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# BUSINESS IN CAMEROON

MAJOR PROJECTS  
AGRICULTURE  
ENERGY  
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INDUSTRY  
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BANKS, INSURANCES, FUNDS

## Cameroon's opportunities are attracting the financial sector

Stève Fogué presents his  
fintech



Aurion, the Cameroonian  
video game bewitching  
Hollywood



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# An emerging financial market

**F**ive years ago, bancarisation rate in Cameroon barely exceeded 10%. Now, the country's banking sector is buzzing as new commercial banks come into its market where 14 lenders operates and which has a level of bancarisation above 20%. A rapid growth certainly, but there is still a lot of room for progress. And it is this potential for growth, paired with a real economic vitality that sparks interest for Cameroon's banking market. Projections are encouraging, idem for profitability prospects. To lenders' dynamism adds that of telecom operators whose mobile banking offers are seducing more and more Cameroonians. This month, a report from British analysis and research group The Economist Intelligent Unit welcomed Cameroon's progress regarding the promotion of financial inclusion. According to official data, the two firms leading the country's mobile telephony market, Orange and MTN, together, have nearly 5 million customers using their mobile money services. The trend was also encouraged by the President himself. *"Each generation has its challenges it must overcome for the nation's future! Let me say that for our youth, one of the major challenges is to successfully hop unto the digital economy wagon,"* Paul Biya told the youth on February 10, 2016. The government also contributed to the banking sector's take off as it, in 2013, imposed bancarisation to all its agents. The microfinance sector also provided many Cameroonians, mostly the modest ones, more accessible financing and management solutions. In spite of all these, there is still the local stock exchange to develop as it fails to convince both companies and investors. Yet, for the country to truly emerge, injecting local savings in the economy's development is crucial. It is in this framework that Jean-Claude Ngbwa, president of the Financial Markets Commission of Cameroon has gone to Abidjan to learn about the factors behind BRVM's success. He wishes to use what he learns during his visit to make the Douala Stock Exchange a major market in the years to come.



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# THE CAST



**SEYBOU BOUDA**

Since 1 November 2016, Cameroon is represented at the World Bank Executive Board by Burkinabe Seydou Bouda, in compliance with the rule which states that within this Bretton Woods institution, directors are elected by groups of countries.

This, except for the five largest shareholders of the World Bank (United States of America, Japan, Germany, France and the United Kingdom), China, Russia and Saudi Arabia, who choose their own directors among the 25 which make up the Executive Board of this institution. Until October 2018, in addition to Cameroon, Burkinabe Seydou Bouda will defend the interests of 22 other African countries (gathered in the group II) within the Executive Board of the World Bank.



**MERZAK  
BEDJAOU**

On 28 September 2016, during an audience with the deputy Minister of External Relations (Minrex) in charge of relations with the Islamic world, Merzak Bedjaoui, Ambassador of Algeria in Cameroon, expressed his wish for the Cameroonian authorities to work toward the strong involvement of Cameroon in the Algerian-African Business Forum.

This gathering, the first of its kind organised by Algeria, will take place from 3 to 5 December 2016 in Algiers, the Algerian capital. According to the Algerian authorities, the goal of this business forum is not only to present the investment opportunities available in Algeria, but also to further develop partnerships to promote Algerian exports to the African continent, in particular with regards to sectors such as the food industry and medicine.



**MEFIRO  
OUMAROU**

On 30 September 2016, Camair Co, the public Cameroonian airline, currently on the brink of bankruptcy, held its 2nd extraordinary Board meeting within two weeks. During these sessions, the pro-government daily revealed, the formulation of a new action plan was discussed, for a new take off of the company.

*“The owner of the company wishes that in the very short term, Camair-Co would generate the means to support its activity. We are in a very strategic period for the economy of the country, with the major projects. The State cannot make available substantial subsidies all the time to support a company with sufficient means. The State will not continue to inject money all the time without knowing exactly what it is used for”,* specified Mefirou Oumarou, new Chairman of Camair Co.



**PERRIAL JEAN  
NYODOG**

The company Tradex, headed by Perrial Jean Nyodog, resumed its domestic gas deliveries to the Société Camerounaise de Transformation Métallique (SCTM), leader in the domestic gas market with close to 35% of market share. This decision, which puts an end to tensions observed for several months on the domestic gas market in Cameroon, was taken on 3 October 2016 in Yaoundé, at the end of a ceremony for the signature of an agreement between Commercial Bank of Cameroon (CBC), SCTM and Tradex.

Through this convention, we officially learned, CBC took the commitment of settling 50% of the debt worth a total of FCfa 4 billion, which Tradex has been demanding from SCTM for several years now. This insolvency pushed Tradex, for several months, to stop its supplies to SCTM.



**MINETTE  
LIBOM LI  
LIKENG**

The Minister of Posts and Telecoms of Cameroon, Minette Libom Li Likeng, announced on 11 October 2016 in Yaoundé that in 2017, the government will supply the Club des Jeunes Aveugles Réhabilités du Cameroun (CJARC – Blind Rehabilitated Youth Club of Cameroon) with a multimedia centre, to connect the visually impaired to ICT. *“This structure, we are certain, will enable the visually impaired youth to have access to the information society which will change the 21st century in a sustainable manner (...) We must transform the world and leave no-one on the fringes, for the sustainable development of our country”,* the Minister declared.

The announced multimedia centre, we learned, will have equipment suitable to the needs of the users. Over a one-year period, the training of the monitors working in this structure, as well as its operating expenses, will entirely be taken care of by the State.



**DIEUDONNÉ  
BONDOMA  
YOKONO**

With the support of Expertise France, an international in partnership the World Bank to help promote public-private partnerships (PPP) in investment projects in the franc zone, Cameroon plans to get a PPP development strategy. The information was revealed during a recent meeting between the managers of Expertise France and those of the Conseil d'appui à la réalisation des contrats de partenariat (Carpa – Partnership Contracts Development Support Council) in Cameroon.

*“This is a strategy which will rely on the creation of a certain number of competencies for Carpa's experts, but also, experts in the ministries upstream who are in charge of passing investment projects to us. This is a strategy which should put the emphasis on the maturation of projects, as well as the development of assessment tools”,* explains Dieudonné Bondoma Yokono, President of Carpa.



# Cameroon, the promise land for financial investments

**With a volume of banking services barely reaching 20%, Cameroon is among the countries running behind in terms of financial inclusion in Africa and worldwide. The situation is even more deficient in the insurance sector, whose penetration rate in the country is of barely 2%, Cameroonians being rather inclined to subscribe to mandatory policies such as car insurance.**

These gaps in Cameroon and many other sub-Saharan Africa countries, are opportunities to be seized by investors in the financial sector, according to a study by the American strategy consultancy firm Bain & Company. According to this reference institution, indeed, the banks and insurance companies who set up business in this part of the world can bet on their revenues increasing by 15 to 20%.

This analysis is even more true for Cameroon since, as Fabrice Franzen, a specialist in financial services at Bain & Company specified, *"the best strategy (for investors, Ed.) is certainly to grab some market shares at reasonable prices, on markets which are not very competitive, such as DR Congo, Côte d'Ivoire or Cameroon"*.

The conclusions of the study carried out by Bain & Company, presented as one of the three main consultancy firms in strategy and management worldwide, did not fall on deaf ears. Indeed, since end 2013, we are seeing a wave of various players from the financial sector descending upon Cameroon.

This concerns in particular major African banking groups and insur-



ance companies, who are opening subsidiaries in Cameroon or actually carrying out projects in this view; or investment funds buying shares in Cameroonian financial institutions. In this issue, we are listing a few

of these initiatives or projects, which are sufficient to prove that Cameroon has all the characteristics of a promise land for investors in the financial sector.

**Brice R. Mbodiam**



# South African Standard Bank is eyeing the Cameroonian banking market

After the opening of a liaison office in Abidjan, Côte d'Ivoire, in November 2013, Standard Bank, a South African banking establishment considered as the biggest lender in Africa, is considering rolling out its agencies throughout the UEMOA and CEMAC zones, particularly in Cameroon, we learned from internal sources at the bank.

Justifying this future expansion of Standard Bank, Greg Goeller, the Africa Manager of the Corporate and Investment Unit highlights that in addition to gathering 148 million inhabitants and a nominal cumulated GDP of 167 billion dollars (approximately FCfa 83,500 billion), the CEMAC and UEMOA countries have an important advantage. This is, according to him, the *"fact that their currency (the CFA franc) is guaranteed by the French Treasury, while currencies in use in the two unions are tied to the euro. This offers more stability to investors with regards to the monetary risk"*.

Moreover, he adds, *"even though foreign direct investments (FDI) in francophone Africa have been until now mainly linked to the mining and resources sectors, which accounts for 83.9% of the total value of transactions carried out in Gabon, Côte d'Ivoire, Cameroon, Guinea, Senegal, Sierra Leone and Congo between 2008 and 2012, this situation is not meant to remain as such and will change"*. Indeed, Standard Bank estimates that other sectors, such as oil and gas, infrastructure, telecommunications, fast growth consumer goods and agriculture, will attract an increasingly higher number of investors in these African countries.

This can already be verified in Cameroon, a country where the government has taken commitments in several major energy projects (electricity, natural gas, renewable energy and oil), mining projects (Mbalam and Nkout iron, Minim Martap bauxite, Mobilong diamond...), civil engineering projects (national railway plan) and agro-industrial projects, with the majority still awaiting funding. Additionally, through its bilingual status, Cameroon has a significant advantage compared to francophones countries, where



Mr Goeller fears that *"language might still be a small challenge"* for English-speaking companies such as Standard Bank to come and conduct business.

## AfricInvest Capital Partners wishes to acquire a minority shareholding in microfinance company CCA

AfricInvest Capital Partners is working to acquire a minority shareholding in the capital of the Cameroonian microfinance company, Crédit Communautaire d'Afrique, we learned from reliable sources. The conditions of the transaction, for which negotiations have been ongoing since end February 2016, have not been made public.

Crédit Communautaire d'Afrique is currently the most important microfinance establishment in Cameroon, with a client base reaching almost 420,000 people. Its expansion was meteoric and can be felt in the main cities of Yaoundé and Douala, where it has put up several buildings.

# Cameroon in the sights of banking group Kenyan Equity Bank

After Uganda, Tanzania, Rwanda and South Sudan, where it already has subsidiaries, the banking group Kenyan Equity Bank is planning to get established in another 10 African countries, including Cameroon, we learned on 31 March 2015 at the end of a general meeting for shareholders.

This meeting led to a set of resolutions on raising approximately 140 billion shillings (about FCfa 909.1 billion), in order to finance this African expansion programme of 200 billion shillings in total (about FCfa 1,298 billion).

However, the creation of a Cameroonian subsidiary of Equity Bank should happen anytime soon. Based on the plans of the Kenyan bank, Equity should penetrate the Central African market through DR Congo, a country listed in the first step of the expansion programme of the Kenyan bank, alongside Ethiopia and Burundi.



The Cameroonian market will only be dealt with as part of the 3<sup>rd</sup> and last phase of the programme, with Nigeria and Ghana, after a second phase which will lead to the implantation of Equity Bank in Malawi, Zimbabwe, Zambia and Mozambique. As a reminder, the Kenyan banking

group announced, on 22 August 2016, having generated earnings before tax of 14.23 billion shillings (approximately 140.50 million dollars, about FCfa 83.5 billion) during the first semester of 2016, in increase by 18% compared to the same period in 2015.

## The regulatory body in the banking sector approves the opening of a Bank of Africa subsidiary

After 2 years of waiting, Bank of Africa (BOA) finally received the approval of the Central African Banking Commission (COBAC), the regulatory body in the banking sector in the CEMAC zone, to open a branch in Cameroon. *"In Cameroon, we have obtained our approval from COBAC, and we also have the authorisation from Bank Al-Maghrib, the central bank in Morocco"*, Amine Bouabid, MD of BOA, just revealed. Even though BOA has not been very

forthcoming on the launch date of its activities in Cameroon, it is now official that three major Moroccan banking groups will be competing on the Cameroonian in the coming months. These are Attijariwafa (Société Camerounaise de Banque), Banque Centrale Populaire (Banque Atlantique Cameroun) and BOA. BOA Cameroun will have an initial capital of FCfa 10 billion. An analysis of the data provided in its 2014 annual report, as well as in

the memo for its introduction on the Bourse Régionale des Valeurs Mobilières (BRVM) based in Abidjan, informs that the Bank of Africa group will own 76% of shares in its Cameroonian subsidiary. For the moment, very few details have filtered on the main partner or partners of the Bank of Africa group, who will therefore own 24% of the capital of the future Cameroonian subsidiary.

# Moroccans Wafa and RMA Watanya into conquering the insurance market

The first company opted for a greenfield implantation in Cameroon, while the second one bought the local subsidiaries of Beneficial Insurance.



The Cameroonian subsidiary of the Moroccan insurance company Wafa assurances Vie can now start operating. The Committee of experts of the Inter-African Insurance Markets (CIMA), the regulatory body in the insurance sector in Central and Western Africa, validated during an ordinary session held in Yaoundé from 28 March to 6 April 2016, the approvals already granted to this company by the Cameroonian ministry of Finance and the Regional Insurance Control Commission of CIMA.

The new company, according to the forecast of its shareholders, is planning to develop the life insurance market in Cameroon by using the distribution network of Société Commerciale de Banque (SCB

Cameroun), banking subsidiary of the Moroccan group Attijariwafa, which also owns the capital of Wafa assurances.

The leader in the insurance market in Morocco is looking to reproduce in Cameroon its Tunisian experience, a country where Wafa assurances, within 7 months of operation, made a turnover of 89.6 million Moroccan dirhams and was able to secure about 7% of the market share, by using the Attijari-Bank Tunisie network, local subsidiary of the Attijariwafa bank group.

## THE TURNOVER IN THE INSURANCE SECTOR INCREASED BY 13% IN 2015

Wafa assurances is getting ready to enter the Cameroonian market,

just a few years after its compatriot, RMA Watanya, announced in March 2014, the acquisition of four subsidiaries of the Ivorian group Belife Insurance, among which Beneficial Life Insurance S.A. Cameroun and Beneficial General Insurance S.A. Cameroun.

According to our sources, the Moroccan insurance company bought a 38% shareholding in these Cameroonian subsidiaries of Belife Insurance with FCfa 3.1 billion (approximately 6.2 million dollars), through a capital increase operation closed during the general meeting of the two companies held on 4 April 2014 in Douala, the Cameroonian economic capital. As a reminder, according to the Association of Insurance Companies of Cameroon (ASAC), the turnover of companies operating in Cameroon reached FCfa 182 billion in 2015, in increase compared to the FCfa 161 billion obtained a year before, thus an increase in relative value of close to 13%.

Based on the same source, the insurance market in the country is mainly dominated by collective policyholders, who represent 54% of the insurance policies registered in Cameroon in 2015, against only 44% for individual policyholders.

Brice R. Mbodiam



# Stève Fogué :

## *“A digital revolution is taking place in Cameroon”*

Graduate of Ponts et Chaussées Paris, this Cameroonian heads a start-up in France. He reveals here opportunities that Fintech has to offer his country's financial institutions, amid an emerging digital economy.

**Business in Cameroon: You are the co-founder and President of Particeep, a France-based start-up which operates in the financial technology sector (Fintech). What is it really about?**

*Stève Fogué:* Fintech is a neologism that combines finance and technology. The term originated from the United States and designates young businesses that disrupt incumbent financial services (bank-insurance-investment) by introducing new technologies or getting rid of old ones.

Particeep operates in the sector and offers financial institutions an SaaS-based customizable software (SaaS stands for software as a service), enabling them to launch their financing and savings services online. Our start-up has received the

2016 future European Fintech star award for its innovative technology, emblematic of the digital revolution taking place in the finance industry.

**BC: Would you say Particeep provides an online trading solution, similar to a virtual financial market?**

*SF:* Not at all ! We are not positioned on financial markets. It's quite the opposite actually. With our B2B software used to create non-listed investment markets, we aim to trigger a shock reaction in the real economy's financing.

We have developed an engine of financial functionalities accessible online through our API (Application Programming Interface) which dematerializes the life-cycle of an investment in a non-listed a financial

asset (capital, loan, bonds, mutual funds), from the stage of identification to yield.

With our functionality engine, financial institutions can therefore rapidly grow online their savings and investment services in addition to providing the customer a customized experience.

Simple to use, our technology allows financial actors to market their saving or investment services online on non-listed assets and thus to contribute to the growth of real economy.

**BC : You just successfully raised €800,000 which is more than half a billion CFA. How did the fundraising take place and what will its proceeds be used for?**

*SF:* It took us six months to complete the fundraising. One month to ready investment thesis and vehicles; three months to meet investors who operate in the Fintech sector and another two months for negotiations and legal closing.

So, we were able to raise the €800,000 from AXA and BPI, our main investors, and got a new shareholder JMYX holding, a venture capital fund headed by Jean Losco, founder of Fircosoft, global



# Particeep



We are not positioned on financial markets. It's quite the opposite actually. With our B2B software used to create non-listed investment markets, we aim to trigger a shock reaction in the real economy's financing.

leader of watch list filtering.

With this operation, we have raised overall €1.3 million (884 million Cfa francs) since our creation.

We will use this money for research and development, but will also spend it on recruitment and commercial development in international markets which include Africa and of course Cameroon.

**BC : Are you already present in or do you have projects for Cameroon?**

*SF :* We are present in some North and Central African countries and have projects for Cameroon.

**BC : Which are those African countries where you operate and what do you offer them concretely?**

*SF :* Particeep is present in Morocco, Cote d'Ivoire and Senegal. We

provide our clients, such as Afrikwity, a customizable and turnkey platform which allows them to start their project-financing activity.

We also have among our references finance firms which collaborate with banks that provide their services online using our solution, via white-labeling.

We therefore help finance and microfinance institutions provide their services on mobile and web canals, by relying on a proven technology.

**BC : Concretely, what can you do for finance institutions operating in Cameroon?**

*SF :* We have adapted our technology to local uses. Mobile banking for example, is in this aspect a key development axis.

Our technology allows finance institutions operating in Cameroon

to proceed to all kind of transaction (saving, investment, portable financing via mobile, tablet or customized applications) using a digitalized offer and a large panel of digital services.

**BC : How can Particeep's expertise benefit Cameroonian finance institutions, in their day-to-day management and functioning?**

*SF :* We offer two main advantages in this regard. First, there is the boosting of bancarization level through an improved access of populations to financial services via a digital mobile offer.

In regards to functioning, an SaaS system insures the control of investment costs, and represent thus a significant leverage to achieving economies of scale (service launching, securing data and scalability of technology...) Digital technology



To be more concrete, let's take Kenya for example. Bancarization rate in the country surged by 58% after access to financial services was improved through mobile technology.

is a way to substantially increase productivity gains.

**BC: Your business depends mainly on the reliability and stability of telecom and ICT infrastructures. What do you think of the actual development level of these infrastructures in Cameroon?**

*SF:* A digital revolution is taking place in Cameroon. We don't know how long it will last, but a sure thing is that there is a general trend which we cannot ignore.

Many infrastructure projects are being implemented, businesses are going digital and we notice the emulation of the start-ups ecosystem. Among the most promising markets, we have identified the digitalization of companies. Finance institutions are also at the center of this revo-

lution. Let's not forget to mention challenges to business intelligence or safety in relation to personal data or monetary data exchanges.

**BC: So you believe a digital revolution is going on in Cameroon. Do you know any levers that actors,**

**both institutional and private, can use to speed up the process?**

*SF:* I don't think I have enough hindsight to identify any pertinent lever. However, for example, internet's penetration rate (across the country) reaches barely 10%. Therefore, if we truly want to experience a digital rev-

Our technology allows finance institutions operating in Cameroon to proceed to all kind of transaction (saving, investment, portable financing via mobile, tablet or customized applications) using a digitalized offer and a large panel of digital services.



olution, the smart thing to do would be to develop infrastructures and a transmission network that provide Cameroonians affordable, yet quality internet.

**BC: You claim that the digitalization of businesses is an opportunity to get hold of in Cameroon. Would you be as optimistic knowing that 90% of businesses in the country are SMEs with**

shift currently taking place paired with the growing use of technology will greatly impact, both in the medium and long terms, collaboration standards of SMEs, internally and externally. On this point, I think much patience will be needed before businesses fully adopt new standards.

**BC: Does the current level of telecom infrastructures and the busi-**

ods, and achieve productivity gains without prior investment.

**BC: Let's be more concrete! Can Fintech thrive in a country where internet's penetration rate is barely 10%, bancarization rate stands about 20% only, and where the quality of internet is still questionable?**

*SF:* To be more concrete, let's take Kenya for example. Bancarization



A digital revolution is taking place in Cameroon. We don't know how long it will last, but a sure thing is that there is a general trend which we cannot ignore.

**little financial means, which are not much incline to managerial transparency, and whose daily functioning often opposes regular standards?**

*SF:* Let's say I am a prudent optimist. Going digital using SaaS-based technologies prevents heavy investments, knowing those related to the implementation, maintenance and upgrading of an internal infrastructure. This solution is, I believe, quite pertinent for SMEs with little financial resources. About transparency and management methods, the generational

**ness environment in Cameroon favors the optimal deployment of Particeep's activities in the country?**

*SF:* In a country with a population of 23 million people, a growth rate exceeding 5% and where 90% of information systems are obsolete, I think it's obvious that we can be the catalyst for the digitalization of finance institutions, by providing them our software. With it, these firms will be able to focus on growing their business, benefit from a scalable SaaS-based technology adapted to their meth-

rate in the country surged by 58% after access to financial services was improved through mobile technology. In Madagascar also, an operator introduced a mobile-based payment mode for savings, driving population's rate of savings up. Given that penetration rate of mobile is above 70% in Cameroon, it is evident that populations' low level of bancarization will have a lever effect on mobile banking. So I strongly believe that the environment is more than favorable to the growth of Fintech.

Interview by Brice R. Mbodiam

# PUBLIC MANAGEMENT

## Cameroon: execution of 59% of projects in AfDB portfolio is satisfactory

A delegation from the African Development Bank (AfDB) just evaluated the global portfolio of projects financed by this international financial institution in Cameroon. At the end of this assessment, we officially learned, 59% of these projects have been carried out in a satisfactory manner.

As a reminder, AfDB's portfolio of investments in Cameroon is currently estimated at approximately FCfa 440 billion. This is the entire financing made available by this continental bank, to carry out projects, including 10 at the national level, four at the regional level and five in partnership with the private sector.

These projects are undertaken in the sectors of energy (construction of the Lom Pangar dam for example), road infrastructure (asphalting the Enugu-Bamenda road meant to connect Cameroon to Nigeria, the bridge over the Ntem, etc.), connection to drinking water, land development (Yaoundé land development programme), agriculture (production of seedling and improved seeds at



IRAD) or telecoms...

Concerning the lengthy delays observed in the disbursements made by the State of Cameroon, the two

parties set up, at the end of 2013, "a plan to improve the performance of AfDB's portfolio in Cameroon".

## International Monetary Fund and World Bank inspection mission in Cameroon

Experts from the IMF and the World Bank have just started a new inspection mission in Cameroon, within the framework of traditional consultations between these Bretton Woods institutions and their members. "We come approximately every six months from Washington to have discussions with the authorities on

*the economic situation in the country, recent economic developments and short-term prospects*", explained Mario de Zamaroczy, the Head of Mission. This was after a working session at the Ministry of Economy. In two weeks, the report of this assessment mission of the Cameroonian economy should

be ready. As has been the case for several years now, the IMF and World Bank experts should once again focus the Cameroonian authorities' attention on the rate of public indebtedness, which more importantly, is significantly due to non-concessional terms this time.

## CNPS gets agreement with Tunisia Medical Services for medical evacuations

The Managing Director of Caisse Nationale de Prévoyance Sociale (CNPS), Alain Noël Olivier Mekulu Myvondo Akame and the Managing Director of Tunisia Medical Services (TMS), Slim Maraoui, signed on 26 October 2016 in Yaoundé a medical assistance agreement relating to medical evacuations.

This agreement will assure patients of receiving the medical care and surgery for pathologies where medical evacuation is justified. In addition to these services, medicines, consumables and required devices will be taken care of, in compliance with the

norms and international standards and in accordance with professional and medical ethics requirements. Also covered under this agreement are: Blood and radiology tests, scans, MRI, transfusions, haemodialysis or any other cardio-vascular surgery. CNPS patients with 100% coverage from TMS, will have to respect the terms and conditions of the agreement (respecting appointment times, attending doctors, etc.).

The document signed by both directors covers some important progress in terms of medical evacuation of Cameroonian patients abroad.

Indeed because these past years, despite the improvement in the facilities of its four medical structures throughout the country (Centre hospitalier d'Essos in Yaoundé, medical and social centres in Maroua and Garoua, as well as PMI in Bertoua), CNPS had to resort to medical evacuations in Europe. In France and the UK in particular.

Now, the distance has been shortened to Tunisia which has medical infrastructure of a level comparable to Europe.

## Cameroon classed 15<sup>th</sup> in Africa in the Global Hunger Index, which lists countries according to the share of malnourished population

Cameroon lies in the 15<sup>th</sup> place in Africa (out of 42 countries) and 80<sup>th</sup> in the world (out of 118 countries), in the Global Hunger Index 2016, published by the International Food Policy Research Institute (IFPRI). This annual ranking, which focuses on the Sustainable Development Goals aiming to totally eradicate hunger in the world by 2030, lists the countries according to the share of their undernourished population.

With an indicator of 40.3 in year 2000 and 22.6 in 2016, Cameroon, Global Hunger Index 2016 reveals, is among the countries having achieved the feat of reducing by more than 45% the proportion of its population afflicted by undernourishment during the last 15 years. This performance has already been recognised by the FAO in June 2015. Indeed, this specialised organisation of the United Nations awarded a certifi-

cate to the Cameroonian Ministry of Agriculture, on 8 June 2015, for having succeeded in achieving the first Millennium Development Goal (MDG) even before the target of 2015. This MDG consisted in reducing the proportion of people afflicted by hunger.

*"You have overcome great challenges in difficult world economic conditions and political surroundings"*, indicated the MD of FAO, the Brazilian Graziano da Silva, announcing the list of the 13 countries in the world concerned by this FAO recognition. Among these countries lauded by FAO, we also find Gabon, a country in the CEMAC region that outperformed Cameroon in the Global Hunger Index 2016. First country in Central Africa in this ranking, Gabon is among the top 5 in Africa and lies in 54<sup>th</sup> position in the world. Chad and Central African Republic,



two other countries in the CEMAC area, are at the bottom of this table. However, it is to be noted that countries such as Burundi, Cape Verde, Comoros, Republic of Congo, Eritrea, Equatorial Guinea, Libya, Sao Tome, Somalia, South Sudan and Sudan were not included in the 2016 table, due to lack of adequate information, we learn.



## CNPS wishes to recover more than FCfa 60 billion in social security contribution arrears from businesses

Since last 3 October, the National Social Security Fund (Caisse nationale de prévoyance sociale - CNPS) has launched a vast collection operation with businesses with cumulative social security contribution arrears of their employees, we learn from authorised sources. According to our information, these arrears exceed FCfa 60 billion to date. Also, in a communiqué which seems like a warning addressed to the manage-

ment of these insolvent companies, the Managing Director of the CNPS, Alain Noël Olivier Mekulu Mvondo, invites *"all the employers concerned to contact their assigned social security centre, with a view to clearing their debts, in order to avoid the unpleasantness that could be caused by the application of coercive measures"*. As a reminder, in Cameroon, when they do not register their employees at the CNPS, many companies,

including the most unsuspected, refrain from paying to this state structure the social security contributions of their employees, even though they are effectively deducted from their monthly salaries. This practice which is detrimental to workers, once they leave on retirement, is continuously condemned by the CNPS, who has even simplified procedures to register workers.

## CEEAC: 23 Cameroonian companies jostling for market of 160 million consumers

Twenty-three Cameroonian companies have been authorised to export 168 products to the other 9 countries in the Economic Community of Central African States (CEEAC) exempted from customs duties. The corresponding authorisations have been handed over by the Minister of Commerce, Luc Magloire Mbarga Atangana.

Thanks to these approvals, Minister Mbarga Atangana specified, *"our factories will now be able to operate continuously, day and night. This creates jobs locally, activity, income and foreign currencies in return. This is a key factor for the growth of our economy."* This especially as CEEAC, as indicated by the Cameroonian government member, is a vast market of 160 million consumers. Among the companies which thus have the entire CEEAC market at their reach, are giants of the local industry such as Société Anonyme des Brasseries du Cameroun, Camlait, Nestlé Cameroun, Société Camerounaise de Savonnerie, OK Foods, Laboratoires Biopharma, Huileries Alimentaires du Cameroun,



Société Industrielle de Cellulose, Sources du Pays, Bio Tropical...

*"These are the crown jewels of our industry"*, noted the Minister of Commerce.

As a reminder, the preferential CEEAC tariff is applied to products based in several criteria. These include products manufactured from raw materials and consumables of

entirely or partially foreign origin, but generating a community added value of minimum 30% of the factory cost before tax.

Are also eligible, products manufactured with 40% minimum of raw materials from CEEAC member States, animal, plant and mineral products, traditional arts products, etc.

# FINANCE

## Over 41% increase in outstanding receivables for banks in the CEMAC zone, according to Cobac

During the last meeting organised a few days ago in Cameroon by the Central African Banking Commission (COBAC), with the managers of commercial banks operating in the six countries in the CEMAC zone (Cameroon, Congo, Gabon, CAR, Chad and Equatorial Guinea), it came out that outstanding receivables saw an increase of 41.6% as at end July 2016, *“thus degrading the apparent quality of the credit portfolio”*.

According to the analysis made by COBAC, the watchdog in the banking sector within the Central African States Community (CEMAC), this increase in the outstanding loans is due to *“the significant increase in long term receivables and doubtful accounts”*.

In absolute value, these outstanding receivables had already reached the sum of FCfa 894 billion as at end March 2015, thus approximately 11.8% of the gross loans granted over this period by all the banking institutions (about 50) in this community.



## Cameroon: the microfinance company CCA recruits Bruno Degoy, ex-MD of BOA RD Congo, to manage its transformation into a bank

In Cameroon, the Crédit Communautaire d'Afrique (CCA), market leader in the microfinance sector, is discretely putting the finishing touches to its transformation into a commercial bank. *“Considerable progress has been made on this file at COBAC”*, the regulatory body in the banking sector in the CEMAC zone, a source close to the microfinance establishment specified. In order to ensure the success of this change, CCA and the investment

funds AfricInvest and BIO agreed on the appointment of French Bruno Degoy, as Managing Director. The former MD, Alexis Megudjou, is now Deputy MD. *“This was done internally. There was no communication on this change”*, our source notes. According to our sources, Bruno Degoy, based on the terms of the partnership between CCA, AfricInvest and BIO, will be at this function for a 3-year period, enough time for the future new bank

to properly get a foothold in the Cameroonian banking sector. Bruno is an old hand at this type of operation. Before CCA in Cameroon, he managed the creation and roll-out of two financial institutions in the Democratic Republic of Congo. These are Advans banque RD Congo and Bank of Africa RD Congo, two structures which he succeeded, in a relatively short period of time, in imposing in the small banking world of this Central African country.

## Common bank card is officially launched in six member States of CEMAC



The Inter Bank Money Group of Central Africa (GIMAC - Groupement interbancaire monétique de l'Afrique centrale) proceeded on 21 October 2016 in Douala, the economic capital of Cameroon, with the official launch of the interbank GIMAC card. This instrument now allows operations at terminals and other ATMs of banks in activity in the six States of CEMAC which are Cameroon, Congo, Gabon, Central African Republic, Chad and Equatorial Guinea.

This official launch, we learn, intervenes well after the start of use of this card, which has been operational since the first quarter of 2015. According to the management of GIMAC, this communal bank card, actually used on the networks of 20 banks in the CEMAC zone, has already resulted in transactions of around FCfa 5 billion to date. This volume of transactions should increase tenfold with the official launch of the card. For example, after the Douala ceremony, the International Bank of Cameroon of Savings and Credit (BICEC - Banque internationale du Cameroun pour l'épargne et le crédit), subsidiary of the French Group BPCE, immediately announced to its clients having 100

ATMs open on the GIMAC network. In fact, if it is involved in the financial integration of the countries of the CEMAC zone, the GIMAC card arrives in a market where Visa and Mastercard already reign supreme.

From this point of view, the main challenge for GIMAC lies in its capacity to identify the right formula, so that its communal bank card finds its way in an environment where it is an infant called to compete with adults.

## Insurance companies turnover in Cameroon reached FCfa 182 billion in 2015, in increase by almost 13%

According to the Association of Insurance Companies in Cameroon (ASAC), the turnover of insurance companies operating in Cameroon reached FCfa 182 billion in 2015, in increase compared to the FCfa 161 billion from a year earlier, thus an increase in relative value of close to 13%.

At the same time, we learned from the same source, Cameroonian insurers disbursed FCfa 4805 billion

in 2015, as payment for damages. This has also increase by over 5%, compared to the FCfa 45.9 billion paid in 2014.

We can also note that the insurance market in the country is dominated by collective insurance policy holders, who represent 54% of insurance policies subscribed in the country, against only 44% for individual policy holders.

# Dangote Cement “special partner” of 1<sup>st</sup> edition of Nigeria-Cameroon Exhibition in Yaoundé

Africa Business Club, a Cameroonian structure, is organising from 5 to 12 December 2016 at the Palais des Sports of Yaoundé, the first edition of the Nigeria-Cameroon Economy, Finance and Cultural Exhibition (NICAMEX). The event will register the attendance of the Dangote group, with the title of “special partner”, we officially learned.

*“We are happy to officially confirm the participation of Dangote Cement Cameroon SA to the first edition of NICAMEX (...) For Dangote Cement, it is essential, as a Nigerian company*

*leader in Cameroon, to be present to this exhibition”, wrote Paavo Wiro, Country Manager for Dangote group in Cameroon, in a recent official correspondence addressed to the organisers.*

NICAMEX 2016 will be centred around an exhibition, B to B meetings between Nigerian and Cameroonian businessmen, conference-debates and cultural activities. Several Nigerian companies, members of the Nigerian Association of Chambers of Commerce, Industry, Mines and Agriculture (NACCIMA),

will take part in this Fair where 25,000 visitors are expected. With other 1,400 km of shared border with Cameroon, Nigeria, the most populated country in Africa, is a strategic commercial partner for Cameroon. Cameroonian industrialists, such as Paul Kammogne Fokam, founder of the Afriland First Bank group, would actually prefer that the Cameroonian government sign Economic Partnership Agreements (EPA) with Nigeria, rather than with the European Union.

## First Cameroon Business Days in Russia ended on 23 October 2016 in Moscow



The Cameroonian Ministry of Commerce organised, from 19 to 23 October 2016 in Moscow, the very first edition of Cameroonian Business Days in Russia. This initiative, one stresses in this ministerial department, aims to allow local economic operators to conquer new markets.

Also, during the Muscovite visit of the Cameroonian delegation,

the Minister Mbarga Atangana, who spoke to hundreds of Russian economic operators and other diplomats from foreign countries, took advantage to present the opportunities that Cameroon offers. From this perspective he recalls the strategic position of the country, which is located at the crossroads of a market of 300 million consumers (the 10 CEEAC countries and Nigeria).

As a reminder, without providing any statistics, Russians and Cameroonians acknowledge that commercial relations between the two countries “are very low”. With the purpose of reversing this tendency, the Russian Business Center (RBC) officially started its activities in Yaoundé in March 2014.



# AGRIBUSINESS

## Cameroonian government rally Extreme-North youth around agricultural and livestock activities

A delegation of four members from the Cameroonian government, led by the Minister of Agriculture, Henri Eyébé Ayissi, has just spent time in the town of Maroua, the regional capital of the Extreme-North, to rally the youth of this area of Cameroon around agricultural and livestock farming activities.

During this meeting, the government once again presented the range of

public projects set up to encourage the development of agricultural and livestock activities in Cameroon.

*"Instead of waiting for the youth to come to us seeking for information from our services, we have decided to go meet them to bring them the good news on the range of support systems which exist",* indicated Minister Eyébé Ayissi.

This charm offensive by the

Cameroonian government towards the Extreme-North youth, meant to promote income-generating activities, could help in preventing the expansion of the Nigerian Islamist sect Boko Haram. Indeed, the latter takes advantage of the general poverty in this part of Cameroon, to recruit members who will later commit attacks on these populations.

## Nestlé group to invest FCFA 10 billion in production plant extension in Cameroon

The Cameroonian subsidiary of the Swiss agro-industrial group Nestlé is planning to launch the extension works of its production plant in Douala, in the economic capital of the country. This investment, worth a total of FCfa 10 billion, was revealed during a recent agreement signing ceremony with the Cameroonian government, an agreement which will make available to this food industry the benefits provided by the 2013 law on promoting private investment in the Republic of Cameroon.

Although the details of this extension project have not been revealed, we know that Nestlé Cameroun has for some time been considering introducing the Penja pepper, local condiment certified a few years ago by OAPI, in the preparation of its famous stock cube Maggi. Which could require the purchase of new equipment.

Moreover, the extension of the



Douala plant could just as well meet a simple need of production increase. This especially as it is the plant from which Nestlé supplies all the CEMAC countries which are Gabon, Congo, Chad, the Central African Republic and Equatorial Guinea.

As a reminder, according to official information, the Maggi cube, a cooking stock much sought after by households, represents on its own 90% of the Douala plant's production, through which Nestlé Cameroun makes a monthly turnover of FCfa 5

billion in the CEMAC zone.

Apart from Maggi cube, the Cameroonian subsidiary of the Nestlé group also produces the milk "Nido" packaged in sachets, which represents 9% of the entire production of the Douala plant, against only 1% for Nescafé, the famous coffee now locally produced from Cameroonian coffee. It is also possible that the extension of the Douala plant could lead to an increase in production volumes for the latter two brands.

# World Bank approves FCfa 59.6 billion financing to improve productivity in breeding sector

The Board of the World Bank approved on 27 October 2016, a USD 100 million financing (FCfa 59.6 billion) to help Cameroon improve the productivity, competitiveness and resilience to climate change in the breeding sector during the next six years, we learned through an official communiqué.

The funding will be granted as part of the government initiative called Breeding Development Project (Prodel). Spearheaded by the Ministry of Livestock, Prodel plans to help breeders to sell their products while bringing them immediate and efficient support for some types of crises or emergency situations. "Considering that livestock farming generates employment for 30% of the



ening livestock farming is also about finding a solution to certain climate change effects, such as the reduction in the agricultural production, the

*"Strengthening livestock farming is also about finding a solution to certain climate change effects, such as the reduction in the agricultural production, the deterioration of natural resources, food insecurity and threats on survival means for those most vulnerable".*

rural population, it is primordial to help this sector to further support the economic growth, the creation of jobs, as well as the fight against food insecurity and malnutrition", explains Elisabeth Huybens, Operations Director at the World Bank for Cameroon. And she adds: "strength-

deterioration of natural resources, food insecurity and threats on survival means for those most vulnerable".

#### Four parts

According to the World Bank, Prodel will be broken down into four parts. The first section will work at

strengthening the capacities of the essential public services in terms of supporting livestock farming and improving access to animal health services, an improved genetic pool and inputs of quality. The second section will be about improving the productivity and marketing of the production of small breeding communities and restore the production capacities of the poorest and most vulnerable households in the Northern and Extreme-North regions. The third section is about strengthening the links between producer organisations, buyers and financial establishments, while enabling producer organisations to seize added value commercial opportunities. The last section will be about supporting the implementation of the first three, monitor the progress of the project and evaluate the results, and finance the studies necessary to carry out this project.

# Sud Cameroun Hévéa drawn to growing fruit trees, rice, maize and palm oil



The partnership agreement signed on 20 October 2016 between the agro-industrial company Sud Cameroun Hévéa and the Ministry of Agriculture not only aims to develop rubber tree plantations on the land concessions of this business in the region of the South of Cameroon.

This agreement, we learn from sources close to the dossier, incor-

most brilliant for some years and no longer guarantees profitability for producer businesses.

## A Singapore group

Indeed, advises Cameroon Development Corporation (CDC), the public company operating rubber plantations in the South-West region, whereas it was sold at between FCfa 2500 and 3000 the

Also, in order to withstand this drastic drop in world prices, production companies are opting more and more for diversification.

porates assisting Sud Cameroun Hévéa in the establishment of rice paddies, fields of maize and plantations of lemon and mango trees. In other words, diversification of production is the order of the day for this agro-industrial unit specialising until now in growing rubber trees, the raw material used to produce rubber, whose international market price has not been the

kilogram until 2012, the price of rubber in the international market now peaks at between FCfa 700 and 800 only.

Also, in order to withstand this drastic drop in world prices, production companies are opting more and more for diversification. It is so for CDC, which now has an eye on pepper, cassava and maize : then Sud Cameroun Hévéa, which seems to

have its sights on fruit trees, maize and rice. It should be recalled that Sud Cameroun Hévéa is a company controlled by the Singapore group Sinochem International, through the company GMG International. The company has been engaged for some years in a process of extending its plantations, thanks to land concessions (45000 hectares) obtained in the region of South-Cameroon, specifically in the areas of Meyomessala, Meyomessi and Djoum.

## CONSTRUCTION OF RUBBER PRODUCTION UNIT IN 2019

The agro-industrial company Sud Cameroun Hévéa plans to set up a processing unit by the year 2019, to enable local processing of hevea into rubber, we learned on 20 October 2016. This was during an agreement signing ceremony with the Ministry of Agriculture. By this partnership, we learn, the Cameroonian government commits to providing technical support to the agribusiness company. This means coaching rubber producers as well as supplying them with seedlings.

Sud Cameroun Hévéa is a business controlled by the Singapore group Sinochem International, through the company GMG International. The company has been in the process of extending its plantations, thanks to land concessions obtained in the South Cameroon region, specifically in the areas of Meyomessala, Meyomessi and Djoum. According to our sources, at least half of the 45,000 hectares of land available to Sud Cameroun Hévéa in these areas is initially affected by this extension project. According to forecasts, the entire 45,000 hectares is targeted to be planted by 2027.



# ENERGY

## Eneo to introduce electricity meters with prepaid cards in Cameroon

The company Eneo, concession holder of public electricity services in Cameroon and owned by the British Investment Fund Actis, has just presented the Cameroonian government with specimens and characteristics of the prepayment card electricity meters that it intends to progressively introduce in the country.

According to our sources, this electricity company has already installed these smart meters in areas of the Cameroonian economic capital such as Bali or even Bonapriso, in a pilot phase, whose results have been rather satisfactory to date.

These meters, topped up as is the case with credit for mobile telephone communication, will now oblige Eneo clients to pay before use. This equipment will at the same time allow users to control their con-



sumption of electricity, and avoid the hassles due to mistakes in readings of traditional meters, etc.

On the side of the electricity company, thanks to these meters introduced in the Cameroonian market, it should have fewer reasons to deal with debt recoveries, whose amounts generally reach billions of francs FCfa ; and erase its expenses tied to the monthly burden of the meters.

On the governmental level, if the Ministry of Commerce favours this technological advance introduced in the electricity sector, this ministerial department has, according to our sources, requested more assurance on the reliability of the equipment, the maintenance policy to be applied, but above all the fate awaiting jobs related to the monthly task of electricity meters.

## Victoria Oil & Gas has started drilling two wells in Logbaba gas field in Cameroon

The British oil and gas operator Victoria Oil & Gas (VOG), which is developing the Logbaba gas field in Cameroon, through its subsidiary Gaz du Cameroun (GDC), has awarded the drilling work of two wells in development in this project to Savannah Oil Services, we learn from reliable sources. The work that initially should have been completed at the end of this year 2016 has just started, according to our sources and will finally come to an end in the second quarter of 2017, VOG advises. The drilling of two wells, which are adjacent to the Logbaba natural gas treatment unit, and which will be connected to this

plant once the work is completed, will cost around \$ 40 million (FCfa 23.6 billion), we learn.

According to the British operator, the work is financed by "revenues from Logbaba and contributions from partners", of which RSM Production Corporation, which holds 40% share in this project. However one notes that the revenues of VOG from the Logbaba field have greatly decreased in the 3rd quarter of 2016, since they amount to 4.7 million dollars, against 10.7 million dollars in the same period in 2015. This situation can explain the delay in the effective start of drilling work announced months ago.

As a reminder, it is since the month of July 2016 that VOG officially announced having offloaded at the Douala port, in the Cameroonian economic capital, a platform of more than 2500 tons to be used in drilling the two above-mentioned wells. The gas produced and treated at Logbaba by the subsidiary of VOG which is GDC, today enables around twenty companies already connected to the pipeline constructed by the British oil and gas operator to be supplied, and is used in the distribution of this increasingly popular fuel in the economic capital of the country.



## Gilles Thibault: “*France intends to be more present than it has been...*” in the Cameroonian energy and hydraulic sectors



Gilles Thibault, new French ambassador in Cameroon is quite certain. At the end of a closed meeting with the Cameroonian Minister of Energy and Water, Basile Atangana Kouna, the French diplomat confided to the press that “*more than before, France intends to be more present than it has been in the implementation of energy and hydraulic infrastructure*” in Cameroon. This declaration from the French diplomat comes after the notification (on 3 August) to the consortium gathering the Moroccan

companies Onep, MedZ, Delta Holding and the civil engineering consultancy Ingema, of the non-renewal of its drinking water public concession contract in Cameroon, which will expire in 2018. At the same time, EDF, France’s secular arm in the electricity sector, is gradually getting a foothold in Cameroon. The French company indeed owns 40% of the capital of Nachtigal Hydro Power Company (NHPC), a Cameroonian limited liability company which will operate for 35 years a 420 MW hydroelectric

dam under construction on the Nachtigal River, in the Central region of Cameroon. In addition to purchasing shares in what will be the largest electricity production infrastructure in the country, France is also present in the power grid sector in Cameroon through RTE International, who will support the operationalisation of Société nationale de transport de l’électricité (Sonatrel – National Power Grid Company).

# MINING

## Protected areas are holding back the mining activity in northern Cameroon



Officially, no less than 19 different types of ores can be found in the sub-soil of the three regions (Northern, Extreme-North and Adamaoua) which make up northern Cameroon. These are mining resources as varied as gold, copper, marble, bauxite, limestone, diamond, graphite, iron, cobalt, tin and even uranium. However, barely eight of these ores are currently being mined or under preliminary studies for future

mining operations. The local public authorities, cited by the regional newspaper *L'œil du Sahel*, mention the high number of protected areas which cover these lands rich in ores as being at the origin of this timid approach noted in the mining in this part of Cameroon. Indeed, the three northern Cameroon regions certainly the highest numbers of protected areas in the country. Particularly the Northern

region, which hosts on its own the Bouba-Ndjida (2200 Km<sup>2</sup>), Faro (3300 Km<sup>2</sup>) and Bénoué (1800 Km<sup>2</sup>) national parks, which cover more than half of the region. In the Adamaoua and Extreme-North regions, the Vallée du Mbéré (777 Km<sup>2</sup>) and Waza (1700 Km<sup>2</sup>) parks also cover some ore deposits, which can unfortunately not be mined, or only illegally and following the traditional method.

# INFRASTRUCTURE

## Cameroon: Bafoussam-Bamougoum airport reopens for commercial flights, 14 years after closure

On 14 October 2016, the Bafoussam-Bamougoum airport, in the Western region of Cameroon, came back to life. Indeed, two commercial planes landed on that day, 14 years after the suspension of commercial traffic in this airport.

The two MA 60 of Camair-Co, the

Cameroonian public airline, which thus put an end to the long lethargy of the Bafoussam-Bamougoum airport, were on this occasion used for the maiden flight of this airline to the 3<sup>rd</sup> most important city in the country. According to the flight schedule communicated by the company,

every Wednesday, Friday and Sunday, passengers leaving from Yaoundé and Douala, will now be able to go to the regional capital of Western-Cameroon, located a little over 300 km from the capital, and where takes place an intense economic activity.

## The State will inject FCfa 4 billion in the construction of a motorway linking to the Port of Kribi



The Cameroonian government will disburse FCfa 4 billion, to finance the construction works for a motorway between the city of Kribi and the town of Lolabé, where is located the deep water port of Kribi, whose commissioning has been expected for several months now. The funding,

we officially learned, will be taken from the additional FCfa 15 billion obtained by the State of Cameroon as part of the over-allocation of its recent 2016-2021 bond loan. The Kribi-Lolabé motorway, 38 km long, is part of the Edéa-Kribi-Lolabé motorway project. For several

months, the Chinese company CHEC, who built the port of Kribi, launched general levelling works on the stretch concerned by this first financing. As a reminder, the deep water port of Kribi, the largest port infrastructure in Cameroon, is already linked to a 33 km paved road.



# ITC & TELECOM

## Cameroon to develop national strategy to fight cyber criminality

The National Agency of Information Technology and Communication (ANTIC) organised, in the Cameroonian capital of Yaoundé, a conference on the protection of information infrastructure, with the assistance of Commonwealth Telecommunications Organisation (CTO).

The aim of this conference, we learn, is to put in place, ultimately, a national strategy to fight cyber criminality in the country. *"We cannot build a digital economy without cyber security in Cameroon"*, emphasises the secretary general of CTO, Shola Taylor. Indeed, Cameroon is actually engaged in a process of developing



the digital economy. Simultaneously, ANTIC remarks, we are witnessing a meteoric rise in cyber criminality in the country.

This phenomenon is demonstrated by practices such as *"Skimming"*, which consists in *"hacking magnetic*

*cards with the help of special devices inserted into bank ATMs"*; Sim Box fraud, which allows telephone calls from abroad to be diverted; to say nothing of the use of more than 80% pirated computer software in the country.

## The exploration of the route for the deployment of a sub-marine cable between Cameroon and Brazil will be completed in December 2016

Since 20 October 2016, Cameroonian engineers from Camtel, the historical telecoms operator, and Huawei Technologies, the Chinese equipment manufacturer; have been working in the area surrounding the Cameroonian town of Kribi. According to credible sources, this, for them, is about determining the route for the 6,000 km-long sub-marine cable, which will link the city of Fortaleza in Brazil to the seaside resort of Kribi, located in the Southern region of Cameroon. According to our sources, these

exploration works, which will end in December 2016, are undertaken with a specialised vessel. In practical terms, in addition to determining the route of the cable, the ongoing works will help know the quantity of cable and types of sheathes to be used during the deployment of the infrastructure. All things which would contribute to fine-tuning the final budget of the project, which is currently estimated at approximately FCfa 270 billion.

Built by a consortium gathering Camtel and the company China

Unicom, the first optic fibre cable to link Africa to the American continent, labelled "South Atlantic Inter Link", is scheduled for delivery during the last quarter of 2018, according to the official timeline. It will be the fourth sub-marine cable to which Cameroon will be connected. After SAT 3, deployed by the State of Cameroon, Wacs, deployed by the local subsidiary of MTN International and ACE, under deployment by Orange Cameroun.



## Aurion, first video game 100% made in Cameroon on the way to being turned into a movie in Hollywood



**Aurion, the heritage of the Kori-Odan, the very first video game 100% made in Cameroon, produced by start-up Kiro'o Games, could soon be adapted for film, reveals the Hollywood Reporter.**

According to this American newspaper, the company Good Fear Film, directed by Chris Bender and Jake Weiner, bought the rights for this vid-

*This is something we have been dreaming about since the beginning", Olivier Madiba, CEO of Kiro'o Games, declared via a communiqué. "We are inspired by Madiba and the world he created as well", commented Chris Bender.*

### **African cosmogony**

A 10-year old project, finally completed on 14 April 2016, official

*"We are inspired by Madiba and the world he created as well", commented Chris Bender.*

eo game, for its cinema adaptation. *"My team and I are very pleased to see our game become a film in Hollywood.*

release date, *"Aurion, the heritage of the Kori-Odan"* is inspired by the African culture and cosmogony. It is

the story of a prince victim of a coup d'état committed by his brother-in-law on the very day of his coronation and wedding. The royal couple is therefore forced to go into exile and decides to travel the world over searching for support to get back on the throne.

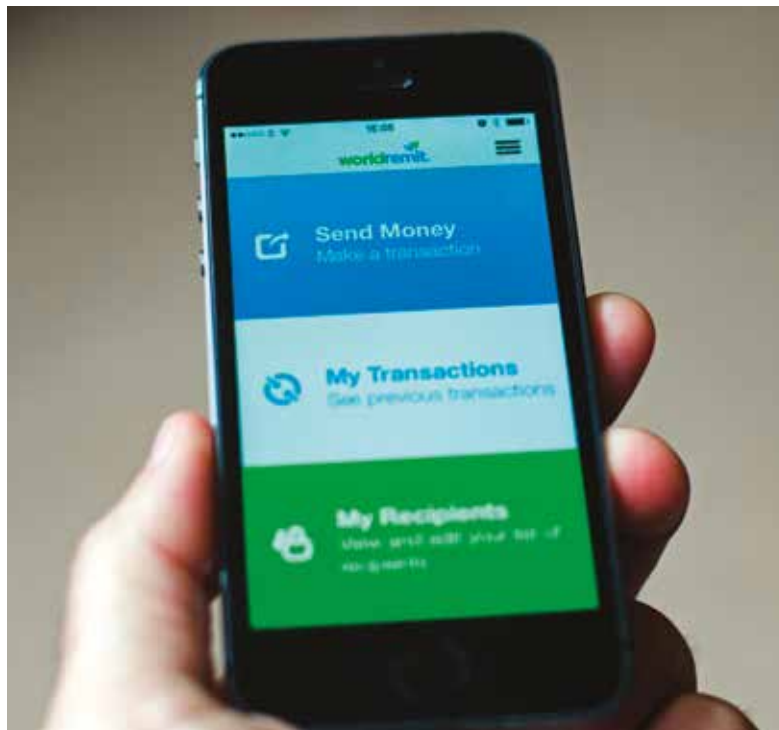
### **Crowdfunding**

Financing to produce this video game came through crowdfunding. This operation through which subscribers are invited to buy shares in the company to finance its first video game was closed in early 2015 with an amount of FCfa 120 million raised, thus 182,504 Euros. According to statistics compiled by the Kiro'o Games team, 74% of subscriptions to this online fundraising operation were from Cameroonian nationals.

## British firm WorldRemit connected to MTN Mobile Money service in Cameroon

WorldRemit, the British firm claiming worldwide leadership in digital money transfer continues its expansion in Cameroon. After the partnership signed a few weeks ago with the Cameroonian subsidiary of the Ivorian banking group Bank Atlantique, then recently with Express Union, leader in the money transfer market in the country; WorldRemit now offers money transfer in Cameroon via the Mobile Money service of telecom firm MTN.

*"Expatriated Cameroonian can thus, directly through the mobile application or on the WorldRemit website, send money directly to the mobile phones of their family and friends living in Cameroon, and this, in a secured way. No more fastidious journeys to go to a store and standing in long queues there!",* one can read in an official communiqué published this 20 October 2016. Through this partnership with MTN Cameroun, WorldRemit thus gets a network gathering the 2.6 million users of MTN Mobile Money service in Cameroon.



## Cameroon: between June and September 2016, MTN Mobile Money attracted 300,000 new clients

As at end September 2016, the number of subscribers to the MTN Mobile Money service in Cameroon reached 2.7 million, in increase by 13.2% compared to the 2<sup>nd</sup> quarter 2016, we learned from provisional results just published by the South African telecom multinational.

In absolute value, this statistic reveals that 300,000 new clients joined this service in Cameroon, since there were only 2.4 million registered as at end June 2016. The South African telecom firm explains this performance in its Mobile Money service in the country through *"improvement in*

*the distribution"*.

Moreover, over the period under review, revenues generated by data again increased by 28.3%, and now represent 19% of the global revenues of MTN Cameroun, against 18.8% as at end June and 18.5% for the first quarter 2016. With regards to the client base of this operator, we officially learned, it decreased by 1.3% to reach 9.5 million subscribers as at end September. A decrease which the company attributes to the result of the mobile customer registration process in Cameroon, which led to the deactivation of several chips by operators.



# Vodafone accused of illegally operating on Cameroon's telecom market

*"The attention of my ministry has been drawn to the fact that several operators in the telecommunication sector operate in violation of the current law. I would like to remind all that, in accordance with the provisions in Articles 35 and 42 of the 14 July 2012 decree, setting the conditions to establish or operate networks and provide electronic communication services under the approval system, the issuance of licences or any other assimilated title, is the sole competency of the Minister of Posts and Telecommunication".* Such was the content of a communiqué made public late last week by Minette Libom Li Likeng, Cameroonian Minister of Posts and Telecoms.

Even though this government member does not explicitly mention any company targeted by her warning, internal sources at the Ministry of Posts and Telecommunication (Minpostel) reveal that Minister Libom Li Likeng's media appearance



Vodafone after its partnership with the British telecoms operator, this operates, according to our sources, with a "temporary title" issued by the Telecommunication Regulatory Agency (ART) on 8 January 2015; and not by the Minister of Posts and Telecommunication, sole legal public authority who can issue telecoms licences or "any other equivalent document".

Thus, our sources reveal, through correspondence dated respectively 6, 28 and 30 September 2016, Minister Libom Li Likeng contacted the MD of ART, to "point out to him that the temporary titles issued by him were provided in violation of the current law, and could due their very nature

cy of companies holding concession titles".

Though the issuance of these "provisional titles" is being justified at ART by "the absence of a certain number of texts, including the one governing the entry and licence renewal fees", on one hand, and by "the concern of not blocking this market segment whose actors contribute to the development of the digital economy" on the other hand; at Minpostel, it is clear that the telecoms regulatory body is being accused of usurping the prerogatives of the Ministry.

Proof of this, we learned, since 2010, "the regulatory body has not submitted for approval by the Minister in charge of Posts and Telecommunications, licence request applications, in compliance with Article 42 of the 14 July 2012 decree stating the conditions of establishment and or of operation of networks and the supply of electronic communication services under the approval system".

According to senior officers at Minpostel, this tendency of the regulatory body to prefer the issuance of "provisional titles instead of licences to some operators, in infringement of the law in force", is detrimental for the State as well of the telecoms operators holding concession agreements. In practical terms, we learned, this practice instituted as rule by ART brings about "unfair competition with regards to concession operators who invested huge sums of money to be able to offer this type of service with national coverage obligations"; it also creates "enormous losses for the Treasury, due to the non-payment of entry fees for the beneficiaries of provisional titles".

**"Unfair competition with regards to concession operators who invested huge sums of money to be able to offer this type of service with national coverage obligations"**

follows the entry of the British firm Vodafone on the Cameroonian market.

## A franchise agreement

Indeed, through a franchise agreement signed with the company Northwave Sarl, wholly owned by Afrimax Group, Vodafone has been marketing for some weeks 4G LTE services in the cities of Yaoundé and Douala, which represent on their own over 80% of the telecoms market in Cameroon.

Northwave Sarl, which became

jeopardise the organisation if the strategic telecommunications sector in a sensitive security situation".

Unfair competition, loss of profits...

## The limits of the licence

Concurrently, we learned, Jean Louis Beh Mengué, MD of ART, has been "summoned to publish a communiqué (...) specifying the limits of the licence granted to Northwave Sarl"; licence which, as explained by the internal sources at Minpostel, should not include operating "LTE networks and services, which are the sole competen-



# FISHING

A new Chinese vessel boarded and searched in Cameroonian offshore for illegal fishing and navigation in forbidden zone



Hong Da 1, a Chinese fishing vessel has just been boarded and searched in the town of Manoka, in the Cameroonian offshore. The boat, whose crew was made of locals and Asians, was immediately sent to Douala, the economic capital of the country. According to information given by

the national navy, this vessel, which had not yet any catch, was probably getting ready to fish less than 5km away from the coast, a zone legally dedicated to traditional and non-industrial fishing. Additionally, we learned, the fishing boat was getting dangerously close to the sub-marine cable SAT3, whose deployment led to

a navigation ban in this area. According to one authorised source, it was even Camtel, historical telecoms operator and operating this cable who, thanks to a monitoring system, detected the presence of the vessel along the Cameroonian coast and seized the national navy to board and search it.



## LEADER OF THE MONTH

# Vodafone gets Antoine Pamboro on board, ex-Dept. MD of MTN then MD of Airtel DRC and Gabon



Antoine Pamboro came back to his country a few years ago to launch Sahel Agro.

In order to get a foothold on the very competitive telecom market in Cameroon, British firm Vodafone, who entered into partnership with Afrimax group to move into the LTE market, has already acquired the services of Antoine Pamboro. This telecom engineer has been Deputy MD of Camtel Mobile, the mobile-specialised subsidiary of national operator Camtel, which was bought in 1999 by MTN International as part of a privatisation process.

Holding the same position at MTN Cameroon, Antoine Pamboro, well into his fifties, then left the Cameroonian subsidiary of the South African telecom group six months later, for a long African adventure. Adventure which successively led him to head Celtel Congo, Airtel RDC and Airtel Gabon.

At the end of more than a decade at the head of the African subsidiaries

of well-known telecom companies, Antoine Pamboro, a native of Mindjil in the Mayo-Kani department in Cameroon's Extreme-North, came back to his country a few years ago

to launch Sahel Agro. This agro-industrial unit is specialised in the processing of maize into flour. "I chose to get involved in the agro-industry to make a direct impact on the population", he confided to *Quotidien de l'Economie*.

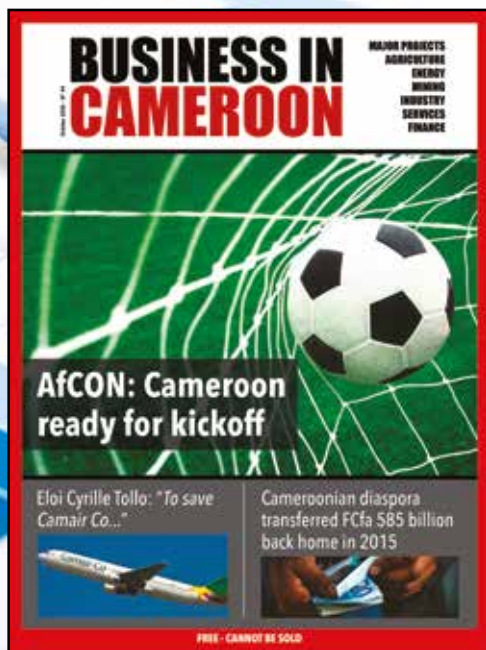
This project is mostly a kind of catch-up for this farmer's son, who, after his baccalaureate C obtained in 1978, dreamed of being an engineer in agronomy, by joining the Ecole Nationale Supérieure d'Agronomie (ENSA). But, this ambition was cut short by the Ministry of National Education, who offered him a grant to study in France. Studies at the end of which he received a Master in Electronics in 1982, a considerable prerequisite for a career in telecommunications, which has followed him throughout his career.



In order to get a foothold on the very competitive telecom market in Cameroon, British firm Vodafone, has already acquired the services of Antoine Pamboro.

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