

May 2017 - N° 51

BUSINESS IN CAMEROON

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Cameroon is going digital!

**Operators on the battlefield as
infrastructure is being deployed**

Financial technology
companies shaking up old
school banks



First "Made in Cameroon"
drones



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From 3G to 4G?

Cameroon is betting on speed quality and a large network coverage throughout the country. An ambitious wager which is in direct line with the popularisation of internet. It must be noted on the ground, that an important deployment of technical and human resources has been undertaken for a better coverage, a better service offer, better network speed for users.

We must acknowledge the steady progress made which can still be improved, especially as consumers are always expecting a better quality of service: broadband. Starting with the 2G saga (Voice and Short Message System "SMS"), then the migration to 3G which crowned the rise of mobile high speed networks and innovative services with the arrival of the very first value-added multimedia applications, Cameroon in spite of some inconveniences, keeps on perfecting its network in a highly competitive sector fostered by the highest authority in the country and where operators are trying to attract and retain demanding customers searching for quality of service with their offers and technical know-how.

Cameroon is more than likely about to take an important step with the arrival of the fourth generation i.e. 4G and for which every operator is claiming ownership. Must we conclude that the revolution and new era in mobile telephony with all the associated service improvements and added value is now at our doorstep? This will certainly fulfil expectations, boost technological development and the flow of exchanges, but also contribute to the expansion of the digital economy. Yes, Cameroon can achieve this, especially as the national operator Camtel has been actively working at deploying the optical fibre technology throughout the country, with Orange, MTN, Nexttel, Vodafone not far behind in growing development through innovative initiatives. Incidentally, the different mobile telephony operators are constantly expanding their network as well as coverage areas, the penetration rate is in constant progress, the demand growing. This medley of opportunities make the telephony sector in Cameroon, a real niche with the focal point being the 4G technology due to its compatibility with the IP world (Internet Protocol) and which will surely whet the appetite of companies.

Operators must overcome the stumbling blocks of speed and service, to cover the needs and expectations of a customer base who has remained unsatisfied until now and in search of the best connection speed. 4G certainly seems to be the best response on offer.

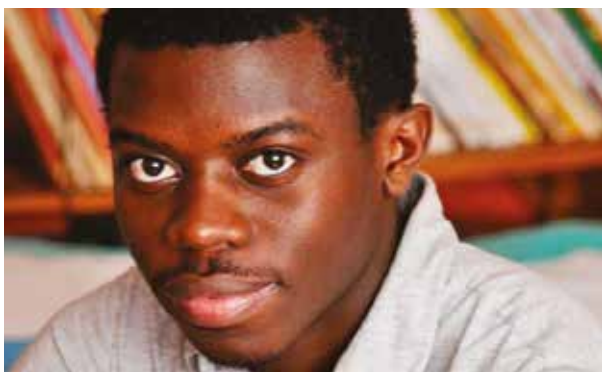
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THE CAST



**ALAIN
NKONTCHOU**

Enko Capital, an asset management company specialised in investments in Africa, co-founded by Cameroonians Cyrille and Alain Nkontchou, announced on 28 March 2017 in London, the launch of the Enko Africa Debt Fund (EADF). This is, we learned, a debt fund dedicated to Africa, with USD 200 million (over FCfa 120 billion) of assets under management. This fund, we officially learned, *“will only invest in sovereign or corporate debt, denominated in local currency or in US dollars and throughout Africa, except for South Africa”*.

“We are very happy to expand our range of specialised investment products focusing on Africa, which will give investors the opportunity to take advantage of the high returns on investment currently available on African markets. The launch of EADF represents a cornerstone in the ambition of the Enko Capital group to become the African leader in asset management”, commented Alain Nkontchou, Managing Partner at Enko Capital.



**PHILÉMON
YANG**

On 6 April 2017, the Cameroon Prime Minister, Philémon Yang, signed a decree setting the *“conditions to establish or operate networks and provide electronic communication services under the licence regime”*. It is once again stated that operating licences are issued by the Minister in charge of Telecommunications, based on proposals from the regulatory agency.

This government text thus vindicates the Minister of Posts and Telecommunications, Minette Libom Li Likeng, who since her media appearance on 21 October 2016, has been denouncing the Telecommunication Regulatory Agency (ART), who since 2010, illegally took over the issuance of *“temporary permits”* to telecom companies under the licence system. In a press release published in January 2017, the Telecoms boss gave until 14 February to operators holding *“temporary permits”* issued by ART, to comply with the law on the risk of losing their right to operate in Cameroon.



**FRITZ NTONE
NTONE**

Fritz Ntone Ntone, Delegate of the government to the Urban Community of Douala, the overall mayor's office covering the Cameroonian economic capital, chaired on 28 March a workshop reviewing the document-project for the programme on structuring the faecal sludge market. This programme, we learned, is meant to organise a market for the 1,300 m³ of waste drainage produced on a daily basis in the economic capital, and of which barely 50% is treated; to produce energy for households and therefore protect the environment.

Even though the initiative is generally lauded, discussions between the programme stakeholders are stumbling on raising the necessary funds for its implementation. While some recommend collecting a sanitation tax, others mention the possibility of public-private partnerships, which would then require the intervention of local governments, households, and the companies operating in the drainage sector.



**MEFIRO
OUMAROU**

Mefiro Oumarou, Deputy Minister of Transport, lost his position as Chairman of the Board of Camair Co, the public Cameroon airline, at the end of an extraordinary Board meeting held on 24 April 2017. Shortly after this Board session, whose only agenda item "government communication", foretold of an important decision, a decree from the Head of State confirmed the appointment in this position of the Principal Civilian Administrator Louis Georges Njipendi Kouotou, who works at the Office of the President of the Republic.

The MD of Camair Co, Ernest Dikoum, for his part, was maintained in his position, even though several sources predicted his departure before the Board meeting was held. Ernest Dikoum, according to our sources, got by fine, not only for being maintained in his position, but also for witnessing the departure of a Board Chairman with whom he could not get on at all.



**JEAN-MARIE
WETONDIEU**

The Far North, which has become fertile ground for Boko Haram for some years, is seeing its economy gradually picking up. Proof of this, according to the statistics revealed by the customs sector of this northern region of Cameroon, the revenue collection targets for the first quarter of 2017 were achieved at 108%. Indeed, the coffers of this regional customs administration were filled with FCfa 1.29 billion, against initial forecasts of FCfa 950 million.

According to Jean-Marie Wetondieu, Director of the local Customs administration, this performance is the result of the progressive reopening of the borders with Nigeria, a decision taken by the Cameroonian authorities at the end of 2016. Due to the crimes of the Nigerian Islamist sect Boko Haram, which have paralysed economic activity in this part of the country for over 3 years, several customs stations were destroyed or abandoned due to insecurity.



**LAZARE-ETIEN
KOUASSI**

The Representative of the UN High Commission for Refugees (UNHCR) in Cameroon, Lazare-Etien Kouassi, has just handed over to schools in the Eastern region of Cameroon, the keys for 16 classrooms. These structures, we learned, will enable Central African refugees, whose education level is very low, to attend school. While transferring the classrooms, the representative of the UN organisation in Cameroon was given a list of other problems for which solutions could help improve the quality of care given to Central African refugees in the Eastern Cameroon region.

These are, we learned, insufficient school structures, a glaring lack of teachers and teaching material, as well as the inability of parents to pay their wards' school fees, who for the most part came to Cameroon after the troubles which followed the toppling of former Central African President François Bozizé. That was in March 2013.

Broadband competition



The arrival of 3G in Cameroon in September 2014, with the launch of the activities of mobile operator Nexttel (local subsidiary of Vietnamese Viettel), transformed the internet market in Cameroon. This transformation even took the form of a real revolution in 2015, year during which MTN and Orange Cameroun, the two leaders in the mobile market in the country, simultaneously rolled out 3 and 4G technologies, after renewing their telecom licences with FCfa 75 billion each.

The immediate consequence of this dynamism is that Cameroon posted an internet penetration rate of 25.6% at end December 2015, based on the 2016 Ericsson report on mobility. As a reminder, this indicator stagnated

for a long period at 2% (during the era of ADSL), before stabilising at 7% thanks to the dynamism observed in the use of mobile telephony.

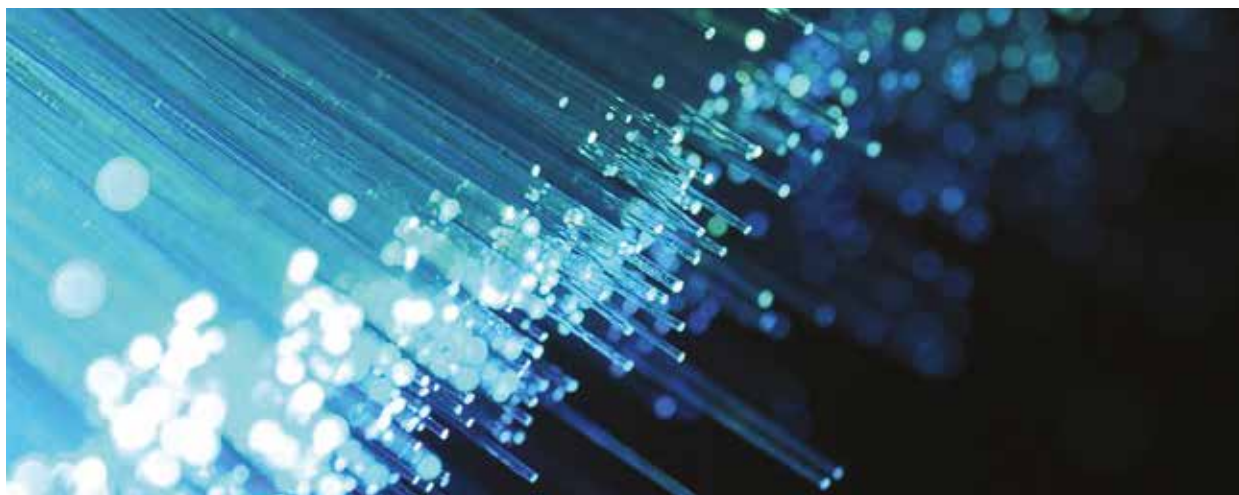
The striking progress of Cameroon in the internet access sector were confirmed in 2016 by Internet Live Stats, who ranked Cameroon among the three African countries (alongside Mali and Lesotho) who improved the most in this field, with an increase of 16% in internet access rate in a single year. According to this member of the Real Time Statistics project, 4.3 million Cameroonians (out of a total population estimated at 22 million inhabitants) had access to the web in 2016.

4.3 million consumers. This figure certainly explains the rush of some

operators onto the Cameroonian internet market these past years, on the one hand, and the proliferation of increasingly attractive offers by the old internet access providers (IAP) in the country. In this merciless battle raging between telephone operators (Orange, Nexttel, MTN, Camtel) and the IAP (Yoomee, Ringo, Creolink, Vodafone, etc.), the client has become the real king. With so many offers, the quality of service has improved and, above all, prices have decreased; thus enabling Cameroon to gradually become a land of internet, fertile for the development of a real e-society.

Brice R. Mbodiam

An impressive deployment of infrastructure



Thanks to the combined dynamism of the local public authorities and leading companies in telecommunications operating in the country, Cameroon has become the main landing point, in Central Africa, of several submarine optic fibre cables, critical infrastructure in the development of telecommunication services.

“Cameroon is increasingly imposing itself as a hub for telecommunication infrastructure in Central Africa (...) We had the difficult task of choosing among the 10 countries in which we operate along the Atlantic Ocean, where WACS (West Africa Cable System) would be deployed, and we chose Cameroon”. This comment is from South African Philisiwé Sibiya, Managing Director of the local subsidiary of the group MTN International.

Indeed, thanks to the combined dynamism of the local public authorities and leading companies in telecommunications operating in the country, Cameroon has become the main landing point, in Central Africa, of several submarine optic fibre cables, critical infrastructure in the development of telecommunication services. Indeed, after SAT3, first submarine cable deployed in Cameroon by the State, through the historical telecommunication operator Camtel; WACS, deployed by MTN Cameroon then handed over to the State in compliance with the current law in

the country, has been operational since July 2015.

While awaiting the completion of the works for the construction and commissioning of the landing point of the submarine cable ACE (Africa Coast to Europe), a project implemented by the local subsidiary of the Orange group, Cameroon welcomed in December 2015 a new submarine cable. This is NCNCS, deployed

Cameroon. The project is spear-headed by a consortium gathering Cameroon Telecommunications (Camtel) and China Unicom, a branch of the national Chinese telecoms operator, China Telecom, specialised in mobile telephony.

All these investments, ongoing or completed, today enable Cameroon to have an urban and inter-urban optic fibre network estimated at rough-

Soon, a 5th submarine cable will land in the country.

between Cameroon and Nigeria by the consortium Main One, in which the State of Cameroon is an active participant.

Soon, a 5th submarine cable will land in the country. This is the South Atlantic Inter Link, which will be the first structure of this type to link Africa to the American continent, as it will be rolled out between the towns of Fortaleza, Brazil and Kribi,

ly 6,000 kilometres, which should be increased to 10,000 kilometres by 2020, according to the forecasts of the government. Ambitions and performances which have transformed Cameroon into a mirror for countries such as Chad and Burkina Faso, whose experts have come to get inspiration from the Cameroonian experience in terms of deployment of optic fibre.

BRM

Vodafone invested over FCfa 23 billion to launch LTE internet services in Cameroon

The telecommunication group Vodafone, through a franchise contract with Afrimax Group, came on the internet market in Cameroon on 15 September 2016, to provide customers with LTE services (broadband internet). With an initial investment of approximately USD 40 million (close to FCfa 23.36 billion), this operator deployed an ultra-modern network to offer its services to the population in the cities of Yaoundé and Douala (for

a start), the two capitals of the country, which officially represent 85% of the telecom market in Cameroon.

Only a few months after the launch of its activities, Vodafone Cameroun already claims to officially have over 15,000 clients on its network, and therefore imposes stiff competition to mobile operators and other internet access providers (IAP) in the country.

Through a recent offer, the clients

of this IAP can now top up the SIM cards of their Vodafone modems via Visa and MasterCard.

This was made possible thanks to the application "MyVodafone", which can be downloaded.

According to Izouma Sidibé, Marketing Director at Vodafone Cameroun, the features of this application (web or mobile) "*enable clients to remain in control of their consumption expenditure, while remaining active*".

Yoomee becomes MVNO data following partnership agreement with Camtel



The data service provider Yoomee signed a commercial agreement on 22 February 2017 with national telecom operator Camtel. Through this partnership, we officially learned, Yoomee becomes a Mobile Virtual Network Operator (MVNO) specialised in data supply. Based on the terms of this partnership, Yoomee will use the technical infrastructure and network of Camtel, to offer

data services of quality at affordable prices, to the entire Cameroonian market.

According to David Nkoto Emame, MD of Camtel, "*this partnership with Yoomee is meant to further strengthen the commercial offer in terms of telecom services, and provide all the satisfaction expected by users*". Emmanuel Forson, MD of Yoomee Cameroun, for his part stressed that the collaboration with Camtel, "*is about bringing more diversity to current telecommunication offers. We will use ambitious resources for optimum operation of the infrastructure already deployed*".

Through this partnership, Camtel and Yoomee show their ambition to expand the data offer in the country, and increase the appetite of consumers for mobile and landline data.

Operator Creolink rules over internet cafés

In the cities of Yaoundé and Douala, it is becoming difficult to step out without encountering an internet café from the Cyberlink chain. Rolled out by the internet access provider Creolink Communications, these shops have become the main meeting point of internet aficionados who cannot afford to get a connection at home.

The quality of the connection in the Cyberlink cafés made life difficult for many internet café operators in the two main towns of the country. Operators who are thus paying the price of a long-standing deception on broadband internet, which is a tangible reality at Cyberlink.

Camtel partners up with Equacomm to expand wireless internet access throughout the country

Camtel, the national telecom operator in Cameroon, and American internet access provider Equatorial Communications (Equacomm), signed a partnership agreement on 18 January 2017 in Yaoundé. This agreement is related to the provision of support to the public telecom company in the roll out of wireless internet throughout the country. As part of this collaboration, Yves Djoko, MD of Equacomm, explained that the Wi-Fi rollout would start with the cities of Yaoundé and Douala, before finally attaining *“full coverage of Cameroon with a robust Wi-Fi network”*. According to David Nkoto Emane MD of Camtel, *“the demand is very high. We must offer Wi-Fi services to all public administrations, banks, town halls, as well as other private structures”*. Despite the progress observed in the internet sector in Cameroon these past years, the web remains inaccessible for most Cameroonians (4.3 million internet users out of a population of 22 million inhabitants).



This gap could be reduced through the deployment of Wi-Fi technologies throughout the country, consid-

ered less expensive and accessible via mobile telephones, whose penetration rate exceeds 80% in Cameroon.

IAP Ringo still searching for investors to revive itself on internet market

The internet access provider (IAP) Ringo, established in Cameroon since 2008, has been having difficulties to get back on track. For over a year now when it started looking for new investors, the company owned by the investment fund Glenar, based in Switzerland, has not been able to find satisfactory solutions, the company reveals. Through this possible capital injection, we learned, Ringo is projecting an investment plan of FCfa 5 billion meant to improve its network.

Indeed, the IAP must improve its network if it does not want to be pushed out of the internet market in the country, which has become highly competitive throughout the years. At the height of its success, in 2011, Ringo has attracted close to 44,000 subscribers with its modems “Big box” and “Mbindi box”. Many local companies also were enchanted by its service offers. But, the poor quality of the network and low coverage, criticised even in Yaoundé and Douala, were at the root of the

gradual disinterest of consumers, who turned to the newcomer, Yoomee, who landed on the market in 2011. With a dramatically decreased private customer base, Ringo had to focus on corporate services. But, the arrival of new competitors such as Creolink, NSN Mobility, the powerful comeback of Camtel with its attractive plans, the aggressiveness of mobile operators MTN, Orange and Nexttel, could also take away this corporate market niche over time.

Clovis Njontié

“With Fintech’s emergence, banks must rethink their activities and functioning”

Looking at opportunities and constraints of the banking industry at the digital era, with Germany’s Deutsche Bank’s Risk Vice President and President of Business Intelligence Agency in Cameroon.

Business in Cameroon: You just organized in Yaoundé, Cameroon’s capital, a forum themed *“Finance sector in Africa in the digital era”*. What gave rise to this event what were its objectives?

Clovis Njontié: Unlike what most believe, the digitalization of financial services is not solely characteristic to developed economies. In emerging economies also, the digital technology, particularly mobile, is taking over traditional bank agencies and advisors. Africa, which started from almost nothing in terms of finances, is striding toward banking 3.0, a type of banking which Western lenders themselves are struggling to adopt, slowed by the systems in place. Detail banking is changing at a rapid

pace, the global finance industry as well, with digital transformation at the heart of these changes. Detail banking thus must quickly adapt in all regards, looking at new actors, reinforcement of regulation, new expectations of clients.

The forum had various goals : gathering the main actors of the banking ecosystem, finances and new technologies, to discuss operational and strategic challenges related to digital technology in Africa ; providing insights and prospective analyses on key innovations, concrete experience feedback and good practices ; allowing experts, builders and managers to better apprehend Africa’s enormous potential in terms of banking

innovation ; as well as create a networking space where ideas and projects will be brought up aiming to develop and reinforce partnerships.

BC: Concretely, what does digitalization encompass in the banking sector?

CN: When it comes to banking, digital technology is more of a vector of natural evolution rather than revolution. This mainly due to the strategic importance of existing information systems that followed the digitization process started a while ago. However, detail banking must engage in a significant digital transformation process in order to adapt to its market’s new characteristics. Here, four areas are concerned: client expe-





"Banks must fully integrate digital in their business model, in addition to getting connected, smart, flexible and social."

rience optimization; restructuring of operational processes; Transforming internal work processes and business model.

BC: Would you say the emergence of Fintechs is an opportunity or a constraint for banks in African nations like Cameroon who are lagging in the digital area?

CN: With Fintech's emergence, banks must rethink their activities and functioning. Mobility, personalization, remote access, reactivity, are characteristics of Fintechs which banks must appropriate. Banks are renowned for not being too receptive

to change. However, with Fintechs in the equation, the failing trust of customers in the banking system and ever-growing presence of new technologies, the whole banking structure is set to record major changes.

BC: African banks and those in Cameroon in particular seem to be left back by the pace at which innovative technologies are growing in the sector. What could be the repercussion of this delay in the long term?

CN: Given that Fintechs are far ahead in terms of technology, banks have to keep the pace. Big data must be

at the heart of their strategy so that they get a broad (360°) knowledge of their customers. Moreover, with the rising penetration rate of mobile devices, users' expectations in terms of real-time response and cross canal experience, lenders are compelled to move toward digital.

In addition, competitive digital marketing is also necessary to, not only compete with Fintechs, but also with internet giants such as Google or Facebook. Internal processes also ought to be digitized and simplify to cut costs and optimize processes. From mobile to Cloud, not forgetting agile methodologies or connected



Clovis Njontié, Vice President of Risk at Deutsche Bank: "Africa, which started from almost nothing in terms of finances, is striding toward banking 3.0, a type of banking which Western lenders themselves are struggling to adopt, slowed by the systems in place."

objects, lenders have no other choice but absorb these new technologies. Fintechs are not some mirage, they are real and banks do better to digitalize or risk being buried by new actors who are more up-to-date.

BC: In Cameroon, local money transfer businesses are struggling to compete with services such as mobile money of mobile operators. Isn't this a clear example of what happens to businesses that fail to match their business model match with new innovative technologies?

CN: Indeed, digital revolution has had, over the past years, a significant impact on microfinances and banks. The institutions which in the past

were references are suffering from the rapid change. What they must do to thrive now is adapt and evolve.

BC: Is there any way for lenders and other financial institutions to remain competitive without adopting new technologies?

CN: Truth is, customers want the best of the two worlds, the digital and the physical. Even if they tend to less visit their financial advisor, customers still go to the nearest branch of their bank. For day-to-day transactions, they prefer using their smartphone. However, for engaging products and services, they prefer staying in contact with an advisor.

The need for human contact, but also for security and trust are crucial. For this reason, banks have a significant advantage over newcomers (even if these pure players are sometimes owned by major banks).

In sight of this, banks must proceed to a full review of their structure and adapt. They must understand this: what they need is not a digital strategy but rather make digital a key component of their strategy!

BC: Amongst the topics discussed at the forum you organized in Yaoundé, there was the state of banking 10 years from now, taking into account the digitization-induced challenges. From what was gathered at the meeting, what answer could you give in this regard?

CN: Banks must fully integrate digital in their business model, in addition to getting connected, smart, flexible and social.

A connected bank: Integrating digital will help provide a multi-channel or omni-channel experience. It will thus be possible to access your bank account at any time, using a connected device, or via a simple app.

Clovis Njontié: "They must understand this: what they need is not a digital strategy but rather make digital a key component of their strategy!"



By giving customers such freedom, banks would be saving time and generating profits. How so? Advisors will be able to spend the time saved on other missions and focus on improving physical contact with clients. To this end, the lender must adapt to provide value-added services and quality advising.

A smart bank (Big data): Every two days, the same amount of data collected throughout the whole 20th century is created every two days. This is a gold mine for banks. The hyper-connected and hyper-informed user threat is an opportunity for banks which detain a massive vol-



Clovis Njonté: "Unlike what most believe, the digitalization of financial services is not solely characteristic to developed economies. In emerging economies also, the digital technology, particularly mobile, is taking over traditional bank agencies and advisors."

ume of information on their customers. This huge mass of information or Big data is extremely important. Here, lenders are to take advantage of it to determine users' needs and offer them the right products at the right time, in order to boost revenues.

A flexible bank: the digitalization of processes leads to an increase in profits and significant cost reduction, mainly through the introduction fully digital payment modes or documents' dematerialization.

A social bank: lenders have rapidly invested in social networks. The objective here is to improve their image and win over or win back customers or partners. This is one of the major weaknesses of financial institutions: they lack sympathy capital. Many challenges await banks in the future. They have financial means to face them, however, some human-related regulatory constraints might make it more difficult. What banks thus need are "digital

addicts" executives who, with new ideas, will help them transform their business model. This stands not only for the banking industry but for other sectors as well.

The bank of tomorrow is emerging. Financial institutions may win this bet, if only they learn from past mistakes, take hold of the present and anticipate the future.

Interview by
Brice R. Mbodiam

PUBLIC MANAGEMENT

Cameroon budget deficit reaches 6.9% of GDP in 2016, but will decrease to 4.3% from 2017

Due mainly to the decrease in oil revenues, which represent often up to 25% of government revenues in Cameroon, the country's budget deficit peaked at 6.9% of GDP at year end 2016, the American rating agency Standard & Poor's reveals in a report on Cameroon.

But, according to the same source, this government deficit *"should decline to 4.3% of GDP on average"* over the period 2017-2020. This view, according to S&P, is based on the *"anticipated increases in revenues thanks to the introduction of new taxes"* in Cameroon, and *"the increase in crude oil prices"* on the international market.

Indeed, in the Finance law 2017, the Cameroonian government introduced some twenty new tax and customs measures, to tackle the decrease in oil revenues and the coming into force of economic partnership agreements with the European Union, which aim, with time, to establish a free trade zone between the two partners. It should be noted, in spite of the announced improvement in oil and tax and



customs revenues, S&P project an increase in government debt in Cameroon, caused mainly by equipment expenditure linked to

major investment projects and the organisation of elections scheduled, in principle, for the year 2018.

Cameroon issues new government securities for FCfa 5 billion on BEAC market

The Cameroonian Public Treasury proceeded, on 3 May at the headquarters of the Bank of Central African States (Banque des Etats de l'Afrique Centrale - BEAC) in Yaoundé, with a new issuance of fungible Treasury bills with a 26-

week maturity, for a total amount of FCfa 5 billion, we learned officially. In the 2nd quarter 2017, through these operations issuing public securities, the government of Cameroon aims to raise an overall envelope ranging between FCfa 60 and 70 billion on

the BEAC market. Throughout the 2017 fiscal year, FCfa 300 billion is planned in all, through the issuance of government securities on capital markets.

Interest charges on Cameroonian debt represent 5.1% of public revenues in 2016, according to S&P



According to the American rating agency Standard & Poor's (S&P), interest charges incurred by the public debt of the state of Cameroon have *"considerably increased in 2016"*, since they have reached an overall amount equivalent to *"5.1% of public revenues"* of the country, we learn from a report on Cameroon published in April 2017.

According to S&P, this increase in interest charges is the consequence

of the issuance of the first Eurobond in the history of Cameroonian public finances in the month of November 2015. One recalls indeed that having aligned successes on the local and regional markets since 2011, the Cameroonian government tried the international capital markets in November 2015, through the issuance of a first Eurobond, which enabled it to mobilise FCfa 375 billion (out of the 750 requested) at

an interest rate of 9.75%.

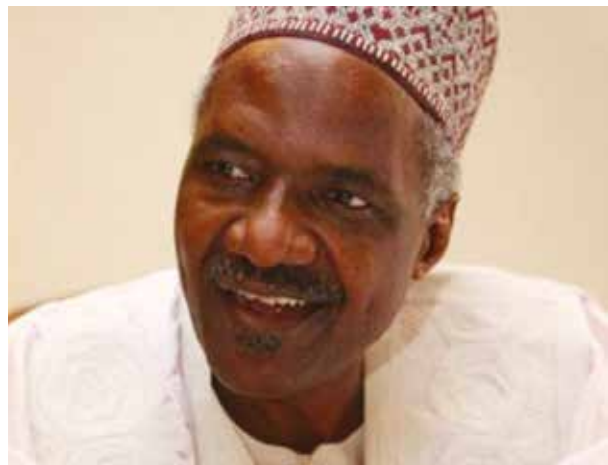
The funds raised as a result of this Eurobond, S&P reveals, have been used, in part, to *"totally repay the bridge loan granted to the government by a consortium of banks, to finance the arrears of subsidies owed to the National Refinery (Société Nationale de Raffinage - SONARA)"*, financing then used by this public company to *"settle certain supplier invoices"*. Indeed, nine months after the launch of the above-mentioned Eurobond, the Cameroonian government contracted a loan of FCfa 143.5 billion from four local banks (BGFI, Afriland First Bank, Ecobank and Société Générale) to finance SONARA. The documents relating to this loan agreement were signed in Yaoundé, the capital, on 10 February 2015.

Cameroonian state threatens to suspend 334 companies from public procurement

The Cameroonian Minister of Public Procurement, Abba Sadou, has just published a list of 334 companies that risk being suspended from public procurement if they do not provide proof. It concerns companies, we learn, who *"have abandoned the execution of at least one contract during the fiscal periods 2014, 2015 and 2016"*, and who are invited *"to regularise their situation in completing the execution of the abandoned contracts"*, at the risk of falling under the circular letter of 25 January 2017. According to the Minister of Public Procurement, this circular letter stipulates that *"the failures of co-contractors in the execution of prior contracts are henceforth considered as elimination criteria in the award*

of new contracts". Including the case of groups formed with at least one company under the sanction of this measure, emphasises the Minister Abba Sadou.

The head of the ministerial department in charge of Public Procurement specified that this measure falls within the scope of *"the clean up of the system of public contracts"*, in Cameroon, and consists in removing



from the list of state service providers *"companies which compromise the effectiveness in using the Public Investment Budget"*.

Professional insertion plan for Cameroonians returning from France



French Office of Immigration and Insertion (Office Français de l'Immigration et de l'Insertion - OFII) has just signed a partnership agreement, with the National Employment Fund (Fonds National de l'Emploi - FNE) of Cameroon and the Inter-Professional Cocoa and Coffee Board (Conseil Interprofessionnel du Cacao et du Café - CICC), aiming

to facilitate the socio-professional insertion of Cameroonians returning from France.

As a result of this partnership, we learn, the FNE will help in placing Cameroonians returning from France in companies, or even support them in the elaboration of projects to set up businesses, for those wishing to be self-employed. As for CICC,

it will provide its expertise in the implementation of entrepreneurial agricultural projects. Moreover, one recalls that the Cameroonian Cocoa and Coffee Board recently launched a programme proposing cocoa production as a return-to-home project for members of the Cameroonian diaspora.

S&P maintains “B/B” grade for Cameroon

The American rating agency S&P Global Ratings just confirmed the “B” grade given to the long and short term sovereign debt of the Republic of Cameroon, coupled with a stable perspective, we officially learned. “We are expecting the economic growth of Cameroon to remain stable through the implementation of vast public investment projects”, explained S&P. The stable perspective attached to this sovereign rating for Cameroon,

stressed the agency, “*reflects our solid and sustainable growth projections in the country, and progressive budget consolidation in the next year*”.

As it happens, highlighted the American rating agency, “*the solvency of the country remains conditioned by the uncertainties on the succession at the presidency, low income per capita and increase in the external and public debt*”.

S&P additionally specified that

Cameroon's rating could be improved provided that its opinion “*regarding the institutions of Cameroon should considerably improve*”. In other words, explains the agency, “*if more transparency and certainty with regards to the succession at the presidency became more apparent and if the economy of the country was boosted by new investments and structural improvements without creating additional unbalances*”.

In 4 years, AfDB portfolio in Cameroon has increased four-fold, reveals Racine Kane



During the last four years, the investment portfolio of the African Development Bank (AfDB) in Cameroon has quadrupled, Racine Kane, the Resident Representative in Cameroon of this Pan African institution, confided to the government Quotidien. This was in Bertoua, in the East region of the country, at the end of a meeting aiming to assess the implementation of projects financed by the AfDB.

Indeed, highlighted Mr. Kane, the portfolio of this institution “amounts (currently) to more than a billion dollars, being more than FCfa 680 billion in terms of commitments and support”. It is focused “mainly on infrastructure, notably transport and energy (...) We intervene also in the field of water supply and sanitation. We have, furthermore, projects in the agricultural sector, notably developing value chains”, he continues.

According to Racine Kane, the partnership between Cameroon and the AfDB “is manifesting itself by increasing confidence of technical and financial partners in the implementation of the development programme in Cameroon. This has resulted in the graduation of Cameroon since June 2014, that means the country can access all AfDB fund windows”.

Incidentally, cooperation between Cameroon and the AfDB has been clouded by some matters. It mainly concerns, confides Racine Kane, “the delayed start up of projects, but above

all the late mobilisation of counterpart funds and procurement problems”, in Cameroon. But, reassures the Resident Representative of the AfDB, “we are in contact with the government in the framework of a continuous

dialogue to remove these difficulties. It is furthermore the reason why once every quarter we organise reviews to see the bottlenecks in implementation of the portfolio and to improve its performance”.

Young trafficker detained with 100 Kg of pangolin scales in region of East Cameroon



Officials of the Cameroonian Ministry of Wildlife and Forest of the East region, with the support of the NGO Last Great Ape Organization (LAGA), have just nabbed a young man of 37 years, in possession of a load of 100kg of pangolin scales. The operation took place in the area of Messamena, we learn. According to our sources, the young dealer had been under surveillance for several months, since he was suspected of

running a distribution network of pangolin scales stretching right to the cities of Yaoundé and Douala, the two capitals of Cameroon. In Cameroon, pangolin is part of the protected species. Hence, the detained trafficker is currently in the hands of the Cameroon court, and risks a prison sentence of up to three years, according to the laws in force in the country.

After decline of Boko Haram, reopening of borders with Nigeria boosts customs revenues in Far North

The Far North, which became the breeding ground of Boko Haram for some years, is seeing its economy progressively pick up and accelerate. As proof, according to recent statistics revealed by Customs in the northern region of Cameroon, the objectives of revenue collection for the first quarter 2017 have been achieved at more than 108%. Indeed, the coffers of this customs district have been increased to the tune of FCfa 1.29 billion, against initial projections of FCfa 950 million. According to Jean-Marie Wetondieu, director of this customs district, this performance is due to the progressive reopening of borders with Nigeria, a decision made by the Cameroonian authorities at the end of 2016.

As a reminder, as a result of the atrocities of the Nigerian Islamic sect Boko Haram, which paralysed economic activity in this part of the country for more than 3 years, sever-



al customs posts were destroyed or deserted due to the insecurity. Out of 600 customs agents on duty in

this part of the country previously, there were officially only 260 at the beginning of the year 2016.

Central African Republic requests Cameroonian expertise to train Defence Forces

Joseph Yakete, Central African Minister of Defence, started an official visit to Cameroon last 17 April. According the Communications Division of the Cameroonian Ministry of Defence, this visit is part of the strengthening of security cooperation between the two countries, cooperation that should soon result in training of certain Central African Defence Forces by the Cameroonian army. Also, during the day of 17 April, the

Central African Minister of Defence visited in turn the All-Army Military School (Ecole Militaire Interarmées - EMIA), prestigious school from which the majority of officers of the Cameroonian army emerge ; the Command of schools and Training Centres of the national gendarmerie, which manage the schools specialised in training and retraining members of the national gendarmerie. Through this boost that the

Cameroonian army is considering giving to its Central African colleague, Cameroon, which shares borders with CAR and already participates since the beginning in the United Nations stabilisation mission in Central Africa, hopes thus to bring a determining contribution to the peacekeeping of this country suffering from insecurity since the overthrow of President Bozizé in 2013.

FINANCE

Cameroonian Gwendoline Abunaw replaces Moustapha Fall as GM of local Ecobank subsidiary

Former student in banking and finance at the University of Buéa, the Cameroonian Gwendoline Abunaw is the newly appointed Executive Director of Ecobank Cameroon. She replaces Moustapha Fall, who takes charge of the Audit department at Ecobank Group headquarters in Togo.

Holder of a MBA from London Metropolitan University, the newly promoted started her banking career as a risk analyst in Standard Chartered Bank, a banking institution she left in 2003 to join the Ecobank Group. A year later, Gwendoline Abunaw is hired by Citibank, before returning in 2011



to Ecobank Cameroon, where she is propelled to the position of Deputy General Manager in 2015. Gwendoline Abunaw inherits a bank whose performances have been commendable for the last two years,

and which has succeeded in leaving the 5th position in the hit parade of Cameroonian banks to rise to the 4th bank in the country behind Afriland First Bank, BICEC, and Société Générale.

Between 2012 and 2016, ACEP Cameroon grants loans of FCfa 8.5 billion to rural entrepreneurs

Microfinance company ACEP Cameroon, specialised in the financing of very small businesses, closed its project “secondary towns” in December 2016 with an amount of financing in favour of rural entrepreneurs estimated at FCfa 8.5 billion, being 10% of overall outstanding loans of this financing institution, we are told officially. Out of this total amount, ACEP Cameroon specifies FCfa 2.5 billion has gone to farm operators. The project “secondary towns”, launched in 2012 with the financial support of Agence Française de Développement (AFD), consisted

in extending the activities of this microfinance structure to the rural areas of Cameroon. Given that at the end of the pilot phase of this project, more than 8000 entrepreneurs received financial assistance from ACEP Cameroon, of which more than 2500 are farm operators. This project that the microfinance structure counts on sustaining from now on, in view of the positive results obtained during the pilot phase, has also allowed rural entrepreneurs to generate a deposit amount of FCfa 437 million at the end of 2016, thanks to “the savings habit initiated” by the

above-mentioned project. Created from a Cameroonian government project implemented by the then Ministry of Industrial and Commercial Development, with the support of AFD and the European Union; ACEP Cameroon’s main shareholders are ACEP International, Société Nationale d’Investissements (SNI), Banque Internationale du Cameroun pour l’Épargne et le Crédit (BICEC), the Chamber of Commerce, Industry, Mines and Crafts (Chambre de Commerce de l’Industrie, des Mines et de l’Artisanat - CCIMA) and Investisseurs et Partenaires (I&P).

The World Bank group will release an amount of FCfa 113 billion in favour of the State of Cameroon

The International Bank for Reconstruction and Development (IBRD), the non-concessional arm of the World Bank group (WB) will release an amount of FCfa 113 billion in favour of the State of Cameroon, reveals a Presidential decree signed on 17 April 2017 by President Biya, text which authorises the Minister of Economy, Louis Paul Motazé, to contract this loan on behalf of the Cameroonian State. The said loan was approved by the Administrative Council of the WB on October 2016. The funds that will thus be made available by the IBRD will be used to finance the transport sector, in which the government and its partners have been leading several projects since the year 2012. It will also be used for the rehabilitation as well as construction of national and transnational transportation routes, rehabilitation of the railways and upgrading equipment, or also improving the country's port infrastructure. As a reminder, it was in October 2013, during the General Assembly meetings of the IMF and World Bank in Washington, that the Cameroonian State expressed its desire to be able to benefit from IBRD

financing from then on. Following this request of the Cameroonian authorities, a World Bank mission led by Véronique Kessler, principal

of financing of the World Bank group that has opened to the Cameroon State, after the window IDA (International Development



economist at the World Bank, made a visit to Cameroon in November 2013, in order to look at an eventual eligibility of the country to IBRD financing. Eligibility which occurred in the month of April 2014, and was announced by the Cameroonian government in an official communiqué. The IBRD is the second window

of financing of the World Bank group that has opened to the Cameroon State, after the window IDA (International Development Association). The only difference being that IDA loans are granted at concessional rates (generally lower than 1%) while IBRD loans are non concessional but are equally repayable in the long term (25 to 38 years with deferred payments of 5 to 10 years).

Financial Markets Commission of Cameroon at the German school

The Financial Markets Commission (La Commission des marchés financiers - CMF) of Cameroon, the Regulator of the Douala Stock Exchange (DSX), is welcoming a mission of German experts from the Federal Financial Supervisory Authority of Germany (BaFin) and the Deutsche Bundesbank from 24 to 28 April 2017, we learn officially. During their stay in Cameroon, highlights the CMF, the German

experts will lead training sessions for the benefit of members of the CMF college. Also scheduled, this 25 April 2017 on the premises of the Groupement Inter-Patronal du Cameroun (GICAM - Employers Association), is training open to the public on the themes "*linked to protection of retail investors, the development of bond markets, "shadow banking" or parallel banking in financial markets, transparency and*

discipline in financial markets, and the fight against money-laundering". The arrival in Cameroon of the German experts in financial markets, we learn is an integral part of the policy of strengthening international cooperation, which is one of the pillars of the strategic plan of the CMF for the period 2007-2020.

AGRIBUSINESS

Cameroonian state injects FCfa 2 billion in private chicken production and processing project

An industrial unit specialised in the production and processing of broiler chickens will soon emerge in the area of Dzeng, located in the Centre region of Cameroon. The ceremony to lay the foundation stone of this industrial complex was presided over by the Minister of Economy Louis

Paul Motazé, last 28 April. Indeed, we are told officially, the Cameroonian government will bring a financial contribution of FCfa 2 billion to the creation of this project that is sponsored by a private-sector operator, who has a partnership with the Italian Chamber of Commerce.

The Dzeng industrial complex aims to produce 300,000 broilers annually, as well as 10,800 trays of eggs. It should strengthen the national supply of broilers, but above all bring the beginning of a solution to the absence of chicken slaughter lines in the country.

Exports of soybean to Nigeria create difficulties for local processing units



Management of the company Soybeans Processing Industry of Cameroon (SOPROICAM) are in despair. During a recent visit to the production area of the oilseed crop sector actors, Yves Kollo Atangana,

Managing Director of SOPROICAM, revealed the difficulties in supplying this soybean processing unit with raw material, due to the export of local production to Nigeria. According to him, in spite of the

investment made by this agro-industrial company in the supervision of producers and the provision of inputs, these producers do not hesitate to sell their production to Nigerian traders who cream off Cameroonian markets, and propose far more attractive prices to producers.

"This is a good thing for the farmer.

But, it is foreign currency leaving the country. We should process this soybean, the local market needs it.

The State wants to promote animal breeding. To do this, it needs the meal that is required, in a large part, in the feed and production of livestock", emphasises Yves Kollo Atangana, who asks for support of the State to stamp out the trend.

As a reminder, SOPROICAM is an agro-industrial unit installed in the area of Yato, near the city of Douala. It aims, with time, to produce 50 tons of soybean oil daily. Likewise for meal.

For 2016, SOCAPALM should distribute FCfa 6.8 billion in dividends to its shareholders

The year 2016 has not been the most glowing for Société Camerounaise de Palmeraies (SOCAPALM), agri-food company listed on the Douala Stock Exchange (DSX), the stock exchange of Cameroon.

In its financial statements being validated and published last 27 April, the company announced net profit after tax of FCfa 5.1 billion at the end of 2016, more than FCfa 1 billion lower compared to the FCfa 6.4 billion of

the year 2015.

But in the end, we learn officially, it is a dividend of FCfa 6.8 billion that the shareholders will divide among themselves, SOCAPALM having decided to effect a deduction on its stock of "carry forward", in order to round up the envelope to be distributed to shareholders. To this end, each shareholder will receive FCfa 1500 per share at the latest by next 30 September.

In detail, this comes to a dividend for each dematerialized share of FCfa 1335, before tax on investment income. With regard to non materialized shares, each shareholder resident in Cameroon and abroad outside France will receive FCfa 1252 per share without taking tax on investment income into account, against 1275 per share for each shareholder resident in France.

Cameroon launches agricultural promotion project co-financed to the tune of FCfa 75 billion by the AfDB

The Cameroonian government officially launched, on 24 April 2017 in Yaoundé, the capital of the country, the Project for the Development of Agricultural Value Chains (Projet de Développement des Chaines de Valeurs Agricoles - PD-CVA). With 77% financed by the African Development Bank and 21.5% by the State of Cameroon, this project has an overall cost of FCfa 75 billion, we learned officially.

Implemented in the Central, Littoral, South-West and Eastern regions, this five-year project aims to ensure food security in the sectors of plantain, oil palm and pineapples; by means of financial and technical support to farmers' organisations and other youth interested in agribusiness.

According to the sponsors, this project will directly affect 242,000 people, whose revenues will increase on average by FCfa 818,000 per beneficiary and by FCfa 6 million annually for each of the young entrepreneurs involved in the project.

With time, we learn, there will be projected increases of 216,000 tons in palm nut bunches, 240,000 tons in plantain banana, 10,000 tons in pineapples and 17,500 tons of palm oil.



INDUSTRY

Cameroon Automotive Holding has already invested FCfa 1.4 billion in its project to assemble Chinese vehicles in Kribi



Lu Fuqing, one of the directors of Cameroon Automotive Holding, Chinese-American company which aims to construct a Chinese vehicle assembly plant in Douala and Kribi, reveals that this company has already invested the tidy sum of FCfa 1.4 billion in this project. This investment, we learned has been mainly used for the design of

20 models of vehicles displayed in the Cameroonian capital since last 20 April, in order to allow the population and local authorities to try out *"Star of Africa, the Cameroonian and African brand designed and protected for this purpose"*, confides Lu Fuqing. For a total cost of FCfa 92 billion, the Chinese vehicle assembly pro-

ject in Cameroon follows the signing of an agreement on 11 June 2015 in Yaoundé. It benefits from the law of 2013 encouraging private investment in Cameroon, which grants fiscal and customs exonerations to companies for a period of 5 to 10 years, during installation as well as production phases.

MINING

Canada launches programme to strengthen transparency of mining sector in 4 African countries, including Cameroon



FCfa 8 billion. This is the envelope that Canada will release over the next five years, within the framework of the Programme to Improve Surveillance of Extractive Industries in Sub-Saharan Francophone Africa (Programme d'Amélioration de la Surveillance des Industries Extractives en Afrique francophone subsaharienne - PASIE), officially launched on 17 April in Mali. In addition to Mali, the other beneficiary African countries are Cameroon, Burkina Faso and Madagascar, we

learned officially. According to the initiators of this programme, *"PASIE is a 5-year regional initiative which has as its goal to improve governance, transparency and accountability in the extractive industry in sub-Saharan Francophone Africa, in order to contribute to a better sustainable economic growth in the countries concerned"*. The countries targeted are all lands rich in ores, but whose resources derived from the subsoil do not yet contribute effectively to the econom-

ic development of the said nations. In Cameroon, for example, country holding world class ore deposits, mining activity, still artisanal, to date only contributes 1% of GDP. Gold, which is the most exploited ore until now, is subject to illicit trafficking. To the point where, according to official statistics, about 90% of national production, estimated at 100 tons, is generally sold in informal sectors.

CONSTRUCTION

Cameroon moving towards production capacity of cement of 7.2 million tons per year

The production of cement in Cameroon will be increased tenfold from the year 2018. Indeed, to the 4.2 million tons of actual capacity (1.6 million tons for CIMENCAM, 1.5 million for Dangote, 500,000 tons for CIMAFA and 600,000 for MEDCEM), the different producers in the country envisage adding 3 million additional tons, either through extensions to plants, or construction of new production units.

It is so for Dangote Cement Cameroon, which aims from this year to construct its second production unit in the country in Yaoundé, the capital, with a capacity of 1.5 million tons. CIMENCAM, Cameroonian subsidiary of Lafarge-Holcim, announces on its part the assembly of a new production unit of 500,000 tons in the area of Nomayos, near to Yaoundé; while Moroccan CIMAFA, hopes to raise its actual production of 500,000 tons to 1.5 million tons from now to 2018, by extending its plant in Douala.

With these new offers, the productive capacity of Cameroon will peak at 7.2 million tons (against estimated demand of 3 million tons, projected at 8 million tons in 2020 according to the Ministry of Industry), against 1.6 million tons of CIMENCAM, from before 2014, year in which the monopoly of this company in the Cameroonian cement market ended, due to the start of operations of the Moroccan cement plant CIMAFA. This was in the first quarter of 2014. Incidentally, this announced increase in cement production in Cameroon will it lead to the decrease in prices



that the population has been waiting for since the liberalisation in the sector three years ago?

The question is all the more worrying that in spite of the opening of three new production plants recorded in the country between 2014 and 2016, a situation which allowed local production to increase four-fold then, the price of a 50kg bag of cement only experienced a slight decrease; going from FCfa 5000 before to FCfa 4500 on average. Openly accused of colluding on prices during a meeting at the Ministry of Commerce, in October 2015, the producers mentioned the unavailability of clinker in the country and subsequent imports of this base material, to justify the actual level of prices.

In order to resolve this equation

of the price of cement on the Cameroonian market, Dangote Cement, we learned from internal sources of this company, has its eye on the operation of the Mintom limestone deposit, in the South region, in order to be able to produce clinker locally and cause a substantial decrease in the price of cement on the market. But, we learn from reliable sources, the zeal of this cement manufacturer has been held back by the flooding of almost 70% of the deposit in question by the waters of the river Dja. This makes the operation of the deposit, whose potential is estimated at 540 million m³ by the Institute of Geological and Mining Research (Institut de Recherches Géologiques et Minières - IRGM), even more difficult.

Olembé stadium, with a capacity of 60,000 places, will be constructed of prefabricated materials, according to Italian company Piccini



Installed since March 2016 on the site of the future Olembé stadium, located in the suburbs of Yaoundé, the Cameroonian capital, Italian company Piccini has a delay of one year on the construction works of this 60-place sports infrastructure. In order to make up for this delay that the company attributes to “red tape”, Sam Thamin, director of this

project, confided to the government Quotidien that the infrastructure will be constructed in prefabricated materials.

“This implies that prefabricated parts will be imported to be installed directly on the site, instead of constructing everything locally. It will also be necessary to hire vessels to transport everything to Cameroon.”

In short, we will take steps to make up for the delays that are urgent”, he claimed. For an investment amount of FCfa 163 billion, Olembé stadium is expected to host the matches of AfCON 2019 that Cameroon will organise. It is co-financed by the Italian bank Intesa San Paolo and the Cameroonian state.

HCR builds 16 classrooms in East Cameroon, for Central African refugees to attend school

The representative of the United Nations High Commission for Refugees (HCR) in Cameroon, Lazare-Etien Kouassi, has just transferred a batch of 16 classrooms to schools in East Cameroon. This infrastructure, we learn, will allow Central African refugees, whose education level is very weak to attend school, the UN organisation noted.

While transferring these classrooms, the representative of the UN organisation in Cameroon was listed a litany of other problems whose resolution would allow a better quality of care for the Central African refugees received in the East Cameroon region.

It is a question, we learned, of insufficient school infrastructure, a glaring

shortage of teachers and teaching materials, as well as the incapacity of parents of students to pay their children’s school fees, children who for the most part arrived in Cameroon after the clashes following the overthrow of ex-Central African President François Bozizé. That was in March 2013.

TRANSPORTATION

Chinese ZPMC delivers a latest generation gantry crane to port of Douala

Chinese company ZPMC, world leader in the construction of port heavy-lifting equipment, has just delivered a latest generation gantry crane to the port of Douala, the main port infrastructure of Cameroon, the Autonomous Port of Douala (Port Autonome de Douala - PAD), the public company charged with the management of this port, announced officially.

With this new acquisition financed by Douala International Terminal (DIT), the operating company of

the container terminal, the port of Douala now has three gantry cranes. Although acquired by DIT, these equipment which cost the sum of FCfa 5.5 billion are the assets of the port of Douala, according to the concession agreement signed between DIT and the State of Cameroon, we learn.

According to the management of PAD, the arrival of this new gantry crane marks *"the strengthening of the port of Douala to the port and maritime challenges for decades to*

come". Indeed, we learn, the gantry crane that has just been received in the Cameroonian economic capital is capable of handling full containers, unloading as well as loading, thus doubling productive efficiency. Furthermore, this equipment is, according to experts in port matters, capable of going to containers that are further up in the ship (15 row against 13 for current gantry cranes), has a lifting capacity of 45 tons against 40 tons for others, and allows more rapid manoeuvring.

Minister Mefiro Oumarou loses position of Camair Co Chairman of the Board in favour of Louis Georges Njipendi Kouotou

Mefiro Oumarou, Deputy Minister of Transport, has lost his position as Chairman of the Board (COB) of Camair Co, the Cameroonian public airline company, at the end of an extraordinary meeting held on 24 April 2017.

Shortly after the end of this session of the Board meeting, whose only agenda item was "government communication" already suggesting an important decision, a decree from the Head of State came to confirm the appointment to this position of the Principal Civil Administrator Louis Georges Njipendi Kouotou, in service at the presidency of the Republic. The Managing Director of Camair Co, Ernest Dikoum, maintains his position, although many sources had predicted his departure



before this board meeting was held. Ernest Dikoum, according to our sources, got away rather well, not only for having been reappointed to his position, but also for having seen the COB, with whom he was not at all in favour, leave.

"I take this opportunity to express the gratitude of the government to

the outgoing Chairman of the Board, Minister Mefiro Oumarou, and to remind him that even though no longer COB, he remains tied to Camair Co", the Minister of Transport, Edgard Alain Mebe Ngo'o, whose relations with the ex-COB of Camair Co are not very cordial, confided at the end of the meeting.

ENERGY

South Africa confirms interest of its investors in Cameroonian energy sector

The South African High Commissioner in Cameroon, Zanele Makina, announced after a meeting at the Ministry of Energy and Water, that investors from her country are interested in the Cameroonian energy sector.

According to her, these South African investors, in partnership with a lead-

ing Indian firm in the energy sector, are mainly focusing on the production of electricity and transmission of electric energy activities.

The energy sector in Cameroon, currently controlled by British investors (ENEO) increasingly being challenged by the French (EDF for the Natchigal dam and RTE International which

supports the operation of Sonatrel), is attracting more and more investors. Indeed, a few days before the South African High Commissioner, it was her colleague from Canada who proposed the services of Canadian companies in the energy sector to Cameroon.

Canada ogles activity of transmission of electricity in Cameroon

René Crémonese, Canadian High Commissioner to Cameroon, expressed the wish last 21 April to the Cameroonian Minister of Energy and Water, Basile Atangana Kouna, of Canadian companies to be able to bid for contracts in the sector of energy transmission in the country. *"Canada has major transmission lines. We have a country which is huge and we have the experience. Here, there are existing lines which were constructed by Canadian companies twenty years ago. We have great experience in the field of electricity"*, he explained.

Indeed, after the recent creation of the Société Nationale de Transport de l'Électricité (Sonatrel - National Electricity Transmission Company), Cameroon is undertaking a vast programme of upgrading its transmission network. In order to do this, the country has just benefited from financial assistance of about FCfa 200 billion granted by the World Bank, to implement this programme, whose overall budget is estimated at nearly FCfa 900 billion.

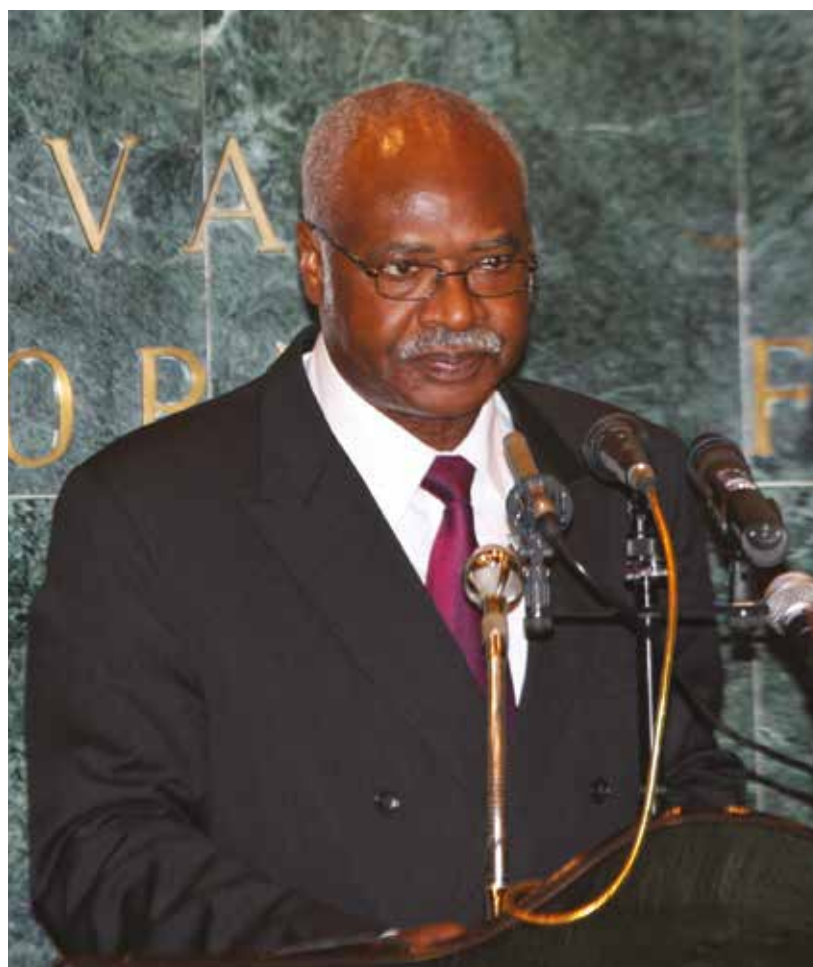


ITC & TELECOM

PM partially settles dispute between Minpostel and ART on granting licences to telecom companies

On 6 April 2017, Cameroonian Prime Minister, Philémon Yang, signed a decree fixing the “*procedures for establishing or operating networks and providing electronic communication services subject to a licencing scheme*”. It is once again reiterated that operating licences are issued by the Minister in charge of Telecommunications, on a proposal from the Regulatory Agency. This government text thus seems to vindicate the Minister of Post and Telecommunication, Minette Libom Li Likeng, who, since a newsworthy appearance on 21 October 2016, criticised the Telecommunications Regulatory Authority (Agence de Régulation des Télécommunications - ART), for illegally granting itself the issuance of “*temporary permits*” to telecom companies subject to licencing.

In a communiqué published in January 2017, the boss of Telecoms gave operators holding “*temporary permits*” issued by ART up to last 14 February to comply with the law, at the risk of losing their right to do business on Cameroonian territory. According to our sources, 22 operators are concerned by this warning from the Minister Libom Li Likeng, namely Créolink, Ringo Sarl, Northwave Sarl (Vodafone), Global Solutions Technologies, CFAO Technologies, Digitel Sarl, Decsite Africa Sarl, GTS Infotel, Green Tech, Avilyos, TNT Africa, Afrikanet Online, Matrix Telecom, Easynet SA, Seme Telecom, Sphere 3i, HTT Telecom, etc. More than a month after the deadline fixed by the Minister of Post



and Telecommunications expired for these operators (14 February 2017), we learn, the decree signed on 6 April by the Prime Minister grants a new extension of 6 months to allow these companies to comply with current regulation.

Unfortunately, as is the case before the reform of 2010, the new government text once again remains silent

on the amount of the fee to be paid to the State by telecoms operators subject to licencing. It is into this gap that ART stepped, when the fee with collection methods and amount unknown until now, and started to issue “*temporary permits*” to operators disregarding regulatory measures.

World Bank offers Cameroonian start-ups possibility of benefiting from incubation programme of 5 months

From 12 June 2017, the sponsors of start-ups in Cameroon can go on the website www.XL-Africa.com, in order to apply to the incubation programme of the most promising African start-ups that the World Bank has just launched. Under this initiative, the sponsors of 20 start-ups selected on the African continent will benefit from 5-months training

including theoretical and practical lessons in business management. They will furthermore benefit from support aimed at improving their regional visibility, and will have access to potential business partners and investors.

Called XL Africa, the above-mentioned incubation programme is, we learn, supported by major African

investment companies. According to Klaus Tilmes, Director of the Trade & Competitiveness Global Practice department in the World Bank, this initiative aims to put *"the focus on the growing digital economy of the continent, in exploring and supporting the most innovative technological start-ups"*.

Administrative delays block commencement date of portability of mobile numbers in Cameroon

First announced for the month of November 2016, then for 4 April 2017 by the Regulator of the telecommunications sector in Cameroon, the portability of numbers is still not effective to date. Yet, it concerns a measure that would allow service quality to subscribers to be improved, in so far as portability enables a subscriber dissatisfied with the quality of service offered by its original operator to migrate to a competitor deemed better, without having to change telephone number. According to the government daily, which cites a source in the Technical Committee implementing portability, *"the absence of a framework of regulatory texts of this activity is a major difficulty which remains at this stage"*. On the technical level, we learn, the different telephone operators are ready at this time, in spite of delays observed in the deadline of 4 April in the training of their personnel or even in updating databases. This project had passed a decisive stage on 31 January 2017 in Yaoundé, the Cameroonian capital, with the



launch of activities of the Group of economic interest for the management of mobile portability in Cameroon (Groupement d'Intérêt Économique pour la Gestion de la Portabilité Mobile au Cameroun - GIE-PMC), made up of the operators MTN, Orange and Nexttel. These three operators have been invited to invest a sum of FCfa 1.5 billion in the installation of a cen-

tralised database, in order to manage portability of mobile numbers in Cameroon. Since 2015, the contract for the provision, installation and operation of this infrastructure has been awarded by the Telecoms Regulator to Chinese equipment manufacturer Huawei. The time-frame of work had been limited to seven months.

SERVICES

Indebted and in decline in France, clothes retailer Camaïeu attempts to position itself in Cameroon

On 14 April 2017, the French clothing retailer Camaïeu opened a shop in Douala, the Cameroonian economic capital, under a franchise model, reveals the newspaper Le Parisien. Camaïeu benefits from a partnership with Mecure International, within the framework of this expansion into Cameroon, we learn.

“The African market represents a real opportunity with a young local population, displaying a big appe-

tite for French fashion. New shop openings are already planned on the (African, editor's note) continent under this partnership, notably in Tunisia during May”, Miguel Vazquez, International Director of Camaïeu, commented in an official communiqué.

According to Le Parisien, the expansion into Cameroon and Africa of this well “indebted” French group takes place in the context marked by “a disaffection for French fashion,

against a backdrop of increased competition, which pushes the actors to find new growth drivers”. Camaïeu boasts a network of 250 shops in 15 countries. The arrival in Cameroon of this operator could further fragilize Cotonnière Industrielle du Cameroun (CICAM), the largest producer of textile goods in the country, which is already suffering enormously due to the competition of imported goods from China and Nigeria.

FNAC opens its first shop in Cameroon in the city of Douala, on 26 April 2017



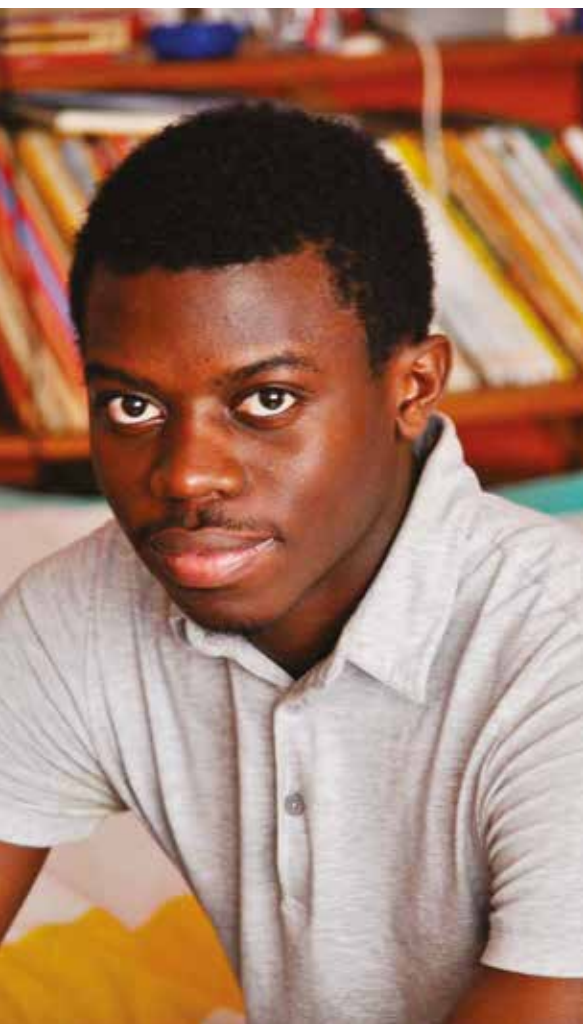
FNAC, the famous French brand specialised in sale of digital products and other books, opened its first shop in Cameroon, on 26 April 2017 in Douala, reveals the internet site ITR news.com, presented as being “the first daily of the digital markets”. Next June, FNAC will also open up in Congo.

“Cameroon and Congo are two major francophone countries where the FNAC brand is recognised, appreciated and expected. Consumption is strongly increasing there, with a marked appetite for technical and editorial products”, highlights FNAC to justify opening stores in these two Central African countries.

The FNAC shop in Douala covering an area of 480 m², is in the Kadji Square shopping mall. It will propose products as varied as books, records, DVDs, gaming, micro computers, telephones, connected devices, sound, photo, TV, games/toys, etc. the shop will create 11 jobs, we learn.

LEADER OF THE MONTH

William Elong wants to manufacture the first drones made in Cameroon



Will & Brothers developed the application DroneAfrica which offers the "very first civilian drone service" in Cameroon.

The Cameroonian start-up Will and Brothers just successfully raised USD 200,000 in funding (approximately FCfa 124 million), at the end of a fundraising operation whose initial needs were of USD 300,000 (just

over FCfa 185 million), we officially learned. The details of this operation were not disclosed.

However, according to William Elong, sponsor of this start-up specialised in economic intelligence and technological innovation, the funds thus raised will enable the implementation of a project to manufacture drones in Cameroon. To achieve this, we are informed, Will & Brothers who moved to new premises in the economic capital of Cameroon, recruited some personnel; its staff went from "four to 22 people from four nationalities spread over two continents".

"Too often, young people have launched ideas, created a buzz and then disappeared. We want to inspire other young people and motivate them by telling them that we have not abandoned anything. The end of the tunnel is close and we certainly will put our country on the map of drone manufacturers in the world", confided William Elong who plans to complete his new project "as soon as possible".

As a reminder, Will & Brothers developed the application DroneAfrica which offers the "very first civilian drone service" in Cameroon. Through this application, a drone equipped with a miniaturised camera can be remotely piloted, to capture new images over large perimeters.

According to its sponsor, beyond the entertaining sensation it procures at first, the DroneAfrica concept brings about a revolution in many other aspects. This is the case for tourism promotion, particularly through capturing new images; creating at reduced costs, maps for mining and

urban development projects; more efficient coverage of large-scale events such as fairs, cultural shows or football competitions; collecting images in disaster areas or simply difficult to reach, etc.

According to its sponsor, beyond the entertaining sensation it procures at first, the DroneAfrica concept brings about a revolution in many other aspects.

This discovery earned young William Elong, 24 years, to figure in the 7th spot of the top 30 of most promising young African entrepreneurs in 2016, a ranking published by the famous American magazine Forbes. Youngest graduate of the Economic Warfare School of Paris at 20, this Cameroonian genius was the first and one of two Central Africans (with Gabonese Mark Doumba, co-founder of Klikafrik Group) in this ranking largely dominated by Kenyans, South Africans and Ghanaians.

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