boko Haram. The partnership is also one of understanding so we always have advisors working closely with Cameroonian security forces to fight piracy in the Gulf of Guinea. We are opening a new term to have personnel working with them on wildlife protection as well.

BC: How many US experts had been sent by Cameroonian government to US?

MSH: Well, that's a good question for the Cameroon government, but it's a sizeable number of men and women who already have come together with the Cameroonian security forces. They are strictly professionals. We are very much enjoying working and partnering with them, because they are very professional.

BC: How many US Companies are present in Cameroon?

MSH: At least 27 US Companies are operating in Cameroon. If you were at *Promote* and went to the American shops you would have seen this. The American Chamber of Commerce, which was also there, is increasingly becoming a vibrant organisation for promoting American investments and business in Cameroon. I was very pleased as I was accompanied by the Minister

of Finance. I thought it was exceptional. It was my first time, but people told me it's better every time. I saw the American Companies there with their varieties of products and more and more arrivals. We have one American businessman who arrived with particular products which are connected and can be put anywhere in Cameroon. You can plug-in your cell phones, televisions, laptops wherever you want. He sold all his entire stock that he brought with him before the end of the week of *Promote*. That's the kind of business we would like to see.

There were representatives of American marketing shops who spoke about American market technology. It was a great opportunity here in Cameroon. We see Cameroon as a great partner and a strong member of the 21st century. This is truly a great time for Cameroon and its young, very dynamic, bilingual work force. They speak both English and French. We were very impressed with that.

BC: You feel optimistic about Cameroon's vision for the future....

MSH: We would also like to see exactly what Cameroon has planned for the future. The government has a vision for the future. There is an infrastructure plan for the country. There is great vision in the Ministry of Agriculture which has a great vision for the country. The Ministry of Economy, Planning and Development (Minepat) and the Ministry of Fishing and Animal Husbandry have a great vision for the country.

Other wonderful plans are to open up the economy to greater growth in the private sector, to create jobs necessary to meet the demands to help other Cameroonians who are looking for their own opportunities to pursue their happiness in Cameroon.

Many US companies are focusing on Cameroon. This is truly Cameroon's moment. Now is the time for Cameroon to take-off economically. Now is the time for Cameroon to



"We want American companies to come here and start up projects and hire Cameroonians."

take part; to fully become a global economy and start the necessary job creation for youth for the next 10-20 years. American companies want to be part of that. The important thing is that we value and hold them to certain principles. We want to see quality products with the very best prices. We want to see employment for Cameroonians. We want American companies to come here and start up projects

the Cameroonian organisation that is responsible for all of these companies and is a great force. Each year, we have very good practices. In speaking with the Minister of Forestry and Wildlife, he asked the authorities to begin reforestation by planting more trees than they cut down. We also saw the company Cotco. This is a cooperative of companies that we associate with the pipeline and corporate social

"We see Cameroon as a great partner and a strong member of the 21st century. This is truly a great time for Cameroon and its young, very dynamic, bilingual work force. They speak both English and French."

and hire Cameroonians. We want to see transparent financial business practices which are the one way for businesses to ensure profit margins and all the plans.

Lastly, we would like companies to have good corporate social responsibility. We are very proud of the ties we have made. There are partners in Cameroon, including

responsibilities programs to build good relations with the community in which we want to operate.

BC: If you were asked to advise US companies to invest in Cameroon, which sector would you suggest?

MSH: Well we are looking at a range of sectors. We think there are great opportunities across



borders. Specific cases are being found and brought to us. The potential here for electricity generation is increasing significantly for a number of companies. Drinking water is also very important. We find that Yaoundé and Douala and some parts of Ngaoundere and Garoua need infrastructural development for the health and well-being of Cameroonian citizens. So we have companies working on water, energy generation and road construction. We

"Many US companies are focusing on Cameroon. This is truly Cameroon's moment. Now is the time for Cameroon to take-off economically."

have just signed contracts for the installation of 55 steel bridges to be built by American companies and installed by Cameroonians to help farmers get their produce to market. So, the range of areas for American companies runs across the board. We hope to see rapid growth in Internet connectivity and telecommunications, because, with the Internet, you can create jobs. Today, if you really want to grow your economy and create jobs, you have to be connected

to the Internet with good access for everyone. That's where the innovation comes in. That's where the young Cameroonians can put their ideas to real task.

BC: How do US Companies in Cameroon judge doing business in our country?

MSH: It's probably easier than some places in America. Frankly much easier than some places in America, but we're not complaining. Some find that it's like some places in



America, but we won't say what is a greater or a lesser difficulty. We got the Cameroon government to say what can be done in the mining system. We think this is a promising improvement. We think the business climate is improving very much. We have seen an increase in good business practices and invitations to American companies to come. We would like to work with the Cameroonian authorities to find legislative means to improve the business climate.

BC: Is it your own opinion or the opinion of the US companies?

MSH: You have to talk with US Companies to have their individual opinion. Some are frustrated while others are quite happy. So we're trying to remove everything that is frustrating Cameroonians. If we work together with the Cameroonian government, I am sure we can.

BC: Can you give us some facts and numbers about economic cooper-

ation between the US and Cameroon?

MSH: We had 250 million last year in exports and roughly the same in imports with Cameroon, but I can't tell you the trend is going up. We have had major equipment sold to Cameroon as well as contracts signed for things like bridges. We are looking at other ways to sign on water projects in Cameroon. In terms of the number, it's still a lot so there is room for growth. I think

MICHAEL STEPHEN HOZA



According to information available on the US Department of State website, Michael Stephen Hoza is a career Foreign Service Officer of the United States of America with 29 years of service abroad. He has served at eleven different Foreign Service posts in Africa, Asia, and Europe; and he also served in the State Department's Bureau of African Affairs in Washington, D.C. He assumed his duties as Ambassador Extraordinary and Plenipotentiary to the Republic of Cameroon on August 22, 2014, after having been nominated by President Barack Obama on July 31, 2013.

Prior to this nomination, Ambassador Hoza served as the Management Counselor at the U.S. Embassy in Moscow at the Russian Federation, a position which he held from August 2010 through August 2013. Previously, he served as Management Counselor and Acting Deputy Chief of Mission

in Nairobi, Kenya, from July 2007 through July 2010; and as Management Counselor at the U.S. Embassy in Madrid, Spain from June 2004 through June 2007.

Ambassador Hoza's other assignments include Human Resources Officer, U.S. Embassy Paris, France (2002-2004); Management Officer, Acting Deputy Chief of Mission, U.S. Embassy Kathmandu, Nepal (2000-2002); Deputy Chief of Mission, U.S. Embassy Mbabane, Swaziland (1997-2000); Administrative Officer, U.S. Embassy Asmara, Eritrea (1993-1997); Bureau of African Affairs Post Management Officer for the U.S. Liaison Offices in Luanda, Angola and Mogadishu, Somalia (1991-1993); Administrative Officer, U.S. Embassy Maputo, Mozambique (1989-1991); Administrative Officer, U.S. Consulate General Martinique, French West Indies (1987-1989); and Regional Budget and Fiscal Officer, U.S. Embassy Abidjan, Côte d'Ivoire (1985-1987).

Ambassador Hoza is a member of the Senior Foreign Service and has received several merit-based awards throughout his career. Prior to joining the Foreign Service, he worked in the private sector for six years with the Washington Post Company in Washington, D.C.

Ambassador Hoza was born in Goldsboro, North Carolina. He received his Bachelor of Science degree from Georgetown University in 1979. www.state.gov



we are ready to open new markets for Cameroonians. Nevertheless, it's changing rapidly. The Cameroon government sent a delegation to the United States last year during President Obama's African Leaders Summit and trade agreements were presented to Cameroonians by American investors to help Cameroonian investors find markets in the US.

We have seen immense success in Cameroon in terms of Cameroonians penetrating the US markets and the Cameroon chapter of the entrepreneur program. Take a look at some of the US considerations such as The African Growth and Opportunity Act (AGOA) and some of the events for a particular sector in the market. Manufacturing companies and business plans are working to find ways to introduce good jobs in

"Today, if you really want to grow your economy and create jobs, you have to be connected to the Internet with good access for everyone. That's where the innovation comes in. That's where the young Cameroonians can put their ideas to real task."

Cameroon. These are win-wins for everyone.

BC: How many US Citizens currently live in Cameroon?

MSH: We have 7,000 US citizens re-

siding here in Cameroon. Many of them have dual citizenship. Their living in Cameroon simply reflects that the close ties between the two countries are very, very strong. These ties continue to grow as we

"We have seen immense success in Cameroon in terms of Cameroonians penetrating the US markets and the Cameroon chapter of the entrepreneur program. Take a look at some of the US considerations such as Africa's opportunity for growth and some of the events for a particular sector in the market."

ABOUT THE AFRICAN GROWTH AND OPPORTUNITY ACT (AGOA)

The African Growth and Opportunity Act (AGOA) is a United States Trade Act, enacted on 18 May 2000 as Public Law 106 of the 200th Congress. It significantly enhances market access to the US for qualifying Sub-Saharan African (SSA) countries. Qualification for AGOA preferences is based on a set of conditions contained in the AGOA legislation. In order to qualify and remain eligible for AGOA, each country must be working to improve its rule of law, human rights, and respect for core labor standards.

The Act originally covered the 8-year period from October 2000 to September 2008, but legislative amendments signed into law by US President George Bush in July 2004 served to extend AGOA to 2015.

AGOA builds on existing US trade programs by expanding the (duty-free) benefits previously available only under the country's Generalised System of Preferences (GSP) program. Duty-free access to the U.S. market under the combined AGOA/GSP program stands at approximately 7,000 product tariff lines, including the roughly 1,800 tariff lines that were added (to the GSP pool) by the AGOA legislation. Notably, these newly added "AGOA products" include items such as apparel and footwear, wine, certain motor vehicle components, a variety of agricultural products, chemicals, steel and many others.

While the current legislation extends duty-free preferences to approximately 40 Sub-Saharan African beneficiary countries (the actual number fluctuates annually, in line with US Presidential determinations), it is currently set to expire at the end of 2015. It will be up to the US Congress to extend or amend the legislation beyond this date.



"We have another program in which we send Cameroonian medical professionals to the US and we bring American medical professionals here to Cameroon to help fight diseases and keep our people healthy. It's the most important link that really builds our relationship."

foster programs for Cameroonians in the US. We have exchange programmes for professors. We have another program in which we send Cameroonian medical professionals to the US and we bring American medical professionals here to Cameroon to help fight diseases and keep our people healthy. It's the most important link that really builds our relationship.

BC: How many visas are issued by the US Embassy in Cameroon and how many visa applications do you receive daily?

MSH: Over 10,000 non-immigrant visas are issued every year to Cameroonians. This is significant because Cameroonians go for tourism, education, business and for major programmes. We hope that the visa process is clear, simple to follow and easy to do. You just go

online, fill out the forms and get an appointment, come to the embassy and apply for a visa. It isn't something that is difficult or complicated. It's a transparent process, and, as I said, over 10,000 applicants are awarded visas each year.

BC: Some people think that there are some embassies in Cameroon, including the US Embassy, where it is not at all easy to obtain a visa...

MSH: Well, now our visa application process has been improved. This is why they might be denied. On the other hand, we hope the process at the American Embassy is clear and transparent. If your visa application is denied, an explanation is given. Often, after that, the visa is approved. So, we are here to promote Cameroonians' travel to the US.

Interviewed by Beaugas-Orain Djoyum

FINANCE

Cameroonian market in Equity Bank's crosshairs



After Uganda, Tanzania, Ruanda and South Sudan where it already has subsidiaries, the Kenyan Equity Bank group plans to open branches in 10 other African countries, including Cameroon. This was announced on March 31, 2015 after a shareholder General Assembly.

This meeting led to a number of resolutions concerning the raising of 140 billion shillings (around 909.1 billion FCFA) in order to finance the African expansion programme for a total of 200 billion shillings (around 1.298 trillion FCFA).

However, the Cameroonian market will only be attacked during the 3rd and final phase of the programme with Nigeria and Ghana.

For several years, the Cameroonian market has been attracting more and more pan-African banks. After Eco-bank, UBA and Attijariwaffa Bank, and the South-African Standard, already retained by the fledgling Australian company, Sundance Resources, which is now to raise financing in the framework of the Mbalam iron deposit project in East Cameroon, announced its interest in Cameroonian banking market in May 2014.

The growing interest of banks in Cameroon can be explained by analysis done in late 2014 by the American strategic advice firm, Bain & Company. According to this firm, Sub-Saharan Africa has become the new goldmine for the financial sector in the sense that, in this part of the world, banks and insurance companies can rely on a 15% to 20% increase in revenue.

Government selects 12 banks and three insurance companies for public contracts

The Cameroonian government has just published a list of the banking establishments and financial organisations “authorised to provide guarantees and sureties for public contracts.” There are twelve banks and three insurance companies.

Among the 20 insurance companies operating in Cameroon, Zenithe, Chanas and Activa were chosen by the government to provide this service for public contracts.

Meanwhile, local banks are all asked to produce surety-bonds and guarantees for companies competing for public procurement, except the Cameroonian subsidiary of the Gabonese group, BGFI.



Cameroon announces the introduction of new companies on the Douala Stock Exchange

In order to revive the Douala Stock Exchange (DSX), the Cameroonian government is expected to soon list new public and parapublic companies. This was announced by Finance Minister Alamine Ousmane Mey when speaking with members of the business community at the 6th Cameroon Business Forum (CBF), the sharing platform for private and public sectors with the aim to improve the country's business environment.

Although he did not reveal the names, number or timeline for these new companies' to be listed on the DSX, the Finance Minister stressed that the new listings will be done via the public sale of shares in these companies to "*partially or completely remove*" State involvement.

Cameroon is preparing to restart the process initiated in 2006 with the listing of Société des eaux minérales du Cameroun on the DSX. The experiment was replicated in 2008 with the sale of State's stake in Safacam via the DSX and again in 2009 with Socapalm. Nine years later, only these three companies are listed on the Cameroonian financial market, although the government had planned to list 10 companies over a five-year period.

With the announced arrival of public and parapublic companies on the DSX, the Finance Minister hopes to "*encourage private companies of growing sectors (energy, banks, insurance, agro-industry) to mobilise the financial market.*"



Douala Stock Exchange may share facilities with future Cameroon Commodities Exchange



Eleni Gabre-Madhin, CEO Eleni LLC

The Cameroon Commodities Exchange (CCX) scheduled to be launched by the government is slated to be opened in Douala, the country's economic capital. Reliable sources have revealed that this was the suggestion made by the Eleni firm to the Cameroonian government which it has been assisting on the project.

According to the Eleni firm, the suggestion to set-up the CCX in the economic capital was made because "*most financial and surety management companies*

are based there" and "*it is Cameroon's main city for exports*".

However, these characteristics are not the only factors motivating the Eleni firm to recommend Douala to be the CCX's headquarters. In their report, the consultants propose that the government explore the possibility of having the future commodities exchange "*share some existing facilities with the Douala Securities Exchange (DSX), specifically office space, negotiation areas and the data centre.*"

Cameroon: Crédit du Sahel sells agricultural products to recover loans from farmers

Managing Director of Crédit du Sahel, Daniel Kalbansou, made sure to specify that the framework used by the microfinance establishment he leads is legal. “I would like to state that regulations governing the microfinance sector in Central Africa allows such institutions to make 20% of their sales via activities other than savings and loans,” he indicated in an interview with *Business in Cameroon*.

With this loophole gaping before microfinance establishments, Crédit du Sahel, a micro bank active in rural areas in northern Cameroon found a means of guaranteeing the reimbursement of loans granted to small farmers: the production-based loan guarantee method.

“We realised that the non-payment of advances extended to small farmers isn’t always the result of ill will on their part [...] After harvest, with the combined effect of increased supply and the need for income, small farmers are often obliged to sell their produce at prices that fail to cover their expenses, including their loans,” explained the Crédit du Sahel Managing Director.

In addition, the system his microfinance institution put in place, “*finances the purchasing of inputs to increase production and also helps to get back the production which, in turn, helps us to be reimbursed.*” In practical terms, the production is kept “*as a guarantee for two to*



three months, after which, prices are generally higher again. We then sell the produce harvested and collect the loan and the interest owed. When there is a surplus, we deposit it to the accounts of the said small farmers.”

Visa declares UBA Cameroon 2015’s “Prepaid Innovative Product of the Year”



The Cameroonian subsidiary of the Nigeria-based United Bank of Africa (UBA) copped the 2015 “Prepaid Innovative Product of the Year”. The distinction was bestowed on the Cameroonian

bank at Visa’s recent Prepaid Summit Middle East 2015 held in Dubai.

“I’m happy that UBA Cameroon was rewarded for its efforts in electronic payment development. By 2016, Africa will

be the continent with the most electronic payments. In this regard, Visa provides a variety of innovative mobile banking services and solutions via its partnerships with global financial institutions and mobile telephone corporations, particularly with Samsung Pay and Apple Pay,” remarked Mohamed Touhami El Ouazani, Visa’s Managing Director for Morocco and French-speaking Africa.

UBA Cameroon copped the prize because of its innovative “*Cobranded Student ID Visa Prepaid*” concept which aims to provide universities and students with a multipurpose Visa card. With this prepaid Visa card, UBA Cameroon signed three partnerships with the country’s top universities: Université de Douala, Université de Yaoundé 1 and Université de Yaoundé 2.

Currently, the Université de Douala students have 50,000 cards and close to 100,000 more cards are being made for Université de Yaoundé 1 and Université de Yaoundé 2. The card can also be used for student identification as it features the holder’s name, faculty and year.

BEAC raises Cameroonian bank refinancing ceiling to 100 billion FCFA

Facing the reduction in oil prices, which concerns five of the six CEMAC countries which produce oil (Cameroon, Gabon, Congo, Equatorial Guinea and Chad; Central African Republic does not produce oil), the Central African States Bank (BEAC) has just raised the financing ceiling for member States. This was revealed after the first session of the bank's Monetary Policy Committee for 2015.

The commercial banks for these countries can obtain more financial resources from the central bank if the need arises for liquidity to redistribute in the form of bank loans to individuals or companies. Cameroonian banks can

now access up to 100 billion FCFA instead of the previous 60 billion FCFA. The same goes for Gabon and Chad. The refinancing ceiling for Equatorial Guinea has been raised from 60 billion FCFA to 120 billion FCFA while Gabon's was increased from 30 billion FCFA to 40 billion FCFA. The Central African Republic's refinancing ceiling is now set at 15 billion FCFA, according to reliable sources.

With this optimism, the BEAC is projecting an overall growth rate of 4.2% for the CEMAC zone, instead of 2014's 4.4%. Inflation is also expected to decline to 2.8% from last year's 3.2%.



Cameroon's foreign exchange reserves crumble by 171 billion FCFA in 2014, says BEAC

According to a general audit report on the financials of the Central African States Bank (BEAC in French) at the close of December 31, 2014, foreign exchange reserves in the six CEMAC countries have declined by 1.127 trillion FCFA (falling from 4.974 trillion FCFA in 2013 to 3.847 trillion FCFA in 2014) last year. For that period, Cameroon's reserves slumped by 171 billion FCFA.

However, the CEMAC zone's economic engine has sustained smaller losses than the Congo (215 billion FCFA), Gabon (213 billion FCFA) and especially Equatorial Guinea (1.232 billion FCFA). The experts explain that the withering of foreign exchange reserves (resources necessary for CEMAC countries to execute their external transactions) is due to the decline in global oil prices. Five of the six CEMAC countries (the exception is the Central African Republic) are oil producers.

This analysis explains the reasons for the drastic downturn in Equatorial Guinean reserves and the substantial reduction for Gabon and Congo compared to Cameroon as the latter has a more diversified economy than the other CEMAC countries, particularly Gabon, Congo and Equatorial Guinea which are countries with economies that rely largely on oil.

Cameroon to raise 45-55 billion FCFA on BEAC in second quarter of 2015



In the 2nd quarter of 2015, Cameroon's Treasury Department is planning public securities issuances on the Central African States Bank (BEAC) market. This was revealed in a calendar submitted to the central bank by the Cameroonian Finance Minister.

According to the calendar, the first Treasury bond issuances with two and three year maturities (5-10 billion FCFA to be raised on April 30 and May 28) will be made in the second quarter. Only Treasury bills were issued in the first quarter, which are short-term loan instruments (maximum maturity of 52 weeks).

In the second quarter, Treasury bills will be pursued by the Treasury Directorate of the Ministry of Finance which is seeking to raise 35 billion over the period in question by issuing this type of government security. The first issuance is slated to take place on April 8, 2015. Cameroon hopes to raise 5 billion FCFA.

AGRIBUSINESS

Eight products selected for sale on Cameroon's future commodities exchange



In its 2014-2015 roadmap for the creation of the Cameroon Commodities Exchange (CCX), the Eleni LLC firm, which is advising the government on this project, has selected eight agricultural products to be sold on the platform.

Among the commodities to be gradually sold on the CCX over a four-year period, the firm has indicated that there will be cocoa and corn (first year), sorghum, millet and dry cassava (2nd year), palm oil and rice paddies (3rd year) and cotton (4th year).

What is noticeably absent on the CCX list is coffee. This is due to the general lack of interest in coffee cultivation at this time as prices are hardly profitable (half of those of cocoa) and also the vol-

ume of production (30,000 tonnes in 2013-2014 compared to 16,000 tonnes in 2012-2013) has not helped either.

To achieve the critical trade volumes necessary to determine real prices, the Eleni firm recommends that the Cameroonian government mandate that all transactions below 5 tonnes be done on the CCX by wholesalers, groups, processors, exporters and any other institutions registered on the stock exchange. The sale of these products on the CCX appears to be all the more suitable because, as Eleni LLC indicated on April 9, 2014 when presenting its preliminary report to the government, the current sales network is riddled with pitfalls. These are mainly related to the poor road conditions in farming areas, which increase transportation costs and make

market access difficult. There is also the issue of mutual distrust between sellers and buyers, the lack of information on market and warehouse prices and the restriction on sales options which obliges farmers to sell to the first buyer they meet.

The feasibility study the CCX hired Eleni LCC to carry out, which led to the implementation of Ethiopia's stock exchange, was financed by a 50 million FCFA convention signed on February 17, 2014 between the International Cocoa Organisation (ICCO) and the State of Cameroon. According to Eleni LLC, the CCX could be operational 12 months after the completion of the feasibility study, which was finished in September 2014, according to authorised sources.

SNV provides Konye cocoa growers with processing plant



The Netherlands Development Organisation (SNV) has just provided the 700 members of the farmers' cooperative in Konyé, located in Cameroon's South-West region with a plant for transforming cocoa beans into cocoa paste, cocoa powder and cocoa butter.

According to SNV, which trained the cooperative's members to use the new machinery, the processing plant will allow them to gain more value from the 600 tonnes of cocoa product per annum in Konyé.

The Inter-professional Cocoa and Coffee Board (CICC in French) has indicated that a kilo of raw cocoa beans is sold for 1500 FCfa while two kilogrammes of cocoa butter generate 10,000 FCFA in revenue on the local market.

Cameroonian cocoa exports up by 19% despite difficulties at the port of Douala

Now seven months into the 2014-2015 cocoa season which began in August 2014, Cameroon has already exported 166,699 tonnes of cocoa beans, according to the latest figures provided by the National Cocoa and Coffee Board (ONCC in French) which noted that exports are up by 19% compared to the same period in 2013-2014. The ONCC indicates that in the month of February 2015 alone, 19,806 cocoa beans were exported, compared to only 6,580 tonnes or the same period in the previous season, which represents an increase of over 300%.

However, exports in February 2015 are much lower than the 30,942 tonnes exported in January 2015.

Between the 6th and 7th months of the current season, cocoa bean exports declined by 11,000 tonnes. This situation can be attributed to import-export challenges at the port of Douala, Cameroon's largest port.

World Cocoa Foundation distributes agricultural materials to cocoa growers

On April 10, 2015, a World Cocoa Foundation (WCF) delegation visited Log-Nkoll in the Coastal region to distribute agricultural materials to young cocoa farmers under the auspices of the Inter-professional Cocoa and Coffee Board (CICC) within the framework of its "New Generation" programme which aims to get young people interested in cocoa farming in Cameroon.

Comprising watering cans, sprayers, boots, gloves and other masks, the estimated 12 million FCFA donation started the implementation of the partnership agreement signed on December 11, 2014 in Yaoundé, the Cameroonian capital, between the CICC and the World Cocoa Foundation, within the framework of the Africa Cocoa Initiative launched by the NGO and financed by American billionaire Bill Gates in order to promote a sustainable cocoa economy in Africa.

Indeed, via the above-mentioned agreement, WCF committed to granting the



CICC 125,000 dollars initial financing (around 62 million FCFA) to provide support to 50 young people recruited by Cameroon's Inter-professional Cocoa and Coffee Board within the "New Generation" programme.

Launched in June 2012, the programme offers training and support for young graduates of agricultural training centres

who agree to cultivate at least three hectares of cocoa plants. According to the CICC, to date, the programme, which will benefit 600 young people this year, has helped to create over 1,800 hectares of new cocoa plantations. This contributed to a 2,500-tonne increase in premium cocoa production, says the cocoa-coffee organisation.

3 billion FCFA to build packaging and storage complexes for staple foods

The Cameroonian government has just launched two calls for tenders to build packaging and storage complexes for staple foods in some farming areas. One concerns the monitoring and technical supervision of the construction (300 million FCFA, of which 76 million FCFA will be used for each unit) while the other will be used for the actual construc-

tion process (2.8 billion FCFA with 720 million FCFA allotted for each unit).

Companies and firms interested in the two deals, both totalling a little over 3 billion FCFA, have until April 16, 2015 to submit their bids to the Call for Tenders Launch Support Unit of the Ministry of Public Contracts in Yaoundé, the Cameroonian capital.

The complexes should help to improve the supply of staple foods on the local market. According to statistics provided by the Consumer Products Supply Regulation Mission (MIRAP in French), Cameroon loses close to 25% of its post-harvest production due to the lack of preservation and storage infrastructure.

Boko Haram and massive imports cause oil refineries' sales to free-fall



According to the Cameroonian Association of Oil Refineries (ASCROC in French), soap and refined oil product exports from Cameroon to Nigeria, Chad and Congo Brazzaville, the DRC and the Central African Republic (CAR) have been “*virtually at standstill*” for several months.

ASCROC Secretary General, Jacques Kemleu Tchagbou, has indicated that this is due to the sporadic, murderous attacks perpetrated in the Extreme-North of Cameroon by the Islamist sect, Boko Haram as well as general insecurity at the border shared with the CAR.

In addition to hurting the sales of local soap manufactures, this underselling has affected the entire oil product sector. *“Agro-industries and village farmers of crude palm oil, soya beans and cotton are no longer able to sell their produce. For example, the fat used in soap production comes from the fractionating of crude palm oil which helps to produce a refined palm oil. Yet, as refined palm oil is no longer selling, it is out of the question for the refineries to buy crude oil to get stearin for soap production,”* explains ASCROC’s Secretary General.

Cameroonian parliamentarians on the ground to promote farming among youth



On April 2, 2015 in Edea, ninety-five Cameroonian members of parliament headed by House Speaker, Cavaye Yéguie Dji-bril, attended the launch of the second “*caravan to promote farming*”.

On the initiative of the “*Youth Hope*” parliamentary network coordinated by Nkam Gaston Nkomba, youth from the Coastal region’s departments who met in Edea learned about the various government projects available to support the self-employment of Cameroon’s young people in the world of farming.

Attending the meeting, the Delegate Minister of Agriculture, Clémentine Ananga Messina, lauded the dynamism of Edea and the Sanaga departments’ young people for their contribution to the development of palm oil in Cameroon and suggested that they attempt to do the same with cassava – a produce ripe with potential.

BUSINESS

19 Cameroonian start-ups will be financed by the foundation of Nigerian investor, Tony Elumelu

The Tony Elumelu Foundation Entrepreneurship Program (TEEP), which aims to accompany 1,000 African start-ups with 50 billion FCFA in financing for a 10-year period, has just rendered its verdict. On the list of 1,000 winners selected by the Elumelu Foundation on March 23, 2015, there are 19 projects submitted by young Cameroonians (see list below).

Cameroon tops the list of French-speaking African nations in terms of the number of winners, ahead of Cote d'Ivoire (17), Benin (10), the Democratic Republic of Congo (7), Burundi (7), Senegal, Mali, and Guinea (5 each). The countries with the most winners are Nigeria, Kenya and Uganda.

The Cameroonians who will receive financing from Tony Elumelu, the Nigerian businessman and president of the United Bank of Africa (UBA), submitted projects for sectors ranging from agriculture, health, finance and ICT to media, tourism, education and manufacturing.

Complete list of Cameroonian laureates:

- **Abega Ines**, *Multiple*
- **Alomo Atangana Marianne Fabrice**, *Multiple*
- **Ebong Mesumbe Alan**, *Financial Services*
- **Ekoube Paule Alexandrine**, *Multiple*
- **Emmanuel Mbulaf**, *Tourism/Hospitality*
- **Henri Makaki Ngolle**, *ICT*
- **Joshua Mukuro Ndingwan**, *Healthcare*
- **Kaljop Irene alvine**, *Media and Entertainment*
- **Kongor Eric**, *Others*
- **Manga Engemise**, *Manufacturing/Industry*
- **Mariane Megne**, *ICT*
- **Martin Ange Mbalkam**, *ICT*
- **Mayah Theodore**, *Agriculture*
- **Ngueping William**, *Others*
- **Ntenkap Tchakounang Jacques olivier**, *Manufacturing/Industry*
- **Ombick Essome Manfred Olivier**, *Agriculture*
- **Serge Nzali**, *Agriculture*
- **Simo Boyom Henri**, *Education and Training*
- **Takwi Desmond**, *Agriculture*



Motorola Solutions launches sales offensive in Cameroon

On March 25, 2015, while presenting various Motorola Solutions offers during a meeting held in the Cameroonian capital, the company's Sales and Development Director for Sub-Saharan Africa, Boaz Or-Shraga, was very clear. He said, *"It is very important to be present in Cameroon. This is why we're here."*

Motorola Solutions' Central and West African Development Director, Louis-Hervé Bélécen explains that, after being indirectly present on the Cameroonian market through local partners, the American company which provides security solutions for cities and companies now wants *"to be directly present in Cameroon."*



For four months now, Motorola Solutions has had an office in the Cameroonian capital. According to Louis-Hervé Bélécen, this office will handle the management of *"major projects"* and

will act as a hub for Motorola Solutions in Central Africa. *"We want to make Cameroon a hub for our business,"* stated Boaz Or-Shraga.

EMCC to build offloading wharf for Dangote Cement Cameroon



Referred to as the *"French leader in dredging, water and sub-aquatic works,"* Entreprises Morillon Corvol Courbot (EMCC) has just created a subsidiary in Douala, Cameroon's economic capital. This was announced in a legal notice published on April 7, 2015.

An official document reveals that EMCC Cameroon was created *"to effect a contract signed with the Dangote Company to conduct dredging and also build a wharf along the Wouri River."* The wharf should facilitate the offloading of raw materials for the 1.6 million-tonne capacity per annum Dangote group cement factory which recently launched production on the banks of the Wouri River in Douala.

A member of the global construction leader, the Vinci group of companies, EMCC indicates on its website that it specialises in dredging, maritime construction, civil engineering, laying conduits and subaquatic works.

French group Marck is now a uniform supplier for the Cameroonian military



According to *Jeune Afrique*, Marck President, Philippe Belin, recently signed a contract to supply military uniforms to Cameroon's defence forces. Marck will fulfil the contract in partnership with a GDF Suez subsidiary. The contract's value has not been disclosed.

Before Cameroon, the French group which specialises in uniform and equipment manufacturing for armed forces (the army, policemen, customs, firemen, forestry agents and prison officers) had already landed the Burundi army contract.

The Marck contract has been announced in Cameroon only weeks after the Cameroon police decided to change uniforms. Indeed, since the month of March, Cameroon's finest shed their famous brown uniform for another in dark grey.

Spanish company Eurofinsa wants to invest over 300 billion FCFA in Cameroon



The Spanish group, Eurofinsa, has proposed that the Cameroonian government accept a 500 million dollar line of credit (over 300 billion FCFA) through Deutsche Bank for road construction, affordable housing, health, energy and drinking water.

However, although the financing proposed by Eurofinsa seems to appeal to Cameroonian authorities, the Spanish company wants to provide the funds in Cfa francs. Apart from roadwork, the sectors in which Eurofinsa would like to invest really do not inspire the Cameroonian government. Indeed, the

government would like to re-direct the financing proposed for the building of an Olympic complex as well as hotels for the Africa Nations' Cup that the country will hold in 2019.

Eurofinsa is a group of companies that specialises in the international sale of goods and the development and implementation of various infrastructure integrated projects for public institutions. It is also proposing financial support to its customers with the help of international banks such as BNP Paribas Fortis, Deutsche Bank, BBVA, and Banco Santander.

Arno group lands deal worth over one billion FCFA for Crédit foncier du Cameroun



The major distribution group Arno, which also sells electrical, electronic and household appliances, has just announced that it has been awarded the contract "to improve the anti-fire, ventilation, air-conditioning and smoke extraction systems of the Crédit foncier du Cameroun (CFC) headquarters."

Awarded by the housing bank, the release published

by the Public Contracts Minister, Abba Sadou, revealed that the deal is worth a total of a little over one billion FCFA. The deal should be signed in seven days.

One of Cameroon's distribution leaders for decades, the Arno group is currently finalising the construction of the country's first superstore store in Douala, the country's economic capital.

Fafinsa eyeing baby clothes market currently dominated by Chinese products



Cameroonian company Fafinsa, which has been involved in the cotton industry for two decades, producing knitting threads sold in Cameroon and CEMAC countries, plans to enter the knitting and tailoring business.

The company has just committed to making significant investments in the procurement of knitting and tailoring machinery to produce baby clothes.

According to official figures, Cameroon's cotton-textiles-tailoring sector only makes up 1% of the local apparel market. Most garments in circulation in the country are from Europe (second hand) and especially China (for new apparel).

Producing 240 tonnes of knitting thread, Fafinsa, which has reported 1.9 billion FCFA per annum in sales, plans to diversify its production and increase its sales in Cameroon by 15% in the medium term and also raise exports by 30% to 60% in CEMAC countries.

ENERGY

Mining and energy integration is solution to Cameroon's energy woes



In a report published at the end of the March 2015, citing other cases in Africa, the World Bank indicated that the strong energy demands of the mining sector could be the key to developing the electricity sector and also improve energy supply in Cameroon.

"The development of the relationship between mining and energy should yield substantial benefits for the nation, mining companies, the electricity provider and the now inactive Central African Energy Pool (CAPP). Mining companies will gain from the major energy projects and they will contribute to the initial financing of the required investments," explains the Bretton Woods institution in its report.

The Cameroonian government seems to have been seduced by the idea for some time. With the idea that mining companies can help the development of hydroelectricity, it adopted an approach of involving mining companies and major electricity consumers in the formulation of the new electricity legislation passed in December 2011, for which the implementation remains subject to the publication of various application decrees.

According to reliable sources, the idea was to allow the electricity company (Eneo) to have additional production capacity without having to finance hydroelectric projects and transportation lines. These investments are to be

made by large consumers themselves as is the case with the construction of the Natchigal plant led by Rio Tinto (parent company of Alucam which recently announced its separation from the aluminium producer), the IFC and the EDF.

THE ALUCAM CASE

As coherent as it may seem, the idea to rest energy solution in the hands of the mining sector is not necessarily that simple. It needs a clear legal framework which, itself, poses many problems. On the other hand, the idea came about at a time when the mining industry was booming.

With the fall in the price of various commodities, investors are becoming increasingly wary of investing liquidity in a sector where prices are freefalling and profitability is uncertain. Reliable sources suggest that this is one of the current obstacles to the sale of Rio Tinto's stake in Alucam as very few strategic partners want to take on investing in the energy facility (Natchigal plant) in a context of lower aluminium prices.

Furthermore, energy and mining integration could also be problematic in terms of hydraulic basin management. Indeed, according to experts, Alucam is no success story. The aluminium producer, which consumes more than half of the electricity produced in Cameroon, only provides 600 direct jobs and has contributed less than 2.5% to GDP in the last ten years. In addition, the potential impact this could have on the environment via the pressure placed on the Sanaga River has not been fully evaluated, state local pro-environment NGOs.

Cameroon and Korea prepare renewable energy development plan

The Cameroonian and Korean governments are currently considering the implementation of a development strategy for renewable energy in Cameroon. This resulted from a meeting between the two governments in Yaoundé following a prospecting visit that involved experts of South Korean company Dohwa Engineering, the Korean International Co-operation Agency (Koica) and heads of the Ministries of Energy and Economy. Conducted in the Centre, East, Coastal, South-West and West regions, the prospecting visit enable sites suitable for the construction of small hydroelectric, solar, wind and biomass plants to be built, according to reliable sources. Crumbling under the burden of its energy shortage, Cameroon barely uses



1% of its renewable energy potential, according to Energy Minister Basile Atangana Kouna. In addition, the Cameroonian government cabinet member

believes that renewable energy strategy project is a golden opportunity to transform the country's energy potential into real wealth.

Cameroonian electricity company Eneo to invest 10 billion FCFA in 2015 to improve 3 plants



Out of the 37.7 billion FCFA that the Cameroonian electricity production and distribution company Eneo plans to invest in modernising its network in 2015, 10 billion FCFA will be used to improve production facilities. Eneo Finance Director Wilfried Ntuba, emphasises that the application of

these investments will be closely tied to the civic commitment of the electricity company's customers via their bill payment. *"Our goal is to invest 37.7 billion FCFA, of which 16.2 billion will be loaned by banks and 21.5 billion derived from our cash-flow which is therefore from our sales. We believe that we can get there, especially since we invested 16 billion FCFA in 2014 from our sales,"* warned Wilfried Ntuba.

Indeed, the company has traditionally struggled to get many of its customers to pay their bills due to their lack of civic duty. In July 2014, for example, Eneo had launched its forced bill payment campaign in the hope of recovering a part of the 34 billion FCFA owed by delinquent customers. For the first quarter of 2014, unpaid bills totalled 14 billion FCFA, according to the company.

Cameroon: the electricity sector regulator wants to audit operators' cost

Cameroon's Electricity Sector Regulation Agency (ARSEL) has just launched a call for expressions of interest to recruit experts to participate in a restricted bid to *"audit the costs of some electricity sector companies"*.

These audits concern construction work on the Kribi gas plant and the charges determined by the KPDC (which built and now manages the plant) for the 2012 to 2014 period; fuel charges and the irrecoverable debts for the public electricity company (Eneo) for 2015; and the DPDC's charges in 2009, 2010 and 2014. The DPDC built and manages the Dibamba domestic heating oil plant.

PUBLIC MANAGEMENT

Société générale and Eximbank USA lend 36 billion FCFA in Cameroon for water supply



On March 18, 2015, the French and American banks, Société générale and Eximbank USA signed a financing agreement worth 36 billion FCFA with the Cameroonian government by way of its representative, the Economy Minister, Yaouba Abdoulaye.

This money will help to increase the Mefou and Akomnyada processing plants' production by 55,000 cubic metres per day (150,000 m³ in total) to supply residents of the Cameroonian capital.

According to Jean William Sollo, Managing Director of Cameroon Water Utilities (Camwater), the public water distribution company, the project will be completed in late 2015 and will help to meet 90% of the capital's water supply needs until 2020, according to Mr. Sollo.

Cameroonian tax office launches door-to-door initiative to collect property taxes



For several days in Cameroon's economic capital, Douala, young people wearing "Your property tax filing served at home" have been buzzing about neighbourhoods to serve homeowners their property tax filing forms. The door-to-door effort will last two months and is being driven by Cameroon's tax administration with the support of mayors' offices.

Through this initiative, which is expected to be carried out across the country, the Tax Directorate of the Ministry of Finance plans to raise at least 3.5 billion FCFA in property taxes per annum instead of the usual 2 billion FCFA.

With the recent agreement signed with the Orange and MTN mobile phone companies to facilitate property tax payment via cellular phones, Cameroon has just added another weapon to the arsenal of measures it has put in place for tax collection.

Cameroon lends 9.5 billion FCFA to ADB to finance Lake Chad improvement project

The Cameroonian government should soon conclude with the African Development Fund (ADF), the concessional rate loan instrument of the African Development Bank (ADB) a loan agreement for 9.4 billion FCFA.

According to a presidential decree issued

by the Cameroonian government to authorise the Economy Minister to sign the loan agreement, the funds will be used for the partial financing of the improvement and socio-ecological system residence reinforcement programme for the Lake Chad basin (PRESIBALT in French).

The 3rd largest fresh water reserve in the world, Lake Chad has diminished by 80% in the last 40 years and is now in danger of disappearing. The socio-economic livelihood of the local residents there depends directly on the lake.

Cameroon turns National Civil Engineering Equipment Depot into a public construction company

Construction sector companies in Cameroon have a new competitor in their midst: the National Civil Engineering Equipment Depot (Matgénie in French), a public company previously exclusively devoted to the acquisition, rental and maintenance of civil engineering equipment to construction companies that lacked the means to buy their own machinery.

Indeed, a presidential decree which has just been published, widens the State-owned company's scope to include services provided in the construction sector. Basically, the former civil engineering focus body will now be competing for construction contracts.

This is lifeline that has been thrown to the public company which has been agonising for several years because of the

reduction of its equipment park due to a lack of maintenance. This situation, along with the arrival of new civil engineering equipment rental companies in Cameroon led to a drastic downturn in sales for the State company that left it unable to pay its staff. With the newly authorised diversification and the recent improvement of its park, the company has found a new path.

Cameroonian government pleads with companies to create 350,000 jobs



In his end-of-year speech in 2014 to the nation, Cameroonian President, Paul Biya, promised that at least 350,000 new jobs will be created in 2015 to address the unemployment issue that has been rising for several years. To alleviate the problem, the Employment Minister, Zacharie Perevet pleaded with companies having high employment potential to assist the government in achieving the target fixed by the Head of State.

During this site visit, which the Minister Perevet promised to repeat in the coming days, the Cameroonian government official chose two companies actively involved in forestry (SIM and Camwood) and a service company (Interstis), all based in Yaoundé, the capital. *"We came to ask the heads of these entities to let us know what they can do to help create the 350,000 jobs the President promised,"* stated Mr. Perevet.

In addition, the ministerial delegation reminded the heads of the companies visited about the importance of communicating periodical data on job creation in their organisations to the Employment Minister. The company heads were also instructed to not pass the authorised 5% for foreign labour in local companies.

Cameroon's gold reserve values on BEAC rose by 2.3 billion FCFA in 2014



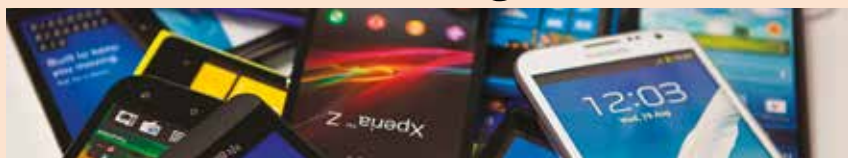
According to the auditors' report on the Central African States Bank (BEAC), Cameroon's gold reserves were estimated to be a little over 29,954 ounces in December 31, 2014. These reserves had a monetary value of 19.5 billion FCF compared to 17 billion FCFA for the same period in 2013. This amounts to a 2.3 billion FCFA increase.

The report suggests that this increase in the gold reserves' value can be attributed to the improvement in the price per ounce of gold on the international market as the precious metal was going for "994 euros per ounce (around 651,000 FCFA) at the end of 2014, against 875 euros (around 573,000 FCFA) in late 2013."

Of the five CEMAC countries having gold reserves at the central bank, (according to the report, Equatorial Guinea has none), Cameroon possesses the largest quantity, far ahead of Gabon, which has 12,837 ounces in the BEAC. The Congo, the Central African Republic and Chad are almost the same: 11, 125 ounces.

TELECOM

FDA lowers mobile penetration rate in Cameroon to 36%, against 71% for telecom regulators



The last *Savoirs communs*, published by the French Development Agency (FDA) in partnership with the University Agency for French-speaking Culture and Unesco, reveals that Cameroon's mobile phone penetration rate in 2014 was 36%, far behind African countries such as Botswana (75%), Mauritius (74%), Ivory Coast (46%) and Nigeria (42%).

This statistic cuts the 71% mobile phone penetration rate announced by the Managing Director of Cameroon's Telecommunications Regulations Agency (TRA), Jean Louis Beh Mengué, in an

interview with the government publication in December 2014. To show the level of progress in mobile phone acquisition, Mr. Beh Mengué had also stated that the penetration rate was 9.8% in 2004.

The TRA Managing Director had however explained that the mobile phone penetration rate had been calculated based on the number of SIM cards in active usage in the country and not based on the total number of mobile service subscriptions relative to the total population.

Huawei partners with Area to insure smartphones in Cameroon

For a few months now, any Huawei smartphone purchase has included three months of free insurance coverage for the loss or theft of the device. During this period, thanks to the product offered by the Area insurance company with whom the Chinese provider has partnered, the user who loses or has had his or her Huawei smartphone stolen can receive a replacement phone of the same type for a month while the insurance company seeks to recover the smartphone by using an application in-

stalled when the phone was purchased. After the three-month warranty provided to its customers in Cameroon by Huawei, the latter can sign-up with Area for similar coverage for a period of one year at a preferential rate of 7,000 FCFA. In addition to the anti-loss/theft warranty on Huawei devices, Area insurance subscribers to this product may be located and rescued in the event of an emergency by simply sending a distress signal using their Area application on their phone.

Cameroonian engineer Arthur Zang poised to claim 2015's Prize for Innovation in Africa



Africa's inventor of the continent's first medical tablet, the Cardiopad, Arthur Zang, could win a portion of the 93 million FCFA (150,000 USD) of 2015's Prize for Innovation in Africa (PIA) held by the African Innovation Foundation (AIF).

The Cameroonian engineer who developed the tablet that facilitates cardiovascular testing with results being communicated remotely is among the 10 nominees for 2015's Prize for Innovation in Africa out of 925 candidates from 41 African countries.

The final results will be announced on May 12 and 13 in Skhirat in Morocco, the country which the AIF has referred to as "*becoming a platform for innovation in Africa.*"

Minpostel and TRA explain service problems on the Cameroon mobile network

The three mobile service providers in Cameroon, MTN, Orange and Nexttel are still silent before the problems their customers have been experiencing for several weeks despite expecting significant improvement in the service quality since the advent of 3G access in March 2015.

These challenges have become so pervasive and frequent that the Minister of Postal Services and Telecoms (Minpostel), Jean Pierre Biyiti bi Essam had to speak on the matter on April 1, 2015 before members of parliament. *"These are technical problems,"* stated Minister Biyiti bi Essam.

The Telecommunications Regulations Agency (ART in French) has sought to be more specific. *"The problems now are service quality and network disturbance due to on-going adjustments to upgrade*



from 2G to 3G," explains Joseph Wendjel, Interim Technical Director at ART. *"This shouldn't take long as the implementation process has already started,"* added the ART official while speaking about the mobile network issues Cameroonians have been facing for over three weeks.

Mr Wendjel promised that, after the adjustments have been completed, *"Traffic will be fluid because the 3G offers excel-*

lent bandwidth. Therefore, customers will have more reliable high speed access which will prevent this traffic problem." While waiting, the daily subscription to mobile phone services in Cameroon continue to be affected by communication interruptions, difficulties joining a correspondent, poor internet service and the inexplicable running-out of credit.

Mitsumi Distribution to sell ZTE products in Cameroon



The Chinese manufacturer of telecom equipment, ZTE, has just signed a partnership with Mitsumi Distribution which has been presented as one of Africa's largest distributors of ICT products, according to reliable sources.

A distributor of top brands such as Acer, Asus, Canon, Dell, Hitachi, HP, IBM, Lenovo, Microsoft, Samsung, Sandisk and Toshiba, Mitsumi Distribution was chosen by the Chinese company to launch a sales offensive with ZTE products in around 17 African countries, including Cameroon.

The ZTE-Mitsubishi Distribution partnership, which is based in Nairobi, Kenya, should allow the Chinese device manufacturer to diversify its products in Cameroon by selling other products such as videoconference equipment, modems, routers, data centres and so on, according to reliable sources.

3G has not ended Cameroonian subscribers' woes

"I haven't run out of credit. It was the 3G network." The person who made this statement had his phone to his ear. He had just redialled after a dropped call. The caller on the other end apparently believed he had finished his credit.

Mobile telephone users in Cameroon are experiencing scenarios like this more and more in recent days. Dropped calls, difficulty connecting calls, poor internet service, credit mysteriously used-up and more have become the daily routine for cellular customers in Cameroon.

These problems seem to be increasing since mid-March 2015 when all the mobile operators accessed the 3G network. Facing the silence of these companies with regards to the reasons behind these problems that consumers hoped would have been resolved with the 3G launch, customers and telecom experts have come to only one solution: fixing the 3G equipment.

Indeed, the launch of this new technology needed investment in new equipment that had to be adapted to the existing network. The technicians themselves need some time to adapt and familiarise themselves with the new equipment. This is all to the dismay of the consumers who are eager to enjoy the benefits of the 3G upgrade in terms of improved service quality.

TRANSPORTATION

Chinese company Avic International Holding delivers two MA60 planes to Cameroon Airlines Corporation



The fleet of Cameroon Airlines Corporation (Camair Co), the national airline, has just added two airplanes. They were received on April 1, 2015 in Douala, the economic capital of Cameroon. The two MA60 aircrafts were purchased from Chinese manufacturer, Avic International.

According to the delegate minister to the Cameroonian Minister of Transportation, Mefiro Oumarou, who received the airplanes already painted in the colours of Camair Co, the two MA60 planes will be used to cover the national carrier's domestic flights. *"The planes will soon be put into service,"* stated Mefiro Oumarou.

The construction of these two MA60s was financed with a loan totalling 34.5 billion FCFA granted to the State of Cameroon by Eximbank of China.

Air Algérie to fly Cameroon's skies starting in 2016



In 2015 and 2016, Air Algérie will be servicing 10 new destinations in Africa. This was announced by the airline's CEO, Mohamed Salah Boulouf, who went on to specify that Cameroon's two largest cities, Yaoundé and Douala, will begin in 2016.

Air Algérie will be entering an increasingly competitive market. Indeed, according to statistics provided by the Cameroon Civil Aviation Authority (CCAA), air traffic increased by 2% in Cameroon in 2014. Between 2012 and 2013, it had already increased by 11%, according to the same source.

Despite the increasingly apparent interest African and European airlines have shown in Cameroon, the industry leader remains Air France which has a 21% stake in the thirty-company strong market. Respectively second and third in line are Brussels Airlines (13%) and Camair Co (11%), the national carrier. In total, these three companies on their own represent 45% of Cameroon's air transportation, according to the CCAA.

Jean Paul Nana Sandjo, Managing Director of Camair-Co: "We're 30 billion FCFA in debt"

Despite last week's delivery of two new planes to the Chinese company, Avic International, the fate of Camair Co still hangs in the balance. This was what Camair Co's Managing Director, Jean Paul Nana Sandjo, revealed.

"Camair-Co was launched in circumstances that created a lot of debt. Today, we are recovering, but we still owe 30 billion FCFA. Conclusion: things are still bad," he confessed as he went on to re-

veal Cameroon's national carrier's colossal debt after recently celebrating its fourth birthday.

With 700 employees, *"we have to reduce our labour force to less than 150. We currently have 250,"* stated Camair-Co's Managing Director. Facing this situation, Jean Paul Nana Sandjo maintains that the company has no alternative but to consolidate its fleet which now comprises three aircraft servicing *"15 destinations."*

Confronted with financial struggles since it opened, with high charges (for example, a flat tire has to be sent abroad for repair due to a lack of technical capacity) and low revenue, the national carrier, currently holding third place behind Air France and Brussels Airline, has only survived this far thanks to financial support from the government.

MINING

In 2015, Dangote Cement Cameroon seeks to nab 30% of Lafarge's cement market

With its factory built on the banks of the Wouri River in Douala, the Cameroonian economic capital, the Dangote Group is aiming to grab 30% of the local cement market in 2015 with an expected production of 950,000 tonnes. This was revealed by company heads during a site visit at a production plant on April 8, 2015. Dangote Cement Cameroon, which will only start producing 1.5 million tonnes in 2016, is planning to make serious inroads into the market share of Cimencam, the Lafarge subsidiary which has enjoyed a monopoly for some 48 years.

The battle between Lafarge and Dangote, respectively based in France and Nigeria, will cover the entire Central African market where Dangote Cement Cameroon also plans to claim 30% of the market in 2015, according to plans revealed on April 8, 2015 by heads of Cameroon's 3rd largest cement factory. In the interim, Dangote Cement Cameroon has recruited 65 distributors in Cameroon, *"This figure will increase. With time, we will identify distributors that are serious and those that are not,"* assured Dangote Cement Cameroon's Managing Director. Malko Building's promoter in Douala, Serge Fouoggi indicates that Dangote 3X bags of cement (42.5R) with a capacity of 50 kg will be sold for 4,500 FCFA instead of the 4,450 FCFA recommended by the company. *"I sold 70 tonnes of cement in two days. On average 35 tonnes per day. Customers are buying a lot at the moment. I think that it's because they want to try out Dangote Cement. So far the feedback has been good. If anything, the paper packaging could be strengthened,"* he stated.

According to Philippe Pidy Kobba, Marketing and Sales Director, Dangote



Cement Cameroon, in the first few months, careful attention has been paid to distributor and consumer feedback on the Dangote cement product. This feedback will be taken into account to ensure customer satisfaction. *"Next week, we will be tripling two-layer packaging,"* he explained

PRICE MORE OR LESS BALANCED

On the production end, Dangote Cement Cameroon Managing Director Abdullahi Baba assures that the process is not yet at full speed. *"We aren't producing on a continuous basis. We're testing the equipment and making adjustments as needed. We haven't started intense production, but we've produced 50,000 tonnes of cement,"* he stated. The company is seeking to position itself as one of the best priced on the market. *"We're not trying to have the best price on the market. We are the best priced and*

we have the most affordable cement," declared Abdullahi Baba.

Indeed, according to Dangote, its cement will be sold to consumers for 4,450 FCFA per 50 kg bag, which is 150 FCFA cheaper than Cimencam's (4,600 FCFA) and Cimaf's (4,400 FCFA), produced locally by the Moroccan company Ad-dhoha.

With an investment totalling 50 billion FCFA, Dangote's cement factory in Douala will have a permanent staff of 77 Cameroonians, 11 expatriates and around 250 temporary workers each month. It will help to increase national production from 2.1 million tonnes (1.6 million tonnes for Cimencam and 500,000 tonnes for the Addoha group's Cimaf) to 3.7 million tonnes, enabling national demand to be met while exporting to countries within the sub-region.

Leader of the month

Acha Leke: An indomitable financial lion with the McKensey firm



Acha Leke is presented in the pan-African magazine *Jeune Afrique* as one of the "architects of the Emergence plans for Togo, Senegal, Gabon within French-speaking Africa and the English-speaking Kenya Vision 2030."

Do you know *Lions on the Move*? It's a famous report by the McKensey firm published in 2010. The report analyses the most dynamic economies in Africa. Among the writers of this report is the Cameroonian Acha Leke, a native of Fontem, in the North-West region.

A new arrival at McKensey's Sub-Saharan African based in Johannesburg in 1998 for an internship, Acha Leke is now one of the firm's 350 consultants in Africa. The recipient of a Bachelor's degree in Electrical Engineering from the University of Standford in the USA, this son of a medical doctor quickly made a name for himself in Africa's finance community. "His business sense and bilingualism enabled him to breakthrough barriers

"His business sense and bilingualism enabled him to breakthrough barriers that had stopped many others before him," stated his compatriot, Cyrille Nkontchou.

that had stopped many others before him," stated his compatriot, Cyrille Nkontchou, who directs the stock market intermediation company, Liquid Africa and founded the Enko Capital investment fund based in Johannesburg and London.

In his position at McKensey in Johannesburg, 42-year-old Acha Leke has worked a lot on the Nigerian economy. He even lived in that country from 2010 to 2013 to do work which enabled the Nigerian government to increase its tax revenue by 700 million dollars (around 420 billion FCFA). But the Cameroonian finance expert is presented in the pan-African magazine *Jeune Afrique* as one of the "architects of the Emergence plans for Togo, Senegal, Gabon within French-speaking Africa and the English-speaking Kenya Vision 2030."

In addition to his activities in the areas of finance and economy, Acha Leke also looks at education "with



his Ghanaian friend, Fred Swaniker, one of the founders of the African Leadership Academy of Johannesburg which offers two years of preparation for 100 young people from 43

countries to enter the best international universities."

He also created a network of entrepreneurs, the African Leadership Network, which he hopes will pro-

"There have been three generations of African leaders before us. [...] It's now up to my generation. We will have to bring prosperity, particularly via intracontinental trade," Acha Leke declared.

duce Africa's future builders. "There have been three generations of African leaders before us: Nyerere and Nkrumah, who won our independence and built our nations, General Abacha who destroyed them and the current Kagame and Johnson Sirleaf who brought growth. It's now up to my generation. We will have to bring prosperity, particularly via intracontinental trade," he declared.

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