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Cameroon: The whole point of the debt

Célestin Tawamba: *"I can deplore the low amount of aid from IMF for the CEMAC zone"*

Paul Fokam, China's partner in Africa

Yasmine Bahri-Domon

A bearable debt

Cameroon's public debt is debated by the general public, but also by experts, despite the fact that authorities in charge strongly defend that it is viable for another twenty years, and also in relation to the risk of moderate over-indebtedness of the Cameroonian economy.

Far from being an isolated case, Cameroon like all other member-States of the CEMAC, faces multiple economic issues, inherent to, among others, security challenges, paired with the fall in oil prices. Situations that require from the government to implement bold economic reforms, to restart growth and maintain stability, regardless of the strong tensions on finances. Though it is considered good that Cameroon's debt represent only 30.6% of its GDP, for this debt to make sense and be pertinent, it is very important to invest it in viable economic sectors. In this regard, led by Paul Biya, the government has, in order to improve populations' living standards, started directing investments and loans toward infrastructures, building roads, social housings, and infrastructures for the 2016 and 2019 African Football Cup of Nations, while also improving agriculture and husbandry and health services ; finally, there is the fight against terrorism at borders. Over the years, though the public debt has increased, it has only as a result of the ambitions of the government to develop its infrastructures. Now, what is left is for this debt to be well managed and for projects to be well developed.

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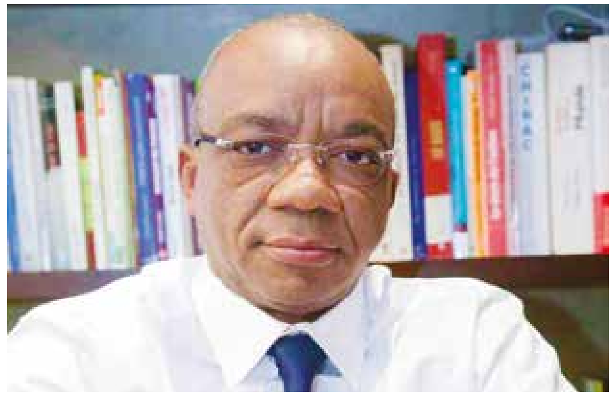

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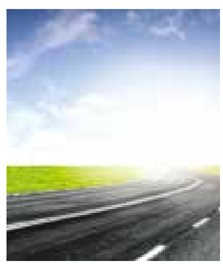
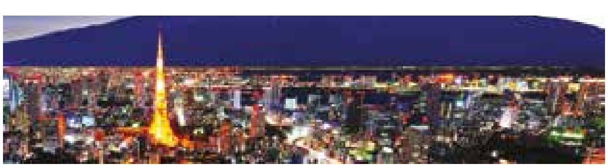
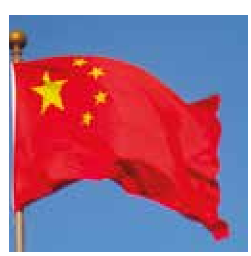







THE CAST

CATHERINE BILONG

On October 4, 2017, Dr Catherine Bilong, head of the biochemistry department at the Centre Pasteur in Cameroon, was officially notified of her selection in the French academy of Pharmacy, thus becoming the first Central African native admitted in the institution. With a PhD in Pharmacy, the new elect has 29 years of expertise in her domain.

Dr Bilong, 57, who is also a lecturer at the faculty of medicine and biomedical sciences (FMSB) at the Catholic University of Central Africa (UCAC), in Yaoundé, will officially get into the academy on December 20, 2017, in Paris. She was a consultant of the African Union, in the framework of the upgrading of clinical biology laboratory of the pan-African institution in Addis Ababa, Ethiopia.

ME AKÉRÉ MUNA

"Following my candidacy's announcement, I give up on my position as president of Ecobank's board of administration. I wish to avoid all conflict of interest and protect the bank from my decision to take part to the 2018 presidential election. I also plan to revise all my international commitments, to also avoid any conflict of interest," M. Akéré Muna said in an official statement.

Indeed, in October last year, this famous Cameroonian lawyer, who handled many cases for the State and also advised of the Head of State at times, had decided to run for the presidency. This, after his older brother, Bernard Muna, who also ran for the position in 2011. Former President of Cameroon's Bar Association, *"M. Akéré Muna is the son of Solomon Tandeng Muna, one of the main actors of the reunification of the English and French regions of Cameroon"*.

JEAN PAUL MISSI

Just like in the case of traditional banks, the reimbursement of loans provided by the Crédit foncier du Cameroun (CFC), the Housing bank, is quite problematic. "*Unfortunately, clients don't understand the importance of loan's repayment*", deplored Jean Paul Missi, managing director of the bank, during a training workshop of his team by experts of the COBAC, the regulatory body of CEMAC's banking sector.
Truly, this impairs the activities of Crédit foncier du Cameroun in the way that, M. Missi indicated, *"When a client does not reimburse a loan, it is hard to grant a new loan to another client. It is also hard to effectively apply the social housing policy"*. In its 37 years of existence, CFC has granted CFA261 million of loans, allowing the construction of 69,500 housing units and the development of more than 15,700 building plots.

JOËL EMBIID

On October 10, 2017, as he was renewing his NBA contract with the Philadelphia Sixers, the Cameroonian basketball player, Joël Embiid shared a thought for his mother, as it was her birthday, for his deceased brother Arthur, in whose memory he decided to succeed as a Basket-Ball player; but also for his country, Cameroon.
According to The Inquirer, the 76ers' player plans to inject a major portion of his earnings, under his 5-year new contract (which is valued at $148 million or CFA82 billion), in the Foundation that his parents manage in Cameroon. *"Over there, there's a lot of poverty"*, he said to the news website. *"A lot of people don't have a lot of stuff (...) I feel like I need to do a lot of stuff over there"*, he said after the extension of his contract.

CYRUS NGO'O

On October 6, 2017, the board of administration of the Douala autonomous port (PAD), the State-owned firm in charge of managing the Cameroonian capital's port, has entitled the institution's managing director, Cyrus Ngo'o, *"to discuss with banking institutions and other certified entities for a financing plan to meet the company's short term treasury needs and major investments"*, an official statement revealed. Even the amount of funds sought, or even the type of investments to make, were not disclosed, internal sources at the PAD indicated that one of most important projects currently being revised by the public firm is that for the disposal of shipwrecks choking the port where 98% of Cameroon's import-export activities are officially undertaken.

ALAMINE OUSMANE MEY

From October 3 to 6, 2017, members of the international secretary for the extractive industries transparency initiative (EITI) sojourned in Cameroon to review efforts made by the country since it entered the group of countries conforming to the initiative, in 2013. *"Validation is a key component of the EITI process in a country. It is designed to provide all involved parties an impartial conformity assessment regarding the implementation of the initiative's standards,"* said Alamine Ousmane Mey, president of national committee in charge of monitoring EITI's implementation. Cameroon, it should be recalled, joined he initiative for transparency in extractive industries in March 2005 and was declared conform to its standards on October 17, 2013. EITI results from the will to democratize information related to mineral resources' exploitation.

Cameroon: Looking at public debt from all angles

Cameroon's public debt has become a major hindrance to its cooperation with the international community. In the country, the issue, though complex, is discussed almost everywhere, from high-class lounges to spheres of power as well as in small drinking spots.

It is actually the subject that everyone is interested in all over the country, especially since Cameroon benefited from IMF's debt relief under its Highly Indebted Poor Countries (HIPC) Initiative launched in 2006. The initiative has allowed the Central African nation to exit a long and difficult structural adaptation programme, resulting from an unbearable debt.

However, beyond this interest of Cameroonians and Cameroon's partners in the public debt, the country's level of indebtedness is quite worrisome. Not because of its origin, nor because of its size which up till now was unbearable, as public authorities claim; but rather because of the huge amount of available funds that the nation fails to capitalize.

This edition of your magazine will shed light on this issue, looking at Cameroon's public debt. In addition to this, this edition will, based on recent official statistics, try to decipher the origins of this debt which emerged too rapidly according to some, and which is too dangerous according to others and too opportune for others.

Brice R. Mbodiam

A *"viable"* debt valued at FCFA5,464 billion at June 30, 2017

In its note on the economic situation for October, the Autonomous Amortization Fund (CAA), public entity in charge of managing Cameroon's public debt, declared that as at June 30, 2017, *"Cameroon's debt remains viable with a moderate risk of over-indebtedness"*.
According to the same source, the country's State-guaranteed public outstanding debt, over the period considered, stands at FCFA5,464 billion, thus 30.6% of the GDP. This is far below the 70% indebtedness cap prescribed under the convergence standards of the six member States of the Central African Economic and Monetary Community (CEMAC), of whom Cameroon is the economic driver.
In detail, according to the CAA, at the end of the second quarter of 2017, 78.3% of Cameroon's public debt was denominated in foreign currency while the remaining 21.7% was in local currency. Even if this *"somehow constitutes a currency risk"*, the public debt's manager indicates that *"the Euro-denominated debt, which makes more than 26% of the concerned debt portfolio, cushions this risk as a result of the fixed parity between the CFA franc and the Euro"*.
Moreover, the same source reveals, the part of the public debt secured at a variable interest rate now represents 22.8% of the total, against 18% a year before, thus translating a slight rise of the interest risk rate. *"However, this risk is still contained"*, the CAA indicates.

China, Cameroon's leading lender with 67% of the bilateral debt

In a bilateral aspect, the Cameroonian public debt was valued at the end of June 2017, at CFA2,033.2 billion. This is a 2.1% quarterly increase and a 13.8% rise year-to-year, attributed to two lenders mostly. These are China (3% quarterly increase and +14.5% year-to-year) and France (1.5% quarterly increase and +17.4% year-to-year). *"China is leading at the bilateral level with an outstanding CFA1,375.9 billion or 67.7% of the bilateral debt corresponding to 34.4% of the outstanding external debt,"* Cameroon's amortization fund highlights.
France follows the middle empire with CFA542.9 billion (13.6% of external debt and 26.7% of bilateral debt). According to the fund, this is partly due to the outstanding debt falling under the debt reduction-development contract (C2D).

Despite subsidies reaching 1% of the GDP, public companies are still highly indebted

In a document entitled *"Unlocking Cameroon's growth potential"* in which he mentions ways to help Cameroon get out of the crisis which it currently experiences, due to the fall in commodity prices, the deputy managing director of the International Monetary Fund (IMF), Mitsuhiro Furusawa, said that many Cameroonian public companies *"are struggling under heavy debt and falling into arrears"*. According to him, *"improvements in financial reporting and enhanced oversight of company management will help protect the government against contingent liabilities from these enterprises"*.

Mitsuhiro Furusawa said that many Cameroonian public companies *"are struggling under heavy debt and falling into arrears"*.

Truly, a common practice in the country is for the State, which is quite credible on capital markets, to guarantee loans taken by all 127 companies and public administrative institutions falling within its portfolio. It is therefore not uncommon for the State, through various mechanisms, to end up settling debts contracted by public firms when the latter are unable to.

The most obvious example, in the past years, being the continuous payment since 2011, by the Public Treasury, of debts claimed by suppliers of Camair Co, as the airline is 100% controlled by the State. The carrier's debt was officially valued at about CFA35 billion.

This way to rely on the public treasury to aid firms that should normally pay dividends to their majority shareholder and which also, have a reputation of *"performing poorly"*, according to a report released by the IMF in 2013, hampers the country's public finances, especially in the actual context which is marked by a persistent decrease of public revenues.

Well, on February 25, 2016, in Yaoundé, Elung Paul Ché, had already noted, during a cabinet council, that the *"rising debt"* of these firms *"could in the medium term, represent a risk for the State budget"*. The delegate minister to the Finance minister had been invited to give an exposé on *"performance in the management"* of State companies, during the event. *"To be more efficient, the companies should less resort to subsidies from the State budget, and expand their means of financing, by turning to new instruments such as non-sovereign loans provided by development partners or private banks,"* Elung Paul Ché had said in his exposé.

According to IMF's deputy managing director, these subsidies allocated by the Cameroonian State to public companies, *"make about 1% of the GDP"* of the nation. Recalling that IMF estimated in 2015 Cameron's GDP at about CFA15,000 billion, the volume of subsidies allocated by the State to these firms can be valued at around CFA150 billion, which is more than the CFA110 billion invested in the construction of the second Wouri bridge, in Douala, an infrastructure that was demanded by economic operators for years.

Brice R. Mbodiam

The puzzle of undisbursed secured loans

So far, loans secured by the government from international and national lenders but not disbursed have reached an astounding CFA5,142 billion (about $9.3 billion), and that was at the first semester of 2017. This volume of unused funds corresponds to 150% of the 2017 budget of CEMAC's powerhouse (CFA4,373 billion) and is three and half times the size of public expenditures planned by the country this year (CFA1,500 billion).
According to the autonomous amortization fund (CAA), Cameroon's public debt manager, which released these statistics in its latest report on Cameroon's indebtedness level, this paradox, for a country that very much needs liquidities, results from two main factors. First is the fact that most projects which are to be financed by the loans never reach maturity. Next, the CAA indicates, is the fact that Cameroonian authorities have a limited knowledge of disbursement procedures put in place by the lenders as these procedures are deemed too complex and many.

This underutilization of loans causes *"funds mobilized for projects to be more costly, through the increase of charges such as management commissions which are paid over a longer period, as well as commitment commissions which are higher, since these are proportional to the amount of non-disbursed loans"*, said Dieudoné Evou Mekou, former managing director of the CAA (now Vice Governor of the BEAC, the CEMAC's central bank). This was during an interview published in the Quotidien gouverne-

Loans secured by the government from international and national lenders but not disbursed have reached an astounding CFA5,142 billion (about $9.3 billion), and that was at the first semester of 2017.

mental in September 2015. At the time, overall available funds, but not disbursed by the Cameroonian State, stood at CFA2,800 billion. Since then, this figure has almost doubled.

4% DISBURSEMENT RATE FOR FUNDS SECURED FROM IDB

According to the CAA's report, these idle loans are comprised at more than 95% of loans granted by international lenders (CFA4,906.4 billion) against CFA236 billion only by local lenders. One of the most "*concerning*" situations, according to Cameroon's minister of economy, Louis Paul Motazé, is that related to the Islamic Development Bank (IDB).
According to the official, the amount that this institution has provided for Cameroon's projects stands at \$925 million or CFA555 billion, for a disbursement rate of 4%.
Once also preoccupying was the disbursement rate of loans taken from the World Bank which stood at 23% in 2016, against 7.5% a year earlier. Still, this performance remains quite insignificant compared to the institution's project portfolio in Cameroon, which is officially valued at \$1.4 billion or close to CFA840 billion.

"Our investigations have shown that this underperformance is due to the non-respect of execution delays for projects and long delays in meeting prior requirements for initial loan provision".

In Africa, Cameroon is not the only nation to experience the same challenge, knowingly the underutilization of loans. In Benin for example, the same issue stands, even if the country's disbursement rates are less significant than Cameroon's. A study entitled *"Analysis of external resources consumption in Benin"*, carried out at the faculty of economic sciences and management of the University of Abomey-Calavi, revealed that during 2006-2011, *"average disbursement rate represented 57.20% of projections, while these rates compared to transmitted demands represented on average 77.40% over the same period. Our investigations have shown that this underperformance is due to the non-respect of execution delays for projects and long delays in meeting prior requirements for initial loan provision"*.

TACKLING MAJOR OBSTACLES

Things look much better in Côte d'Ivoire. According to a report by the Direction de la dette publique et des dons du ministère de l'Economie et des Finances of West Africa's second largest economy (after Nigeria), for the first quarter of 2017, at the end of March, *"drawdowns on loans for projects, based on disbursement notifications from lenders"*, stood at 77.6% for multilateral lenders, of which 69.2% for the World Bank to be exact.
To end the issue of under-consumption of loans, which hampers the development of Cameroon's economy, especially amid a drop in public revenues, subsequent to the effective implementation the EU-Cameroon economic partnership agreement, and an increase in security spending due to the fight against Boko Haram ; the CAA with the financial and technical support of the World Bank, has drawn a *"manual of simplified procedures for State projects"*, and also established an *"integrated system for disbursement's management (Siged)"*.

Officially introduced to potential users on September 3, 2015, in Yaoundé, this new tool, according to the World Bank, will in the medium term, help "*tackle the major challenges related to low disbursement rates of funds allocated as external aid, to carry out investment and development projects*" in Cameroon. In the meantime, in addition to charges such as management and commitment fees, to which these funds are pegged, Cameroon still pays enormous interest rates on these loans, without even having disbursed them.

Brice R. Mbodiam

Why does Cameroon's debt increase so rapidly…

CFA5,464 billion, or 30.6% of the country's gross domestic product (GDP). According to the Autonomous Amortization Fund (CAA), that was the value of Cameroon's outstanding public debt at the first semester of 2017. In sight of this figure, Cameroon can, still secure loans amounting to 40% of its GDP to reach the 70% cap allowed in the CEMAC. It is based on this that Cameroonian authorities, despite the concerns of the International Monetary Fund (IMF), maintained that this level of indebtedness is still bearable. An assurance which is backed by the B/B with stable outlook ratings given by the U.S. ratings agency Standard & Poor's (S&P) since two years. In fact, in its latest forecasts for Cameroon, released on October 13, 2017, the agency said *"public debt will reach 33% of GDP by the end of 2020, and interest rates to be paid by the government will be around 5.5% of public revenues over the same period"*. However, despite this level of indebtedness which is deemed too rapid for some lenders, S&P maintains that the *"the real GDP growth will average 4.6% in 2017-2020, driven by the implementation of large infrastructure projects such as the Kribi deep-water port, the Lom Pangar power station, and various dam and road projects"*. There they are, the infrastructure projects.

Indeed, since 2012, the Cameroonian government has started constructing many infrastructures, in the framework of its *"greater achievements"* programme which aims to develop major structuring projects all over the territory. It was in this regard that were successively launched the construction projects for the Lom Pangar, Memvé'élé and Mékin dams; the second Wouri bridge and the East and West entries of Douala, which were being demanded for years by economic operators ; or even the Kribi deep-water port, which currently has the largest drought of all the West African coast.

MOTORWAYS, 2019 AFCON, PLANUT…

All these infrastructures were financed via loans from international lenders like the African Development Bank, the World Bank, the French Development Agency, the European Investment Bank, the Development Bank of Central African States, or Eximbank China which has become Cameroon's leading fund provider for infrastructure projects.

Still in order to develop its infrastructures, Cameroon has started the construction, simultaneously, of two motorways. The first, with a length of 20km, will connect the Nsimalen airport to the capital. The second, with a length of 250 km will link Yaoundé and Douala, the country's two main cities. Funding for the first 60 km of the latter was provided by Eximbank China.

The Sangmélima-Ouesso (Cameroon-Congo), or the Bamenda-Enugu (Cameroon-Nigeria), cross-border roads which are still under construction, also required external funding. These projects are aimed at improving trade with neighboring countries. Since 2015, in a bid to accelerate the quite slow implementation of its Strategy for growth and employment (Dsce), the Cameroonian government has launched the three-year emergency plan (Planut), with an initial financing of nearly CFA1,000 billion.

The rise of Cameroon's public debt over the recent years results from the country's efforts to develop infrastructures.

A motorway, with a length of 250 km will link Yaoundé and Douala, the country's two main cities.

CFA1,145 BILLION OF BORROWING NEEDS IN 2017

Revolving around the construction of roads, social housings, the development of agriculture, animal husbandry and the improvement of health services in the country, the Planut relies only on foreign loans. Just like the infrastructures associated with the organization of the 2016 and 2019 AFCONs by Cameroon.

Therefore, the rise of Cameroon's public debt over the recent years results from the country's efforts to develop infrastructures. These efforts, according to Issac Tamba, managing director of economy and public investment planning at the ministry of economy, planning and land development (Minepat), will continue until 2019.

This, amid challenges such as the conflict with Boko Haram which gulps on a daily basis, or almost, significant financial resources; the implementation of EPAs, which reduce customs and taxes revenues; or even the drop in global prices of commodities. This situation greatly affects public treasury and gives the government no choice but to borrow.

In fact, according to the minister of finances, Alamine Ousmane Mey, Cameroon's borrowing needs for 2017 are estimated at CFA1,145 billion, or more than 25% of the budget for the whole year. In order to grant some flexibility to the public treasury, which must not be restricted by debt servicing, these loans are preferably contracted from lenders providing them at concessional interest rates, but also with long reimbursement deadlines (beyond 10 years).

Brice R. Mbodiam

Célestin Tawamba: *"Transportation and sales of our products in the Far North and Chad, Nigeria or Sudan as at now constitute a real challenge"*

Elected on June 29, 2017, the new president of Cameroon's inter-patronal association (GICAM) provides here a step-review and also his perception of the national economy, after his first 100 days at the head of the country's most important employers' organization.

Mr President, what was it like for you, these 100 days at the head of the GICAM?
Truth is we have not actually counted the days! But if really it is as you say and we have passed 100 days, well, time flies by. In all modesty, we believe we have invested all our efforts, since the beginning of our mandate, in implementing a programme and an action plan that were much approved by our members. Some actions were greatly echoed in the general public, for example that for the partial reimbursement of the debt that the State owes companies or even that concerning our opinions on the Cameroonian economy, taxes, business environment or even the relationship with the IMF.
Others however, are less newsworthy, though very important, such as that for the implementation of institutional reforms within the GICAM, brainstorming and suggestions concerning the next budget, the implementation of a development-focused tax system, and the production of a white paper of the Cameroonian economy. We are also focusing on insuring the unity of employers, in addition to improving relations between the public and private sectors. These first days held great promises regarding the concretization of our commitments. Regardless, it is to our members that we must provide a detailed report to get feedback, which is their concerns and suggestions.

Célestin Tawamba, president of Cameroon's inter-patronal association (GICAM): *"we are expecting from the government to have more transparent interactions with the employers' representation, to help businesses become more competitive, and to better protect the local industry."*

Among the various subjects you had to look at, there is the implementation of the second phase of the economic partnership agreement (EPA) which binds Cameroon to the European Union (EU). In effect, so far, how is it really impacting our economy, in general, and firms' performances in particular?
It is be too early to assess the impact of the Cameroon-EU EPA. The second phase of cancellation of taxes on European goods occurred on last August 4. This stage does not concern finished products, which are also locally manufactured products, but more production inputs and some equipment. This cancellation resulted in the reduction of costs to import these equipment or input by firms. It is a good progress.
However, it also led to tax losses for the State. As a result, we fear that tax pressure on local companies could be increased, to compensate for the shortcoming. We will however prevent this from happening, in the event it comes to that end.
In any case, companies are not able to benefit from the advantages that EPAs have to offer. In the coming weeks, we plan to have with our members, appropriation and sharing sessions on these agreements, so as to get the best out of them.

Overall, Cameroon's economy is being affected, since three years now, by the drop in prices of commodities and insecurity at borders. This surely impacts the private sector's performances…
It is no secret that the State is the country's first economic operator and also that many enterprises, most of which are SMEs, are its favored partners. These businesses are directly affected by the drastic slump in the State's treasury, driven by the drop in revenues from commodities: accumulation of debts from non-payment of services and delays in VAT loans repayment, less public contracts and outsourcing, lower foreign exchange reserves and significant increase in fiscal controls, for more tax revenues, among others.
Moreover, there is also the issue of persisting insecurity at our borders, particularly in the northern and eastern parts of the country. It causes major losses for businesses as the latter lose significant market shares both in the country and the region. Transportation and sales of our products in the Far North and Chad, Nigeria or Sudan as at now constitute a real challenge, subsequently causing major losses. Insecurity in Central Africa deprives Cameroonian firms of significant market shares.
To this, obviously add the consequences of the slowdown of economic activities in the South West and North West regions of our country. All these give rise to a gloomy environment which affects Cameroon's private sector. For now, it is not possible to estimate exact figures corresponding to losses resulting from these security crises, however GICAM will provide a review of Cameroon's economic situation, according to the private sector.

Recently, the GICAM expressed itself concerning the re-adoption of the three-year economic and

financial programme concluded between Cameroon and the IMF, 11 years after was abandoned…
Indeed, we have discovered that mobilizing funds from the IMF, again, suggests that not enough lessons were learnt from the previous programme, and also that the new operating margins, resulting from the debt relief that the country benefited from under the heavily indebted poor countries initiative (HIPC), were not used optimally. Adding these to the previously mentioned external crises, there is much reason for concern!
Regarding the reasons for the return of these countries (of the CEMAC) to the IMF, they are well known. They include the drop in oil prices and security issues, which have both drained foreign exchange reserves in the region.
However, what I deplore is the small size of IMF's aid for the whole CEMAC, considering actual challenges, and mostly compared to what it grants other countries in difficulty. Take for example Greece which with a GDP of €180 billion benefited from an aid of €312 billion, thus 173% of this value, for a 0% interest rate ; while the whole CEMAC whose GDP is €70 billion will benefit from a €1.6 billion aid, thus 2.3% of the facility, for a 3.5% interest rate. I let you do the math. I hereby urge more efforts from our partners, to avoid a triple disaster: economic, demographic and security.
Being CEMAC's economic driver, we believe that most of the bilateral and multilateral aid should be directed toward Cameroon. Because, if "Cameroon fares well, CEMAC fares well". And as one of our proverb here says, "if the fat slims, the thin die…" Therefore, aid to Cameroon should be increased, optimized and made more efficient.

Still concerning the three-year economic programme concluded with the IMF, the GICAM deplored the "insufficient implication of the private sector" in the process. By private sector, do you refer to the GICAM itself or to all employers' organizations, knowing that there are dialogue platforms for the private and public sector?
The little implication of the private sector in the elaboration of the government's response as you just recalled, is another issue. Actually, the mere existence of dialogue platforms is no guarantee of the quality of dialogues, if the protagonists do not develop the reflexes needed to foster a frank and sincere dialogue. What more, these platforms are not fully active, in conformity with a complete participation of concerned parties. Thus, we should interrogate ourselves about the efficiency of this private sector platform which, instead of promoting convergence and helping the union, rather sustains division and fragmentation of private sector. The latter must also take its responsibilities, to improve its structure and be more influential.

Should the GICAM's move be rather not seen as one of the weaknesses of the Cameroonian private sector which, though defending its common objectives, hardly speaks of a single voice?
Unity in employers' action is a must, regardless of how diverse we are and also regardless of employers being represented by a single structure or not. This is actually the reason why I recommend employers' unification and why I have launched various initiatives in this framework; In the absence of a united front, we should act as a single entity at least. Moreover, it is quite important for the most imposing and representative entity of the employers' organization to be able to speak, and especially, to be heard.

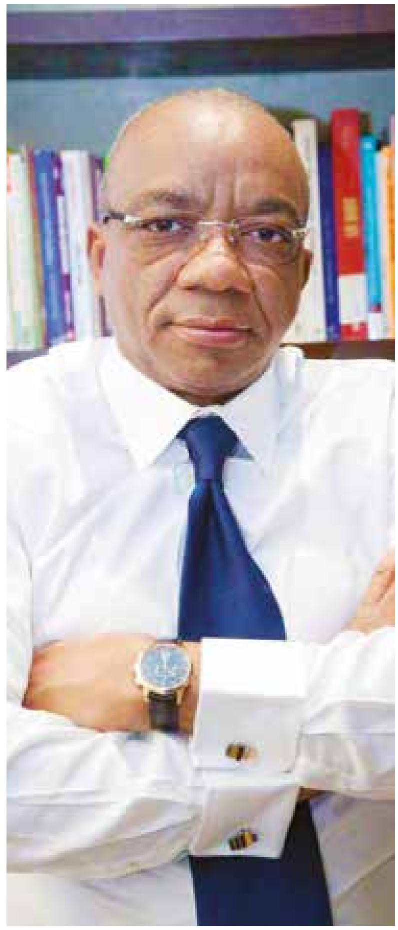
You said you wish to work to put in place a GICAM of "service, action and concrete" results by focusing on these three axes: "Reunification-Reconciliation-Refoundation". How should this be interpreted and which strategy do you intend to use to achieve this goal?
We must regroup around our common interests, which transcend our problems, maybe related to the business size, the sector of activity or to the origin of the capital. A united, federate or confederate body? It doesn't matter… This commitment which has its roots within the GICAM – and this joins to the issue of employers' unity – must spread across the business community of the country. As for the reconciliation aspect, it aims to mitigate divergences for a stronger action, which requires a total refounding or restructuring. The latter for its part cannot be done without a situational analysis, resulting from an institutional and functional audit to make our organization more efficient.
All these are vital to make GICAM, an employers' organization with an uncontested and incontestable authority, a reference in an emerging Cameroon.

"Being CEMAC's economic driver, we believe that most of the bilateral and multilateral aid should be directed toward Cameroon. Because, if 'Cameroon fares well, CEMAC fares well'."

During your talks with the government's authorities in charge of specific sectors (finance, economy, energy, SMEs, industry, work and housing) after your election,

support to private sector was one at the heart of the discussions. What do you expect from public authorities in this regard?
We wish these authorities to get more acquainted to the private sector, to have a strong political will to put together all the conditions necessary for the structural transformation of the Cameroonian economy. In this regard, we are expecting from the government to have more transparent interactions with the employers' representation, to help businesses become more competitive, and to better protect the local industry. I would like to emphasize that these changes will only be possible if in the meantime, the government reviews the attitude and behavior of its representatives towards businesses. Truly, it is useless to hope for a booming private sector without a development-focused administration; a real administration of services and at the service of the private sector, which is in truth the one and only creator of wealth.

As the Cameroonian economy is going through quite difficult times, we have talked a lot of what the government does not do, what it should do or improve. What about the private sector which is supposed to create wealth and jobs? Does its only role consist in observing, suggesting and waiting?
The private sector produces and distributes. That is its purpose. Business owners dare, risk their money and their health every day. This sector is the country's main source of wealth and jobs. It is therefore the most important pillar of growth, and subsequently, development. This is why it deserves special attention from the government, namely in terms of facilities and improved business environment. Everything must therefore be done to lift barriers hindering the creation and growth of businesses. There is a real urgency.
Though efforts are made, they are still insufficient to expect an actual economic takeoff. At the same time, our companies are aware that they operate in a community. This means that they have responsibilities to take in regards to their employees, the environment, for a sustainable development; to the community where they operate, in respect to their social and corporate social responsibilities. In short, our association is committed to the promotion of corporate citizenship.
It is also time it actively contributes to the fight against corruption, instead of just leaving it as a slogan and a mission trusted to public authorities. We must promote more respect of ethics in businesses, insure a better governance and develop a tax-payment culture. Tax evaders must be identified by all means.



Célestin Tawamba, president of Cameroon's inter-patronal association (GICAM): *"The private sector in general must be supported, and SMEs particularly. This category of enterprises constitutes the major part of the Cameroonian industrial fabric."*

How can SMEs, who constitute the largest part of our country's economic fabric, better contribute to development?
The private sector in general must be supported, and SMEs particularly. This category of enterprises constitutes the major part of the Cameroonian industrial fabric. It faces all challenges that oppose big companies, in addition to having its own specific burdens to deal with : lack of capital, difficult access to bank loans or any other financial instrument, management quality, a low resilience to issues such power availability or lacking infrastructures. If these are tackled in the best possible way and if SMEs bring their management standards to an acceptable level, they will, given their high potential for job and wealth creation, become one of the main actors of Cameroon's development.

One of the projects on which the government is currently working to overcome the actual difficult economic context, is the promotion of national champions. What do you believe are the conditions which must be met to achieve that goal?
First, promoting national champions seems quite an interesting idea. However, and without pretending to know of the agenda of the government in this regard, I prefer a common sectoral law, which has minimal constraints for companies as a whole. This would, in an environment that promotes healthy emulation, allow the most competitive firms to leverage on their individual assets to achieve the level of growth that would make them regional champions.

Interview conducted in collaboration with Quotidien de l'Economie

PUBLIC MANAGEMENT

"The robust growth of the real GDP will persist during the coming years" in Cameroon, according to S&P

US ratings agency Standard & Poor's (S&P) confirmed, on October 13, 2017, the 'B/B' rating assigned to Cameroon's long and short terms sovereign debt, with a stable outlook, an official statement revealed.
Indeed, despite *"risks related to presidential succession"*, and the fact that *"significant tensions between the Anglophone minority and the central government persist in the northwest and southwest regions"*, or that *"threats from the Boko Haram terrorist group also remain in the Cameroon's Far North region"*, S&P anticipates that *"the real GDP growth will average 4.6% in 2017-2020, driven by the implementation of large infrastructure projects such as the Kribi deep-water port, the Lom Pangar power station, and various dam and road projects"*.
The ratings agency also anticipates that the *"gas production will surge in 2018 thanks to the start of the floating liquefied natural gas terminal, which should compensate the decline in oil production observed since 2016."*
However, S&P warned that it could lower Cameroon's rating if *"elevated political instability or other shocks occur, resulting, for example, in pressures on the exchange rate and on foreign exchange reserves. The ratings could also come under pressure if government and external debt increase faster than we currently expect"*.

Equatorial Guinea finally signs CEMAC free movement act

An official document revealed that Equatorial Guinea has decided, since October 17, 2017, to waive visa requirement for CEMAC countries' citizens who hold valid passports. Hence, there are now 5 countries (Chad, CAR, Congo, Gabon and Equatorial Guinea) which have officialized the implementation of the prescription about free-movement within CEMAC that the Heads of States of the six member countries enacted in 2013. Gabon and Equatorial Guinea resisted the prescription at first.
Only Cameroon, an economic powerhouse within CEMAC, has not yet officialized the measure but, the government indicated that they have already been applying the principle of reciprocity. Indeed, this principle means the removal of visa requirements for countries which waive visa requirements for Cameroon's citizens.

A bi-weekly reveals Bribery allegations in a CFA31 billion project backed by AfDB

The eternal extensions (more than 36 months now) of the deadline set for the drinking water supply sanitation project in semi-urban areas in 18 of Cameroon's secondary cities which should cost CFA31 billion and backed by AfDB are not only due to delays in the project's works.
Indeed, bi-weekly *"Repères"*, revealed that it is also *"plagued by corruption"*. The newspaper with specific details, revealed how some contracting firms emit fictitious invoices with the complicity of the project supervisor, or management executives of the Cameroonian representation of AfDB who request higher commissions to settle service providers' invoices.
As a result, service providers that carried out works, years ago in some cases, under the project have been expecting payments for months.
Meanwhile, the deadline for this project which was launched in 2013, is continuously extended.
However, after three consecutive extensions (36 months in all), AfDB in an official mail warned Cameroon's government and the project supervisor that the last deadline to exhaust the fund granted to them is February 2018.
The 18 cities covered by the project of provision of potable water and sanitation to semi-urban areas in 18 Cameroonian secondary cities are : Nkongsamba, Manjo, Loum, Mbanga, Mamfe, Kumba, Akono, Bafia, Ebolowa, Kousséri, Ngoumou, Sangmelima, Bafang, Bangangté, Bana, Bangou, Bansoa and Foumban.

Suspected of being involved in smuggling affair, the high commissioner of Cameroon in UK has been sacked

Paul Biya, Cameroon's Head of State, dismissed Nkwelle Ekaney, the high commissioner of Cameroon in the United Kingdom, following suspicions of being involved in a smuggling affair.
The daily newspaper "Mutations" revealed that several of the commissioner's collaborators in London, have been expulsed from the UK, due to the same affair.
Authorized sources revealed that the Cameroonian diplomat's dismissal is subsequent to the dismantling of a network of people using fake diplomatic exoneration rights to export, to avoid paying custom taxes, and import goods between the two countries concerned here.
This network has been in place since 2011 and it allowed staffs of the high commission of Cameroon in the UK to fill their pockets, in complicity with some Cameroonian citizens living in Europe.

Japan provides WFP CFA1.7 billion to fight food insecurity in Cameroon

The representation of the World Food Programme (WFP) in Cameroon was granted CFA1.7 billion by Japan. This is to better tackle food insecurity and malnutrition in Cameroon.

"Thanks to this Japanese grant, we can now plan for the increase of the food ration which is now at 65% of the initial budget," Abdoulaye Baldé, the organ's representative in Cameroon said.

Presently, about 550,000 people in Adamaoua, in the far-north, as well as in the eastern and northern regions of Cameroon benefit from WFP's food assistance, in the form of of food products and cash. Among the beneficiaries, there are more than 200,000 Cameroonians displaced due to the exactions of the Nigerian Islamic sect Boko Haram and, Central African and Nigerian refugees who found asylum on Cameroonian soil some years ago.

Higher interest rates and low liquidity cause a shortfall in Cameroon's last security issuance

On October 11, 2017, Cameroon's public treasury was not able to raise the CFA5 billion it sought through the issuance of treasury bonds, with 52 weeks maturity period, on BEAC's securities market, an official statement revealed. Let's remind that BEAC is the central bank of the six countries of the Cemac zone.

Though the subscription rate was 100%, Cameroon's public treasury got only CFA4.5 billion out of the sought amount. This is due to the high interest rates investors demanded; these rates varied between 3.6% and 4.25%, clearer higher than the average (2.5%) at which Cameroon's treasury used to raise capital on Beac's market until 2015. The subscription rate is also lower than the average which ranges around 600%.

As a matter of fact, due to the combined effects of the competition between Cemac's countries on the market since last year, and low liquidity, revealed by IMF, in the banks of the region, primary dealers, the lenders themselves in this case, became gradually inactive in Beac's security market which has become a strategic remedy for the zone's countries faced with the decline in public revenues.

FINANCE

"All of Cameroon's banks would have closed if they only had to finance SMEs" - Pierre Kam, president Camlease

An SME-focused forum was launched last October 24 in Douala, Cameroon. During the event which was themed *"For more protected, performant and competitive SMEs"*, actors present discussed the vulnerability of the enterprises which represent 80% of Cameroon's economic fabric.

"All of Cameroon's banks would have closed if they only had to finance SME's", Pierre Kam, president of the Cameroonian Association for leasing (CAMLEASE), said, thus confirming banks' reluctance to lend to SMEs, which often have many shortcomings, both in their structure and their management.

The forum should help elaborate an action plan to make Cameroon's SMEs, whose failure rate is quite high, more viable. Indeed, a report published by Cameroon's center for research and analysis of economic policies (CAMERCAP), it was revealed that 72.24% of SMEs launched in 2010, disappeared from the registry of Cameroon's tax directorate at May 2016. *"This means that 7 out of every 10 companies created between 2010 and 2015 did not survive till May 2016"* CAMERCAP explained.

Three microfinance institutions placed under provisional administration in 10 months

The Cameroonian Moïse Nzemen is no more the managing director of the country's mutual savings bank. Indeed, Cobac, Central Africa's banking sector's watchdog withdrew the executive's license since July 2017, while Cameroon's authorities placed the financial institution under provisional administration, credible sources revealed.

Cameroon's mutual savings bank thus is the third lender to be placed under provisional administration in the last ten months, after Crédit Mutuel, in December 2016, and "Caisse d'épargne et de crédit pour l'entrepreneuriat au Cameroun" (Cecec SA), this year.

Microfinance institutions in Cameroon, despite their significant roles in loan access, remain quite fragile. So, to end management malpractices that occur in these institutions, Cobac is elaborating new measures to improve the management structure.

AGRIBUSINESS

WFP and Israel join forces to facilitate access to agricultural training centers and schools in Israel for Cameroonian executives

To enable Cameroon's agricultural experts benefit from the experience of Israel in Agricultural development, Israel's ambassador to Cameroon, Ran Gidor, and the resident representative of the World Food Program (WFP) were received by the ministry of agriculture, Henri Eyébé Ayissi.
They discussed a partnership which aims to boost capacities and technology transfer, for the benefit of Cameroon's agricultural experts. Concretely, Israel and the WFP want to set a program for facilitating access to Israeli agricultural training schools and institutions for Cameroonian agricultural experts.
"The program aims to train the workforce in irrigation methods and the post-harvest management of some cereals. It will also help increase the productivity of the officials of the ministry of agriculture and rural development", the resident-representative of WFP in Cameroon, Abdoulaye Balde, said to the government's Daily.

Cameroon will elaborate a plan to improve cashew nuts production

Cameroon is a small producer of cashew nuts, which is an important economic development opportunity. Indeed, the country's annual production is 108 tons.
So, in the framework of its agricultural development plan, Cameroon intends to intensify Cashew nuts production to make it an important revenue source for the government and the producers.
"Cashew nuts' potential for growth prompted us to elaborate a national scheme for the sector's development", Henri Eyebe Ayissi, the minister of agriculture said. In this regard, Cameroon, with the support of the German development cooperation, sent a delegation to Cote d'Ivoire, the West African country in which Cashew nuts is already a good source of revenue for farmers, alongside cocoa.

ENERGY

Eneo boosts its production capacity by 13 MW in Yaoundé

Cameroon's power utility, Eneo, has just completed of the Oyomabang thermal power plant, in Yaoundé, the capital city. This falls under a scheme which aims to rehabilitate, reinforce and secure the country's production system.

Thanks to the plant's renovation, the company increased its production capacity from 6MW to 19MW, official sources revealed, in addition to granting the infrastructure *"no less than 15 years of reliability guarantee"*.

So far, the country's power generating capacity was increased by 77MW as a result of the grid rehabilitation scheme. This includes 55MW at the Limbé thermal plant, 9MW at the Bafoussam power plant, in the Western region, and finally 13MW at the Oyomabang plant.

According to Eugene Ngueha, technical manager at Eneo Cameroon, *"renovation works will continue with the Bertoua thermal plant helping generate 5MW more, thus reducing the current shortage in Eastern Cameroon"*.

Savannah Oil saved more than CFA5 billion on its investment thanks to the 2013 investment promotion law

Savannah Oil Services, a Cameroonian company, is now operating alongside the British oil and gas company VOG, through this company's subsidiary in Cameroon (Gaz du Cameroun-GDC), for natural gas extraction and sale at the Logbaba gas field, in the country's economic capital.

According to its executives, Savannah Oil Services was established in 2016, as the result of the 2013 Law, on private investments incentives in Cameroon, which grants exonerations over a period of 5 to 10 years to companies during their creation and operation stages.

This regulatory provision enabled Savannah Oil Services to save about $10 million (more than CFA5 billion) on the overall investment projected for its launch, Jean Claude Tchagou Tiegue, the company's promoter said to the Quotidien gouvernemental.

INDUSTRY

Dangote Group sold 938,000 tons of Ciment at 30 September 2017

On September 30, 2017, the Nigerian cement manufacturing company Dangote announced that, according to its unaudited results, it sold 938,000 tons of cement in Cameroon this year. This is a 16.4% increase compared to the 806,000 tons it sold during that same period in 2016.

"Our Pan-African operations are performing strongly with excellent sales growth in Cameroon, Ethiopia, and Senegal", the Nigerian group rejoiced. The cement company indicated that a ton of cement costs $110 (around CFA60,000). In less than two years, the Dangote group wrested Cameroon's cement market leadership from Lafarge-Holcim. It now detains 46% of the market share while CIMAF and MEDECM Cameroon share the remaining part.

Dangote Cement is actually the leading cement producer in Africa, with a production estimated at around 46 Mta. Apart from its operation centers in Cameroon with a clinker grinding capacity of 1.5Mta clinker grinding, the group also have operation centers in Nigeria (29.25Mta), Congo (1.5Mta), Ghana (1.5Mta import), Ethiopia (2.5Mta), Senegal (1.5Mta), Sierra Leone (0.5Mta import), South Africa (2.8Mta), Tanzania (3.0Mta) and Zambia (1.5Mta).

5 Cameroon's startupers were awarded in Turkey

On Wednesday, October 25, 2017, five Cameroon's young startupers presented to Louis Paul Motaze, the minister of economy, awards they received for their participation to the Turkey- Africa Economic Cooperation Conference, held in Ankara from October 16 to 18 2017. So, out of the 10 startupers backed by the ministry of economy, 5 set themselves apart through their projects' quality and, were awarded the "Business Engineering and Innovation Award". They are Keugmene Tchamdeu Carine for the "3D printing and construction" section, Biaga Chienku for education and social communication category, Kamdem Jules Bienvenu for food industry innovations, Ngoumtsop Cesair Merime from Comptoir d'Afric Distribution, and Finyom Hilaire from "A et F Entreprise".

During the ceremony of presentation, Pr. Justine Diffo handed out the award for excellence in economic relationships between Cameroon and Turkey, to Louis Paul Motaze. This was awarded to the minister by the Turkish Confederation of Businessmen and Industrialists (TUSKON). Pr Justine Diffo is the chairwoman of the executive board of the African observatory of business practices (OAPA) and, she led Cameroon's delegation to Ankara.

Cameroon's government disbursed CFA5 billion to equip the national cotton company CICAM

Nicolas Njoh, commercial director at Cameroon's cotton company (CICAM), announced on October 26 that the government injected CFA5 billion into CICAM, to buy modern equipment. He said this in an interview published on that day by the national daily *"Cameroon tribune"*. *"Cameroon's government want to innovate and adapt to the market. These equipment are already set in Garoua and Douala. We want to manufacture new types of fabrics. They are already being manufactured"*, Nicolas Njoh said. He added that three years ago, Cameroon's government had taken back the control of CICAM, because, it did not want to lose the textile industry which is a key sector for the country's development.

"We are reviewing everything, the prices, the redistribution and our partnership with traders; this, to revive the textile industry" Njoh explained. He also explained that French people were the company's main shareholder but they left the company due to the counterfeiting and smugglings.

A cosmetics underground lab was disbanded in Cameroon's capital

A team of the ministry of commerce disbanded a cosmetics underground laboratory at Nkoabang, in Yaoundé. Indeed, on October 13, 2017, they sealed the laboratory, official sources revealed.

The same source revealed that the team discovered a batch of more than 11,000 cosmetics vials of dubious origin in this laboratory which also harbored a private house. Dwellers on their part revealed that the house only opens its doors at night for trucks.

The regional team of the ministry of commerce in the Cameroon's central region also revealed that they will verify if the manufacturer has the certificate of conformity required to sell these products. If not, the products will be destroyed at the expenses of this manufacturer who will also incur the penalties laid by Cameroon's law.

TRANSPORTATION

The Northern part of Cameroon has been the main hub in domestic freights in 2016

Cameroon's aviation authority revealed that 38% of the country domestic freights in 2016 took off from Garoua and Maroua-Salaka airports, in the northern region of Cameroon. Most of these flights were carried out by Camair Co, the airline public company. It revealed this in an official memo which reviewed airline freight activities in Cameroon during 2016. It did not however reveal the statistics of the Ngaoundéré's airport. The air freights originating from these two airports and thus outranked the flights from Yaoundé-Nsimalen airport (in Cameroon's capital suburb) and those from Douala, the country's economic capital. Indeed, statistics show that, in 2016, 27% of the domestic freight took off from Douala against 37% for Yaoundé-Nsimalen, which took the lead in this segment of air transport. These figures could explain Camair-Co managers' choice to increase flights (to/from) the northern part of Cameroon. *"We used to use the same flight to serve the Ngaoundéré-Garoua-Yaoundé or Douala lines. This was the same case for the Garoua-Maroua-Yaoundé or Douala lines. With this new planning, there will not only be a dedicated flight for the northern part, but each destination will be autonomous,"* one of Camair-Co managers said in February 2017.

In short, even though the new plan for the flights to Garoua, Maroua and Ngaoundéré emerged only some days after the reduction of Camrail (the rail carrier company) transport's capacities, to the northern part of Cameroon, on the Yaoundé-Ngaoundéré routes, the high demands for flights to the northern part also explain the frequency increase in Camair-co's flights to part of the country. As for the reduction of Camrail's transport's capacity, it is the result of the removal of some defective wagons.

Cameroon's air freight sector has grown by 76% in 2016, according to the aviation authority

In 2016, air freight reached 25, 505 tons against 15, 000 tons in 2015. This is a growth of more than 10,500 tons or 76% compared to its level in 2015.

Cameroon's aviation authority, which disclosed the figures in a memo, did not provide further details on the reasons for this strong growth. However, the growth could be connected with the 26% increase in the number of regular commercial flights the aviation authority recorded.

The aviation authority revealed that apart from the 17 regular commercial flights providers and the five nonscheduled flight operators, three air flights operators are also active in the sector in Cameroon. They are namely: DHL, Air Cargo Global, and Air Atlanta Icelandic.

The regulator also revealed that competition and dynamism will rise this year as Luxembourg's giant Cargolux, a leader in air freight services in Europe with 47 years' experience, will start its activities this month in Cameroon's freight sector. Indeed, in 2013, Air France ran 55% of the freight sector in Cameroon.

The audit of the railway concession agreement between Camrail and Cameroon's State is completed

While the managers of Camrail and the people of Eseka are about to commemorate the first anniversary of the rail accident, which happened in this town of the central part of Cameroon, on October 21, 2017, the newspapers Quotidien gouvernemental, citing sources from the firm, revealed that the audit of the concession agreement between the company and Cameroonian State has been completed.
"Camrail is expecting the government's orientations in the framework of the creation of the asset company recommend by the Head of State", the source quoted by the public press institution said.
Clearly put, it means that in line with the instructions of Cameroon's President, after the rail disaster in Eseka, an asset company will be created to ensure the management and maintenance of railway infrastructures in the country; a task which until now was Camrail's.

Bolloré Group staff makes donations on 1st anniversary of Eséka rail accident

Bolloré group staff presented donations to the populations of Eséka, a town in the central region of Cameroon, for the commemoration of the rail accident which happened on October 21, 2016. Indeed, the group's subsidiary Camrail was held responsible for the rail accident which killed 76 people.
Camrail's staff drilled a borehole at the Eséka hospital, whose response teams were the first to assist the incident's victims at the time it occurred. A standpipe has also been built outside the institution to provide inhabitants drinking water.
These donations, according to the French group's subsidiary, *"are the result of an act of solidarity, peace and sharing by Bolloré group's staff in Cameroon. They come in response to a need to improve the lives of the institution's patients and, those of populations as a whole, eighteen thousand people in all, who lack access to base products, drinking water in particular"*.
According to Dr. Mvogo, manager of the hospital, *"this initiative of Bolloré group is a positive response to our grievances. After the rail accident on October 21, 2016, we conducted a self-assessment of our capabilities to take care of patients in the event of a disaster. We then set up a scheme aimed at upgrading our staff's skills, but also our equipment and infrastructures. With this in mind, we expressed our wish to have, among others, water points within the hospital's premises"*.

INFRASTRUCTURE

Elevo Group wins contract to build 190km road set to cost CFA38 billion

Gilberto Silviera Rodrigues, CEO of Elevolution Group, a Portuguese construction firm, met with the Cameroonian minister of public works, Emmanuel Nganou Djoumessi, in Yaoundé. This was to assure the minister that his company would deliver the 190km road that it is building in the central region of Cameroon, within the set schedule. The mentioned road, divided into axes (Ntui-Mankim and Mankim-Yoko), must be built within three years and will cost around CFA38 billion, official sources revealed. Gilberto Silviera Rodrigues assured the minister that despite the delay in starting the works, his teams will deliver the road within the specified delays and, at no additional costs.

CFA27 billion real estate project to generate 1,500 jobs in Yaoundé

Z Properties Ltd and Cameroon's Investments promotion agency (API) signed a partnership agreement to build a multipurpose real estate project in Yaoundé, official sources revealed highlighting that the project will create 1,500 jobs.
With this agreement, the project, which will cost around CFA27 billion, is eligible to the 2013 law which promotes private investments in Cameroon. This law provides a 5 to 10 years tax exemption to newly created companies.
Our sources revealed that the project, led by the Ministry of Urban Development and Housing, Crédit foncier du Cameroun (CFC) and the agency in charge of lands management and development in Cameroon (Maetur), will be funded by American and South African investors.

ITC & TELECOM

Italian firm The Circle to set up an ICT business incubator in Douala V

In the framework of a partnership convention signed between the Italian company The Circle and authorities of the Douala V community in Cameroon's economic capital will welcome a new ICT companies' incubator. This incubator will be set by The Circle.
Apart from setting the business incubator, The Circle also committed through the convention to digitalize the city's institutions in order to connect them with the digital world.
Let's recall that Douala V has been nurturing a fruitful cooperation with Italia, for some years now. Thanks to this, it signed on mars 17, 2017, a twinning covenant with the Italian city of Vasanello.

MTN Cameroon's customer base contracts by 1% in Q3 2017, due to registration process initiated by government

Cameroon's subsidiary of the South African telecommunication group MTN International recorded a slight decrease of its customer base at the end of September 2017, credible sources revealed.
MTN International explained that this decrease (1%) was due to the implementation of the subscribers' identification process that Cameroon's government prescribed.
Indeed, Cameroon's ministry of post and telecommunication prescribed that telecommunication operators must deactivate every subscriber who is not identified, or is incorrectly identified.
This process is still under way, despite the deadline (June 30, 2016) set by the government having been passed, mainly because of the expiration of the national ID cards that some subscribers used during the first registration campaign.

Orange Cameroon ends conflict with Camtel by paying "disputed invoice" of CFA1.6 billion

The conflict between Orange Cameroon and Camtel, the public telecommunication operator which holds the monopoly over the optic fiber's management, seems to have come to an end. Indeed, in a mail sent on October 18, 2017, to the minister of posts and telecommunication, Elisabeth Medou Badang, the managing director of Orange Cameroon, confirmed the payment of the CFA1.6 billion that Camtel reclaimed. Let's remind that the public telecommunication operator cut access to some of Orange's optical fibers connections, as a repressive measure against non-payment of the debt.

In an official statement published on October 18, the managing director of Cameroon's subsidiary of the French telecom operator clarified that the payment of this invoice disputed since the start of the conflict with Camtel *"is by no mean an acknowledgment"* by Orange Cameroon *"of the validity of the mentioned invoice that it still contests"*. The statement also explained that, in this regard, the company *"plans to undertake every relevant action to preserve its rights and those of its subscribers"*.

This, looks more like the starting point of an arbitration, by the telecommunication regulatory body, on the actual roots of the disputed invoice, which is at the source of the conflict between Orange Cameroon and Camtel. Indeed, the regulatory body in a mail, on October 9, decided that the measure taken, by Camtel, to cut a telecommunication operator's access to optical fiber network was illegal. Despite this, the incumbent telecommunication operator in Cameroon ignored the regulator's order, which was to restore the Orange Cameroon's access to the infrastructure.

Camtel, the incumbent telecommunication operator, demands CFA16 billion debt from Cameroon's Government

Cameroon Telecommunications (Camtel), the incumbent telecommunication operator, demands CFA16 billion from Cameroon's government. The company explained that this amount corresponds to a debt resulting from entries' transfer with the ministry of finance.

"In plain terms, a bipartite commission meets every time it is necessary to make the appropriate payments for cross-debts. The last of such payments was made earlier this year 2017, for the years 2015-2016. It resulted in a net balance in favor of Camtel, as it was the case for 2013-2014 ; this time, it is valued at CFA16 billion," an authorized source at Camtel revealed. The source also indicated that *"due to some known cash-flow difficulties, Camtel has not received payments for (Cameroon's) monthly consumption since the beginning of 2017"*.

In September 2016, the telecommunication company had already suspended its voice and data services in some public institutions due to the non-payment of outstanding debt. According to figures revealed by Camtel, Cameroon's government and public institutions owe the major part of this sum which is valued at more than CFA65 billion.

SERVICES

Carrefour to open its first store in Cameroon, Douala, creating 350 jobs

The chain store Carrefour will enter Cameroon's distribution market, and Central Africa's also by the way, by opening its first store in the country, in Douala to be precise. This was revealed in a tweet by Gilles Thibault, the French ambassador in Cameroon, on October 10, 2017.
"Carrefour's store at Bonamoussadi, in Douala, is coming soon. It is expecte to create 350 direct jobs and valorize the country's agricultural sector", the French diplomat tweeted along with pictures of a large site under construction.
After the store in Douala, Carrefour will turn to Yaoundé, the country's capital, where it plans to invest CFA30 billion in the construction of an ultramodern mall at Ekoudou.
During the official signing of a lease contract of 3.5 hectares, in April 2017 in Yaoundé, between Cameroon's government and CFAO Retail, Carrefour's partner for its expansion in Central and West Africa, we learned that the Cameroon real estate company Sogimcam will be in charge of constructing the Carrefour's Douala store, which will be delivered in 2019.
Let's remind that in the framework of their expansion in Africa, the two French groups plan to spend CFA309 billion to build 20 malls in Cameroon, Gabon, the Democratic Republic of Congo, Senegal, Nigeria, Ghana and Côte d'Ivoire.

Cameroonian Catherine Bilong becomes the first Central African national to join the French Academy of Pharmacy

On October 4, 2017, Dr. Catherine Bilong, chief medical officer of the biochemistry section of "centre pasteur" in Cameroon, was officially notified of her election in the French Academy of pharmacy. She thus becomes the first central African national to join this society of learned practitioners.

The newly elected practitioner, who holds a Ph.D. in pharmacy, accumulates 29 years of experience in the field. As a matter of fact, she also teaches clinical bacteriology at the Faculty of Medicine and Biomedical Sciences (Fmsb) and the Catholic University of Central Africa (Ucac) in Yaoundé.

Dr. Bilong, 57 years old, who will be received at the French Academy on December 20, 2017, in Paris, was the African union's consultant for the upgrading of the pan-African institution's clinical biology laboratories in Addis Ababa, Ethiopia.

LEADER OF THE MONTH

Cameroonian banker Paul K. Fokam appointed strategic partner of the China-Africa Fund

In addition to project's funding, the partnership concluded by the Cameroonian lender China Development Bank includes other aspects such as training, facilitating joint-venture creation, and facilitating fund mobilization.

On the sidelines of the third Invest in Africa Forum, held in Dakar, Senegal, from September 25 to 27, 2017, the co-founder of Afriland First Group, Cameroonian Paul K. Fokam has concluded with the China Development Bank (CDB) a partnership aiming to support and finance Chinese firms that wish to invest in Africa.

The related agreement, official sources revealed, made the Cameroonian banker the strategic partner of the China Africa Development Fund – CADFUND), subsidiary of the China Development Bank, which is China's leading lender. As a result, Paul K. Fokam is now in charge of submitting both private and public projects, from all 54 African nations, to CADFUND.

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The decision to choose the Cameroonian banker as a strategic partners, according to sources from Afriland First Group, was spurred by a 16-year long collaboration between Chinese public authorities and investors and the Cameroonian banking group, which opened an office in Beijing in 2001.

According to Afriland First Group, the agreement signed in Dakar is the extension of a CFA24 billion (€36 million) loan agreement signed in June 2015, in Beijing, by CDB and Afriland First Bank Cameroon, to promote financing of Cameroonian SMEs. This time, a similar loan, worth CFA13 billion (€20 million), is being finalized between Afriland's Guinean subsidiary and CDB, official sources revealed.

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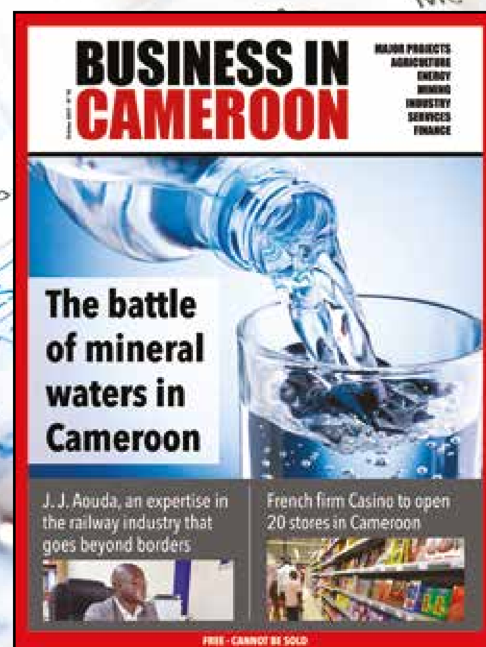

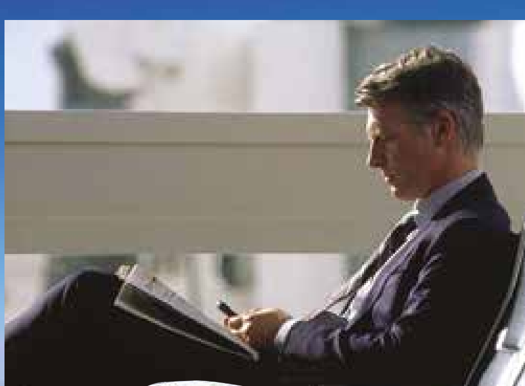

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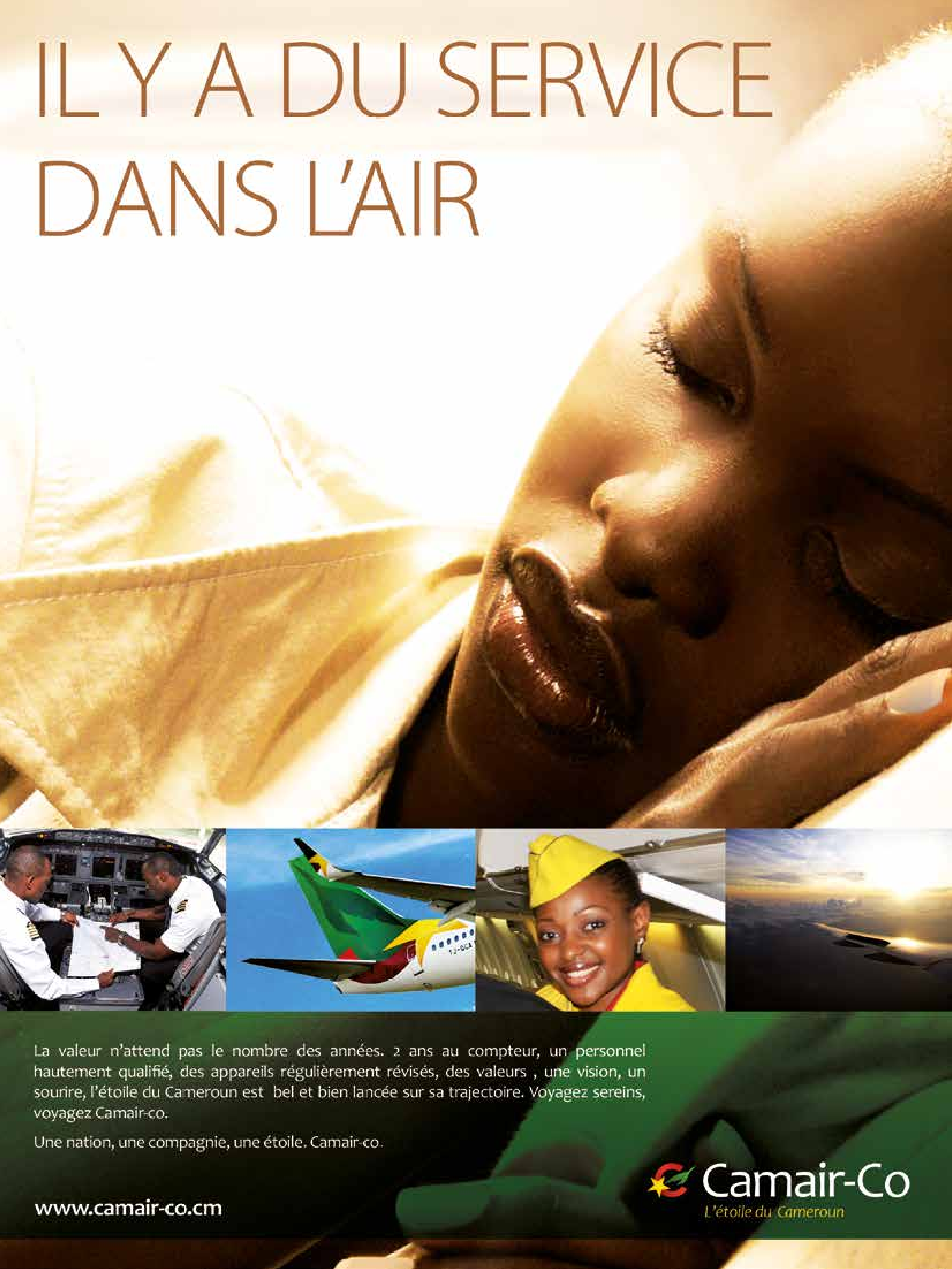
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