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BUSINESS IN CAMEROON

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AfCON: Cameroon ready for kickoff

Eloi Cyrille Tollo: *"To save Camair Co..."*



Cameroonian diaspora transferred FCfa 585 billion back home in 2015



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We are all Lionesses

When he let a group of teenage girls play football on a muddy field of a public school of Yaoundé in 29176, referee Atangana Luis de Gonzagues was mocked and vilified for his decision which seemed crazy at the time but has now become a reality. It is true, girls play football, and well at that: they dribble, shoot, defend... In fact, women's football has nothing to envy men's. It has grown in quality and more play it as well. From barely four clubs known in the 70s, today we have 14 of them; women's football has expanded across Cameroon and the world.

From November 19 to December 3, 2016, Cameroon will host the 12th edition of the Women's African Cup of Nations. For the event, the Confederation of African Football imposed a set of criteria which the host nation must comply to. Among these are modern stadiums, lawn training fields, quality roads, luxurious housing and hotels with Wi-Fi, internet, phones, transport facilities and top security... Your magazine *Business in Cameroon* dedicates its special dossier to the event and tells you about all the efforts mustered by Cameroon to deserve its African Football Cup of Nations of Women. He fully respected the CAF's specifications document, to the millimeter.

Just like structuring projects that give the nation various infrastructures which it needs to achieve economic and infrastructural development, the 2016 AFCON, as well as the 2019's, are major development projects and good shortcuts for Cameroon to attain economic emergence by 2035... the infrastructures built for the AFCON add to those inspired, initiated and carried out by President Paul Biya during

his second seven-year term entitled the term of "Greater Accomplishment" such as the Lom Pangar, Memve'ele, Mekin hydropower dams which are about to be finished, the second bridge of the Wouri river, finishing touches on the port of Kribi, the Yaoundé-Douala and Yaoundé-Nsimalen highways, social housing projects, reference hospitals, etc., just to mention a few major projects which are being implemented with financing from State's budget and foreign investors' contribution. Besides its nature as a sport event, the 2016 AFCON gives Cameroon the opportunity to show its touristic assets amid the sector's development. With all these, the Women's African Cup of Nations is sure to be a success, both in aspect to sport and economy.

The draw for the 2016 Women's AFCON took place on September 18. The occasion was brimming with sounds and colors. A teaser of what is to come at the opening the event itself, on the night of November 19, 2016, with Cameroon and Egypt facing off for the first match. It says it all. Especially knowing that football is the most-loved sport in Africa and in the country of Roger Milla, Thomas Nkono and Samuel Eto'o. To these great footballers who built the reputation of the Lions add names of amazing amazons like: Gaëlle Enganamouit, Jeannette Yango Ngock, Raïssa Feudjio, Madeleine Ngono Mani and Gabrielle Onguene... With this generation of heroines led by Enoch Ngatchou, Cameroon has more than enough chances to win the cup, even facing strong rivals from South Africa, Zimbabwe, Nigeria, Ghana, Mali and Kenya.

Let the battle begin! And may the best wins... but in Cameroon, we are all lionesses

CONTENTS

FOCUS



- 08 • While awaiting kick-off for Africa Cup of Nations...
- 09 • Infrastructure: two up to standard stadia to provide entertainment
- 10 • Accommodation: room capacity practically doubled at Mountain Hotel and Parliamentarian Flats
- 10 • Maximum security measures in hotels
- 11 • Mobility: City of Yaoundé gets new urban mass transport company thanks to 2016 AfCON

LEADER OF THE MONTH

- 34 • Chief Mekanya Charles Okon confirmed as Managing Director of Pamol Plantations Plc



INTERVIEW



- 12 • Eloi Cyrille Tollo : *"To save Camair Co, we must reorganize it, make it presentable and rapidly find a strategic partner"*

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PUBLIC MANAGEMENT P 16-17



BANK & FINANCE P 18-21



AGRIBUSINESS P 22-25



MINING P 26-27



TRANSPORTATION P 28-29



ITC & TELECOM P 30-31



SERVICES P 32-33



THE CAST



**CONSTANT
AIMÉ LONKENG
NGOUANA**

An econometrics and international economy specialist, Cameroonian Constant Aimé Lonkeng Nguana recently officially took office in Kingston, Jamaica, as Resident Representative of the International Monetary Fund (IMF), we learned from reliable sources. Having joined the IMF in 2010, Mr Lokeng Nguana holds a degree in Mathematics from the University of Yaoundé, the most notable university in Cameroon. He moreover holds a Master in International Economy from the University of Leuven, Belgium and a PhD from the University of Montreal, Canada.

He successively served within the African department and Fiscal Affairs department at the IMF. It was in this capacity that this former senior officer of the National Institute of Statistics (INS) of Cameroon, also lecturer at the University of Montreal; worked during the 2014-2015 period as Economist in charge of the Fund's fiscal affairs for Indonesia.



**LOUIS PAUL
MOTAZÉ**

The Cameroonian Minister of Economy, Louis Paul Motazé, has just signed on behalf of the Cameroonian government, a complimentary loan agreement worth a total of FCfa 7.3 billion with Deutsche Bank. These funds, we officially learned, will help finance the Cameroonian part *"associated to a buyer credit meant to fund Phase I of the project for the touristic and economic development of the Municipal Lake"* of Yaoundé, which should lead to the creation of 2,000 jobs.

Long announced but never carried out, officially due to lack of funding, this project will consist in cleaning this lake located in the centre of the Cameroonian capital and abandoned since the 80's. The project also includes lighting up the surroundings of the lake, the creation and development of green areas, the construction of entertainment areas, shops, restaurants and even a big luxury hotel all around it.



**PATRICE
MELOM**

The new Managing Director of the Autonomous Port of Kribi (PAK), Patrice Melom, recently launched two calls for applications, for the recruitment of pilots and other port officers within this institution, which will be in charge of managing the biggest port in Cameroon. Applications were submitted to the office the Managing Director, located at Immeuble Djeug'Appart in Yaoundé, the capital of the country, until 19 September 2016 at 4 P.M., we officially learned.

These recruitments are the warning signs of the upcoming commissioning expected this year, of the deep water port of Kribi, whose first two terminals will be operated by a French-Chinese consortium led by Bolloré (container terminal) and a French-Cameroonian group headed by Necotrans (multipurpose terminal). *"The Kribi port is a newcomer and the instructions we received are to make it operational as soon as possible"*, declared Mr Melom during a recent visit at the port of Douala.



**EMMANUEL
NGANOU
DJOUMESSI**

The Minister of Public Works, Emmanuel Njanou Djoumessi, has just awarded to Chantier naval et industriel du Cameroun (CNIC), a contract worth close to FCfa one billion, for the rehabilitation and construction of four ferries to cross some rivers in the Central and Eastern regions. According to our sources, this contract is in reality the first phase of a vast rehabilitation and maintenance programme for the 22 ferries managed by the State of Cameroon, whose implementation will be the responsibility of CNIC.

This contract is a real opportunity for this public company facing huge financial difficulties for some years now. Indeed, a formerly prosperous company, whose turnover was peaking at FCfa 40 billion even 10 years ago, against barely FCfa 12 billion in 2014; CNIC became the scene of tensions between top management and employees, often forced to wait several months before receiving their salaries.



HELEN CLARK

"I am going back to New York with a specific idea on your needs. This is about helping you to engage in income-generating activities, first here, and when you return to your villages in due time". It was with this promise that the Administrator of the United Nations Development Programme (UNDP), Helen Clark, who had a 48-hour visit in Cameroon this past August, concluded her tour in the town of Zamaï, located in the Mayo-Tsanaga department, in the Extreme-North region of Cameroon.

During this visit in Cameroon, the UNDP Administrator went to this Cameroonian town to give comfort to the hundreds of displaced fleeing the violent crimes from the Nigerian Islamist sect Boko Haram committed along the border with Nigeria, and who found refuge in this town and live in very difficult conditions.



**LEJEUNE
MBELLA
MBELLA**

Cameroon did not return empty-handed from Nairobi, the Kenyan capital, where the 6th edition of the Tokyo International Conference on African Development (TICAD) recently ended. But, considering the hundreds of Japanese investors who came with the Prime Minister of the Empire of the Rising Sun to this charm offensive for Africa, the potential Cameroon has in terms of investment opportunities, and the scope of projects currently ongoing or in preparation in the country; we can conclude that the Cameroonian harvest at the end of the 6th TICAD is quite low.

Indeed, according to the Cameroonian Minister of Foreign Affairs, Lejeune Mbella Mbella, out of the 22 agreements signed by 73 companies with 20 African countries during the last TICAD, Cameroon, presented as the economic engine in the CEMAC area, came out with only one Memorandum of Understanding (MoU).

While awaiting kick-off for Africa Cup of Nations...



Yaoundé, the Cameroonian capital, hosted on 18 September 2016, the draw for the 12th edition of the Africa Women Cup of Nations (AfCON), which the country will organise from coming 19 November. The Indomitable Lionesses, the team representing the organising country, is in Group A which will be based in Yaoundé.

For the opening match, on 19 November 2016, they will be playing against Egypt, a team with whom the Lionesses share the Group A alongside South Africa and Zimbabwe. In Group B, which will be based in Limbé, in the South-Western region, we can find Nigeria, seven times African champion, then Ghana, Mali and Kenya.

In addition to revealing the different duels which will take place during this competition, the 18 September ceremony gave in a way a taste of what will be the 2016 Women AfCON in Cameroon: a popular party, in a

country considered as Africa condensed as a whole, due to its cultural diversity.

Therefore, further than the simple drawing of groups, the hundreds of guests (national and foreign) who went to the Palais Polyvalent des Sports of Yaoundé rather attended a mini-opening ceremony. With the presentation of the official anthem and mascot of the competition, traditional dances from all over Cameroon, as well as Cameroonian sport celebrities such as Roger Albert Milla, the oldest goal scorer in a World Cup knockout phase, Françoise Mbango Etone, double long jump gold medallist in the Olympic Games, or Rigobert Song Bahanack, iconic captain of the Indomitable Lions.

But, the most salient point of this ceremony was surely the presence (this is the first time it occurs, according to the senior staff of the African Confederation of Football) of

the president of the governing body in African football. Issa Hayatou, who said he replied with “patriotic fervour” to the invitation issued by the authorities of his country, even had a solemn homage to his immense work for the development of African football.

It is this African football, brought to the highest heights in its feminine version by the Perpetua Nkwocha and other Gaëlle Enganamouit of this world, which will be celebrated in Cameroon from 19 November to 3 December in the cities of Yaoundé and Limbé. One month to kick-off, we dress for you in this feature, a picture of the preparations for this competition, which will be broadcast by the Cameroonian television (CRTV), which has just acquired cutting-edge broadcast and production equipment.

Brice R. Mbodiam

Infrastructure: two up to standard stadia to provide entertainment

In the run-up to the 2016 Women's Africa Cup of Nations Football, a brand new stadium was built in Limbé, while the one in Yaoundé got a facelift.



For some months now, the Indomitable Lions, the national football team of Cameroon have not played at the Omnisports Stadium of Yaoundé, in the capital. It is because this legendary sport facility was transformed into a major worksite, in preparation for the 2016 African Women's Football Cup of Nations, which Cameroon is hosting in coming November. Between transplanting the turf, installing the rows of seats and locker rooms, refurbishing the lighting system and electronic equipment, or setting up parking spaces outside the stadium, the football mecca in the Mfandema neighbourhood has been totally renovated. Despite last minute adjustments to be made, this stadium, where the opening match of the 2016 African Women's Football Cup of Nations on 19 November 2016, is ready.

This is also the case for the military stadium of Yaoundé, which should be used as a training pitch by the teams competing in group A. indeed, this neglected sport's facility in the centre of the Cameroonian capital was totally transformed thanks to the renovation works carried out there. A real Herculean task which turned it into a true football stadium, far from the simple playground it used to be.

WARM-UP LAP IN LIMBÉ

In Limbe, a town located the South-West region where the group B matches of the 2016 Africa Women Cup of Nations will take place, a brand new stadium was built. With a capacity of 20,000 seats, the Omnisports stadium of Limbé, despite the installation works still going on outside, has already been approved by the

African Confederation of Football (CAF), organiser of the AfCON competitions.

It was in this capacity that this sports facility, whose construction works started in 2012, became the den of the Indomitable Lions since the launch of the rehabilitation works of the Omnisports stadium of Yaoundé. Since March 2016 the national football team of Cameroon played all the qualifying rounds there for the 2017 AfCON scheduled to take place in Gabon.

This decision from the Cameroonian Sports Authorities enabled the Limbé population, who had never really had the opportunity of attending a match played by the national football team of Cameroon, to get acquainted with major sports events. The popular ardour noted during the Indomitable Lions meets in Limbé was such that the local populations wished, at some point, for the opening match of the Women's AfCON to be played in this new stadium.

But, CAF decided otherwise, as according to the competition programme which was recently made public, the opening match and the final will both be played in Yaoundé, the capital. But in Limbé, in group matches, aficionados of women's football will be able to watch the performances of Mali, Ghana, Kenya and Nigeria, title holder and eternal favourite of this tournament.

BRM

Accommodation: room capacity practically doubled at Mountain Hotel and Parliamentarian Flats

As part of the 2016 Women's AfCON, the teams playing in group A, based in the Cameroonian capital, will be spoilt for choice in terms of accommodation. They will be able to choose between the very relaxing Hôtel Mont Fébé, a four-star hotel located on one of the capital's hills; the Hilton, the only five-star located right in the city centre; or the Djeuga Palace and La Falaise, two other well established hotels in Yaoundé. On the other hand, to accommodate the teams playing in group B, based in Limbé, the Cameroonian government had to invest no less than FCfa 8 billion to rehabilitate and increase the room capacities of two hotels in the town of Buéa, located 30 minutes away from Limbé. Mountain Hotel thus saw its room capacity increase



from 50 to 82 rooms, without counting the 30 chalets the hotel has. At the same time, the Parliamentarian Flats Hotel got 46 additional rooms, against 30 rooms only before. Just like the Atlantic Beach Hotel of Limbé, where the number of rooms also increased from 26 to 48, all these hotels saw their adjoining facilities (tennis courts, swimming pools,

night club, restaurants, etc.) rehabilitated. 60 days to the start of the competition, these improvements in accommodation facilities meant to host the group B teams were already 90% completed, according to estimates from Quan Delila Agnes Efeti Monono, Regional South-Western Tourism Delegate.

Maximum security measures in hotels

During the Women's AfCON which Cameroon will host in the November-December 2016 period, security measures will be strengthened in hotels throughout the

Bouba announced. To achieve this, we learned, a memorandum on security measures applicable by hotels was established and adopted, with the support of public

Security measures will be strengthened in hotels throughout the country, to have this continental celebration of women's football occur in serenity, the State Minister in charge of Tourism, Maïgari Bello Bouba announced

country, to have this continental celebration of women's football occur in serenity, the State Minister in charge of Tourism, Maïgari Bello

administrations in charge of security issues. *"One of the recommendations made by the Head of State, President of the National Tourism Board, is that*

this memorandum be immediately put into application and mandatory", specified Maïgari Bello Bouba, without giving more details on the contents of this government note. As a reminder, the continental competition hosted by Cameroon from November will be played in the cities of Limbé (South-Western region) and Yaoundé (Central region), two towns far away from the Extreme-North region, where the attacks and crimes perpetrated by the Nigerian Islamist sect Boko Haram have been focused until now. But, as highlighted Minister Bello Bouba, since the "(terrorist, Ed.) threat has become a global problem, as even greater nations have suffered from it", Cameroon obviously wants to be prepared for any contingency.

Mobility: City of Yaoundé gets new urban mass transport company thanks to 2016 AfCON

Supporters going to Limbé will have 250 secured taxis available during their stay in the Douala, the economic capital of the country.

In August 2016, the Portuguese group Eximtrans Sarl/Irmaos Mota was declared winner of the partnership contract with the Cameroonian government, for the financing, supply and operation of an urban mass transport system by bus in the city of Yaoundé during the 2016 Africa Women Cup of Nations and beyond.

In an official communiqué, the Cameroonian Prime Minister, Philémon Yang, specified that the Minister of Transport, Edgard Alain Mebe Ngo'o, was in charge, in collaboration with the delegate of the government to the Urban Community of Yaoundé, Gilbert Tsimi Evouna, of addressing an official notification letter to the contract winner, indicating the practical modalities on the negotiations of the terms of the partnership contract.

On 30 August 2016, both parties signed in Yaoundé, the partnership agreement on this project, in which the Portuguese company will invest in total FCfa 13 billion, we learned. *"This is for the supply and commissioning of 150 air-conditioned buses. 140 will be dedicated to urban transport with a capacity of 91 passengers, including 39 seated and 52 standing. The other 10 VIP buses will be used to transport the teams during the Women's AfCON in November 2016"*, detailed the Minister of Transport.

"VAIRIFIED TAXIS" IN DOUALA

The Portuguese company is replacing the American group Parker



International Industries, operating since 2005 under the brand name "Le Bus". This company had to close down in May 2015 due to numerous financial difficulties. With 48 vehicles at the launch of its activities on 26 September 2006, its fleet was later reduced to nothing, despite a lot of financial support from the State. The 2016 Women's AfCON also gave ideas to the Urban Community of Douala. Through a partnership with local start-up Vairified, the office of the Mayor of the economic capital of Cameroon will launch 250 "Vairified taxis" on the Douala roads (transit town to go to Limbé, where the group B matches of the 2016 AfCON will be

played) for this football competition. These are secured taxis, which the client can book in a few minutes via the application of the same name, and which can be accessed via smartphones.

According to the sponsors of this project, taxis tracked by GPS *"will be available for all through affordable pricing, which is of FCfa 250 for town rides"* in Douala. During booking, prices will start at FCfa 500 for a shared ride, up to FCfa 1,500 for a regular ride. *"For those who do not have smartphones, Vairified is also available by calling 695569483 or 681221023"*, we learned.

BRM

Eloi Cyrille Tollo

“To save Camair Co, we must reorganize it, make it presentable and rapidly find a strategic partner”

Reviewing the Cameroonian airlines' situation with transport expert and former special advisor to the Sfirm's Managing Director.

Business In Cameroon : You are a lecturer at the Yaoundé I University and were a high official at Camair Co, the state-owned Cameroonian airlines. Talking about the airlines, a new managing director was recently appointed at its head, the fifth in five years only after it started operations in 2011. In your opinion, what is the reason for such instability?

Eloi Cyrille Tollo : Yes ! It is true that I was the Special Advisor of the Managing Director of Camair Co in 2013. In my opinion, there are two main reasons for the instability that you mentioned: the incompetence of some leaders and political squabbles. Concerning the first point, let me precise that incompetence differs from lack of knowledge. Incompetence results from knowledge not matching position held within an organization. The recent dismissal of Mr Jean-Paul Nana Sandjo is an example of such a case. Such a decision can only be welcomed and no one would argue against it.

As for the second reason, Camair Co is a battlefield for politicians. This also explains instability in management. The political squabbles are often so intense that collaterals can be forced out quite shortly, some staying in position for less than a year even. This is, I believe, what happened to Mr. Matthijs Boertien and his successor, Frédéric Mbotto Edimo, who stayed respectively nine months at the head of Camair Co.

They were not removed because of poor performances or because their skills were doubted of, but because members of the political system decided so. Often, they manipulate the staff, the board of administration and the press into tarnishing the image of their victims and push the public to reject them. I recall for example that under Mr. Boertien who was much experienced, Camair Co had better results.

At his time, the firm's earnings grew by 15% to 39 billion CFA francs in 2013 from 33.8 billion in 2012. In 2014, it fell to 29 billion then plunged

further to 18 billion in 2015. Matthijs Boertien was also able to cut operational costs by 14% from 62.7 billion in 2012 to 13 billion in 2013. More importantly, the net result though negative decreased by 68% from 13 billion in 2012 to 4.2 billion in 2013. The year after, losses surged by 311% to 17.3 billion. In 2015, they increased by 567%, a record of 28 billion CFA francs.

Despite all the good he has done in his time, Matthijs Boertien was accused of all kinds of evil, from corruption to theft and even of being a psychopath. And the President was convinced to sack him. Be it financial, technical or commercial partners, they all share concern over the instability in Camair Co's management. And this causes performance to be poor since this instability affects the firm's strategy as visions and plans differ from one manager to the other. While instability makes staff unsafe, stability makes them feel at ease. For the moment, there is a new Managing Director and we



"In my opinion, there are two main reasons for the instability that you mentioned: the incompetence of some leaders and political squabbles."

hope he will not suffer the same fate as those before him.

BC: Don't you think that swaps of MDs at Camair Co hide in fact structural and strategic problems such as a lack of vision or of technical and financial means which such an airline needs to thrive ?

ECT: That is a very pertinent question. However, let me reassure you about the strategic plan, Camair Co has not only a vision but also missions and values. I am sure of this because I was part of the team that established them in 2013. Taking a look at the firm's strategic documents you will see that the vision hasn't changed. It is to make Camair Co a leading airline that would connect the Atlantic coast of Africa to the rest of the world.

But the following managing directors got the firm's ambitions wrong and took the wrong steps to concretize this vision. There is a Brazilian proverb that says *"when I dream alone, it is just a dream; when we dream*

together, it is the beginning of reality". I believe that because this vision is not well understood or not understood at all, it has become an official slogan. Take for example Mr Nana Sandjo and the 2014/15 recovery plan he proposed. You will notice that the 2013 vision he proposed does not match the operational choices he recommended. It is impossible to become a leading airline with Boeing 757 or 737-400 of about 30 years. It makes no sense, especially when you know that these planes have been in use since the 80s, 36 years ago when the firm was still known as Camair.

But I agree with you when you say that our airline has structural and financial issues. However, let's put things into perspective here because facts point in a different direction. Structural issues are caused by the inability of the various managements to design a chart conform to standards. And this is exactly why the Cameroon Civil Aviation Authority (CCAA) has not approved any of the

charts submitted by Camair Co in the last two years. Taking a deeper look at this, you will see that those issues are symptomatic to chaotic structural organizations.

This is the reason for the company's poor performances, as well as for its other issues in regards to maintenance, security, flights, etc. This is why the CCAA suspended Camair Co's flights to Europe on June 24, 2016. The decision was in no way inopportune or exaggerated. Proof is that its Managing Director was just replaced. Proceeding to a cybernetic analysis which the Anglo-Saxons call Viable System Model (VSM), a tool used to assess organizations' viability, you find out that Camair Co is like a body with dislocated limbs.

There is no harmony, no coherence between the global system and sub-systems, or even within sub-systems. I don't think resources allocated to Camair Co are insufficient, it is the opposite even. In reality, the government is making considerable efforts. It provided the firm 31

billion CFA francs in subsidy between January 2015 and March 2016, thus 38% more than the expected amount. For months now, it is the State that pays wages to the firm's active staff, about 900 people. This makes about 560 million CFA francs each month for monthly revenues of 400 to 500 million CFA francs. It is also the government that pays for the planes' maintenance and rented planes. Government's support is therefore clear but it is the management that does not know how to use it.

BC: Between 2012 and 2014, the company officially lost a total of 34 billion CFA francs and contracted a debt of a similar amount. The situation got worse since 2015. What is the reason for all these losses, despite Camair Co being, according to the Aeronautic authority, Cameroon's third largest air carrier with 11% of the market shares, behind Air France (21%) and Brussels Airlines (13%).

ECT: You are right. Camair Co has a huge debt. This year, its deficit could stand at FCFA45 billion. As for its position in the national market, I would like to indicate that the aviation authority's data is aggregated. In 2014, Camair Co was in Cameroon's top five airlines because of its monopoly over the local market. Today, if you take out its monopolistic advantage, I am sure that Camair Co would not be in the top 15 airlines operating in Cameroon.

Truth is that everything depends on a good governance and optimal management. With Camair Co operating at the international, regional and local levels, it should incontestably be leading Cameroon's air transport sector.

Concerning the reasons behind the huge losses registered by the firm year after year, there are many. The first is consubstantial with its launch. Indeed, management at the time picked expensive service providers such as Lufthansa Consulting and Lufthansa Technik. Fortunately, in 2013, some contracts were revised as we noticed

the worsening of the scissor effect. This is the case of Ethiopian Airlines which replaced Lufthansa Technik for plane maintenance. You are also aware that Camair Co has become a social company, whose main goal is no more making profits, but rather overcoming social challenges such as unemployment. This is why there are about 900 people working on five planes, while there is virtually no activity at the company. In the meantime, Asky employs 250 people and has 8 planes. Also, general expenses and operating costs are extremely high. So, every decisive step taken by Camair Co is in actual fact as redundant as Sisyphus labor.

BC: U.S firm Boeing has recently submitted Cameroon's government a recovery plan for Camair Co that focuses on increasing its fleet and serving more destinations. According to you, is that enough for the company to effectively take off?

ECT: No ! Boeing's proposal is not objective at all! This is our analysis of the situation unless Boeing has a different one. Camair Co's fleet includes five planes which are used at 26% of their potential. They therefore spend 74% of their time on the ground for various reasons: no spares parts, no pilots, breakdowns, etc. Just adding ten planes to the fleet as Boeing suggests without first reorganizing activities will just cause thrice more issues and this will not bring in more passengers. In 2016, less than 20% of Camair Co's planes were filled. Without connectivity, punctuality, or security, even if more planes were to be added, and more destinations served as well, the truth is that these planes would still remain as empty as now. If Boeing's plan is implemented as it is, instead of improving Camair Co's situation, it would just sink the airlines deeper.

BC: In your opinion, what must be done to effectively revive the airlines and make it profitable ?

ECT: Presently, Camair Co generates between 400 and 500 million monthly

while its charges stand at about 5 billion monthly. A rapid downsizing is thus necessary, and that is what all companies struggling do. The truth is that companies that last are those that become resilient. They know how to adapt, renew themselves and change in challenging times.

Dr. Mefiro Oumarou, the new PCA, is right to say that a new Camair Co must be created. I would add that a Camair Co 2.0 should be created. What I mean is that the new airlines should be smaller in size, modern, and integrate new information technologies. A profitable Camair Co, more attractive and with new services, a company whose main concern is its customers. Theoretical tools generally used to make companies profitable are known and they mainly aim at cutting costs and boosting revenues.

BC: Concretely, what are the main areas of the company that must be restructured ?

ECT: The first thing is to elaborate a restructuring plan that focuses on changing the business model, making it similar to IATA's or OACI's. To be profitable, charges of an airline - operational, commercial or administrative - must correspond to a specific turnover. If these ratios are not respected, it is useless to think about making profit. With the actual model, Camair Co's charges in 2014 represented 190% of its turnover. It has worsened since then.

Without a radical change, this company is doomed to bankruptcy as it already fails financially. Changing the business model requires the company's restructuring by using scientific tools such as the Business Process Reengineering. We have proposed a restructuring plan to the authorities which brings charges down by 21.5 billion CFA francs each year, and add up to 70 billion CFA francs to revenues generated by the firm.

Cutting down charges calls for the rationalization of activities, computerization, halving payroll, reducing fuel costs by 25%, internalization of ground support and catering, slash-



"I would add that a Camair Co 2.0 should be created. What I mean is that the new airlines should be smaller in size, modern, and integrate new information technologies."

ing overhead costs by 25%. We also proposed to boost revenues by 70 billion the first year, by reorganizing business activities into 6 Business Units which are profit centers. These are Camair Co PAX, specialized in passenger transportation; Camair Co Cargo for freight management; Camair Co Handling for ground support; Camair Co Academy to train people in air transport professions such as pilots, This plan costs 30 billion CFA francs and it will increase the company's fleet from 5 to 9 planes with a staff of 500 people. If it is strictly implemented, this plan will bring the firm's deficit to 5.5 billion CFA francs in the first year and break-even point should be reached the following year, and the company should restart making profit in the third year.

You will agree that this plan is less ambitious and less expensive than Boeing's, which costs 327 billion CFA francs.

BC: When it was created, it was decided that 51% of Camair Co's capital would go to a strategic partner. Isn't it time to start exploring this option, especially considering the company's actual situation?

ECT: It is true that this is planned. Article 5 of Sept. 11, 2006 Act for the creation of our airlines states that "51% of Camair Co's initial capital will be increased and subscribed to by a strategic partner". However, I discovered that some officials are against the operation saying Camair Co is a symbol of sovereignty and pride for the nation. The truth is that behind these arguments, others see the com-

pany as profitable entity. As for me, as I have always said, if we want to save Camair Co, we must reorganize it, clean it, make it presentable and rapidly find a strategic partner. For example, Air France-KLM is a shareholder of Kenya Airways and Air Cote d'Ivoire and these companies are doing better than ours. Nowadays, there is not a single airline that grows on its own. The strategic partner should be in the sector. It will help us save a lot, develop our projects, expand to new markets and join one of the world's three major alliances namely One World, Sky Team and Star Alliance. It is only this way that will definitely overcome connectivity challenge which currently cripples us.

Interview by Brice R. Mbodiam

PUBLIC MANAGEMENT

The 2nd edition of the Cameroonian Economic Days in Morocco will take place from 2 to 5 November 2016

The 2nd edition of the Cameroonian Economic Days in Morocco will take place from 2 to 5 November 2016 in Casablanca, we learned during a recent meeting held in preparation of this economic event. This edition, we learned, will help put the focus on the expertise of Cameroonian companies in sectors such as civil engineering, industry, scientific

research or ICT.

These days, which are centred on B2B meetings between economic operators from both countries, and an exhibition-fair, are organised by the National Centre for the Promotion of Exchanges (CNPE), with the support of the Cameroonian government and the Embassy of the Moroccan Kingdom in Cameroon.

The event is meant to strengthen the economic cooperation between the two countries, including commercial exchanges which reached USD 51 million (approximately FCfa 25.5 billion) in 2013, against USD 24.2 million (approximately FCfa 12 billion) in 2007; an increase of more than 100% in 6 years.

The World Bank injects FCfa 73 billion in the Cameroonian health system

The Cameroonian government recently signed with the World Bank, two financing agreements worth a total of FCfa 73 billion to improve its health system. This is in practical terms, we officially learned, a loan agreement of FCfa 58 billion, and a donation of FCfa 15 billion.

These funds will be used to finance the Project to strengthen the performance of the health system (PRPSS), whose goal according to the Cameroonian authorities, is to substantially improve mother and child health in the country. According to the Operations Director of the World Bank for CEMAC countries, these funds will in real terms help with the implementation of Performance-based Financing (PBF). It is mainly about, as highlighted by the Minister of Health, André Mama Fouda, to reward health organisations which had the highest rates of birth without death, as well as hospitals which distinguished themselves with vaccination rates of 90%.



After the departure of French Sofrepost, Campost, public post office adopts new austerity measures

The MD of Campost, a government Inspector by profession, found the salaries paid by the French management of Campost to be outrageous.

The employees of Cameroon Postal Services (Campost) faced issues concerning their salaries during the past months of July and August. This is at least what revealed the official communiqué issued at the end of a board meeting of this public company held on 30 and 31 August in Yaoundé.

Expenses unsustainable

This document reveals, indeed, that the Board *"instructed the Managing Director to pay the remainder of the July 2016 salaries, as well as the August and September salaries based on the 2014 Campost collective bargaining agreement, which was furthermore reneged"*.

According to our sources, the MD of Campost, a government Inspector by profession, immediately upon his arrival at the head of this company found the salaries



Campost. So many practices which, the MD insisted to the Board, contributed to making *"staff expenses unsustainable"*. An analysis which the Board approved.

A new salary grid

Indeed, though the board authorised this problematic salary grid to be applied until September 2016,

Concurrently with the new salary grid and benefits which will certainly be inferior to those observed previously, we learned, the Board of Campost also decided to operate *"a downward revision on the benefits given to the Managing Director and deputy Managing Director"*. An audit of the human resources of the company was also prescribed.

So many practices which, the MD insisted to the Board, contributed to making *"staff expenses unsustainable"*. An analysis which the Board approved.

paid by the French management of Campost to be outrageous, as according to him, they neither followed the laws and regulations governing public companies in Cameroon, nor the status of

this corporate body of Campost revoked said grid and adopted a new salary grid and other personnel benefits, which will be applied from October 2016, the above-mentioned communiqué highlighted.

Treasury losses

As a reminder, before the appointment of Pierre Kaldadak as MD in July 2016, Campost had been managed by a team of senior officers from Sofrepost since 2010, as part of a technical assistance contract signed between this French company and the Cameroonian government. Prior to Sofrepost, the Canadian firm Tecsalt International Ltd was in charge of managing Campost between 2007 and 2009, within the framework of a similar contract; which unfortunately ended in treasury losses of FCfa 2 billion.

BANK & FINANCE

Ministry of Finance accuses Pan-African Investment and Equity Company of illegal activity

The Cameroonian Minister of Finance (Minfi), Alamine Ousmane Mey, has published a communiqué denouncing the Pan-African Investment and Equity Company, accused of illegally operating in the cities of Douala and Yaoundé.

According to this member of government, this company which is not “authorised” operates totally illegally, collecting substantial deposits from the public, for investments it promises to remunerate at the unrealistic rate of 10% a month, which makes 120% per annum.

Also the Minfi, who is the Monetary Authority in Cameroon, draws “the public’s attention to the risks in making a quick buck with this institution, which has neither a microfinance license nor that of a credit institution, even less that of an investment or equity organisation”.



Funds available to finance real estate in Cameroon hardly cover 10% of demand, according to Crédit Foncier

Lack of financing is among the major obstacles to development in the housing sector in Cameroon. According to experts in Crédit Foncier, the bank for housing in the country, funds available hardly cover 10% of demand which is continuously increasing.

This observation has been made after a two-day conference on the financing of real estate, during which

environmental constraints and the competence of professionals have also been cited among the obstacles to massive production of housing in Cameroon. As a reminder, the deficit in housing in the country is officially estimated at 1.3 million units. In 37 years, the Crédit Foncier of Cameroon has granted loans for a total amount of FCfa 261 billion, which has enabled the construction of

69,500 houses and the development of more than 15,700 building plots. In order to contribute to the loosening of the squeeze on financing for real estate developers, the Cameroonian government has already decided, in the 2016 Finance law, to waive VAT (19.25%) on real estate loan interest as well as low cost housing transactions.

COBAC officially ends interim administration at Commercial Bank of Cameroon



The Cameroonian Minister of Finance, Alamine Ousmane Mey, released on 14 September 2016, a communiqué announcing the official end of the interim administration regime at Commercial Bank of Cameroon (CBC). This was as decided (on 9 September) by the authorities of the Central African Banking Commission (COBAC), the watchdog in this sector in the CEMAC area, Minister Ousmane Mey highlighted.

This removal of the interim administration regime opens the way for the new Managing Director of this banking establishment, Léandre Djummo who was appointed on 6 May 2016, to take up office. This appointment was revealed at the end of a CBC board meeting, which also elected Jean Elisé Gouater as Deputy Managing Director.

Concurrently, the Board of CBC will now be chaired by Alfred Tiki, former interim Administrator of Amity Bank. This other Cameroonian bank facing difficulties was finally bought by the Ivorian group Banque Atlantique,

despite a decision from the Common Court of Justice of the CEMAC denouncing this transaction with the Cameroonian government.

7 years

The restoration of the corporate bodies of CBC, whose new management has been approved by COBAC, puts an end to an interim administration

As a reminder, the bank created by Cameroonian billionaire, Victor Fotso, was placed under interim administration in 2009, at the end of a COBAC audit. The regulatory authority in the CEMAC area banking sector had found lapses in the management of this credit establishment, particularly the squandering of equity blamed on Yves Michel Fotso,

Concurrently, the Board of CBC will now be chaired by Alfred Tiki, former interim Administrator of Amity Bank.

which lasted 7 years. This period was even marked by an ongoing complaint against the first interim Administrator, Martin Luther Njanga Njoh, accused of misappropriation and of having received salaries and benefits deemed exorbitant or undue. The restructuring of this credit establishment, started in 28 January 2013 for a period of six months, was extended six times.

son of the majority shareholder. In April 2014, after two roundtables to which the historical shareholders gave the cold shoulder, having repeatedly denounced an "expropriation attempt", CBC was recapitalised with FCfa 12 billion, including approximately FCfa 10 billion injected by the State of Cameroon, who now owns 98% of shares in this former private bank.

Isabelle Quintard : “Canadian start-up Squares Union transfers money to Cameroon at single price of 5.99 \$”



“We thus have the intention of covering all of Africa, and in the near future, Europe.”

Interview with one of the managers of this money transfer and distance payment company whose core target is Cameroon.

Business in Cameroon : Could you briefly describe the start-up Squares Union?

Isabelle Quintard : Squares Union is a start-up specialising in financial transactions, distance payment of bills (hospital, grocery, pharmacy, etc.) and telephone recharge. We have authorisations from the financial market to undertake our activities. We have therefore developed an internet platform usable on computer, smartphone and tablet. Our platform is thus simple, rapid and secure.

We are present in Canada and in Cameroon, in different towns such as Douala, Yaoundé, Bafoussam, Bamenda, Bagangté, Dschang and Kribi. To allow withdrawal of funds

in Cameroon, we have several withdrawal points. We have several microfinance institutions and other partner cooperatives. It includes notably FODEC, FIGEC and soon CCA. We are hoping at a later date to open new withdrawal points in Cameroon, in order to cover the entire country. We are also about to open in Côte d'Ivoire and later hoping to open in Senegal and Togo. We thus have the intention of covering all of Africa, and in the near future, Europe.

BC : You are based in Canada. What led Squares Union to spread its activities to Cameroon?

IQ : The main reason which led Squares Union to extend its activities to Cameroon is that the three co-founders are of Cameroonian origin, and have thus faced the problem of the high cost of money transfer operations.

BC : In real terms, what do you offer as benefits to your partners in Cameroon?

IQ : We have signed contracts with our partners, so they can open withdrawal points. The benefit is thus a financial benefit, a fee from our activity.

In the money transfer section where you operate, there are already giants such as MoneyGram, Western Union, World Remit who make digital transfers, even Afrimarket which allows cash to goods transfers from the African diaspora. What is your special offer compared to these bigwigs in the money transfer market?

We differ from our competitors price-wise. Firstly, the transfer cost is 5.99 dollars for all amounts from 0 to 1,000 dollars. Therefore our price is fixed, whereas our competitors have variable prices, depending on the amount to be transferred. Next, our platform is simple to use, rapid and secure. Thus, you can make transfers 24h/24 and 7 days/7 anywhere from your computer, tablet or smartphone. You do not need to move.

BC : Nowadays, what is the weight of your activities in Cameroon in the overall portfolio of your start-up.

IQ : The weight of our activities in Cameroon in our portfolio is significant. Because, as I told you earlier, at the moment we are only operating in Canada and Cameroon. So far, our activity is in expansion.

But, we hope to further develop our exposure in Cameroon, to better respond to household needs. Likewise in Canada, we are trying to engage as much as possible with Cameroonian associations.

**Interview conducted (online)
by Brice R. Mbodiam**

Cameroon: money transfers from the diaspora peaked at FCfa 585 billion in 2015

Funds transferred by members of the Cameroonian to their country of origin peaked at USD 1.2 billion in 2015, approximately FCfa 585 billion, the British company WorldRemit announced. The world leader in digital money transfer specified in its communiqué that it obtained this statistics from the World Bank.

Quick calculation, this figure represents roughly 33% of the public investment budget (PIB) of the country for 2016 (FCfa 1,500 billion), over 60% of the funding necessary to implement the three-year emergency programme of the Cameroonian government (FCfa 900 billion), as well as close to 120% of the funds sought for the construction of the Natchigal dam (FCfa 400 billion), with a capacity of 400 MW, under development in Cameroon.

Basic needs

Over a 2-year period, these transfers from the Cameroonian diaspora more than doubled, as they were only of FCfa 218.7 billion in 2013, against FCfa 181 billion in 2009, according to statistics from the balance of payments department of the Ministry of Finance.

According to the latter source, until 2013, the CEMAC was the main point of origin for these transfers from the Cameroonian diaspora, with 38% of transfers registered that year, against 27% from France, 15% from the USA and 20% for the rest of the world. These funds, we learned, are for the most used to meet the basic needs of the families who remain in Cameroon.

Stiff competition

"These money transfers from abroad play a major role in the economy of Cameroon", highlighted WorldRemit, who has just launched its digital money transfer service in the



country, through a partnership with the Cameroonian subsidiary of the Ivorian banking group Banque Atlantique.

The dynamism observed on the money transfer segment from the Cameroonian diaspora, which gathers 40% of the highly skilled workforce of the country, according to authorised sources; justifies the increasing interest from money transfers operators for Cameroon. Indeed, alongside new entrants on this market such as WorldRemit and Afrimarket (cash to goods transfers), there has been stiff competition between heavyweights like MoneyGram and Western Union for some years now.

But aside from them, there is also the local operator Express Union, leader in the domestic transfer market, who extended its network to Western Africa and the CEMAC area, the community from which originates 38% of the money trans-

fers made by the Cameroonian diaspora.

Cost of the transactions

According to the international NGO PlaNet Finance, the volumes of money transfers made by the African diaspora as a whole could be higher than their current level, provided that the cost of the transactions were lowered. Therefore, this NGO launched, in October 2013, the Initiative for the improvement of the money transfers by migrants to Africa, with the support of the Universal Postal Union (UPU), with financing from the European Union.

This 36-month initiative, we learned, is meant to lower the cost of money transfers for the African diaspora, when they are made via the public post offices network. The ambition, at the end of the project, we learned, is to cut these costs by 30%, and consequently, multiply by 10 the volumes of these transfers.

AGRIBUSINESS

Northern Cameroon gets four dairies

The Cameroonian government, as part of the Programme for the Improvement of Productivity in Agriculture, particularly the section on supporting the development of the dairy sector, is currently completing the construction of four dairies in the northern part of the country, we learned from reliable sources.

These units have a cumulated production capacity of 8,000 tons of milk per day. They also enable the production of by-products such as cheese or yogurt.

The dairies in Ngaoundéré, Maroua, Meiganga and Garoua, which will enable breeders in northern Cameroon to better thrive socially and economically, officially cost FCfa one billion to the Cameroonian Treasury.

As a reminder, milk is among the most imported food products in Cameroon.

According to official statistics, these imports cost FCfa 31 billion in 2015.

According to the Ministry of Livestock, the country has a production deficit of more than 17,000 tons per year, since the national production peaks at approximately 125,000 tons only, for a demand estimated at 297,000 tons. At the roots of this situation, experts highlight, is the low yield of the species of cows used by producers, the remoteness of the main production areas, etc.



Cameroon imported 1.388 million tons of foodstuffs in 2015

According to the National Port Authority (APN), foodstuffs were the most imported goods in Cameroon in 2015. Indeed, with 1.388 million tons imported, these products even overtook hydrocarbons (1.294 million tons) and Clinker (1.323 million tons).

As usual, rice, which was still exempted from customs duties until

December 2015, was the main food product imported in Cameroon in 2015, with cargoes reaching 729,822 tons.

In the same time, cooking salt posts global imports of 139,572 tons, against 217,140 tons for frozen fish and 301,510 tons for various “*other foodstuffs*”.

All these foodstuffs imports, which

take away hundreds of billions of FCfa every year, help solve the production deficits noted in almost every segment of agriculture, breeding and industrial activities in Cameroon, a country whose many potentials are however acknowledged.

Cameroon: CICC getting ready to launch Loan Guarantee Fund for cocoa farmers, with FCfa 400 million already



The Inter-professional Cocoa and Coffee Council (CICC) organised on 28 and 29 September 2016 in Yokadouma, large production area in the Eastern region of Cameroon, an awareness workshop for cocoa producers on the importance and good recordkeeping of the producer book. This is, we learned during the Yokadouma meetings, a document representing an identity card of the producer, as it contains information on the producer, the cooperative to which he is affiliated, the technical management and production volumes, its phytosanitary treatments or the areas covered by the farms.

At CICC, it is emphasised that the producer book will mainly be, we learned, the key element in the documentation to be provided to financial organisations, in order to obtain funding guaranteed by the Fund set up for this purpose by CICC. *"Raising awareness within the producer population on the necessity of good recordkeeping with regards to their book is a crucial step in the operationalisation of our Guarantee Fund. This document, in addition to ascertaining the eligibility of a producer to access funding, will first and foremost determine the level of credit to be granted to a particular producer"*, explains a senior official in the cocoa and coffee regulatory authority.

As a reminder, in order to reduce the difficulties in accessing funds experienced by cocoa and coffee producers in Cameroon, CICC set up a Guarantee Fund, to share the risk with the financial institutions who would grant said loans. Provisioned with FCfa 100 million every year, this Fund, whose operationalisation CICC is presently finalising, now totals FCfa 400 million, we officially learned.

Cameroon exported 152,384 tons of banana as at end July 2016, a drop of 5,000 tons compared to 2015



At end July 2016, banana producers exported 152,384 tons in total, the Banana Association of Cameroon (Assobacam) revealed. This performance is in decrease of approximately 5,000 tons compared to the 157,377 tons exported over the same period during 2015.

This drop in performance is primarily attributable to CDC, the public agro-industrial company and second provider of jobs in the country after the State, whose exports are lower by 10,000 tons compared to end July 2015.

Indeed, this State company, who suspended its marketing activity for non-standard banana this year, globally only exported 61,010 tons out of the first seven months of 2016, against 71,789 tons as at end July 2015.

Banana exports in Cameroon are still dominated by Plantations du Haut Penja (PHP), subsidiary of Compagnie Fruitière de Marseille. According to Assobacam, this company's exports represented more than 40% of total Cameroonian exports as at end July 2016, with 85,473 tons, against 92,874 tons during the period under review in 2015, thus a drop of 7,401 tons.

The turnover of French group Rougier drops by 8.5% during first half of 2016

Rougier, the French logging company, saw its turnover (FCfa 52 billion) drop by 8.5% in Cameroon, during the first half of 2016. Quotidien de l'Economie, which just revealed this information, cites official sources. This decrease, resulting from the sharp decline in activity noted during the 2nd quarter 2016 (drop of more than FCfa 3 billion in turnover compared to the same period in 2015), is the consequence of the drop in the demand on Asian markets, particu-

larly China, the French logging group asserts.

Also present in Gabon and Congo, Rougier is among the biggest logging companies in Cameroon, with approximately 600,000 hectares of forest under management. Aside from the logging operation, this group is currently putting the final touches, in partnership with the NGO WWF, to a project meant to structure the sale of some non-ligneous logging products (wild mango

and Ndjansang), in order to contribute to increase the income of populations living next to the forests where it operates in the town of Mbang, Eastern Cameroon.

This project is a result of the Global Forest & Trade Network (GFTN), which is presented as *"one of the main initiatives of WWF to promote good logging management and fair trade"*.

With River, its soya-based yogurt, agro-industrial company Camlait wins "OAPI Grand Prize brand Award"

The African Intellectual Property Organisation (OAPI) awarded on 13 September 2016 in Yaoundé, the very first *"OAPI Grand Prize Brand Award"*

to *"River"*, a soya-based yogurt processed by the Cameroonian company Camlait.

This prize, the result of a competi-

tion launched by OAPI this year in partnership with the Cameroonian Employers' Association (GICAM) rewards, we learn, a product or service of high renown in the country.

"River" is the result of the decision taken by the management of Camlait, to diversify the range of yogurt produced by this industrial food unit, by favouring local raw materials such as soya, instead of imported milk.

To achieve this, we officially learned, the Société Camerounaise de Produits Laitiers had to invest FCfa 3 billion in the construction of an adequate factory.

As part of the above-mentioned competition, the microfinance company Crédit du Sahel, very active in northern Cameroon, with a portfolio of granted outstanding loans estimated at FCfa 12 billion in 2015, received the *"best local brand prize"*, rewarding a company who has developed a product or service which has contributed to the social and economic development of a Cameroonian region.



Cameroon doubled its certified cocoa exports during the 2015-2016 season, to approximately 20,000 tons



Certified cocoa agriculture in Cameroon has created more and more followers among producers. According to official statistics, roughly 20,000 tons of certified cocoa were exported by Cameroon

during the 2015-2016 season, which ended in July. This production is an increase of 100% compared to the previous season, at the end of which 10,000 tons of certified cocoa were

exported from Cameroon, against 5,400 tons only during the 2013-2014 season. Quick calculation, the production of this cocoa following specific requirements determined by consumers, tripled in Cameroon during the last three seasons.

This enthusiasm of producers for certified cocoa is primarily the result of certification programmes implemented for some years now in the country by companies such as AMS, subsidiary of the Dutch company Theobroma; Sic Cacaos, Cameroonian subsidiary of Swiss Barry Callebaut; or Telcar Cocoa, trader of the American firm Cargill and leader in the certified cocoa market in Cameroon.

Then, there are also the important premiums paid to certified cocoa producers, as a reward for the additional effort made by farmers in following crop management sequences and other obligations which are inherent in the production of this cocoa. As an example, over the last three seasons in Cameroon, Telcar Cocoa, on its own, distributed over FCfa 1.5 billion in premiums to certified cocoa producers.

Cameroon restarts its National Agricultural Extension and Research Programme

The National Agricultural Extension and Research Programme (PNVRA), formerly among the most important at the Ministry of Agriculture and Rural Development (Minader), will restart its activities, after several years of hibernation. This is what transpired from a meeting held on 9 September in Yaoundé, the Cameroonian capital. This meeting enabled the recently

appointed management of this programme, to receive a more detailed roadmap, which can be summarised as making this programme, *"even more so than in the past, a real extension tool for agricultural research and adapted techniques for better yields"*, the representative of the Ministry of Agriculture to this meeting recapped. As a reminder, PNVRA is a consul-

tancy-support system led by the Ministry of Agriculture and Rural Development and the Ministry of Livestock, Fisheries and Animal Industries. Its global objective is the sustainable improvement in the productivity of agro-pastoral farms and fisheries, as well as the income of the producers.

MINING

The Permanent Secretariat of the Kimberly Process will assist in getting the Cameroonian gold from the bush



In addition to guaranteeing the traceability of rough uncut diamonds produced in Cameroon, the Permanent Secretariat in charge of monitoring the Kimberly Process in the process, just received from the Cameroonian government the mission of also ensuring the traceability of the gold produced locally. The news was revealed during a meeting organised from 15 to 17 September 2016 in Bertoua, capital of the Eastern region, the most rich in ore in the country. This decision from the Cameroonian

authorities, we learned, should help in moving Cameroonian gold through formal channels. Indeed, to date, we officially learned, approximately 80% of the 100kg of gold produced in the country every year is sold to smugglers. Additionally, mining operators, in order to reduce the volumes of taxes to be paid to the public Treasury, adopt various ploys to conceal the real quantities produced. This cover up, according to different reports, is done through “*nocturnal gold panning*” implemented by some

mining companies, operations at the end of which the gold under the cover of night is sent to unknown destinations.

Following the discovery in July by a mining squad in the town of Ndokayo, in the Eastern region, some light has been shed on how the mining operators to move their cargo of undeclared gold. Indeed, at this checkpoint, members of the mining squad found little bags holding gold, hidden inside domestic gas cylinders.

Cameroon doubled its rough diamond production in 2015, to approximately 6,000 carats

According to the Permanent Secretariat of the Kimberly Process, the production of rough diamond in Cameroon was around 6,000 carats during 2015. This production doubles the one of 2014, a year when it peaked at 3,000 carats, according to the same source.

If producers and exporters were able to profit from the actual value of these precious stones on the world market, the Cameroonian Treasury, according to the local representation of the Permanent Secretariat of the Kimberly Process, was only able to earn FCfa 73.4 million in various taxes.

Compared to Central African countries such as the Central African Republic or DR Congo, Cameroon remains a small diamond producer. But, the country has an enormous potential, thanks to the Mobilong deposit discovered in Eastern Cameroon by the company C&K Mining.

Even though the potential of this deposit has been disputed since 2010, several mining experts agree to acknowledge that Mobilong holds one of the most important diamond deposits in the world. In order to put an end to the controversy around the potential of this deposit, the Cameroonian Minister of Mines, Ernest Gwaboubou, recently announced the launch of reassessment operations.

Indeed, since 2010, C&K Mining, who has since end 2014 sold its shares in the Mobilong project to a Chinese-American investor, is accused of having over-estimated the potential of the diamond deposit (736 million carats at first, corresponding to 5 times the overall world production), then presented as the most important in the world.



It was finally revealed that this over-estimate was only made to satisfy speculation motives (after the announcement, the C&K Mining stock soared on the Seoul stock market, multiplied by 4.6 in only 16 days), as

a second assessment by the same explorer brought the potential of the Mobilong diamond deposit back down to 420 million carats, even though the conglomerate part has not been really assessed yet.

TRANSPORTATION

Call for help to Cameroonian transporters, to lessen price hikes on consumer goods in CAR

Central African transporters are asking the government in Bangui to work for the modification of the transport agreement linking this country to Cameroon, to offer more leeway to Cameroonian transporters on Central African soil. Indeed, we learned at the end of a recent meeting between transport unions and the Central African Minister of Commerce, the law banning Cameroonian transporters from working inside the Central African Republic (and vice versa) is at the cause for the price hike on consumer goods in CAR. Thus,

CAR transporters would wish for this measure taken by the people in charge of transport in both countries, to be cancelled.

According to the proponents of this idea, once in Bangui, several trucks belonging to Cameroonian transporters are blocked in the Central African capital, while they wait for local transporters, whose fleet is reduced, to take over the distribution of cargoes thus transported till Bangui towards the hinterland. This extended need for Cameroonian drivers to remain in Bangui, we learn, reduces the

availability of trucks on the Douala-Bangui corridor, which increases transport costs and consequently the prices of goods once in CAR. According to Central African transporters, by authorising Cameroonian truckers to make deliveries upcountry in CAR, the Central African government would improve the rotation of trucks between the Douala-Bangui corridor and the hinterland, and thus contribute to the reduction of transport costs and goods prices.

Patrice Melom: *“the Port of Kribi is a new-born and the instructions we have received are to make it operational as soon as possible”*

Visiting the facilities at the Port of Douala on 14 September 2016, the Managing Director of the Autonomous Port of Kribi (PAK), the public company in charge of managing the first deep water port in Cameroon, announced that he is working towards making this port “operational as soon as possible”. Thus, Patrice Melom declared, “we thought that one of the first things to do was to come and visit our more experienced veteran”. A visit whose goal, as highlighted by the MD of PAK, was to “get acquainted with the realities in the port sector and grasp the challenges now put to us”. As a reminder, the deep water Port of Kribi, whose first phase works have



been completed for several months, will start its activities with two terminals: container and multi-purpose. This new port, whose commissioning is expected to take place this year, has the biggest draught of the West African coast. Built by the company CHEC, through

a financing from Eximbank China, the deep water Port of Kribi, located in the Southern region of Cameroon, will be operated by French-Chinese and French-Cameroonian consortiums, led respectively by Bolloré Transport Logisitics and Necotrans.

Traffic at the Douala Port registered an increase of 4.1% in 2015

Volumes of goods exported and imported via the Douala Port, located in the economic capital of Cameroon, reached 11.3 million tons as at end December 2015, we learned in an official communiqué of the National Port Authority (APN). This volume is in increase by 4.1% compared to the 10.8 million tons processed in 2014.

According to APN, the performances of what remains the biggest port of Cameroon could have been more important, if not “for the impact” on “port activities”, of “the global economic environment which considerably change from one country to another, with a significant impact on international trade”. As a reminder, based on APN’s own declaration, the Douala Port has a capacity of 10 million tons, which is largely exceeded. To achieve this, the government built the deep water port of Kribi, whose commissioning is expected this year. According to experts, this new port has the largest draught in West Africa.



One thousand Bolloré Transport & Logistics employees out in the streets of Douala to celebrate the group’s new brand in Cameroon

Over a thousand employees of the Bolloré group in Cameroon took part, this 22 September 2016 in the city of Douala, the economic capital of the country, in a 7-km sports walk labelled “Marathon Day”. The information was revealed in an official communiqué released by the senior management of the Gulf of Guinea Region of this French logistics group, with railroad and port concessions in Cameroon.

“Marathon Day is an event sponsored by Cyrille Bolloré, President of Bolloré Transport & Logistics, which puts the emphasis on values such as social cohesion, solidarity and team spirit. Therefore, the President’s office

has taken the commitment of giving financial support to a charitable association depending on the number of participants in the marathon”, the group specified.

This first edition of “Marathon Day”, as highlighted by Mohamed Diop, Regional Director of Bolloré Transport & Logistics for the Gulf of Guinea, is the very first to be organised under the “colours of our new visual identity in our region, and formally celebrates, the presentation of the new brand to the public at large”.

As a reminder, it was in July this year that the Cameroonian subsidiary of French logistics company Bolloré Africa Logistics official changed its

name to become Bolloré Transport & Logistics Cameroun. This mutation follows the decision taken by the administrators of this group, to merge its activities in the transport and logistics sector under one unique brand, we learned in an official communiqué published on 30 March 2016.

With a workforce estimated at about 7,000 employees in Cameroon, the Bolloré group is one of the biggest employers after the State, as recently stated by the Minister of Employment and Social Security, Grégoire Owona.

ITC & TELECOM

Urban Community of Douala seduced by Taxis Vairified, a Cameroonian application to book secured taxis

The Urban Community of Douala, overall organisation in charge of mayor's service in the Cameroonian economic capital, recently announced the launch of "Taxis Vairified". These are secured taxis, which the client can book in a few minutes via the application of the same name, which can be accessed via smartphones.

"For those who do not have smartphones, Vairified is also available by calling 695569483 or 681221023", the sponsors of this application inform. These taxis with a GPS-tracker, we learn, "are within everyone's reach through an affordable pricing, which is of FCfa 250 in town". During the booking, the prices start from FCfa 500 for a shared ride, up to FCfa 1,500

for a classic ride.

"We are in contact with a Japanese institutional investor and others, to inject important sums (FCfa 100 million) to equip the vehicles with GPS trackers and renew the vehicles through hire-purchases with serious drivers", one of the sponsors of the project announced.

Cameroonian app GiftedMom awarded a prize by the Commonwealth Telecommunications Organisation

Cameroonian start-up GiftedMom, developer of the app with the same name, has just received the prize for the best health app from the Commonwealth Telecommunications Organisation (CTO), rewarding an innovative initiative integrating ICT in the development of the health sector. This prize was received on 12 September 2016 in Fiji by Dr Agbor Ashu, Health Director at GiftedMom.

Co-founded by the computer engineer Alain Nteff, GiftedMom is an application that allows communication by SMS with networks of pregnant women, to remind them about their hospital prenatal consultations and provides them with advice during the delivery period.

Thanks to this service, which enabled the start-up to pick up the first Total Cameroon Startupper 2016 prize, the number of deaths post delivery has



considerably declined in the areas where the project is implemented. At the same time, partner health centres have seen the rate of prenatal consultations increase by 35% in 2 years.

Nowadays, Alain Nteff confided to the government daily paper, this application is used by 20,000 people in Cameroon. At a rate of 100 daily messages, these people receive advice from medical health personnel scattered in 34 health centres spread

out in the regions of Adamaoua, the Centre, North-West, South-West and Extreme-North.

Before this award from the CTO, GiftedMom had already won the prize Anzisha in 2014, the prize for best African social entrepreneur from the MasterCard Foundation in the same year, then the prize for young African companies awarded at the New York Forum Africa (NYFA) in Libreville in 2015.

Cameroonian electricity company Eneo returns more than 700 Km of fibre optic to the State



The Cameroonian Minister of Posts and Telecoms, Minette Libom Li Likeng, and the Managing Director of Eneo, Joël Nana Kontchou, signed on 20 September 2016 in Yaoundé, the capital of the country, an agreement on the retrocession to the State of Cameroon of a network of more than 700 Km of fibre optic built by the public electricity service concessionaire.

Officially, this investment worth a total of approximately FCfa 17 billion, we learn, was retroceded without financial compensation. *"This agreement enables us to increase our national bandwidth capacity"*, happily expressed Minister Libom LiLikeng, who did not mentioned the fate of the then-fine imposed on the electricity company by the telecoms regulatory body, due to the rollout of this fibre optic network.

A fine of FCfa 500 million

Indeed, we can recall than the rollout of this network by Aes Sonel (who became Eneo after being bought by British fund Actis) earned the public electricity concessionaire a fine of

FCfa 500 million. In the decision taken by the Telecoms Regulatory Agency (ART) on 18 December 2013, the regulatory body accused the electricity company of *"operating an unauthorised private independent network"*.

In other words, according to ART, this electricity production and distribution company had trampled on

Cameroon even saw an ambition of the electricity company, to move into the internet provider market.

Advanced modulation techniques

"We wanted to offer cabled internet and we were at the negotiations stage. Every time there was a stumbling block in the negotiations, ART threatened us with sanctions. We wanted to

"This agreement enables us to increase our national bandwidth capacity", happily expressed Minister Libom LiLikeng, who did not mentioned the fate of the then-fine imposed on the electricity company by the telecoms regulatory body.

the Cameroonian law governing the telecoms sector, which granted until then the monopoly on inter-urban fibre optic rollout to the historical telecoms operator, Camtel. With the implementation of this fibre optic network, experts at the Ministry of Posts and Telecoms of

bring to Cameroon the Power-Line Communication technology (a technology through which low speed or broadband data is carried via electrical wiring by using advanced modulation techniques. Also known as PLC, Ed.)", a manager in now-defunct Aes Sonel confirmed.

SERVICES

The Cameroonian Anti-Tobacco Coalition accuses industrialists of trampling on laws governing publicity



"Public denunciation of illicit advertising on cigarettes". This was the title of the communiqué published by end of last week in the local press by the Cameroonian Anti-Tobacco Coalition (C3T). According to this coalition, "the tobacco industry again used its schemes to promote the sale and smoking of cigarettes, through several billboards implanted in various cities in Cameroon".

Even though the incriminated posters only denounce cigarette contraband, C3T "assesses this action as a manoeuvre by the tobacco industry to purely and simply advertise tobacco products and encourage the popula-

tion to smoke cigarettes". Which, as the Coalition highlights, is "in blatant violation of the 2006 law on publicity, which bans all forms of advertising for tobacco products in mass media in Cameroon".

Seizing the opportunity of this denunciation, C3T reminds that "based on the results of the global survey on adult smoking carried out in 2013 by the World Health Organisation (WHO), one million and one hundred thousand (1,100,000) Cameroonians are tobacco users, half of them will die from their tobacco addiction".

At the same time, we learned that "a survey carried out with schools

in the city of Yaoundé in 2016 by the Alliance for the Control of Tobacco in Africa, in partnership with the Cameroonian Anti-Tobacco Coalition, led to the identification of 173 selling points close to the 20 schools surveyed, with the presence of advertising and tobacco-promoting posters in close to 50% of cases". Which demonstrates, according to C3T, that "the tobacco industry is encouraging the establishment of selling points around schools, to promote the initiation of young students to the consumption of tobacco products".

Afrimalin, the francophone Africa classified ads website, lands on the Cameroonian e-commerce market



The Cameroonian e-commerce market gained a new operator this 15 September 2016, with the official launch of activities of Afrimalin in eight countries representing a total of 200 million inhabitants and 26 million internet users. These are Benin, Burkina Faso, Cameroon, Côte d'Ivoire, Mali, Guinea, DRC and Senegal. According to the official communiqué announcing the launch of this classified ads website in francophone Africa, this new player in the e-commerce sector on the African continent "offers a free tool to directly connect local sellers and buyers". Through Afrimalin, which is based

in Conakry and Dakar, we learned, users can, "in a few clicks, sell or buy at affordable prices thousands of products: telephones, computers, televisions, cars, real estate properties, fashion, sports or beauty items, household items, etc. Another free service proposed by Afrimalin: access to job offers".

"By 2025, internet's contribution to the African GDP should be at 10%. Income linked to e-commerce should be in excess of 60 billion Euros per year. Francophone Africa represents a third of this market and has a very high potential. Afrimalin supports this extraordinary economic dynamic.

Afrimalin wants to set the trends and be the leader in this market, through a new user experience rooted in the daily lives of the African people" insists Mamadou Niane, co-founder and Director of Operations at Afrimalin. On the Cameroonian market, this new e-commerce platform, whose primary target is the 20-45 age group in the African middle class, as well as local SMEs ; will have to fight against well-known start-ups such as French Afrimarket, Cameroonian Kerawa, or Jumia, leader in the e-commerce sector in Africa, which claimed over 2 million purchases in Cameroon in 2 years.

LEADER OF THE MONTH

Chief Mekanya Charles Okon confirmed as Managing Director of Pamol Plantations Plc



Chief Mekanya Charles Okon is officially Managing Director of Pamol Plantations Plc, a Cameroonian public agro-industrial company, whose focus is on oil palm trees in the south-west of country.

He had been at this position in a temporary capacity since 2013, following the sudden death, on 28 December 2012, of Obi-Okpun Wanobi Osang, then MD of the company.

The new MD will be assisted by Chief Aloysius Asanga (former manager at electricity company Eneo), appointed as Deputy MD, while chairmanship of the Board of this company, which employs 2,500 people and manages over 11,000 hectares of palm grove, is ensured by Bernard Okalia Bilaï, current governor of the South-West region.

The new management of Pamol

will have to tackle the project for the expansion of the farms of this agro-industrial company on Bakassi peninsula, where 500 hectares have already been developed. This project, which will enable the creation 5,000 jobs is among the key components of the settlement of this territory, which has long been the subject of a dispute between Cameroon and Nigeria.

Brice R. Mbodiam

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