

October 2015 - N° 32

BUSINESS IN CAMEROON

**MAJOR PROJECTS
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ENERGY
MINING
INDUSTRY
SERVICES
FINANCE**



Kribi: Cameroon's next economic hub

**A 178.5 billion
FCFA project to
develop fruit tree
cultivation**

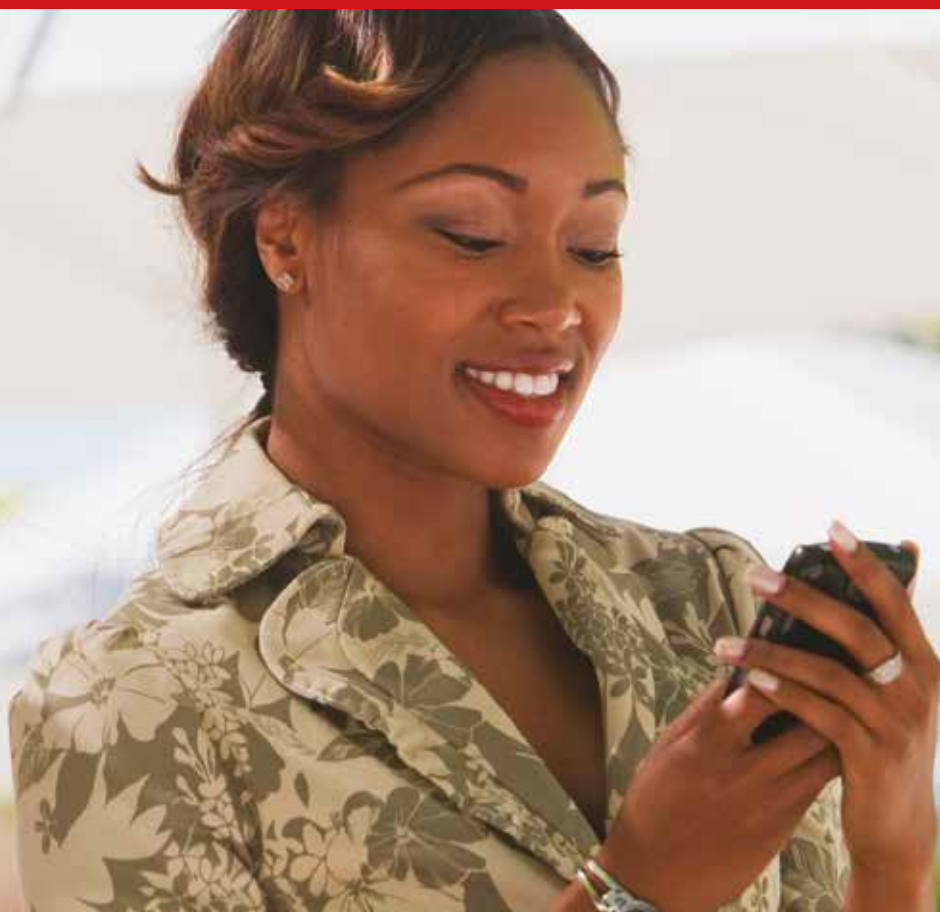
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and MTN launch
mobile banking
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IPHONE, IPAD, AMAZON, AND ANDROID APPLICATIONS



Yasmine Bahri-Domon



Boosting economy

It is official, construction works for Kribi's deep water port ended in August 2015 and the infrastructure is now ready to operate. It took 36 months (as planned in the schedule) and 287 billion CFA Francs for the Chinese firm China Harbour Engineering Company to build the deep water port. As for the amount previously stated, 87% were funded by China Exim Bank as a preferential loan and 15% came from the state of Cameroon. The latest development on the port's site include the effective operation of two huge tugs (40 m long each) which were recently received by the president of the steering committee for the construction of Kribi's industrial port complex. Respectively named "Roi Madola" and "Roi Mayesse", names perfectly depicting Kribi's glorious past, the two powerful tugs can pull up to 4,000 tons each.

The imminent commissioning of Kribi's new port marks the beginning of a new era in Cameroon's economic history, an era where important projects which are integrative and generate growth, employments and wealth are a reality. Need not be mentioned that this port will also boost economic development by fostering the creation of industries, urban development and the development of transport infrastructures (port, road and railway) as well as energy, communication and telecommunication infrastructures. Kribi's port has been built to compensate the shortcomings of Douala's where 95% of Cameroon's external exchanges currently transit and who can only receive vessels weighing a maximum of 15,000 tons with a 6-7 m draft. As for the ore port which is to

be built in Lolabé, 4 Km from the Kribi general port, and through which all the iron ore to be exported will transit, it will receive ore vessels weighing 30,000 tons and having a 24 m draft. So, Kribi's port is finally set. It is set and concrete, as concrete as many other viable projects which are just waiting for potential investors.

In other news, President Paul Biya, on 2 October 2015, proceeded to a cabinet reshuffle focusing mostly on key ministerial positions. This reshuffle however, coincides with a period where Cameroon has recorded its best economic results in years. In fact, the International Monetary Fund (IMF) recently reported that Cameroon's GDP growth in 2015 was around 6% against 4.5% in 2014, thus implying that the country was on the right path to economic emergence. Cameroon's debt to GDP ratio for Q1 2015 reached 22.5% while the overall debt for all CEMAC's members is 70%. Still in regards to performance, the reliable indicators from World Bank's *Doing Business* and *Transparency International* (corruption indicators) also improved for Cameroon. Therefore, Cameroon's economy seems to be faring quiet well as does its private sector. So one must be wondering, why this reshuffle? Well, this reshuffle was the right move perfectly translating the actual social, economic and political stability that characterize the country. Truly, this new government focuses on sectors such as agriculture, infrastructure development, energy and mining which should lead Cameroon's economy to greater achievements.

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Erratum

In our issue of September 2015, there was an error in "the Cast" section. The photo illustrating the announcement of the death of André Souhaing was not correct. We sincerely apologize to his family for this mistake.

PUBLIC MANAGEMENT **P**¹⁴₁₇



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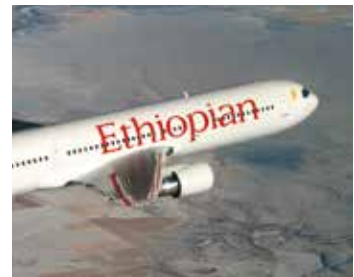
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MINING **P**³³



THE CAST



MARIE THÉRÈSE ABENA ONDOA



Minister of Posts and telecoms, Jean Pierre Biyiti bi Essam, and Minister for the promotion of women and family, Marie Thérèse Abena Ondo, just signed an agreement for the provision of equipment and internet connection to the 92 centres for the promotion of women and family (CPFF in french) in Cameroon. During the signing, Minister Biyiti bi Essam promised all women trained in these centres, latest computer equipment as well as high-speed internet.

In Cameroon, the penetration rate for internet is extremely low, a reality which is more profound for women. Officially, this penetration rate is close to 2%, in spite of mobile internet's emergence (as a result of 3G deployment), and the significant interest growth for smartphones in the country.

ALAIN NTEFF



Young 23 year-old Cameroonian, Alain Nteff, has just been awarded the Young African Company Award at the New York Forum Africa (NYFA) which took place in Libreville, the Gabonese capital from August 28-30, 2015.

Thanks to this distinction, Alain Nteff will receive 50,000 euros, which is approximately 32.7 million FCFA to develop his GiftedMom project, which he revealed to the world in 2014.

Indeed, that year, the young Cameroonian IT Engineer was one of the recipients of the Anzisha Award, an international competition which distinguishes young Africans under the age of 22 who have developed and implemented innovative solutions to address social challenges or who have created very prosperous businesses within their communities.

Named GiftedMom, Alain Nteff's creation is an application through which SMS messages are sent to pregnant women in rural communities in order to remind them of the dates for their prenatal appointments at hospital. Thanks to this service, the number of deaths after childbirth have decreased considerably in areas where the project has been implemented.

EMMANUEL NOUBISSIE NGANKAM



In an interview with Cameroon Tribune, Cameroonian Emmanuel Noubissie Ngankam, World Bank's Resident Representative to Algeria since April 2013, indicated that the current oil crisis would not be perilous for Cameroon.

Indeed, he asserted that, unlike other countries of the sub-region whose revenue depends mainly on oil, "Cameroon has the advantage of having a relatively diversified economy based on its GDP's structure".

However, the former representative of the Friedrich Hebert Foundation and first President of the Cameroonian Association of Economic Journalists (AJEC in French), notes that "Cameroon's pro-growth sectors' potential is not being optimised". "Here, I'm referring to the agricultural sector (23% of GDP) and especially the manufacturing sector, which produce added value (less than 20% of GDP). The potential is there, therefore sound questions need to be asked," he affirmed.

CÉLESTINE KETCHA COURTES



Ulrike Maenner and Célestine Ketcha Courtes, respectively director of Giz Cameroon and mayor of Bangangté (Cameroon's West), just signed a deal which aims at fostering, for this commune, investments from members of

the Cameroonian diaspora in Germany. The agreement was signed in the framework of German cooperation Giz's migration for development Program (Pmd in French).

According to Giz, this partnership, which should extend to other institutions, includes the recruiting of experts from Giz's international Centre for migration (Cim), financial and technical support, advices regarding the designing of projects as well as the inclusion in the job market of members of the Cameroonian diaspora in Germany who wish to return to Cameroon. Giz also revealed that this diaspora counts nearly 17,000 members of which 6,000 are students. These citizens of Cameroon prefer serving their country of adoption rather than their country of origin where their skills are much needed.

JEAN MARIE LOUIS BADGA



Cameroonian minister for SMEs, Laurent Serge Etoundi Ngoa, presided on August 21st, 2015, the entry into office of Jean Marie Louis Badga, as Managing director of Cameroon's Agency for promotion of SMEs (APME in French). As an expert in analysis and

evaluation of projects, the first Managing director of Cameroon's Agency for promotion of local SMEs is tasked with modernizing these SMEs which, for now, are inefficient and characterized by a poor management.

These explain the lack of competitiveness of Cameroonian SMEs and the challenges they encounter when developing, especially in regards to financing. Reversing this trend therefore is the responsibility of Jean Marie Louis Badga's team. To achieve this, the team will train heads of various SMEs as well as provide support in other ways, one being the facilitation of access to funding.

CHRISTOPHE EKEN



The Chamber of Commerce, Industry, Mines and Crafts of Cameroon (CCI-MA in French) is about to set up an institution named "Arbitration, Mediation and Conciliation Centre (CAMC in French)" specialized in the resolution of commercial disputes between

economic operators. This is the main resolution adopted by the CCIMA at its 11th executive board meeting which was presided by Christophe Eken.

On the local arbitration ground, CAMC will join the Arbitration Centre of the Inter Managerial Committee of Cameroon, operational for years and headed in its early days by Ousmanou Sadjo, an academic specializing in commercial law. Founding president of the African Centre for law & development (CADEV), Ousmanou Sadjo also set up the permanent Centre for Arbitration and mediation (CPAM), an internal institution of CADEV.

Kribi, touristic destination on the path to become industrial

Nowadays, acquiring land in Kribi has become quite difficult. In fact, since construction works for deep water port began in the town, almost every plot of land has been purchased (bare lands included) and actual land owners are reluctant to sell their assets without first maximizing their investment. This resulted in a steep rise in land prices, for individuals, real estate agents, and companies which are now attracted to this seaside city, which could soon become Cameroon's main industrial hub.

The trigger for Kribi's progressive transformation is, undoubtedly, its deep water port which should be operational soon. Various projects are emerging around the infrastructure, namely in the sectors of mining (exploitation of the Monts Mamelles deposit), heavy industry (aluminium and oil refineries), energy (gas liquefaction plant), telecommunication, public works, railway, automobile, etc.

Considering the important number of projects this town now houses,



The trigger for Kribi's progressive transformation is, undoubtedly, its deep water port which should be operational soon.

despite already being famous for its many touristic treasures, the Cameroonian government, in order to capitalize on its resources, launched in January 2015, a call to tenders for the elaboration of development strategy for Kribi. Government with this move, has two distinct goals in mind.

Government's first objective is to identify the expectations of investors involved in the above-mentioned or ongoing projects in the Southern city, so as to meet them. Then, it will assess the performance of Cameroonian SMEs in outsourcing

for multinationals companies in the framework of the projects previously mentioned, in order to boost creation of local jobs and insure transfer of technology.

For short, many economic experts believe in a shift of Cameroon's business centre from Douala to Kribi as it will host its deep water port. Government's ambitions for this town which is about 150 km from Douala suggest that even if it does not become Cameroon's main economic hub, it will still become a pillar of its economy.

Brice R. Mbodiam

Transport : Kribi on its way to the top



Cameroon is awaiting the commissioning of its first deep water port in Kribi, the seaside town which also houses three motorway and railway projects.

Kribi, the tourist destination located in Cameroon's Southern region, is famous for its sandy beaches that extend many miles along the coast of the Atlantic. However, since the beginning of construction of deep water port, which according to experts is one of the most strategic along the West African coast, in this town, it is gradually transforming into an industrial location.

Works for the first stage of construction of this facility built by China Harbour Engineering Corporation (CHEC) brought about,

a 350 m-long container terminal, a multipurpose terminal, a protection dike, associated infrastructure and a road (in construction) going from Kribi to Lolabé, where the port is seated. On 26 September 2015, after a long selection process for partners, the Cameroonian government chose all concessionnaires.

Hence, the container terminal went to a consortium including French group Bolloré Africa Logistics, Chinese firm CHEC and French shipowner CMA CGM. With a 623.4 million euros (409 billion FCFA) offer, the French-Chinese consortium was leading throughout the whole call to tenders process ahead of ICTSI, with a 472.4 million euros (309 billion FCFA) offer, and

Works for the first stage of construction of this facility brought about, a 350 m-long container terminal, a multipurpose terminal, a protection dike, associated infrastructure and a road.

APMT, 403.6 million euros (264 billion FCFA).

45% OF MULTIPURPOSE TERMINAL ASSETS GO TO NATIONALS

The multipurpose terminal project for its part went to a grouping comprised of French logistics firm Necotrans and KPMO (Kribi Port Multi-Operators). The local consortium (APM, 2M, Transimex, Sapem, 3T Cameroun, Cam-Transit, Copem, STAR and GOS) which presently operates at the Douala port, will hold 45% of the assets of the company which will run the project. Here again, ICTSI and APMT were outpaced.

However, on 26 August 2015, these two concessionnaires were selected

by the Cameroonian government to join, at the Kribi deep water port, Dutch firm Smit Lamnalco which was awarded contract for towing and mooring according to a release published on 20 April 2015 by the President of Committee for the monitoring of Kribi's deep water project, Louis Paul Motazé, who is also secretary general of prime Minister. Smit Lamnaco will use the two tugboats which were acquired more than year earlier by Cameroon's government.

Kribi, the tourist destination located is gradually transforming into an industrial location, since the construction of the deep water port, which according to experts is one of the most strategic along the West African coast.

Kribi's deep water port which already received big ships that delivered materials for construction, now awaits its official commissioning which should happen during the next months. After this, second



stage of the project, which includes the construction of another container terminal (750 m long), an oil terminal, a mining terminal and an aluminium terminal will start.

MORE THAN 500 KM OF RAILWAY TO LINK MBALAM TO KRIBI

The last two facilities should respectively allow operations at the aluminium refinery in construction in Kribi to begin, as well as the effective exploitation of Mbalam's

bi junction where Cameroon's only smelter can be found) and Lolabé, which houses the deep water port, is planned.

For this to happen, Cameroon's government, in April 2015, launched a limited international call to tenders, to recruit a firm that will carry out feasibility studies for all three railway construction projects, of which the 120 Km Edéa-Kribi line is part. In addition to this, the Cameroonian government signed with Chinese company CHEC, a MoU to conduct

Kribi's deep water port which already received big ships that delivered materials for construction, now awaits its official commissioning which should happen during the next months.

deposit, which is being developed by Australian Junior Sundance Resources. This mining project as a matter of facts, includes the construction of a 500 Km-long railway to serve Mbalam and Kribi.

In the framework of modernizing transport activities between Douala and Kribi, a second project for construction of another railway between Kribi, Edéa (the Douala-Kri-

the feasibility study for the same project, as part of national railway plan designed by government and requiring a FCFA 15 billion funding. Besides the railway, government also plans in the long term, to construct a motorway that goes from Edéa to Kribi, also to facilitate exchanges between Cameroon's actual business metropolis and Kribi.

BRM

Oil and Gas : Kribi, mother of Gas



The South Sanaga Gas field along Kribi's coast is a main source of attraction for economic operators, who intend to build in this town a natural gas liquefaction plant.

Kribi's 216 MW (actually expanding 330 MW) gas plant, is one of the most important in Cameroon. Built by Kribi Power Development Corporation (KPDC), an independent producer initially established by American AES, but later transferred

to British fund Actis (which also recently transferred its assets to the Norfund-CDC Group consortium), this power plant brings out the true potential of the South Sanaga field. According to statistics from the National Oil and Gas Company (SNH), this field boosted Cameroon's gas production over the Q1 2015. Truly, out of the 4548.6 million cubic feet of gas produced April 2015 ending, about 3801 million cubic feet came from the South

Kribi's 216 MW (actually expanding 330 MW) gas plant, is one of the most important in Cameroon.

Sanaga field. Its potential gave rise to the construction project for gas liquefaction plant in Kribi, headed by French company Perenco, leader of Cameroon's oil production sector, SNH and GDF-Suez.

To rapidly implement this project, the involved parties decided to first establish a floating gas liquefaction unit which, will help "anticipate liquefied natural gas production in Cameroon starting from 2017". The information was disclosed on September 30, 2014, during a farewell ceremony organized by SNH for Perenco Cameroon's outgoing Managing Director at the time, Denis Clerc-Renaud, who had been transferred to Gabon few weeks earlier.

In addition to having a production capacity of 1.2 million tons, the floating gas liquefaction unit will also produce domestically, about 30,000 tons/yr of natural gas. This will increase national output for natural gas to 45,000 tons from SNH's actual 15,000 tons for a usual demand of 80,000 metric tons, according to Hydrocarbons price stabilization fund (CSPH in French). On June 30, 2015, Golar LNG Ltd, involved in this project, said it made a deal concerning the commercial terms and conditions for its project for exporting natural liquefied gas, this as a result of a protocol it arranged in 2014 with SNH and Perenco. However, this deal must first be approved by government. The same condition stands for the agreement regarding the midstream gas sector, for the setting of regulations and taxes on the exploitation of liquefied natural gas with floating units in Cameroon.

Telecom : Two fiber optic submarine cables to land in Kribi

On September 1st, 2015, global submarine cable networks provider, Huawei Marine Networks Ltd, announced it has completed the installation of NCSCS (Nigeria-Cameroon Submarine Cable System) fiber optic cable between Cameroon and Nigeria. The 1,100 km line is ready to go online during Q4 of this year.

NCSCS links Kribi, in the South of Cameroon, to Lagos, Nigeria. Deployment works for this cable system were launched on 4th August 2015 in Kribi by Cameroon's Minister of Posts and Telecommunications, Jean Pierre Biyiti bi Essam.

Kribi, with this project, in addition to its tourism, oil & gas assets and its deep water port, has now joined the ranks of localities that host key telecom structures in Cameroon. Moreover, this town is set, in a few months, to become the first to host landing stations of two fiber optic submarine cables.

Indeed, aside NCSCS which has a capacity of 12.8 Tbps, Kribi will also house the landing station of ACE (African Coast to Europe), a 14,000 km-long cable which is the product of a construction-installation



agreement signed by Orange Cameroon and Cameroon's government on 9 June 2015.

Pre-selected by government last August, Batratel (Cameroon) and SFM Technologies/ECR (Tunisia), which are competing for the feasibility study contract of the ACE project, were to submit their proposals to

the Ministry of Posts and Telecoms latest by 24 September. Stated clearly, Kribi is the main actor for Cameroon positioning itself as central Africa's main hub for bandwidth, considering the four submarine cables (WACS, SAT3, NCSCS and ACE) it will soon boast of.

Ongoing construction for modern oil refinery

After building the National Refining Company (SONARA) in Limbé (in Cameroon's South-West), Cameroon's government now intends to set up another modern oil refinery. This new refinery is to be built in Kribi, which hosts the Chad-Cameroon Pipeline used in exporting oil from Chad.

According to a recent official release from government, Russian group Rusgazengineering was selected as a pre-qualified firm to finance and carry out a feasibility study of the project.



A vehicle assembly unit coming to Kribi

An Indo-Chinese consortium is currently trying to provide the Cameroonian seaside town with one of the first installations of this type in the country.

Indian firm Azad Coach and Chinese groups, Gav Gonow and Yutong (which is the leader of China's automobile industry and 3rd in the World), signed on 11 June 2015 in

to be mounted in Cameroon. This project will benefit from the new law on fostering private investment in Cameroon which exempt companies from tax-customs fees over a period of 5-10 years, including the implementation and production stages. These projects, over the first 15 years of operation, should create about 4,620 direct jobs. According to the Managing

ever, the project never happened as the American group later transferred its assets.

It should be mentioned that Cameroon, due to its low purchasing power, mostly imports second hand cars (locally known as "congelées" meaning frozen) mainly from Europe, especially Belgium and Germany. New cars, considered too expensive in Cameroon, are gener-



Yaoundé, an agreement for the construction of two vehicle assembly units (trucks and berlines). These units will be located in Douala, and Kribi, where was recently built what will soon become Cameroon's most important port.

The Indo-Chinese consortium, which has for local partner the Cameroon Automobile Industry Company (CAIC), said it has injected close to 92 billion FCFA in these projects. In fact, government should provide 900 acres in the surroundings of the Kribi deep water port which will be the point of disembarkation for parts

These projects should create about 4,620 direct jobs over the first 15 years of operation.

Director of CAIC, Manoj Khiyani, "the first vehicles will be available on the market in about a year and half".

NO MORE 'CONGELÉES'

This project, is not the first of the kind to be announced in Cameroon. In 2006, whilst preparing to launch its 'Le Bus' transport company in Yaoundé, the American firm Transnational Automotive Group (prior to transferring its assets in Le Bus to a Zimbabwean investor) announced a similar project, the construction of vehicle assembly plant in Limbé, in the South West. How-

ally purchased by the public administration and companies, which are car dealers' main customers in the country.

In regard to this, implementing vehicle assembly units in Cameroon always represented a nest of opportunities for the population as well as for public authorities, especially considering the positive impact it would have on the prices of cars. Several studies also suggest this will result in the decrease in annual car accidents, which are mostly associated with the poor state of imported cars.

PUBLIC MANAGEMENT

More than FCFA 2,800 billion of loans yet to be unlocked

According to Dieudonné Evou Mekou, Managing director of the Autonomous Amortization fund (CAA) which is responsible for handling the Cameroon's public debt, more than FCFA 2,800 billion of funds provided by donors, is being delayed in their disbursement. *"Considering the total amount of debt of about FCFA 3,800 billion, this delay rings a bell about the more significant issue of the underutilization of investment credits"*, reported M. Evou Mekou to the governmental daily.

Experts think that the reasons for this underutilization include the complex or unclear procedures imposed by some funders prior to disbursing the funds

allocated for development of projects in addition to the fact that these procedures are many and tend to change from a funder to the other.

So many stumbling blocks to the public finances' development. This situation is similar to that of the growth forecasts associated with some strategic projects and their implementation. Moreover, CAA's Director-General put the accent on how underutilizing external financing leads to *"higher costs of the funds raised for projects, notably by increasing charges such as management fees paid over a longer period as well as commitment fees (higher since they are fixed and proportional to the yet-undisbursed*

awarded credits)."

To overcome this challenge that negatively impacts on Cameroon's economy, the CAA with the World Bank's financial and technical support, implemented *"an integrated system for disbursement (SIGED) and a manual with simplified procedures for state projects"*. According to the World Bank, these measures which were officially introduced to potential users on September 3, 2015, should help *"reduce the major challenges associated to the low disbursements rates on external aid funding, so as to carry out development and investment projects"* in Cameroon.

Cameroon campaigns to get local investors to go on the Douala Stock Exchange

From July 27 to August 25, 2015, the Cameroonian Minister Finance was holding for local investors across the country, an operation called *"the stock market caravan,"* as announced by the general directorate of the Treasure Department.

The initiative was a *"campaign to spread stock-market culture"* in country, which aims to encourage investors and businesses to enter the Douala Stock Exchange (DSX), Cameroon's securities exchange.

Indeed, although businesses endlessly complain about difficulty accessing financing in traditional banks, the Douala Stock Exchange has listed only three companies since 2006 for a total stock capital of a little over 500 billion FCFA. Experts believe the disinterest of Cameroonian companies in the financial market, despite the tax advantages put in place by the government to encourage investors to use it, lies in a lack of stock market culture and the expense of using the Douala Stock Exchange's services.



Cameroon: IMF forecasts 2015 GDP growth to 6%



Mario De Zamaroczy, head of the IMF mission visiting Cameroon, upon completing his evaluation says the central African country should achieve a GDP growth of 6% in 2015, against government's forecast of 6.3%.

Clearly put, this year's GDP growth for Cameroon, despite the cost of fight against Boko haram, and the drop in the global oil price, remains almost the same as last year's: 5.9% according to IMF.

The Bretton Wood institution is extremely optimistic about the control of inflation rate this year, since the figure is below the 3% limit of the CEMAC to which Cameroon belongs.

Kadima Kalonji appointed as IMF's resident representative in Cameroon



The International Monetary Fund (IMF) just appointed Kadima Kalonji as its resident representative in Cameroon, thus filling the space left by the previous representative, Boriana Yontcheva, who reached the end of her office. The newly appointed representative inaugurated his appointment by participating in IMF's recent evaluation mission in Cameroon, with Mario De Zamaroczy at its head.

Prior to this appointment, Kadima Kalonji was, since May 2013, Senior Economist at IMF's headquarters in Washington DC. The new resident representative began his office in the international financial institution in 1998 as a debt specialist. Kadima Kalonji studied Economy, International trade and Finance at the George Washington University, USA, from 2002 to 2004.

WEF 2015: Cameroon jumps two places from its 2014 ranking

This year's World Economic Forum (WEF) ranked Cameroon as the World's 114th most competitive economy, out of the 140 countries evaluated. Though rising two places in the rankings as compared to last year, Cameroon still comes behind Gabon (104th), which is central Africa's leading nation according to the 2015-2016 report. However, in this 2015-2016 ranking, Cameroon is 10 steps ahead of Nigeria (124th) which by the way is Africa's leading economy. In Africa, just like for the previous year, Mauritius came out as the most

competitive with South Africa nipping at its heels.

For 2 years now, Cameroon has been stagnating in this ranking which is now the main competitiveness measurement mean in the world, contenting itself with slight movements up and down (two to three places) the global ranking. Reasons explaining this lack of progress include the energy deficit, the lack of infrastructures, education and job mismatch, the hurdles encountered in the institutional business environment, etc.



AFD introduces a digital map to boost visibility for its projects in Cameroon



On September 3, 2012, in Yaoundé, the French Agency for Development (AFD) officially introduced a digital map that identifies and locates all its development projects in Cameroon. The tool, which boosts and promotes France's development projects in Cameroon, was conceived by the department for cooperation and cultural action of France Embassy in Yaoundé.

Available on the website of the France embassy in Cameroon, the digital map, in addition to identifying and locating the projects financed by France, also provide their targets and costs. "The most important characteristic of this map is its completeness. All the tools France provides Cameroon are featured in It," said Hervé Conan, Director of AFD's subsidiary in Cameroon.

This map should give more visibility to the actions carried out by France in Cameroon where China's actions, in all sectors, are increasing in visibility daily. Moreover says Hervé Conan whilst introducing the map in Yaoundé, the tool is *"a mean to insuring that France is truly active in Cameroon"*.

Since 2006, the AFD has financed up to FCFA 1,000 billion worth of projects in Cameroon whereas China, by 2014, claimed around FCFA 1,850 billion of investments.

Defense contracts in development between Cameroon and Turkey



Bidding farewell to Cameroon's minister of Defense, Edgar Alain Mebe Ngo'o, the outgoing Turkish ambassador, Omer Farouk Dogan, announced that his country and Cameroon were cur-

rently working on the signing of three defense contracts.

The Turkish emissary added that this cooperation, "whose fruits are about to be seen", was established in the framework of the fight against terrorism in Cameroon. Truly, for some time now, the country has been under numerous attacks from the Nigerian Islamic group Boko Haram.

With these defense contracts, Turkey will join a bench of partners such as France, Israel, China or USA, and divert from its usual investment targets, namely the trade and production sectors.

Korean company to implement e-clearance system for customs administration



Cameroonian government and Korean firm Compass, signed on 5th September 2015, in Yaoundé, an agreement to establish an e-clearance system for the local customs administration, a source involved in the project revealed

According to Lee Don-Hyunn, manager of the Compass firm, the e-clearance platform in which the Cameroonian customs administration is interested, is based on a set of modules that allow importers and exporters to remotely effect customs clearance by using the Internet. The introduction of this technology into Cameroon customs procedures should help improve the collection of customs revenues as well as increase transparency in customs activities, the Korean manager said.

Dikes construction contracts awarded to Chadian firms for FCFA 62 billion

As part of the urgent Project to combat flooding (PULCI) in the North of Cameroon, the government just awarded the contracts for the rehabilitation of irrigated areas and of the Maga & Logone and Mayo Vrick dikes to two Chadian firms.

According to the release through which the information was announced, the contracts were won by Geyser SA-Sot-cocog SA and SRGM-ETRA, for FCFA 33.3 billion and FCFA 28.8 billion respectively, thus totaling a sum of FCFA 62.1 billion. The selected firms won the bid ahead of Hytra SA, from Cameroon, and Russian firm Zarubezhv Dstroy.

Works to be undertaken according to the contracts should protect more than 10,000 acres of rice fields from flooding. In these fields, about 78,000 rice-farmers are working as employees of the Society for expansion and modernization of rice-farming in Yagoua (Semry). Also, it is important to mention that during the raining season, areas sur-



rounding the Logon-river are prone to flooding. As a result of an overflow, flooding waters from the river usually cause material and human losses, in addition to destroying crops yield (onions, rice and millet) thereby exposing populations to hunger.

France invests FCFA 80 billion to develop three regions in Cameroon



The communities of Garoua (in the North), Bertoua (in the East) and Bafoussam (in the West), received a FCFA 80 billion envelop which will be used to finance some development projects in these various locations.

70% of this envelop will be used to rehabilitate urban roads, official sources reveal. The rest is destined to building commercial facilities in these decentralized local communities, as well as to developing green spaces.

Half of the grant (FCFA 40 billion) was provided by the Agence française de développement (AFD), as provided in one out of the four funding agreements signed during François Hollande's recent visit to Cameroon on July 3, 2015.

As for the other half, it has been provided by the C2D funds, an initiative to forgive the bilateral debt launched by the French government, to help countries which have reached the completion point of IMF's HIPC initiative.

These funds were given as part of the "regional capitals" project implemented by Cameroon's government, to improve the living standards in some of the country's towns.

Belfius Bank to finance water supply projects in Cameroon



Belfius Bank of Belgium will sign with Cameroon's government two "buyer's credit" loan agreements totaling FCFA 55.7 billion, revealed a presidential decree which equally enables Minister of Economy, Emmanuel Nganou Djoumessi, to sign these contracts. The first agreement amounts to 29.5 bil-

lion CFA franc and involves the supply of drinking water to the Kribi industrial complex, in the south of Cameroon.

As for the second agreement, it has been estimated to 26.2 billion CFA. These funds will be used to finance "a project for the rehabilitation of drinking water systems in Cameroon."

AGRIBUSINESS

Cameroon: a 178.5 billion FCFA project to develop fruit tree cultivation

On July 28, 2015 in Yaoundé, the Cameroonian Minister of Agricultural and Rural Development, Essimi Menyé, officially launched the Fruit Tree Cultivation Development Support Programme. The project needs 178.5 billion FCFA in financing, a portion of which has been provided by the FAO in the framework of the pilot phase, while the government will raise most of the required amount.

According to its initiators, the Fruit Tree Cultivation Development Support Programme aims to increase the number of orchards in production zones situated mainly in the Centre (Lekie, Mbam and Inoubou departments), Adamaoua (Vina and Mayo Danay departments) de Extreme-North (the Diamaré department) and North (Bénoué and Mayo Louti department) regions. The cooperatives, joint initiative groups (GICS in French), and industrial producers, which will all start putting the orchards in place, will then receive multiple forms of support to create processing plants. The project's promoters indicate that the plan is to make Cameroon a juice exporter by 2025.

More than FCFA 1,300bn mobilized to boost agriculture

The Business Meeting held on September 15, 2015, in Yaoundé, yielded successful results as it allowed sufficient funds to be mobilized in the framework of government's National Plan for Agricultural Investment (PNIA). Indeed, out of the initial FCFA 1,500bn expected, more than FCFA 1,300bn were mobilized.

The African Development Bank (ADB) was the leading donor with FCFA 305 billion, followed by GIZ (FCFA 10bn), the FMI (FCFA 157bn), the EU (FCFA 137bn), the AFD (FCFA 250bn) and IFAD with FCFA 40 billion... the government for its part will provide FCFA 500bn.

Extending from 2014 to 2020, the PNIA requires a FCFA 3,350 billion fund. However, with FCFA 2,000 billion already in the government's hands, the meeting held on September 15th was a mean to collect the missing amount.

However, this Business Meeting takes place whilst Cameroon's economic environment is actually characterized by difficulties in the disbursement of external funds coupled with an underutilization of these funds, according to the Autonomous Amortization Fund which is presently trying to reverse that trend.

Cameroon-India: FCFA 21.3 billion to industrialize Cassava sub-sector

Cameroon's government just launched an international call to tenders to recruit Indian firms which are to provide equipment for processing and producing cassava on an industrial scale. The contracts resulting from the recruitment will be carried out in four batches with each aiming to supply Cameroon with more than 700 equipment and machinery.

The cumulative value of these contracts amounts to FCFA 21.3 billion, with the Exim Bank of India as the funding institution in accordance with the 2012



Cameroon-India convention on the industrialization of Cameroon's Cassava sub-sector.

Submission of bids by tenders is expected on 9th October, 2015, at the Ministry of Public Contracts. All successful

bidders for the various contracts will be given a 6-months period, following the immediate notification of the order of service by Cameroon's government, to deliver the required equipment.

Cameroon to expand its cocoa processing capacity to more than 100,000 tons yearly

The Interprofessional Council for Cocoa and Coffee (CICC) has announced its intent to increase the volume of locally processed cocoa beans in Cameroon to more than 100,000 tons in the short term. This amount is three times greater than the actual amount - about 33,000 tons - officially processed during the 2014-2015 season.

As a basis for this optimistic projection by the CICC, there are various investments already injected and there are other upcoming ones. Amongst these are the recent investments by Sis Cacaos; the market leader in the local processing of cocoa beans this year. Indeed, the Barry Callebaut's subsidiary has acquired new machinery to boost its processing capacity from 35,000 to 50,000 during the present season.

Moreover, the CICC highlighted

that there is an actual increase in Fapam Industry's processing capacity, since the unit was recently granted governmental funding in relation to the Agropoles project. The unit plans on increasing its processing capacities to 25,000 tons per year.

Finally, the "Program supporting local initiatives for cocoa processing" initiated by the government, projects on building 10 cocoa processing units throughout the country. Besides this initiative, Dutch organization SNV which offered Konyé's producers a processing unit, will do the same this year for producers in Ayos, Central region. In order to reach the 300,000 tons of cocoa beans, Cameroon has planned to be locally processed by 2020, more of these initiatives and investments should be implemented.



José Graziano da Silva, FAO's Director-General visiting Cameroon

Brazilian agronomist José Graziano da Silva, re-elected, last June, Director-General of the Food and Agriculture Organization (FAO) of the United Nations arrived in Yaoundé on September 3rd, 2015. It has been revealed that, the signing of an agreement, to change FAO's representative in Cameroon into a liaison office, is expected during Mr. da Silva's stay in the country.

According to Cameroon's authorities, installing this liaison office will provide the country with more of FAO's experts from various areas who should contribute, more efficiently, to the implementation and monitoring of programs initiated by the government.

The creation of an FAO's liaison bureau in Cameroon comes about two months after Cameroon has been recognized, by the institution, for reaching the Millennium Development Goal (MDG) alongside 12 other countries. As a reminder, the MDG aim is the fight against hunger in the world.

CICC to introduce Cameroon's coffee to Italian markets

The president of the Inter-professional council for cocoa and coffee (CICC) of Cameroon, Apollinaire Ngwé, has been leading from September 13 to September 19, 2015, in Trieste, Italy, a delegation of 20 Cameroonian coffee-roasters.

Cameroon's inter-professional council for cocoa and coffee highlighted the goal of this trip, knowingly, "*using the upcoming World Expo to build and strengthen business partnerships, so as to find new markets for Cameroon's coffee.*"

Additionally, the CICC emphasized that, the delegation going to Italy "*plans on repeating the prowess from last June in France, whereby Cameroonian coffee-roasters won three out of five awards during the first edition of the International Contest of Locally roasted coffee, organized by the Agency for the Valorization of Agricultural Products (AVPA).*"

It should be reminded that Cameroon is one of the rare countries in the world to produce the Arabica and Robusta varieties of coffee. However, in spite of its reputation of having a delicious and aromatic coffee, the country's local industry has been facing since the end of the 90s various challenges.

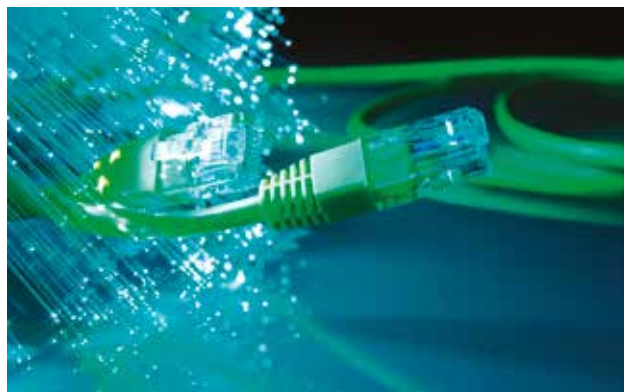
FINANCE

Cameroon: 24.5 billion CFA franc loan to extend fiber optic

Cameroon's president recently authorized Minister of Economy, Emmanuel Nganou Djoumessi, to sign with the African Development Bank (ADB), a loan agreement of FCFA 24.5 billion. This loan will finance the Central Africa Backbone (CAB) project which consists in installing a fiber optic network linking Cameroon, Chad and RCA.

According to credible sources, the World Bank is investing, for the same project, about 15 billion FCFA in three other Central African countries.

Moreover, a report from the Bretton Wood institution on the project has revealed that some challenges, mainly related financial management, are being encountered in Chad, thus delay the project's implementation in the country.



Cameroon's EDC Investment Corporation SA net result rises 80% to FCFA 727.6 million

Cameroon's EDC Investment Corporation SA, at the end of its last season which ended on December 31, 2014, had a net result of FCFA 727.6 billion, the firm stated in a release published on September 2, 2015, in the "Weekly Governmental".

In absolute value, this net result represents an 80% (more than FCFA 332 million) increase from the previous year's result.

Being an investment subsidiary of Ecobank, EDC Investment Corporation SA is certified as an investment service provider (ISP) at the Central African Stock Exchange (BVMAC) located in Libreville, Gabon. The institution also invests in the telecommunication, energy, manufacturing, mining and construction sectors.



Sodecoton offers one billion FCFA in contracts to three Cameroonian insurance companies

Three insurance companies have just been announced as recipients of a contract for general insurance contract subscription to Société de développement du Coton (Sodecoton), for 2015, 2016 et 2017, announced the government in an official release.

Over 50% of the total value of a one billion FCFA contract (577.5 million FCFA) has been copped by the Cameroonian subsidiary of the Saham group. Activa assurances landed 262.5 billion FCFA, against 210 millions FCFA for Zenith Assurances.

The former leader of the Cameroonian insurance market but embroiled in internal leadership squabbles, Chanas Assurances failed along with other bidders such as Nsia, Saar, and Area.

About 50% of Cameroonian Insurance sector's turnover comes from brokerage

With 60 approved firms throughout the country, insurance brokerage represents “*about 50% for the turnover*” and “*40% for the staff*” of Cameroon’s Insurance sector. Léopoldine Fondop Ngoulla, president of the Association of Professional Insurance Brokers Reinsurance of Cameroon (Apcar), was the one to reveal the statistics.

Acting as an intermediary between the insurance company and its clients, the insurance broker is an expert whose role is to “*demystify the insurance contracts and simplify processes which tend to be complex*”, says the Apcar president.

Continuing, she says the insurance broker “*possess substantial knowledge to identify, organize and handle all type of contracts, ranging from the subscription to the settling of losses and potential disputes*”. It should not be forgotten that, in Cameroon, the penetration rate of insurance does not (officially) exceed 2%.

Commercial director of Saham Insurance quits just months after its managing director leaves

On August 27th, 2015, Jacob Sindze, commercial director of Sahama Insurance Cameroon quitted the firm, sources revealed. So far, the reasons for this voluntary departure are yet to be known.

Jacob Sindze’s departure as saham’s commercial director comes just about two months after Protails Ayangma, the firm’s founder and managing director, left.

Protails Ayangma was officially replaced on July 22, 2015, by Théophile Gérard Mouloung then in office in Casablanca, Morocco. However, as he was introduced as one of the leaving director’s protégé, Mr. Ayangma now has to seek out a new commercial director in order to meet the objectives prescribed to him by the firm’s shareholders.



TELECOM

Cameroon: Sim box users cause Cameroon's operators to lose about FCFA 13 billion in 2015

Between January and August 2015, more than 65 million calling minutes were illegally "stolen" by Sim box users. According to a telecom expert addressing the private newspaper "Le Messager", the use of this technology, caused Cameroon's telecom operators to lose more than FCFA 13 billion over this period.

The Sim box, a system containing many Sim cards, allows its users to receive incoming international calls appear as though they were local. Those fraudsters can in that way, avoid paying the normal rates associated with international calls, thus causing losses for Cameroon's local operators and its public Treasury.

On August 28, 2015, Fonfou Fosso and Tchioffo Tazioti, two young Cameroonian were caught in Douala by the local police for using a Sim box. And according to the law on cyber-criminality and cyber-security adopted on December 28, 2010, each of them could receive a 5 to 10 years imprisonment sentence in addition to a 5 to 10 FCFA billion compensation.



Afriland First Bank and MTN launch mobile banking transactions

It is now possible for Afriland First Bank clients that hold MTN Mobile Money accounts, to consult their bank balance from their mobile phones, and to proceed to financial transactions between their bank and mobile accounts. This has been made possible with the Mobile Account Connected or MAC technology, a service just launched by Cameroon's banking market and mobile telephony respective leaders.

With MAC, Afriland First Bank "completes its multichannel project by migrating to mobile phones, and the development of this project will increase the use of banking services in Cameroon and the Central Africa sub-region."

According to experts, in countries such as Cameroon with a low use of banking services (less than 20% in Cameroon), mobile telephony whose penetration has been estimated to 80% in the coun-

try, can considerably boost access to these services. In Kenya for example, the M-Pesa mobile money service, makes about 40% of the global bank penetration rate which is about 70% overall.

It should be remembered that, MAC, "highly secured service" according to its promoters, joins a similar service which was launched in Cameroon on July 9, 2015, by Ecobank and Orange Cameroon.

In the first half of 2015, MTN rolled out 282 3G sites across Cameroon



The Cameroonian subsidiary of the South African telecom group MTN International has put in place 282 3G sites in Cameroon in late June 2015. This was revealed in a report a few days ago by the parent company in Johannesburg.

By signing the renewal of its 3G and 4G telecom licences in March 2015, MTN

Cameroon announced the installation of 3G on 700 sites located in 16 Cameroonian cities for the first year of activity.

This technology is then to be gradually extended across the country to cover 75% of the population by 2018, according to the Cameroonian telecom market leader's forecasts.

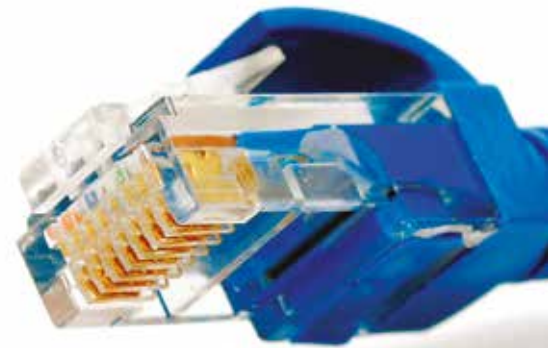
Cameroon: a digital portal to compare market food prices

The Cameroonian Minister of Trade and telecom company Camtel have just signed a partnership agreement to develop the Cameroonian agrofoods portal launched a few months ago by Camtel. Thanks to Camagro, consumers and business will be able to compare food prices on the market in order to make better sales and purchasing decisions. All of these prices will be made available to the Camtel team in charge of devel-

oping the platform by the Ministry of Trade which has a database that is regularly updated thanks to samples made regularly by its service teams across the country.

According to Camtel heads, in areas where there is no internet connection to access the platform, SMS messaging will help to disseminate information on the prices and products available in various Cameroonian markets.

China to invest 75 billion FCFA to connect Cameroonian universities



The Cameroonian and Chinese governments have recently signed a 75 billion FCFA framework agreement to finance a digital interconnection project for State universities. This information was revealed on August 26, 2015 in Yaoundé following a meeting between the Minister of Higher Education, Jacques Fame Ndongo, and heads of the Chinese company Sichuang Communication Telecom Construction Company.

According to Zhao Dhezi, the head of the Chinese delegation received at the Ministry of Higher education, the implementation of this project will, for example, enable a teacher to deliver teach from his office at the ministry to students in lecture halls at any of the country's State universities.

According to the Chinese delegation's head, the "*e-National Higher Education Network*" project, which involves "*the networking of Cameroonian universities, aims to align Cameroon with international digital teaching norms.*"

Nexttel with largest market share increase



Exactly one year ago, on 18 September 2015, Nexttel, Cameroon's 3rd mobile operator, launched its activities in the country. Over the period, the Vietnamese telecom operator registered about 2 million subscribers, which represents 11% of Cameroon's market shares.

Considering this penetration rate recorded over the last year, Nexttel now boasts of having "the largest market share increase in Cameroon". The company believes this performance to be a result of the rapid network expansion, which covers up to 85% of Cameroon with 1,000 BTS.

However, the establishment of this network was backed by an investment of about 200 billion CFA franc, which allowed for the construction of 1,250 BTS in the country, among others realizations.

As a reminder, Nexttel is owned by Vietnamese group Viettel, first holder of a 3G license in Cameroon in 2012, but who for various reasons, was able to launch it only six months ago, thus losing exclusivity over the technology, since MTN and Orange, Nexttel's rivals, renewed their license and benefited from government deploying the technology to all operators.

Women from Orange Cameroon provide 250 kits to kids from disadvantaged areas



For this 2015 new school year, The Women Association of Orange Cameroon just launched the 11th edition of its "Back-to-School Program". On this occasion, the structure announced in a release, that 250 school kits were offered to children and young people from disadvantaged areas.

Each kit contains "one schoolbag, pens and pencils, books, and school fees for each kid", stated the release.

Comprised of 100 members, the Association of Women of Orange "is the product of a desire to form a group concerned with solidarity and development". Moreover, the core mission of the institution is to assist in any possible manner the disadvantaged populations, through programs such as the Back-to-School program, the training of child mothers, establishing community libraries...

MTN Cameroon launches mobile healthcare assistance

MTN Health, new service of Cameroon's mobile telephony leader, MTN, was recently launched in collaboration with the national Order of physicians of Cameroon and the Minister of Public Health. This service provides medical consultancy through a dedicated platform.

In practicality, subscribers can through a mail or an SMS, ask health-related questions to the doctors involved in the project, who in turn will send precise answers through the same channel. Concerning the fees of the MTN Health service, details will be sent in real-time to users according to the na-

ture of their request.

MTN hereby follows the steps of its rival, Orange, that launched a similar service, "My Healthline", last April, and which allows its subscribers to receive advice on contraception, HIV/AIDS, sexuality and ISTs at FCFA 200/SMS.

It should be mentioned that, Cameroon has a ratio of 1:10,000 in terms of residing medical doctors from which most of the specialized are found in big cities such as Douala and Yaoundé.

According to operators, the penetration rate for mobile telephony which exceeds 90%, should remediate to this scarcity of medical doctors in the country.



ENERGY

Product sharing contract signed between SNH and Tower Resources

On September 15, 2015, Yaoundé, the Société nationale des hydrocarbures (SNH), Cameroon's secular arm for the exploration and exploitation of oil and gas resources, signed with Tower Resources, an AIM-listed and London-based oil and gas exploration company, a product sharing contract. The contract involves the Thali Block, located in the Rio Del Dey basin, offshore Cameroon.

As part of the contract, Tower Resources has been handed over the direction of a project on the Thali block to be carried out over the next three years. Plans for the project include a 3D seismic survey

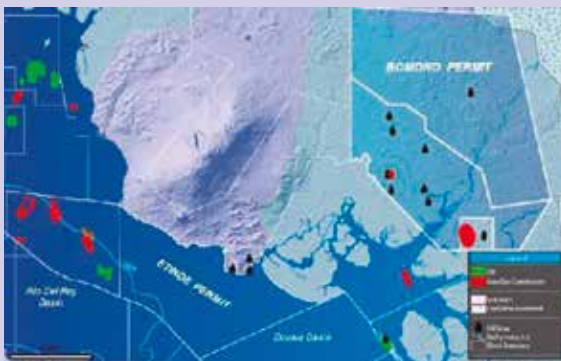
in 2016, followed by drilling taking place in 2017/2018.

In addition to the Thali block, Tower Resources is also interested in the Dissoni block, also located in the Rio Del Rey basin, a sub-basin of the Niger Delta, the Nigerian rich and prolific region. Moreover, let us not forget that, in May 2014, the oil and gas company said they were negotiating with the Cameroonian government a permit to work on this block. Indeed, Tower Resources thinks that the Dissoni block is adjacent to "other blocks that have a long history in terms of oil production". For example, the Oak discovery



in 2012, in the adjacent Bolongo block, by Glencore, supports Tower Resources' claim.

Bowleven started drilling the Moambe well on the Bomono block



The British oil and gas company Bowleven Plc announced on August 19, 2015 that it has started drilling on the Moambe well of the Bomono licenced block located on shore in Douala in Cameroon. The well is located a little over two kilometres to the East of the first well, Zingana, on

which Bowleven recently discovered hydrocarbon deposits.

The British company announced that the operations on the first well were suspended as forecast, not only to facilitate the Moambe drilling, but also to await the results of various tests on the elements

discovered on Zingana.

Moambe and Zingana are the two wells that are a part of the 2015 drilling programme on the Bomono licenced block, that Bowleven Plc holds 100%. The exploration licence, which will expire on December 2, 2015, represents two blocks covering 2,383 km² in total.

Seychelles' Orion Oil and Gas opens branch in Cameroon

Based in Victoria in the Seychelles, the Orion Oil and Gas has just opened a branch in Douala on June 25, 2015. The extraordinary general assembly which took this decision also appointed Mr. Peihui Zhu as the company's representative in Cameroon.

The new operator enters an oil and gas exploration and mining market that has been particularly dynamic since last year with the launch of new fields and the signature or the prorogation of several permits in the country's oil producing basins.

The Cameroonian oil sector, upstream, is dominated by the French companies Perenco and Total. In the last years, other investors have come on the scene, such as Britain's Bowleven, Victoria Oil & Gas, Russia's Lukoil and China's Addax Petroleum and Orion Energy Holding.

Construction of 110 Km of hydrocarbon pipeline to start in January 2017

Construction works for the 355 km-long pipeline in Cameroon will start in January 2017, with a first 110 km section which will connect Limbé, in the Southwest, to Douala, in the littoral. This is the outcome of the project's schedule which was recently revealed by Cameroon's government.

After the Douala-Limbé section, the 3PL consortium heading the project will build another section linking Douala to Edéa, and covering 70 Km, which will be followed by one between Edéa and Yaoundé a bit longer (175 km).

Funds for this project will be provided by "a set of investors from Korea, Switzerland, China, Russia, Nigeria, etc. which will invest 30% of the capital; the rest will be borrowed from banks," explained Chrysanthus Esunge Longonje, 3PL's Associate Executive Director.

Mohammadou Dabo from 3PL Ltd. says the total cost for the project has been esti-



mated to about FCFA 218 billion subjected to re-evaluation. Both sides involved in the project, namely 3PL and the state of

Cameroon, say its realization will lead to a 20% plus decrease in the cost of oil products in Cameroon.

Actis transfer ownership of Didamba and Kribi power plants to a consortium headed by Norfund and CDC



British investment funds Actis that bought Cameroon's power company, Eneo, announced on September 14, 2015, that it has transferred all of its Globeq Africa's stakes to a consortium headed by Norfund, a Norwegian fund, and CDC Group, a British finance institution. The transaction costs \$227 million or about FCFA 125 billion.

Globeq Africa, a subsidiary of Actis specialized in the independent production

of electricity and operating in various countries, previously acquired gas and oil fired power plants of Kribi and Didamba, Cameroon, after Actis purchased Eneo. These two power stations generating together 304 MW, ranked Cameroon as Globeq's main energy producer in Africa, ahead of Côte d'Ivoire (288 MW at the Azito plant) and South Africa (with three solar and wind plants producing 238 MW).

The transfer of the Didbamba and Kribi plants to the Norfund-CDC group consortium took place in a context where many changes are occurring in Cameroon's power sector. Indeed, the new law implemented in the country favors competition in the sector especially in terms of commercialization and production. Additionally, this law establishes a public management system of the transportation network, which is being implemented at the moment.

In regards to this, Eneo which is still headed by Actis recently revised its agreement with the Cameroonian government, to adapt it to the change. This change also gives in actual facts new business operators, access to Cameroon's power industry which, has been for a long period, dominated by monopolizing firm.

Total Cameroon: More than 90,000 Awango solar lamps sold each year

Total Cameroon, Cameroonian subsidiary of the French Oil and Gas Company, upon reviewing its Awango solar lamps sales, said they were “a phenomenal success”. According to the firm, more than 90,000 of these lamps are sold yearly in Cameroon, through its fuel stations network.

First company to commercialize rechargeable solar lamps in Cameroon, Total is now in competition with various products, mainly Chinese. However, the statistics of the firm are quite satis-

fying considering that an Awango solar lamp goes for 7,000 FCFA whereas other brands vary from 10 to 15, 000 CFA francs each.

The arrival of solar lamps in Cameroon was truly a breath of fresh air for locals, especially those exposed to constant power outages. As a matter of facts, the use of solar lamps led to a significant decrease in that of candles and traditional lamps, which previously caused many fire-related damages in Cameroonian households.



Imrane Barry enters into office as Director General of Total Cameroon



On September 3, 2015, Imrane Bary officially entered into office as Director General of Total Cameroon, a subsidiary of the French firm which has “a third of the market shares” and a wide network comprised of 170 fuel stations spreading over the territory. Prior to being trans-

ferred to Cameroon, Imrane Barry was the Director General of Total Uganda. Previously the deputy Director of Total West Africa, Imrane Barry now takes the post of head of the French firm in Central and West Africa, which for four years was having Jean-Pierre Battermann as it

Director General. The former head, left for his successor a 3-year project for the rehabilitation and construction of new fuel stations all over the country.

The Oil and Gas distribution sector is presently transforming into one where the customer is in command and knows what is best for him/her. Total Cameroon’s ambition, driven in this direction, is to become the number one oil and gas provider in the country, said the newly appointed Managing Director.

However, Total’s path towards becoming a reference is being hindered by the arrival of numerous competitors in Cameroon. Amongst these, is Oilybia, who took over Mobil’s network, though the greatest threat is Tradex, a subsidiary of the Société nationale des hydrocarbures (SNH), that keeps on gaining shares in the oil and gas distribution sector.

In 2012, Total Cameroon lost 2.5% of market shares, Jean-Pierre Batterman the then Director General, revealed. Moreover, concerning the rude competition the French oil and Gas Company is facing, the former Director General revealed how, back in 2013, the shares of local companies, had surged from 5 to 20% in just few years.

Norway-Cameroon consortium to build power plant in Edéa

On September 17, 2015, it was announced that Grenor SA, a joint-venture company comprised of Cameroonian and Norwegian investors, would build in Edéa, which is located in Cameroon's Littoral, a power plant of 150 to 300 MW output. The announcement was made during a meeting with government held in Yaoundé, to sign an agreement that aims to make the leaders of the project benefit from the tax-exemption terms included in the law regarding the promotion of private investments in

Cameroon dated April 2013.

Grenor SA committed to invest 109 billion FCFA for the construction of the power plant. An amount representing more than 60% of the 160 billion FCFA which are to be invested in the six projects associated with the various agreements signed with the government of Cameroon on 17th September 2015.

Indeed, besides Grenor SA investing in the power sector, four agro-food firms (Quantum Cocoa SA, Elim Beverage, First Industry and Jardins Masoum-

bou Sarl) and a textile company (CTA Sodexcam) are to benefit from the law, which exempts companies from taxes for a 5 to 10-year period, during their installation and production phases.

With these six agreements, the number of companies now benefiting from this tax-exemption law reaches 44. And according to official scores, these beneficiaries totaled a global investment amounting to 700 billion FCFA, with more than 20,200 employees.

Cameroon to use Norfund grants to boost power output



Norwegian development fund Norfund which recently acquired, with CDC Group, Globeleq Africa's assets in the Dibamba and Kribi plants, will inject about five billion dollars (around 250 billion CFA Franc) in the African power sector over the next 10 years, said Frédéric Didier Mvondo, Managing Director of Globeleq Cameroon, firm which was controlling KDPC and DPDC, the companies previously in charge of operations at the above mentioned plants.

"Though there is a rude competition between Cameroon and the other countries which are to benefit from Norfund's generous investment, I am confident in the fact that we will come on top, by snatching half the five billion funded for local projects. I truly believe we will survive this competition", M. Mvondo told Challenge Pro magazine.

Having a great potential for production, but also huge needs, in terms of electricity, Cameroon is already Globeleq Africa's main power producer. Indeed, with a total 304 MW output from the Dibamba and Kribi plants, the central African nation is ahead of Côte d'Ivoire (288 MW at the Azito plant) and South Africa, who has three solar and wind power plants generating 238 MW overall.

Cameroon: Oil industry loses 58 billion FCFA in first half of 2015



The Cameroonian government in its mid-year review of budget implementation, reported 221.6 billion for its 2015 oil revenues (end of June) against 221.6 billion FCFA for the same period last year. An expected consequence of global oil crisis, these revenues

are 58 billion FCFA less than last year's and are 123 billion FCFA lower than the amount forecasted for 2015 (344.8 billion FCFA for the first half).

However, the statistics recorded over the first six months of the year suggest that Cameroon is heading towards a global reduction of its losses in oil revenues. Truly, considering the 300 billion FCFA government forecasted for 2015's losses in oil revenues, the half-year 58 billion FCFA cut is a milestone to attaining smaller losses than those initially expected.

Despite the losses Cameroon recorded in its oil revenues, its public finances, at June 2015 ending, have been on an upward slope. They have been estimated to 1,790 billion FCFA out of the 1,779.6 billion FCFA initially expected for the first half of 2015, thus representing a 10 billion FCFA increase from initial forecast.

This encouraging performance is a result of efforts from tax and customs authorities that mobilized 828 billion CFA franc (against 734.7 FCFA for the same period last year) and 343 billion FCFA (against 327 billion FCFA in 2014's first half) respectively, over the first half of the year.

TRANSPORTATION

Camrail to receive five new trains in the July-September 2015 period



In the third quarter of 2015, Cameroon Railways (Camrail) is to receive five new trains while five others will be delivered in 2016 by the South African company Grindrod. The announcement about these new acquisitions was made on 16th July 2015 in Douala at “inspection

visit” paid by Cameroonian Transportation Minister, Robert Nkili.

Besides the revelation about these acquisitions, which are intended to boost the transportation capacities of French group Bolloré’s subsidiary, the Cameroonian rail company also presented recently acquired equipment intended to secure rail travel.

These investments are a part of the No. 2 amendment to the concession with the Cameroonian government, which provides 230 billion FCFA worth of investments for the 2009-2020 period, of which 158 billion will be paid by the concessionaire. From this point of view, for 2015, Camrail plans to invest 22 billion FCFA to improve its equipment.

French logistics company Necotrans creates Africa Truck Service subsidiary

Africa Truck Service Cameroun (ATS Cameroun) is the new company just created in Cameroon by Gregory Querel, CEO of Necotrans, a French logistics group that has been becoming more and more present in Africa and holds a prime position in the race for the multi-purpose terminal concession at the Kribi deep water port in South Cameroon. The goal of this new company with 100 million FCFA in capital is a broad one. According to the company’s notice, its scope ranges from “*the study, construction, assemblage, purchase, sale and re-*

pair of all land, sea and river transportation materials” to “*the transportation, processing, manufacturing and sale of all energy-generating products, lubricants*” and more.

ATS Cameroun’s Managing Director is Emmanuel Querel while Gregory Querel is Chairman of the Board along side the Managing Director who acts as a representative of parent company Africa Truck Service based in Paris and Pascal Reig, who represents the interests of Necotrans Equipement in the new company.

Ethiopian Airlines to start serving Yaoundé as its second destination in Cameroon



On 25 October 2015, Ethiopian Airlines will start serving Yaoundé, Nsimalen international airport, announced the company in an official release published on September 21, 2015.

Ethiopian Airlines, “*the largest and most profitable African Airline*”, has been serving Douala since 1971 and started offering, in 2003, uninterrupted service.

Ethiopian Airlines will serve Yaoundé with four weekly flights, including Sunday, Monday, Wednesday and Friday, and this, according to the company, “*will provide customers more convenience and connectivity options via Addis-Abeba, Ethiopian hub, to its global network*”.

Government in search of consultants to restructure and reopen Camair Co



Cameroon's ministry of Finance just launched a call for expression of interest to recruit a consultant to audit and accompany Camair Co in drafting a restructuration and recovery plan. According to the government, the plan previously drafted in November 2013 and updated in 2014 could not be implemented up till now. However, with issues (...) piling up, the company's whole

existence is threatened.

Firms wishing to provide their services and revive Camair Co, have to submit their offers latest by September 30, 2015, at the Contracts services of the Ministry of Finance in Yaoundé. It has also been announced that the mission is to be carried over a three-month deadline period.

Since it started operating in 2011, the

Cameroonian airline company never truly took off in regards to competition and productivity. With a fleet of three airplanes, Camair Co is presently buried under a huge debt which amounts to FCFA 30 billion, Jean Paul Nana Sandjo, Camair Co's 4th Director General since its opening four years ago, revealed.

Cameroon Railways awards 3 contracts valued to FCFA 2.4 billion for the rehabilitation of railway bridges

An official release recently reported that Fouré Lagadec Cameroon and Socatraf (Central African company specialized in river transport), are the recipients of the three contracts, cumulating to about FCFA 2.4 billion, awarded by Camrail, for the rehabilitation of 13 railway bridges of Cameroonian railway network.

The French firm Fouré Lagadec snatched two of the three contracts slighting amounting to FCFA 1.3 billion and which include work to be carried out in Edéa (FCFA 544.9 million) but also on the Yaoundé-Ngaoundéré railway (FCFA 874.6 million). As for Socatraf, Central African subsidiary of Bolloré Africa Logistics, it won the last contract which amounts to a little over FCFA 1 billion, to rehabilitate railway bridges on the Yaoundé-Ngaoundéré line.



INDUSTRY

Cameroon: Surface tax on gold mining increased 10-fold

Surface taxes for operators of gold deposits located in eastern Cameroon, have recently been raised. According to the Sous-préfet of Bétéra Oya, in the Eastern region, this tax has increased “from FCFA 5/m²/yr to FCFA 50/m²/yr”.

Thus raising a 10-fold, this tax allows the public treasury to increase its revenues. The augmentation arises from the exercise for the rehabilitation and reorganization of the industry launched by Minister of Mines in May 2014. At the time, as one could recall, the issuing of artisanal exploitation permits was suspended in Cameroon.

Following this decision, Jean Kisito Mvogo, director of mines and geology at the Ministry of Mines,

explained: “The Minister took this decision upon receiving a report from our team which had conducted a global inspection of mining sites in the Eastern region. It was found during this evaluation that many operators holding exploration permits began exploitation, mostly disregarding environmental norms”.

However, as the suspension was lifted in April 2015, major changes were implemented. Amongst these, there is the revaluation of the surface tax and other taxes, a better system for the issuing of exploitation permits, as they are now submitted to approval by the Mines head office, instead of the regional office.



Business mogul James Onobiono to get back in the game with new cocoa-processing unit

On September 17, 2015, it was announced that Cameroonian businessman, James Onobiono, was about to launch a new company named Quantum Cocoa SA. The announcement happened during the signing of various agreements which enabled six firms to benefit from the law to boost private investments in Cameroon.

The purpose behind Onobiono's Quantum Cocoa SA is the establishment of a cocoa-processing unit, for an amount of 14 billion FCFA, which will create 186 new jobs. This food-processing structure should help the former CEO of Société industrielle des tabacs du Cameroun (Sitabac) get back in the industrial world.



Truly, after ruling the cigarette distribution market, Sitabac and James Onobiono have not been heard of since 1992, mainly due to the fact that relations between the Cameroonian businessman and his German partners involved in the project came to an end. Since then, James Onobiono has been active in political matters, especially in regards to his involvement with the ruling party.

In a legal release dated January 2015, it was announced that the Cameroonian business mogul launched, in December 2014, a company named Propero SA, which was in actual facts, an investment fund. This company is mainly devoted to investment and purchase of stock of existing companies or in creation process.

South Cameroon's Meyomessala municipality takes on cocoa processing

In late June 2015, the municipality of Meyomessala, located in Cameroon's South region, some 250 km from the nation's capital, founded Société communale de transformation du cacao de Meyomessala (SCTCM), with the aim to "cultivate cocoa, produce cocoa seeds, process cocoa and sell cocoa and its bi-products," reveals an official notice published on July 15, 2015.

The board of the new agro-industrial company is chaired by the mayor of Meyomessala, Christian Mebiam Mfou'ou who had authorised, following the board meeting held on December 20, 2014, the creation of Société communale d'exploitation minière (SOCEM), to mine two gold and diamond deposits discovered in Cameroon.

With the creation of SCTCM, Meyomessala, the cocoa production heartland and birthplace of the Cameroonian president, plans to play its part to increase cocoa processing capacity in



Cameroon, which has been worrying government officials and cocoa-coffee sector stakeholders alike.

With the implementation of the new structure, Meyomessala positions itself among Cameroonian municipalities

that are innovating in the area of local resources. It joins other municipalities such as Dimako (forestry) in the East and Sangmélina (a shareholder in the cassava processing company, Sotramas) in the South.

Cameroon's tobacco industry rakes in revenue amounting to 8.9% of the monthly per capita GDP

In Cameroon, each smoker spends an average of 4,691 FCFA per month on cigarettes. This amounts to 8.9% of the monthly per capita GDP, according to the Global Adult Tobacco Survey (GATS) which was conducted by the National Institute of Statistics, with the support of the Cameroonian Public Health Ministry and the World Health Organisation.

The same source reveals that smoking is more pronounced in the 25-44 age group in which monthly

expenditure per smoker per month is over 5,000 FCFA, while 15-24 year olds spend around 4,123 FCFA each month on cigarettes.

In light of this increase in smoking, which has a devastating effect on health that cannot be ignored, Cameroon's anti-tobacco committee has been suggesting that the government raise taxes on this product in order to limit its consumption, particularly among youth who are more and more inclined to smoke.



MINING

Government in conflict with miners over order for vacation from Lom Pangar dam site



Ceremony on September 24, for the partial set-up of Lom Pangar's dam was initially set for 15 September 2015. Nevertheless, technical operations for the project was launched, authorized sources revealed.

Following the event, the public authorities and lenders are holding back from rapidly completing the project, especially with the gold miners, actually present on project site, refusing to vacate the

premises as previously instructed by the project team.

Indeed, around 5,357 miners and 31 mining companies are still working on the sites, which are to be filled with more than three billion cubic meters of water during the dam's partial set-up, said Minister of Mines, Emmanuel Bondé, on 11 September 2015 in Yaoundé.

"We were truly surprised when the miners, but more even when the heads

of the associated mining companies refused to leave the sites which, as it should be reminded, were initially granted them in the framework of a gold-recovery initiative launched in 2007", Minister of Mines said whilst demanding miners to vacate the site at the risk of endangering themselves during the dam's partial set-up.

Back in 2007, projecting the construction of the Lom Pangar reservoir-dam, Cameroon's government set up an operation to recover 13 tons of gold which were to be lost during the dam's filling.

At the time, many artisanal exploitation permits, used today by miners to support their lack of cooperation, had been issued to individuals as well as companies.

The partial filling of Lom Pangar dam will lead to a 80 MW increase in the production capacity of the plants located in Edéa and Songloulou, by regulating flows in these dams. This will subsequently solve low-power production during next year's low-flow period (January to March), resulting from the dry season.

Cameroonian manufacturer, Dieudonné Bougne, opens iron plant

The CEO of the Bocom group (oil product distribution and industrial waste processing), Cameroonian native, Dieudonné Bougne (photo), plans to enter the iron processing business. At least, this is what was announced in an August 3, 2015 notice, which revealed the creation of the Cameroon Steel Manufacturing Company par l'intéressé.

Officially created in December 2014 with 10 million FCFA in capital, the company aims "to develop an iron plant" in Cameroon. It is led by Njontu Bougne Rostand, who is probably a member of the sector leader's family, who first worked in sand quarries before working the docks at the port of Douala. The Cameroonian mining code requires

that at least 15% of minerals extracted from Cameroonian soil should be processed locally. It seems the Bocom CEO plans to fill this void. Indeed, the company's activities in oil product distribution in recent years suggest certain success.

Leader of the month

Cameroonian Mathieu Mandeng transferred to Mauritius as the new Standard Chartered Bank's managing director

Cameroonian banker Mathieu Mandeng, managing director of Standard Chartered Bank Cameroon and president of Cameroon's Professional Association of Credit Institution (APECCAM), will now be heading the Standard Chartered Bank subsidiary in Mauritius.

The transfer was revealed by the “Quotidien de l'Economie”, a local newspaper, and confirmed by internal sources at the bank. The date for Mathieu Mandeng's departure from Standard Chartered Bank Cameroon is still unknown.

Mathieu Mandeng has marked his passage, which started in 2012, at the Cameroonian subsidiary of Standard Chartered Bank with outstanding records. Indeed, in 2013, after delivering “exceptional” results, the banking institution, with Mr. Mandeng as its managing director, was awarded the title for “best government-issued securities placer” on the BEAC market. These achievements will lead the way for Mathieu Mandeng and the Standard Chartered Bank to be appointed, in 2015, by government to arrange (in collaboration with Société Générale) a FCFA 750 billion-worth Eurobond, which is the first in the history of Cameroon's public finances.

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Besides these accomplishments, the Standard Chartered Bank, during the recent years, has been an important fund supplier to Cameroon's economy, mainly through the various credits it has provided

companies. An example of such being the funding with the KDPC for the construction of a Gas plant in Kribi, southern Cameroon.

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