July-August 2018 / N° 65-66

BUSINESS IN CAMEROON

MAJOR PROJECTS
AGRICULTURE
ENERGY
MINING
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FINANCE

Major hotel companies bet on Cameroon

Patrice Yantho: *"It is crucial to boost the financial sector"*

Cameroonian secessionists arrested in Canada for financial malfeasance

FREE - CANNOT BE SOLD

Yasmine Bahri-Domon

Cameroon bolsters its hospitality sector…

Cameroon is becoming more attractive and it owes that to the boom of its tourism and hospitality sectors. This said, the country must list tourism as one of its major sources of revenues given that it contributes greatly to its GDP. It all started with the 2016 Women African Cup which was hosted in the country, and also the engagement of the State, via the ministry of tourism and the private and public investment programme, ahead of the 2019 African Football Cup of Nations, also to be hosted in the country. For these events, the government decided to renovate its hotels (Sawa hotel, Mont-Febe…), and tap into a growing number of tourists in the country. Private actors are also involved in this process to diversify the sector's offer, as they also want their share of the cake. Indeed, these actors take part to renovations, as well as construction and expansion projects with six new public 4 to 5-star hotels to be erected by end of this year.

Some local private actors engaged in the transformation of Cameroon's hospitality sector are Djeuga Palace, La Falaise, Akwa Palace, Krystal Hotels & Resorts. These plan to build 4-star and 5-star hotels in Yaoundé and Douala by 2019.
As for international groups developing similar projects (likely ready in 2019) in the country, they include Marriott, Onomo, Accor, Hyatt and Hilton. With this, it is obvious that hotel standards in Cameroon will rise to international norms thus improving the country's attractiveness. This, in a context where more than 1,300 illegal hotels were found to operate in the country, according to the latest census of Cameroon's hotel ranking commission. Measures have been initiated to deal with these facilities and ensure that standards are met. In line with this objective actually, the government disbursed, for the 2015-2020 period, more than CFA160 billion to make tourism more sustainable and boost hotel capacities. This, to ineluctably lead the nation to become a major touristic destination in Africa. Truly, though Cameroon was labeled as a touristic destination after receiving more than 500,000 tourists in 2010, it aims to double this figure by 2020, a goal set under its Strategic Document for Growth and Employment (DSCE).

Cameroon has a great growth potential in terms of high-standing hotels. This potential however, must be tapped into to contribute to the economy's development. To do that, the country has to first overcome its next challenge which is to appropriately host the thousands tourists that will come for the 2019 AFCON, providing them with quality infrastructures, good hosting conditions, food security, and make sure all global standards are met.

Though Cameroon currently records some issues, it keeps reassuring its investors and partners about the opportunities it has to offer. In this framework, the nation's investment promotion agency –API- was joined to the presidency via the Presidential decree n°2017/127 of April 18, 2017, which amends and completes the decree of September 1, 2015 concerning the agency's functioning and organization. By doing this, President Paul Biya positioned himself as a true advocate of investment in Cameroon. The leader has in fact disbursed CFA30 billion for SMEs across the country. He had also, let's recall, promised to clear internal debt, during his end-of-year address to the nation in 2017. All these, paired with simpler administrative processes, help foster investment in the country.

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CAMEROON

LEADER OF THE MONTH

BUSINESS IN CAMEROON

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Stratline Limited

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Office - Distribution Cameroon
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Rumours, preconceived notions, clichés, superstitions, urban legend: What is real? What is fake?

Big hotel groups return

Casablanca-based Cameroonian group Onomo, US groups Hyatt Hotels Corporation and Carl Rezidor, announced investments in Douala, Yaoundé and Kribi

Though it is now officially known as Mont Fébé Hotel, many in Yaoundé and elsewhere in Cameroon still call this huge building Sofitel. Same goes for Merina Hotel, located in Yaoundé just like the previous one, which many still refer to by its old name, knowingly Mercure Hotel.
Yet, Sofitel and Mercure which were managed by Accor no more exist and this for many years now, as a result of the managing group not complying with some standards. Just like the two hotels, many others in the 80-90s exited Cameroon and since, no major groups had set foot in the country. However, things started changing in the mid-2000s as many hospitality projects were announced. Some of these are presently at development stage. The only difference with these projects is that they do not involve management by major firms but rather construction by these firms. The return of major firms, American and even African, in Cameroon threatens Accor's monopoly. The French group it should be emphasized has remained active in Yaoundé managing Pullman and Ibis even after losing Sofitel and Mercure.

Recently Casablanca-based Cameroonian group Onomo, US groups Hyatt Hotels Corporation and Carl Rezidor, announced investments in Douala, Yaoundé and Kribi. In each of these cities, various other local hospitality firms operate, disputing the market with Accor.

Brice R. Mbodiam

Onomo group to build three 3-star hotels in Cameroon

The Onomo hotel laid the first stone of its very first 3-star hotel in the country which is valued at a little more than CFA15 billion.

The Onomo hotel group, owned by Batipart, laid on April 25, 2018 in Douala, the first stone of its very first 3-star hotel in the country. It will have 150 rooms and should be completed before the 2019 African Football Cup of Nations which Cameroon is to host between June and July 2019.
Construction works for the infrastructure are carried out by South African group Raubex which already is active on the Douala Grand Mall & Business Park project. The latter is financed by British investment fund Actis and Cameroonian private firm Craft Development.
Half of the project which is valued at a little more than CFA15 billion, is financed by Attijariwafa Bank and should be completed by the end of this year. Onomo should after this build a second and third hotel of the same standing in Yaoundé, first, and Kribi, next.
It should be recalled that to speed up its expansion in new African countries, including Cameroon, Onomo raised on November 21, 2017, €106 million (CFA69.4 billion) from two new investors: CDC Group Plc and CIC Capital.
"This new step of its development will enable the group continue its expansion in new nations (Cameroon, Congo, Uganda, Mozambique, Ethiopia), and build 20 business, affordable yet of quality, hotels," the group said in an official statement.

> The first Onomo hotel in Douala will be completed before the 2019 African Football Cup of Nations.

So far, the hotel group controlled by Batipart, has 10 hotels in 8 African countries (Dakar, Abidjan, Libreville, Bamako, Lomé, Cape Town, Johannesburg, Durban, Conakry, Kigali). Combined, all its hotels have 1,400 rooms.

Hilton, only 5-star hotel, remains at the top

In Yaoundé, though they are many hotels, the most popular remains the Hilton. Due to its strategic location in the capital, it hosts most of the major events held in the country and for years now, the President has been receiving his important visitors there. Besides its location, the Hilton is Cameroon's most renowned hotel due to the fact that over the past ten years, it has been the country's only 5-star hotel, after Mont Fébé fell behind as its standards dropped.


Due to its strategic location in the capital, the Hilton hosts most of the major events held in the country.

Former Méridien hotel becomes Pullman Douala Rabingha after being taken over by Accor

Since March 1, 2015, the Méridien hotel, one of the most important owned by Fadil group was handed over to the French group Accor. At the time the deal was sealed, Antoine Guego, Chief Operating Officer, AccorHotels Africa, said: *"Expanding our footprint in Africa will happen through both construction and takeovers. With the Pullman Douala, we are reinforcing our position in Africa"*

Société nouvelle des cocotiers (SNC), owner of the Méridien de Douala, by signing this new deal with the French group, ended its previous collaboration with U.S firm Starwood Hotels & Resorts. The partnership was ended during a meeting held on January 18, 2015, in Dubaï.

Through this, Accor now manages its second hotel in Douala after 3-star Ibis. Leading hotel group in Europe, and 6th worldwide, AccorHotels manages nearly 3,700 hotels (470,000 rooms) across 92 countries.

US Hyatt Regency to establish itself in Douala

The hotel will be run under the Hyatt Regency brand, leading brand of US group Hyatt Hotels Corporation which is among the world's top 15 largest hotel groups.

Currently building a 50,000 seat stadium in Japoma, Douala's suburb, Turkish firm Yenigün is among firms running to build a five-star hotel in the Bonapriso area. This project is led by Société Nouvelle de Dévelopment et d'Investissement (SNDI), which is headed by Ekoko Mukete, vice president of the chamber of commerce, industry, mining and craftsmanship (CIMA), and also Turkey's honorary consul in Cameroon.

Mukete actually revealed that after years of delay, the deed for the land which will host the hotel was finally issued. The upcoming hotel will have 200 rooms and was designed to have furnished apartments and rental spaces.

The amendments to its initial design, according to Mukete, were requested by financial partners engaged in the project. These wished for the hotel to slightly differ from standard hotels. The project will cost $70 million which equals about CFA45 billion.

> The upcoming first five-star hotel in Douala will cost $70 million (CFA45 billion) and will have 200 rooms and was designed to have furnished apartments and rental spaces.

The hotel will be run under the Hyatt Regency brand, leading brand of US group Hyatt Hotels Corporation. At Jan 1, 2016, the group, it should be recalled, was among the world's top 15 largest hotel groups, with more than 640 hotels, 179,217 rooms, out of which Hyatt Regency, alone, gathered 162 hotels and 75,122 rooms.

With this project, Hyatt Hotels Corp will be joining US group Hilton (which actually manages the country's sole 5-star hotel) in a market that is presently dominated by French group Accor, which manages the Ibis and Pullman hotel.

Cameroon to have its first Radisson Blu hotel in 2019

Cameroon will be the 30th country in Africa where Radisson Blu operates.

In 2019, a new Radisson Blu hotel will arrive in Douala. The arrival of this group which is *"one of the largest, most important and dynamic hotel groups worldwide"*, will bring *"to 83, the number of hotels, operational and under construction, of the group in Africa, with more than 17,500 rooms overall"*.

The news was disclosed last November 9, in Brussels by the Carlson Rezidor group which also runs brands like *"Park Inn by Radisson"* or *"Radisson RED"* (premium hotels) and *"Quorvus Collection"* (luxurious hotels).

Located in the business area, the Radisson Blu Hotel & Appartments Douala will have 150 standard rooms, studios and one and two bedrooms apartments. It will also have a day-restaurant, a bar in the lobby, and a bar-restaurant named *"Destination Sky"*.

For fitness lovers, the new hotels whose cost was not revealed, will also include a gymnasium and a spa. It will also have meeting spaces and a conference hall.

"We are very happy to have a new hotel in the 30th country where we operate in Africa, and what best place to be than Cameroon, a key market for our group in Central Africa," said Andrew McLachlan, Senior Vice President Business Development, Africa and Indian Ocean at Carlson Rezidor Hotel Group.

Local firms also active, running the race with foreign groups

Hamadjoda Talla in Yaounde, Samuel Foyou in Douala and Kribi, and Claude Feutheu in Douala... Major economic operators are investing heavily in the construction of hotels

Seen from afar, on Kennedy Avenue, Yaoundé, is a tall building under construction. According to credible sources, this is a hotel that is being built by Cameroonian billionaire Hamadjoda Talla, a real estate mogul who has many other buildings erected across the country.

The upcoming building is more of a Yaoundé version of the Adamaoua Hotel Plus, located in Ngaoundéré, Adamamoua's regional capital, in the North of Cameroon. To speed up construction of his new hotel so that it is ready for the 2019 AFCON, Talla, well-informed sources say, ended the contract he had with the previous contractor in charge of the project, deeming this one too slow.

> The 2019 African Football Cup of Nations motivates local property developers.

Having nothing to envy Yaoundé in terms of hospitality projects, Douala is also recording some interesting projects. In Akwa for example, the city's business area, billionaire Samuel Foyou is building the first hotel of the Cristal Palace chain. A replica of that building, let's indicate, will also be erected in Kribi, in the Southern region.

Also, not far from the upcoming Cristal Palace hotel, near the former headquarters of Orange Cameroon, another hotel, the Djeuga Palace Douala, is almost completed. This one is built by politician and businessman Claude Feutheu who wishes to make a replica of the Djeuga Palace of Yaoundé, a 4-star hotel close to Hilton Hotel.

Patrice Yantho: *"The 2013 Act, amended July 2017, has spurred many investments"*

Lawyer, former banker then head of Corporate Finance and Infrastructure Financing at KPMG for French-Speaking Africa, the now CEO of consulting firm JMJ Africa provides here his perception of Cameroon's business environment, and gives some solutions to improve this environment, to make it more efficient and effective.

Business in Cameroon: After working in the banking and consulting sectors, you created JMJ Africa which supports investors. What does your firm concretely do?
Patrice Yantho: We are fully engaged in investment. Our job is to assist, support, represent and encourage investors and companies, at all stage of their investments. That is from ideation to creation, then development stage, thus also during growth and restructuring.

Our offer is adapted to Africa's business environment, its issues in relation to investment, financing, management, security, both for private and State projects. We are very focused on performance as we are well aware of how successful


"Since most companies in Cameroon are not listed, it is crucial to boost the financial sector, by promoting alternatives to banks, such as private equities."

investment projects help reduce poverty, boost industrial fabric and socio-economic development.

BC: JMJ Africa is much engaged in the project to build a cocoa processing unit in Kribi's deep-water port's industrial area, a project that is worth more than CFA30 billion and led by the Ivorian group Atlantique. How far are you advanced with this project?
PY: First, we would like to thank Koné Dossongui, Chairman of Atlantique group, a visionary who associated us with his vision, at its early stages, thus enabling us to operate on major projects. With our team of young graduates, Africans, which we also thank, we believe we have truly honored the trust he put in us and so far, this trust is still maintained.
Now, regarding the project you refer to, it is going smoothly. The promoter, our team and the project's team are doing a great job even if we remain quite discrete about our activities. By the end of next October, initial tests will take place at the Atlantic Cocoa Corporation unit in Kribi, according to our schedule. After this, actual operational phase will be launched. We mobilized all funds needed from local and international banks, which have shown much interest for the project.

BC: Besides Atlantic Cocoa's investment, on which other projects did you work, both in Cameroon and outside?

PY: Briefly put, our wonderful team of 64 people, and myself, work with local and foreign investors, and the State also; having as goal to make sure that each of their projects is a success and each of their venture is profitable and sustainable, and most importantly to help them achieve constant results.

In details, we worked and still work on the Douala Grand Mall project, valued at CFA80 billion and led by British investment fund Actis. We also work on the Kaélé agro-industrial complex which we structured with the Cameroonian State (Prime Minister's office and the Ministry of industry); we are working on a cement plant and clinker production project in Cameroon. We have also helped fully restructure a major local firm.

Outside Cameroon, in Côte d'Ivoire, we participated to the construction of a cocoa processing plant and a cement plant. At the moment, we are working on a project for a clinic in Abidjan. In Benin, we are finalizing financing for a major mill.

BC: Based on your experience when it comes to supporting investors, what would you say are the main challenges to private investment in Cameroon?
PY: First, actors in the investment chain themselves have many shortcomings. These include the State, promoters, banks, partners, suppliers, service providers, middlemen, and communities living in the area where projects are implemented. While acknowledging the

"By the end of next October, initial tests will take place at the Atlantic Cocoa Corporation unit in Kribi, according to our schedule."

Patrice Yantho in company of the investor promotion agency director: *"a single investment office combining activities presently handled by various agencies such as the investment promotion agency, SME promotion agency, national office of industrial free-trade zones, agropoles projects, etc. would be a performant, proactive and modern institution once created"*

Cameroonian State's efforts to boost private investments and business climate, it is still important to highlight that these efforts are still not committed to the best levers, to achieve strategic goals.

Truth is, efforts made by public authorities have design and operational shortcomings. These led to an imbalance between the vision or targeted objectives, and administrative, land and tax-custom tools in place. This imbalance affects funding of investment projects, and causes the whole financial structure of private investment to be unbalanced as well. Additionally, many inappropriate entities operating in the investment chain, especially regarding incentives and their implementation, are now active in the country. There is also the lack of support and monitoring of investors at launching and development phases, as well as when difficulties arise.

Regarding the investment environment, many banks have high interest rates, and are reluctant to finance startups, firms in trouble or project carriers with insufficient funds or insignificant assets. This impairs private investment. Banks should invest more in projects, based on their viability instead of on how wealthy their carriers are; they should get used to collaborating with guarantee funds to cover their exposure, and meet the regulations to which they are subjected, by ensuring the recoverability of deposits.

Also, banks should look more into financing firms that are facing some difficulties or being restructured, giving them that last chance they often need to take back off. Of course, this should be done based on pertinent restructuring plans and take into account lessons learnt from previous challenges.

Since most companies in Cameroon are not listed, it is crucial to boost the financial sector, by promoting alternatives to banks, such as private equities. Actually, putting in place a system of incentives to facilitate the installation of private equities is most welcome. Such a system would help finance startups via venture capital; acquire firms in difficulty via turnaround investing; support growing firms via development capital; ease firms transfer and shareholder replacement via leverage buyout (LBO).

Last, project carriers should hire some experts. Indeed, these may give them more enlightenment regarding project and business management, fund seeking or investment subtleties. They must learn to resort to experts and consultants, to overcome their shortcomings in relation to management, investment, debt and assets managements, growth issues and more.

BC: Considering all you just mentioned, what levers, do you think,

"Authorities in charge should assess the system in place and see how to improve it in order to boost private investment, while simplifying processes."

should be pulled, to overcome these challenges?
PY: Simply put, investment is just like life: It is a cycle. Child nutrition is not the same as that of adults or the ill. There must be specific solution for each phases, for more efficiency and effectiveness.

At the early stages of investment, incentives planned under the regulatory framework must be automatic, as passing through intermediate processes could foster corruption, thus negatively impacting the business climate. Another major lever to pull urgently is when private investment is in difficulty. Incentives must not be limited to the early stages alone, they must be implemented during difficult times, to make sure the investment is sustainable and successful.

For example, most State institutions and programmes working to boost investment, are focused on the early stages of investment, while businesses' mortality rate is 80% every five years. This means that out of 10 firms created, five years later, only two remain. This is actual proof of the imbalance between the State's vision and its action.

In sight of this, we would gladly plead to the employers' association and the government, for the urgent establishment of an incentive-based tax regime for companies going through hardship or restructuring. Why? Because firms that are experiencing difficulties are often those that have completed early stages of investment and have more chance of succeeding based on their experience and maturity. This is what the OHADA Uniform Act on Insolvency tackles. Paired with this act, the recommended tax regime would help boost private investment, extend firms' lifespan and contribute to Cameroon's economic growth.

"Another major lever to boost private investment is economic intelligence, which ensures the access and availability of economic data to market actors."

In the meantime, investors must be treated more fairly and equally, because the State regulates economic activity and as such it must make sure that its economic fabric is competitive and performant. Take the cocoa sector for example, you quickly notice that facilities granted to processors are not the same. This is negative discrimination and it goes with some consequences. For a business environment that fosters private investment, competition should be fair and such behaviors should be avoided.

Another major lever to boost private investment is economic intelligence, which ensures the access and availability of economic data to market actors. In an ever-changing economic world, economic intelligence must guarantee economic actors quality data that is able to ease analysis and appropriate decision-taking in terms of investment or strategic reorientation.

Last, we recommend the creation of a single investment office or desk. This would be a place where firms will be created, where investment and tax incentives would be granted in the framework of the restructuring of business in difficulty. This desk would combine activities presently handled by various agencies (investment promotion agency, SME promotion agency, national office of industrial free-trade zones, agropoles projects, etc.) and other public entities focused on promoting private investment. With such a performant, proactive and modern institution, Cameroon would significantly overcome challenges it faces regarding private investment and will be able to progress greatly on its road to emergence.

BC: What is your opinion about the April 2013 Law to promote private investment in Cameroon?
PY: The 2013 Act, amended July 2017, has spurred many investments. This, we must admit, even if many argue about the relevance of incentives planned by the law, looking at results obtained and comparing them with those expected. Truth is, to benefit from incentives, entrepreneurs must go through a heavy process, one that sometimes take months. Authorities in charge should assess the system in place and see how to improve it in order to boost private investment, while simplifying processes.

BC: You recently opened a JMJ Africa subsidiary in Côte d'Ivoire. What motivated you?
PY: From the beginning, our vision was to build a global consulting firm, to help develop projects in Africa. To this end, we wished to position ourselves in key markets, targeting both the continent's French and English-speaking regions. Our Central African headquarters are based in Cameroon and in West Africa, we are based in Côte d'Ivoire.
Our teams are composed of Africans only as we believe it is Africa's time to shine. We want to contribute to Africa's growth and all indicators forecast an expansion of the consulting market in Africa. We want to help firms and industries better perform; to help projects developed in Africa, by Africans, non-Africans, African States, be successful. No matter who develops projects, they still help reduce unemployment and poverty and lay foundations for sustainable growth.
Seeking funding is one of the most challenging issues in terms of investments in Cameroon. In this regard, most people turn to banks while the country has a stock market in Douala (DSX). Why opt for banks then?

Most people turn to banks simply because most Cameroonian firms are not listed. They do not have much option, beside banks and private equity firms.

BC: What could you recommend to the DSX's and public authorities to boost this financial market?
PY: Most humbly, we are well aware of the various efforts made over the past years to boost Cameroon's financial market. However, I fear this initiative might be impaired for some few years more, since local entrepreneurs are not used to stock markets, and also due to the fact that only traditional banks act as investment service providers in the country. Public policymakers and those of the DSX should enable, facilitate and encourage the participation of intermediates and financial institutions that are outside, such as stock brokerage firm and consulting institutions; or they could issue a status of broker or market provider, given that those are quite active in the WAEMU.
Moreover, these same authorities should get council to identify, register, support and prepare illegible firms for their listing. Companies must also be told how listing could benefit their business, reputation, sustainability, results, and help them better access funding. They must also be informed about the importance of a sincere financial communication.

BC: What do you think of the merger project between the Douala and Libreville stock markets, recently decided by the CEMAC authorities?
PY: This project agreed in 2017 at the CEMAC States Heads Summit is wise. It is a great achievement and it should lead to effective regional integration, with a single regulator. This will ineluctably allow investors to have access to a major regional stock market. We hope this merger will help boost trust in the region, thus contributing to a greater dynamism of the region's financial market which will in turn result in the listing of many companies.

JMJ Africa is currently working on the Douala Grand Mall project, valued at CFA80 billion and led by British investment fund Actis, the Kaélé agro-industrial complex project, and on a cement plant and clinker production project in Cameroon.

Interview by
Brice R. Mbodiam

PUBLIC MANAGEMENT

CEMAC countries made noticeable progress in the implementation of the public finance management guidelines, Pref-Cemac reveals

CEMAC member countries have progressed in the implementation of the six harmonization guidelines for public finance management issued by the steering committee of CEMAC's economic and financial reform program (Programme des réformes économiques et financières de la Cemac-Pref-Cemac). This was revealed during the fifth meeting of the steering committee held on June 22, 2018, in Douala and presided by Gilbert Ondongo, the Congolese economy minister and president of the steering committee.
These guidelines were issued for modern, efficient, and transparent management to ensure that the data on public finance are comparable in the framework of the multilateral surveillance within CEMAC.
The committee indicated that on a case per case basis, Cameroon transmitted all the first drafts of the transposing provisions related to the guidelines. The committee already issued a notice of compliance of four of those drafts on October 26, 2017. The country is also implementing the observations as far as the remaining two are concerned.
Gabon, Chad and Congo have already completed the transposing in their internal legal corpus.
Central Africa has submitted the first drafts to the committee with a notice of compliance for all of them. The guidelines related to transparency and good governance in public finance management has been adopted in the country but, the five others are in the process of being adopted.
The last country, Equatorial Guinea transmitted five drafts and the committee sent its observations on all the five texts.

Government's expenditures estimated at CFA448.8 billion during Q1, 2018

Cameroon's minister of finance revealed that During Q1, 2018, the country's expenditure was CFA448.8 billion. Compared to the CFA548.9 billion forecasted initially, this amount is short by CFA100.1 billion and represents a realization rate of 81.8%, the ministry informed in the budget implementation report it published.

According to the ministry, this drop in expenditures was mainly due to the implementation rate of the funds dedicated for goods and services. Indeed, the initial forecast was CFA197.6 billion but, by end March 2018, CFA99.8 billion was spent. This represents an implementation rate of 50.5%.

During the period under review, CFA90.1 billion was used for pension transfers. On a year on year basis, this amount has decreased by CF7.5 billion. Its implementation rate is 94.5% compared to the CFA95.3 billion initial forecast.

As for capital expenditure, it amounted to CFA260.5 billion during the period under review, against CFA263 billion during the same period in 2017 (a drop by CFA3.1 billion or 1.2%). Compared to the forecasted CFA322.8 billion, this volume of expenses is short by CFA62.3 billion and its implementation rate is 80.7%.

The only expenditure whose implementation rate is 100% is the government staff expenditure. Indeed, by end-March 2018, this expenditure was CFA258.9 billion. On a year on year basis, this expenditure increased by 13.8% since by March 2018 ending, it was CFA227.6 billion. This window of the expenditures has even exceeded the CFA256 billion initially forecasted.

The CFA487.6 billion tax revenues target not met during Q1, 2018

Cameroon indicated that during Q1, 2018, it generated CFA449.6 billion of customs and fiscal revenues against CFA447.6 billion during the same period in 2017.

However, compared to the CFA487.6 billion target during the period under review, the result is short by CFA38 billion and represents a realization rate of 92.2%. According to the tax administration, this sub performance is due to the fall in economic activities observed notably in the brewery and mobile telephony sector in 2017.

Following the same curve, the tax generated on non-oil companies decreased by CFA18.3 billion because of a drop in the amount of corporate taxes generated. For the Added Value taxes, they fell by CFA14.1 billion. In addition, excise duties and stamp duties have decreased by CFA4.5 billion and CFA6 billion respectively.

On the other hand, personal income taxes and oil products' taxes increased by CFA8 billion and CFA0.2 billion respectively.

CFA3,424 billion invested in Cameroon since 2014 thanks to the 2013 law governing private investments in the country

Thanks to the April 2013 law on private investments in Cameroon, 157 conventions were signed between the country and various investment project carriers since 2014, the agency for investments promotion (Agence de promotion des investissements-API) revealed. The agency further informed that 55,000 direct jobs will be created and CFA3,424 billion invested in Cameroon via those agreements. Indeed, this is aimed at attracting investors by offering fiscal exemptions from 5 years up to 10 years to companies already settled as well as those which are being created.

"Due to the law setting incentives on private investments in Cameroon, we chose to invest in Cameroon instead of Angola or Côte d'Ivoire, two countries initially targeted for a CFA13 billion investment", Guillaume Sarra, the former managing director of société anonyme des Brasseries du Cameroon who launched société Boissons, vins et spiritueux (BVS) said during an interview.

Thanks to that same law, the subsidiary of Nestlé also invested CFA2.7 billion for a new production chain at its Bonabéri plant. The British Actis also benefited from this law and is building Grand Mall & Business Park, a CFA80 billion leisure center in Douala with the collaboration of a local partner.

Aid providers should get more involved in helping refugees in Cameroon, George Okoth-Obbo said

Aid providers should do a lot more to help Cameroon which hosts more than 365,000 refugees (mainly from Nigeria and the Central African Republic). This was the solicitation sent to the aid providers by George Okoth-Obbo, the assistant high commissioner in charge of the operations of the United Nations High Commissioner for Refugees (UNHCR) during his one-week visit in the eastern and northern regions of Cameroon.

According to the commissioner, the UNCHR needs $86.7 million to protect, assist and find solutions for the refugees in Cameroon. However, by June 13, 2018, it only received 20% ($17.2 million) of the amount. While thanking the various aid providers, he also urged them to provide more funds.

He informed that in May 2018, the World Bank approved a $274 million aid from the International Development Agency (IDA) for Cameroon.

"The biggest advantage of this authorization from this World Bank's window is that it would not only be beneficial to the refugees but also to the hosts. It paves the way to more opportunities for the vulnerable and displaced", Okoth-Obbo said.

CFA49.8 billion domestic debt serviced out of a CFA150 billion target during Q1, 2018

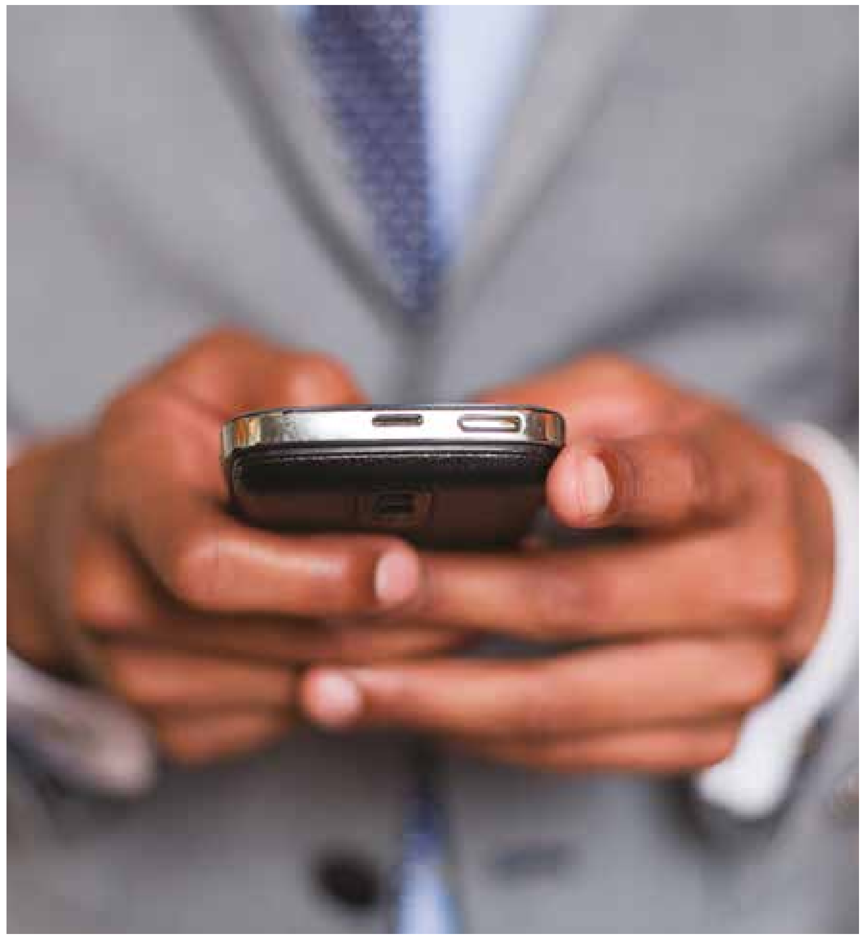
During Q1, 2018, Cameroon's debt servicing was CFA162.6 billion. According to the ministry of finance, this represents an increase by CFA85.4 billion (110.6%) compared to the CFA77.2 billion a year earlier. On the other hand, compared to the CFA262.8 billion target, the debt servicing is short by CFA100.2 billion and, it is an implementation rate of 61.9%. This rate is mainly due to domestic debt servicing. Indeed, despite an increase by CFA17.5 billion (+54.2%) compared to the level in Q1, 2017, (CFA32.3 billion by March 2017 to CFA49.9 billion by March 2018), its implementation rate is 33.2% (since it is short by CFA100.2% billion compared to the CFA150 billion target).
For external debts, during the period under review, it was CFA112.8 billion against CFA44.9 billion on a year on year basis. This is an increase by CFA67.9 billion (151.2%). The ministry of finance also noted that there is no external debt arrears.

Consumer price index rose to 0.2% in Douala in May 2018

In May 2018, the consumer price Index rose by 0.2% after an apparent stability of 0.0% in March, the national institute of statistics revealed in a report about the inflation in that city. According to the institute, this increase in the index is mainly due to a rise in the prices of food products (0.9% after a drop of 0.1% a month earlier), following the hikes in the price of fruits (4.6%), vegetables (3.8%) as well as bread and cereals (0.5%). The restaurants and hotels index (0.4%), goods and services (0.4%), furniture, household items (0.4%) as well as health (0.2%) also contributed to the rise.
At the same time, the price hike was mitigated by the housing, water, gas, electricity and other solid fuels (-0.9%), clothing and footwear (-0.2%), communication (-0.1%) as well as leisure and entertainment (-0.1%).
Let's remind that when the inflation level is 0.2% in Douala, it was 0.5% in Yaoundé during the period under review.

Paul Biya prescribes the rationing of water and telecommunication in public institutions

On June 20, 2018, in preparation of the 2019 finance law, Paul Biya, Cameroon's president signed a circular setting the maximum budget.
In the circular, the president recommended the application of the new procedure for water consumption in public institutions and the definition of a maximum quota for communication bill per public administration and per public official.
Let's note that public institutions' water and communication bills remain a problem for Cameroon's government. In 2017, for instance, the government's debt owed to Camwater and Camerounaise des Eaux (CDE) was CFA38 billion. At the time, Alphonse Roger Ondoa Akoa, the managing director of CAMWATER did not reveal the period covered by the bill.
Concerning the telecommunication bill, Cameroon was CAMTEL's largest debtor in 2016 with an estimate of CFA65 billion. The company was obliged to suspend its voice and data services in public institutions in order to forcefully recover its dues.



Cameroon still owes local companies a little more than CFA700 billion, GICAM indicated

To date, Cameroon has paid CFA42 billion of the about CFA750 billion it owes local companies. This is what the country's largest employers group GICAM revealed during its 126th general assembly held on June 21, 2018, in Douala.
"We will continue to urge public authorities for better transparency in the reimbursement process and for the instauration of a minimum monthly budget so as to be able to repay the debt in a foreseeable future or at least the securitization of the debt or the possibility to compensate it with tax debt", Célestin Tawamba, president of GICAM, indicated.
Let's remind that the repayment of this debt owed to Cameroonian companies, SMEs notably, was one of the key points of the head of state's address on December 31, 2017.
That day, he promised that despite the cash flow problems which force the government to solicit BEAC's security market almost every week, Cameroon would do everything to repay that debt, which is asphyxiating the companies, this year.
It is worth reminding that the funds issued from those public solicitations are used not only to carry out the government's sacred missions but also wage war against the Islamist sect Boko Haram in the Far-north and stop the secessionist claims in the two English speaking regions.

Cameroon to progressively cancel the indirect tax incentives in 2019

On June 20, 2018, Paul Biya, Cameroon's president signed a circular setting the major points of the 2019 budget.

In the circular, the president prescribed that in 2019, fiscal revenues should be optimally mobilized. Among the measures which should contribute to that effort, there is the *"reduction of the tax expenditures by CFA100 billion in 2019, thanks to the progressive suppression of indirect tax incentives"*. According to that directive, a progressive tax will be imposed on products which were not taxed before.

Let's remind that such measure for the enlargement of the tax base was prescribed in the 2018 fiscal law but the government desisted. Indeed in the 2018 fiscal law which was submitted to the national assembly in November 2017, the government prescribed 5% exit duty on the following products: acacia gum, rice, palm oil, pepper, kola nut, millet, sorghum, and Eru.

In the final law, however, the 5% tax on wheat imports was waived following instructions from the presidency.

Let's remind that this tax base enlargement was prescribed by IMF in the framework of the economic program it signed with Cameroon in June 2017. Indeed, the Bretton Woods institution has always reminded CEMAC countries that they should cancel discretionary waivers since they affect the countries' overall revenues and undermine growth.

CEMAC to meet the zone's natural resource operators for foreign reserves rebuilding

On June 21, 2018, during the meeting of the steering committee of CEMAC's economic and financial reform programme Pref-Cemac, the economy and finance ministers of the CEMAC zone met the general managers of companies exploiting natural resources within the community.
According to the president of the steering committee, this meeting which was a first within CEMAC was to help explore solutions for *"the necessary replenishment of foreign exchange reserves with the participation of actors of the private sector"*.
Indeed, according to IMF, CEMAC's foreign exchange reserves in the French treasury dipped by CFA4 trillion within 6 years (CFA6,000 billion in 2010 to CFA2,000 billion in 2016). Therefore, to rebuild the zone's foreign exchange reserve which is used to pay CEMAC's imports, a crisis meeting was held in Yaoundé in December 2016. At the end of the meeting, the heads of states issued various measures to be implemented by each state as well as the BEAC.
On September 28, 2017, Louis Paul Motaze, Cameroon's finance minister was delighted with the results of these measures. *"When we review the result of the implementation of some of the measures which were taken, we notice that the volume of foreign reserves has risen but not yet at the level we want"*, he said during the third meeting of the steering committee of Pref-Cemac in Douala.

CFA9.9 billion to pay Cameroon's debt towards 303 SMEs

CFA9.9 billion was disbursed to pay Cameroon's debt toward 303 SMEs. This decision was officialized on May 24, 2018, by the finance minister Louis Paul Motaze. According to the authorization signed by the minister, this fund is to pay the debt owed to these companies between 2013 and 2017.
Let's remind that this decision falls in the framework of the government's policy to pay all its debts towards local SMEs. In that regard, by April, the finance minister had already authorized the payment of CFA30 billion to various companies and service providers.
So, within two months, Cameroon had already disbursed about CFA40 billion to pay its debt towards local SMEs.
Let's note that according to ECAM, this debt is about CFA750 billion but, this year, the country has set CFA713 billion for these payments.

World bank provides CFA73.5 billion to support refugees in Cameroon

Under the IDA financing mechanism, World Bank will provide $130 million (CFA73.5 billion) to Cameroon to help support refugees and displaced persons. This was revealed during a ceremony in Yaoundé on June 19, 2018, the eve of the International refugees' day.
According to Elisabeth Huybens, World Bank Country Director for Cameroon, these funds will be used for four projects aimed at improving the living conditions of refugees whose number is ever increasing since 2014.
According to the director, despite Cameroon's authorities' decision to tend to the displaced people's immediate needs (with humanitarian organizations' support) by integrating them to most of the national systems namely, health and education, the public services are limited and natural resources are scarce for those refugees.
Let's remind that Cameroon has welcomed about 360,000 refugees most of whom are in the vulnerable, marginalized and isolated border areas. Most of those refugees are Nigerians fleeing Boko Haram's exactions and Central Africans fleeing the country's insecurity following the coup that ousted the former president Bozizé in 2013.

CEMAC's economies weakened by oil-dominated exports in 2017

In 2017, crude oil represented 70% of the overall exports within CEMAC. This was revealed by the Bank of Central African States BEAC in the latest report on price competitiveness within CEMAC in 2017.
According to the report, the product's overall contribution to Real Effective Exchange Rate (REER) on real export earnings was around 80%.
Due to this, CEMAC's economies became less competitive. Indeed, the Bank revealed that since 2015, the non-oil REER appreciated by 2.4% while the overall REER (oil included) depreciated by 8.1%.
The apex bank added that due to CEMAC members' high dependence on oil exports, the price competitiveness's evolution varies according to the country. Indeed, even though the non-oil REER appreciated by 2.4%, in Cameroon, it appreciated by 17.5% while in Congo, Gabon and Equatorial Guinea, it appreciated by 12.5%, 0.24%, and 0.36% respectively. In the remaining two countries, namely Central Africa and Chad, it depreciated by 1.5% and 0.21% respectively.
So, apart from Cameroon whose economy is relatively diversified, the other CEMAC countries which depend on oil exports' REER was either negative or weak.
Let's remind that for years now, many international institutions such as IMF and World Bank invited the CEMAC countries to diversify their economies due to the free fall of oil prices (which highlighted the sub-region's vulnerability).

Cameroon to secure the payroll management system at Cenadi

Louis Paul Motaze, Cameroon's finance minister is working to curtail the networks of public revenue embezzlers at the ministry of finance. Indeed, in May, after he initiated the mandatory signature to detect the fictitious civil servants included on the country's payroll (with the complicity of high officials in charge of it), the minister launched the public revenues' safeguarding. He started with the technical platform of the Centre national de développement de l'informatique (Cenadi) as this is where the payroll management system (Système informatique de gestion intégrée des personnels de l'Etat et de la solde-Sigipes) is located.
For this purpose, on May 30, 2018, he launched a public call for tender for modernization and safeguarding of Cenadi's technical platform but the winner was not yet announced. The chosen company wills review the current platform, estimate the technical and technological needs, provide and install the technical equipment and software, arrange the machine halls, upgrade the local network and move the z10BC server to the backup site. It will also have to remove the server MP2003, elaborate a strategic security plan and strengthen the knowledge of Cenadi's staff.
Let's note that the finance minister has decided to boost security on the platform of Cenadi for good reasons. Indeed, this is where every action about the country's payroll are conducted and, it was demonstrated that most of the fictitious civil servants are paid salaries and financial incentives via the platform. Because of this, the government launched the physical counting of civil servants (prescribed by the head of state Paul Biya in a circular on June 20, 2017, because the salary mass is about CFA1,000 billion) in May 2018.

The legislative election could be postponed to 2019

The legislative elections could be postponed to 2019. Indeed, according to credible sources, on June 13, 2018, the president of the Republic Paul Biya, officially contacted Marcel Niat Njifenji, president of the Senate. In the correspondence, it is explained that because of the simultaneity of the presidential, legislative and municipal elections this year, the organization could be difficult. Because of this and in accordance with article 15 [4] of the constitution, the president required the senate president to summon the Senate to discuss on the extension of deputies mandate by one year starting from October 29, 2018.
Paul Biya then recommended the Senate to send the proposal to the national assembly for its adoption during the ongoing parliamentary sitting.
Let's remind that this is not the first time the executive has requested the postponement of legislative elections generally coupled with municipal elections. In 2012 for instance, the deputies and town councilors' mandate was extended to 2013.
It should also be noted that the senatorial elections was held on March 25, 2018. Even if the legislative and municipals are reported, only the presidential will now be held (in October 2018 normally).

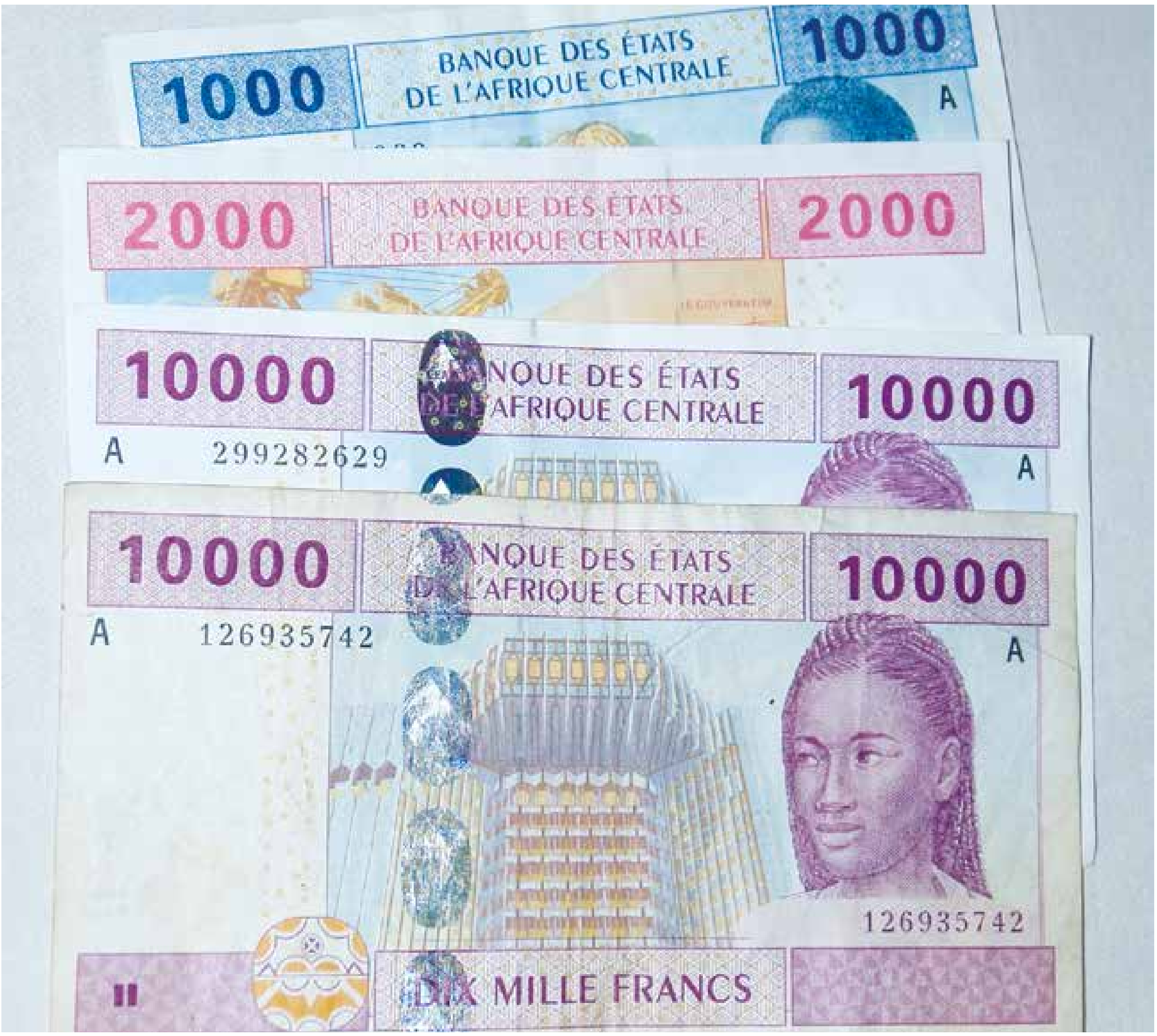
Cameroon's growth was driven by primary and tertiary sectors during Q4, 2017

Cameroon's GDP rose during Q4, 2017. Indeed, according to a report the national institute for statistics published, compared to the GDP level during the same period in 2016, it has risen by 2.4%. This increase was spurred by the primary and tertiary sectors which remained the basis of the growth.
During the period under review, the primary sector grew by 1.2% on a year-on-year basis due namely to the growth in the food-crop sector which contributed 0.3 points to the quarterly GDP.
"This performance is mainly due to a strengthening of the planters' management as well as the ongoing measures to modernize the machines for production and arable sectors' management", the Institute informed.
Though the breeding, hunting and fishing sectors (3.3%), as well as the fish farming and forestry sectors (2.6%) have lost some points, they also contributed significantly to growth in the primary sector. Let's note however that the industrial agriculture and exports registered a negative performance (-7.3%).
As for the tertiary sector, all its branches contributed to the growth. Its contribution was 1.7% points. The retail and repair branch contributed 0.6 points, the financial services (2.5%) (due to an increase in the net banking products). As for the ICT and telecommunication branches (4.1%), the growth was due to the strengthening of the internet Access providing services and the introduction of high added value services such as mobile money services as well as online purchase and payments.
In the same wake, the public administration's non-market services registered a positive dynamic.

Cameroon is the third largest beneficiary of AFD's funds in the world

To date, the French Development Agency has invested €1.7 million (CFA655.7 billion) in Cameroon. This was revealed during the official presentation of the agency's new representative in Cameroon Benoît Lebeurre on June 8, 2018.
During the ceremony, the economy minister indicated that the country would appreciate if the agency increases its investments in Cameroon so as to make Cameroon the leading beneficiary of finances provided by the French Agency for development, in the world. Indeed, currently, Cameroon is the world third in terms of the institutions' fund beneficiaries in the world.
According to Cameroonian authorities, the institution invests in various sectors such as health, agriculture, energy, and education. It also invests in the private sector's development with its support to the companies' support center Bureau national de mise à niveau des entreprises (BNM), and its guarantees to encourage local SMEs' funding.

Unofficial bonuses greatly increase Cameroon's payroll (World Bank)



Cameroon's relatively low wages hide the discretionary incentive pay and bonuses that substantially increase the country's spending on its civil servants. This was revealed by the World Bank in a Cameroon-focused report it presented to technical and financial partners in Yaoundé on May 25, 2018.

These are namely the daily meeting allowances granted to members of the many committees within the public administration and to the member public companies' administrative boards.

According to the bank, these unofficial bonuses are largely higher than the minimum wages in the country and they are granted to only a small portion of the civil servants.

For instance, the maximum wage for a grade A2 civil servant is CFA350,000 and CFA200,000 for B2. But, for a technical committee member, the daily meeting allowance ranges from CFA150,000 to CFA300,000. Members of administrative boards receive up to CFA550,000.

Because of those allowances, the beneficiaries could delay decision-making processes to maximize the bonuses, the World Bank estimated.

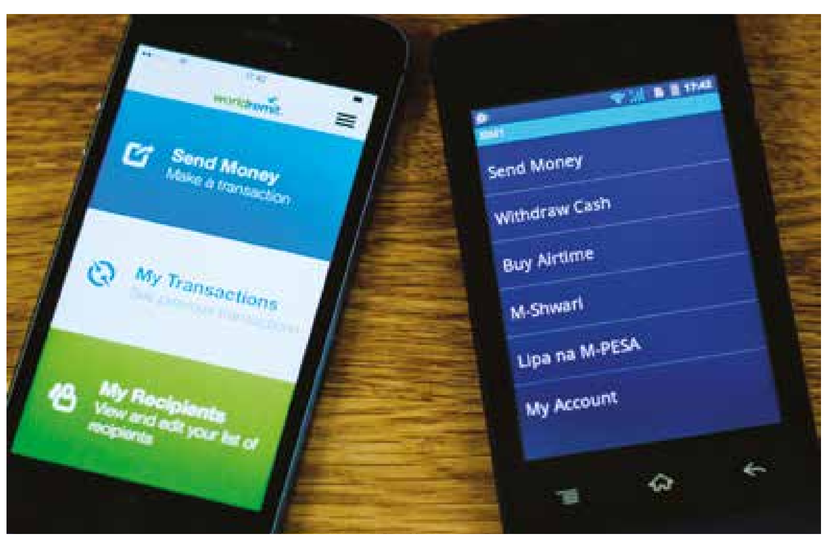
It also deduced that with those allowances not being related to any performance, and the payments unregulated, there could be some misappropriation.

FINANCE

Alphonse Nafack, managing director of Afriland First Bank expressed his views on the Cameroonian banking sector

During the 10th edition of the Africa Banking Forum held in Douala on June 28, 2018, Alphonse Nafack, the managing director of Afriland First Bank expressed his views on the Cameroonian banking sector.
According to the managing director, the Cameroonian banking sector is doing well. He revealed that the fall of global oil prices has affected clients' economic activities. Therefore, those clients are unable to fulfill their commitments by the set deadlines.
In addition, some of those clients who provide goods and services to the government have to wait for 6 months before having their invoices paid.
Yet there is a *"regulatory stricture stating that when you have an account with no operation in the past three months, you are in prelitigation"*, he explained.
So, according to that regulation, the clients are already in prelitigation even though they can pay their loans (since they are waiting for the government to pay their invoices), he explained.
He also added that the volume of bad debts from Cameroon's clientele was becoming a concern. This is looking at figures published by the national debt council. According to the council, by the end of December 2016, these debts towards commercial banks operating in Cameroon was estimated at CFA489 billion.

WorldRemit partners with UBA Cameroon to ease money transfers



In a statement published June 25, 2018, WorldRemit announced a partnership with UBA Cameroon. Thanks to this partnership, all the 70,000 clients of UBA Cameroon can transfer money around the world thanks to the WorldRemit's platform. In addition, those clients' relatives can withdraw money at the various WorldRemit points disseminated around the country.
Let's remind that WorldRemit, leader of the digital money transfer market, has already concluded such partnership with Banque Atlantique, and Express Union which has 700 sales points in Cameroon.
According to Andrew Stewart, Regional Director of Africa and the Middle East at WorldRemit, Cameroon holds a strategic place for this company in Africa. *"Cameroon is our most important market in Francophone Africa. It is also the fastest growing one with 120% annual growth"*, he said.

Microfinance institutions operating within CEMAC should comply with the new regulations by January 2020, COBAC says

Starting from January 2018, microfinance institutions operating within CEMAC have up to two years to comply with the new regulations governing their activities. This was revealed by COBAC at the end of the seminar organized to present the regulation.
This regulation, more strict in terms of monitoring, management, minimum operating capital as well as the profile of the management, was presented to the managers of microfinance institutions on June 26, 2018, in Yaoundé in the presence of Abbas Mahamat Tolli, governor of BEAC and president of COBAC.
The governor reminded that microfinance institutions play an important role in banking within CEMAC. He further revealed that this burgeoning activity needs to be structured for effective supervision.
According to experts, many institutions will close doors since not all the actors in the sector would be able to comply with the new regulations. Among these actors are many adventurers like the institutions placed under provisory administration or institutions which closed their doors recently leaving their customers in disarray.

Microfinance institutions' balance sheet stood at CFA445 billion in 2017

Louis Paul Motaze, Cameroon's finance minister, reveals that in 2017, 840 microfinance institutions were active in the CEMAC region.
He also indicated that those institutions' total balance sheet was estimated at CFA854 billion. The loans stood at CFA354 billion and were mainly short-term loans. As for the deposits, they are estimated at CFA672 billion (overnight deposits for most of them).
Let's remind that 53% (more than CFA340 billion) of the overnight deposits and 63% (CFA244 billion) of the loans provided within CEMAC were made in microfinance institutions operating in Cameroon. The total balance sheet of Cameroonian microfinance institutions during the year under review was CFA445 billion.
Finally, the minister added that by December 31, 2017, 3.03 million accounts were opened in Cameroon's microfinance institutions and 2.14 million in credit institutions operating in the country.

Cameroonian microfinance institutions' defaulted loan portfolio was the worst within CEMAC in 2016

In 2017, the volume of defaulted loans in Cameroon-based microfinance institutions' portfolio was CFA106.4 billion. This was revealed on June 21, 2018, during the official launch of the Microfinance credit risk division (which should centralize information about loan requesters for better credit decisions) in Yaoundé.
Compared to microfinance institutions' defaulted loans portfolio in the other countries of CEMAC, Cameroon's was the worst in 2016. Indeed, according to a report on financial stability in the Central African region, (published early this year by BEAC), by December 31, 2016, the defaulted loans within CEMAC was *"CFA71.7 billion (ed.note : CFA35 billion less than Cameroon's own in 2017), representing about 13.4% of the overall loans"*. The report further explained that 79% of these defaulted loans were identified in Cameroon while 13% were in Gabon.
Let's remind that the quality of Cameroonian microfinance institutions' credit portfolio also indicates the dynamism of that sector in the country. Indeed, apart from being home to 523 out of the 829 institutions identified within CEMAC in 2016, Cameroon accounted for 65% of the loans granted within the community in the said period.
In addition, the figures published about the 2017 year confirm the importance of microfinance institution in Cameroon's economy. In 2017, deposits in Cameroon's microfinance institutions represented 16.6% of the overall deposits in the country while the loans granted by those institutions (which extend their services to rural zones usually ignored by classical banks) represented 13.9% of the overall loans granted in Cameroon.

Cameroon launches a microfinance central risk division to rehabilitate the sector

A microfinance central risk division was created to rehabilitate the microfinance sector in Cameroon. Named Centrale des risques des établissements de microfinance (Emf), it was officially launched June 21, 2018, by the Cameroonian finance minister in Yaoundé.
This division will centralize data related to loan requesters so that microfinance institutions can have requesters' credit profile and take appropriate decisions when it comes to loan provision.
This will help sanitize the loan portfolio of microfinance institutions (crucial to the local economy thanks notably to its expansion in rural zones generally abandoned by classic banks) generally affected by bad payers.
Let's remind that most of those bad payers claim the drastic loan agreements with the microfinance institutions (whose interest rates are usurious according to COBAC) are the reasons why they are unable to pay their debts.

BCP bank could buy some of BPCE's subsidiaries in Africa

The Morrocan Banque Centrale Populaire (BCP) could acquire many subsidiaries of the French group Banque populaire-Caisse d'épargne (BPCE) in Africa such as the Banque internationale du Cameroon pour l'épargne et le crédit (BICEC). This was revealed by Kamal Mokdad, director of international affairs at BCP, according to statements reported by *Jeune Afrique*.
Let's note that BPCE is one of BCP's shareholders (4.5%). In addition, it has also sold its subsidiaries in Mauritius and Madagascar Banque des Mascareignes. Therefore, the deal should certainly lead to a shareholding deal. It should be reminded that BPCE's portfolio in Africa is constituted of BICEC in Cameroon, Banque tuniso-koweïtienne (BKB) in Tunisia and Banque commerciale internationale (BCI) in Congo and the French group owns 68.5%, 60% and 100% in those respective subsidiaries.

BEAC's CFA285 billion oversubscribed at 125% within 24 hours

Within 24 hours, actors of the CEMAC financial market subscribed at 125.28% to the CFA285 billion auctioned by BEAC on June 12, 2018. Indeed, according to the auction report signed on June 13, 2018, by the bank's vice-governor Dieudonné Evou Mekou, the bids received were worth CFA357.04 billion (a surplus of CFA72 billion compared to the nominal value to be auctioned) and the maximum interest rate is 2.95%. This is a record for BEAC since the operation was due to last for 7 days (June 14 to 21) but was completed in just one day. It also translates the important need for liquidities on the sub-regional money market. This is, by the way, the reason why in 2017, the central bank set a scheme to provide urgent liquidities to the economic region's banks with financial difficulties and allow those institutions with sufficient solvency level to face temporary liquidity tensions which could affect the sub-region's financial stability.

BGFI Cameroon validates GDC's debt restructuring offer

BGFI Cameroon validated a debt restructuring offer for the CFA15 billion ($26 million) owed by the local subsidiary of Victoria Oil & Gas, Gaz du Cameroon (GDC). This was revealed by Victoria Oil and Gas but, the company did not comment on the impact of this restructuration on GDC's performance.
Let's remind that this credit facility was granted in April 2016, and the firm consumed it till 2017. According to the agreement at the time, the mining firm should pay only the interest within six months before it pays the loan and its cumulated interest. It seems that Gaz du Cameroun S.A. (GDC) had some difficulties paying because, by the time the restructuring agreement was signed, it still owed $20.5 million. In the new agreement, the debt will be paid within 5 years and the interest paid over 12 months starting from July 15, 2017. The loan will then be refunded by installments at an annual rate of 7.15% (less than the rate offered by the local market). The security terms remain unchanged, notably, some clients' payment, a letter of comfort and some assurances.

Crédit du Sahel and BMN sign a funding agreement to improve companies in Cameroon

The national Bureau national de mise à niveau des entreprises (BMN) which helps Cameroon's companies improve their competitivity signed a funding convention with Crédit du Sahel, leader of the microfinance market in the North. Via this convention, the institution wants to improve and facilitate access to funding for the companies under its mentorship. According to Chantal Elombat, head of BMN, this convention was spurred by the acute need for funds to carry out the plan they elaborate after they have assessed those companies.
Let's remind that Crédit du Sahel is the third partner BMN has signed funding agreements with for their activities. The two others are the African Leasing Company (ALC), recently absorbed by Afriland First Bank, and the *Fonds africain de garantie et de coopération économique* (Fagace).

Barely 30% of CEMAC's microfinance institutions transmit credible reports to CABC

The Central African Banking Commission (CABC) has been popularizing the use of its platform "E-Sesame" for the elaboration of microfinance institutions' reporting framework.
According to Maurice Christian Ouanzin, the commission's general secretary, this platform will help correct the reporting mistakes usually identified by CABC as far as the off-balance-sheet commitments, risks division and statistics are concerned. According to the secretary, the precedent reporting were not as successful as CABC would want to because out of the 700 microfinance institutions it authorizes, barely 30% transmit credible reports on a regular basis. The banking commission thus wants to reverse that trend.

UCITS funds can now go into the financial market

In Cameroon, UCITS funds (collective investment in transferable securities) can now go into the financial market. This was approved by a decree signed on June 1, 2018, by Louis Paul Motaze, the finance minister.
An authorized source at the financial market commission explained that these funds are asset management funds which invest savers' money into financial schemes and into productive companies to fructify the money. Such was the case of Actis which invests the British savers' money in Cameroon. Those funds can also invest in startups.
Thanks to that decree approving the operation framework established by the financial market commission about a year ago, in conjunction with the market, UCITS funds will start operations.

BICEC dissolves T2SA, its subsidiary operating in the IT sector

BICEC informed that by June 30, 2018, T2SA (Technology Shared Services Africa) will be effectively dissolved.
This decision was taken during the extraordinary general assembly meeting held on May 18, 2018, but, the bank provided no reason for this dissolution. Therefore, the assets of the T2SA will be transferred to its sole shareholder BICEC.
Let's remind that the T2SA was launched in 2012 and it used to offer IT services to BICEC Cameroon and BICEC Congo. In Cameroon, it replaced Interface, the company which used to provide IT services to BICEC Cameroon.

AGRIBUSINESS

"Destination chocolatiers engagés", a label aimed at improving Cameroonian cocoa quality launched in Paris

On June 26, 2018, Destination chocolatiers engagés, a label aimed at providing the expertise of French chocolate makers to Cameroonian producers for the production of excellent quality cocoa was launched in Paris. This launch was conducted by the president of the French Confederation of chocolate makers and confectioners (Confédération des chocolatiers et confiseurs de France), Frédéric Chambeau, and Appolinaire Ngwé, president of the Cameroonian Cocoa and coffee council (Conseil interprofessionnel du cacao et du café-CICC).
"This label is the materialization of the collaboration we initiated with Cameroon through the Coffee and Cocoa council for an improvement of the quality of the country's cocoa", Frédéric Chambeau explained. *"The aim here is to produce better quality cocoa, which meets the requirements of the master chocolate makers, and produce it on a larger scale, well beyond the small cooperatives. In that regard, the CICC promised to set cocoa post-harvest processing centers"*, said Omer Gatien Malédy, the executive secretary of CICC. The secretary also explained that apart from the three processing centers built for cooperatives in the Coastal and Central regions, two large centers are being built in the country.
It is worth noting that the first processing center was inaugurated in Nkog-Ekogo, in the Central region on November 7, 2017. This village located in Lékié, the largest production basin in Cameroon, is, by the way, the place where Cameroonian producers and French chocolate makers' collaboration started fortuitously.
Indeed, according to Christophe Bertrand, French chocolate maker, in September 2016, a woman named Aristide Tchemtchoua contacted him via Facebook inquiring whether he was interested in buying cocoa from her. Touched by the cocoa producer's approach, he agreed to receive samples and the woman was to pay for all the related fees. *"Well, she agreed to it. She sent me 250 kg of the bean by borrowing €700 (about CFA460,000), which is about a year's salary in her country"*, said the chocolate maker impressed with his business partner's determination.
Since then, Chistophe Bertrand came more than once to Cameroon followed by members of the Confédération des chocolatiers et confiseurs de France, who signed long-term partnership agreements with Cameroonian producers.
Thanks to these partnerships, the producers can sell their excellent quality beans at up to CFA2,000 per kilogram against CFA1,000 offered in the local market.

Nigeria intercepted contraband rice worth about CFA100 million coming from Cameroon

On June 24, 2018, the Nigerian Navy ship Victory intercepted 3,434 bags of rice estimated at NGN61 million (about CFA100 million) in Calabar, Cross River state. According to The Punch which revealed the info, the rice was coming from Cameroon. *"We are going to start massive investigations into the main actors in this smuggling of rice into the country, especially from Cameroon into the Calabar area. We are going beyond these boys who ride the boats. I warn the main culprits behind these smugglings that we are compiling their reports and we will come for them"*, warned Julius Nwagu, commander of the NNS Victory.

Let's remind that Cameroon and Nigeria share a 1,500 km of border from the north to the south. For years, intense contraband activities developed along that border, impacting the two countries' treasuries negatively.

Russia eyes agriculture products exports contracts with Cameroon

Russia eyes some direct export contracts in Cameroon. This is revealed by Anatoly G. Bashkin, the Russian ambassador after his audience with the Cameroonian minister of agriculture Henri Eyébé Ayissi, last week. *"We deduced that we need to establish direct contracts as far as agriculture products' import-exports are concerned. Recently, Cameroon has been buying Russian wheat in profusion. Therefore, we will probably sign direct contracts"*, the Russian ambassador explained to the government daily at the end of the audience. According to the ambassador, over the recent years, Cameroon has turned to the Russian expertise in potato production. He further explained that Cameroon could learn many things from Russia regarding this sector.

800 hectares arranged for rice growing within 8 years thanks to a government programme

Within 8 years, 800 hectares of fields to be used for rice growing were developed in Cameroon under the support programme for agriculture development (Projet d'appui au développement des filières agricoles -PADFA). This was revealed during a review of this scheme to which IFAD contributed 15% to (overall cost for the project being CFA11.7 billion). Throughout its implementation, this programme helped support 1,276 groups (constituted of 25,140 rice and onion producers) of farmers providing them high yield seeds. Those rice growers now produce up to 6 tons per hectare in the low-lying lands.

Despite rice output rising over the past years, the country still imports the cereal. Actually, this is necessary given that annual demand stands at 300,000 tons while production is at 100,000 tons only.

FAO to disburse CFA17 billion for various projects in 2018-2020

Between 2018 and 2020, the Food and Agriculture Organization (FAO) will disburse CFA17 billion to finance various programs in Cameroon. This was revealed on June 14, 2018, during the presentation of the institution's program for Cameroon to authorities in Yaoundé.

According to Athman Mravili, FAO representative in Cameroon, part of the money will be used to finance food security, and value chains' development projects. It will also be used to better manage natural resources, improve resilience building, and nutrition.

"We will work with all the government institutions involved to transform the national framework into specific projects. Once all that is done, we will launch the second phase which is to mobilize resources", he explained.

Cameroonian wood exporters could be declaring lower quality products to lower customs charges

The International Tropical Timber Organization revealed that though Chinese buyers continue to ignore woods from Cameroon (following wood exports' tax increase Cameroonians are trying to pass on buyers), this has no impact on Cameroon's wood sales at the international level so far.
The organization which revealed this in its sectoral report for the period from June 1 to 15, 2018, also explains that Cameroonian exporters are suspected of declaring lower quality woods to customs in order to reduce their exploitation cost.
If this is true, such practice could help exporters face the increased customs charges and at the same time keep their products competitive at the international level but the public treasury will lose important fiscal revenues.
Indeed, in the 2018 fiscal law, Cameroon increased the wood export taxes. Due to this, exporters also increased their woods' prices but Chinese buyers did not appreciate. In addition, the country's wood exports to the European Union dropped by 11% during Q1, 2018, the International Tropical Timber Organization revealed.

Cameroon remained the third exporter of sawn wood to Canada in April 2018

In April 2018, Cameroon was the second sawn wood exporter to Canada, the International Tropical Timber Organisation revealed in its sectoral report for June 1-15, 2018 period.
As it was the case in January 2018, Cameroon was the second exporter behind the United States of America and ahead of Brazil. According to the organization, this is because of the attraction Canadian buyers have for acajou and Sapelli which were the main varieties Cameroon exported to Canada.
During the same period, the overall Canadian imports of sawn wood have increased by 10% in April, but, on a year on year basis, it decreased by 25%.

Production of Oku Honey dropped by 65% this year because of early rainy season

In 2018, the production of Oku honey (labeled in the framework of OAPI's geographic indication program) has dropped by 65%. This was revealed by the Cameroon Gender and Environment Watch, an NGO based in Oku in the Northwest.

According to the organization, this drastic drop was due to the early rainy season this year. Indeed, the season started when trees started to bloom. Because of this, the blossoming stopped and bees had no flowers to glean.

Let's note that Oku honey, whose adoption of labeling in 2013 contributed to the substantial increase of the producers' revenues, is harvested between April and the first week of June.

Padfa provides improved onion seeds that significantly increase production

For some years now, Cameroonian onion producers' average production per hectare increased from 11 to 27 tons, the ministry of agriculture reveals.

The ministry attributes the feat to the implementation of the agriculture support program Projet d'appui au développement des filières agricoles (PADFA) whose results were recently reviewed in the capital. It was launched 8 years ago with the financial support of the International Fund for Agricultural Development (IFAD).

Apart from improving onion and rice output and providing technical support to producers, PADFA (whose budget is CFA11.7 billion of which IFAD provided 15%) also helped build warehouses in the country's various production basins.

Cameroon aspires to be the world's leading cashew producer by developing 100,000 hectares of cashew farms

In the coming days, the Agricultural Research and Development Institute (IRAD) will launch the free distribution of 50,000 cashew trees in the three northern regions of Cameroon, official sources reveal.

These 50,000 plants are part of the 500,000 being produced in the different centers of IRAD, the research center whose aim is to grow 10 million of these trees (to be distributed to Cameroonian cashew growers for free) by 2021. The aim of this operation is to create 100,000 hectares of cashew fields in the country.

To implement this project, which aims at making Cameroon the leading cashew producer in the world in the coming years, Cameroon's president issued a prescription for CFA1.5 billion to be provided for the production, IRAD reveals.

Through this project, the government is thus paving the way for the development of a second cash crop in the three northern regions (North, Far-north, and Adamaoua) whose climate is appropriate for cashew (suitable for dry seasons) but are only producing cotton.

Let's note that Cameroon started producing cashew in 1975, about the same time as Côte d'Ivoire. Nowadays, however, it only produces about 33 tons yearly (thanks namely to Gic Ribaou, a group of passionate people who, for years now, have been trying to keep the production alive in the North) while Côte d'Ivoire is the world leading producer.

Indeed, according to official sources, in the framework of a reforestation campaign in Sanguéré, not so far from Garoua, the first cashew trees were planted in Cameroon in 1975. According to sources close to the case, the aim was to increase the cashew fields to 10,000 hectares and set a cashew juice production plant as well as sell the cashew nut (since the cashew has two components: the fruit and a nut on its head).

43 years later, only 650 hectares of cashew fields were effectively developed, including 60 hectares in 2017 thanks to an operation conducted by the ANAFOR (the national agency for support in forestry), explained Marie Hortense Onana, head of the ANAFOR in the North. In the coming years, this agency aims to develop hundreds of hectares of cashew fields in the Sanguéré orchard where Gic Ribaou has also developed a little more than 100 hectares of new plants since 2002.

Therefore, this programme initiated by IRAD is quite opportune for all those actors and the various individuals and institutions such as SODECOTON interested in growing cashew (because, according to various accounts, the unavailability of the plant was one of the roadblocks to the development of Cashew in Cameroon, apart from the ignorance of the various economic opportunities cashew represents).

Cameroon to pay about CFA1 billion cocoa premium to quality cocoa producers this year

Cameroon will provide CFA1 billion premium to cocoa producers who would supply better quality cocoa during the 2017-2018 season. This was revealed during the 2017-2018 campaign's review meeting organized last week in Ntui.

According to our sources, this premium was constituted by levying CFA5 from the export tax which should be paid to the Fonds de développement des filières cacao-café (FODECC).

In the coming weeks, a committee of government's representatives, supporting structures, and the professionals will meet to establish the list of the beneficiaries (thanks to the sales notes delivered after each purchasing operation and on which the quality of each cocoa sold is mentioned) and determine how the fund will be distributed to them.

This premium is part of the government's measure to encourage local cocoa producers to produce better quality cocoa. Let's remind that some exporters have already initiated various measures to improve cocoa's quality in the country by encouraging the production of certified cocoa.

For instance, Telcar Cocoa, the local representative of Cargill trained thousands of producers and during the last five cocoa campaigns, they were provided CFA3.7 billion cocoa premium.

Let's remind that during the last three cocoa campaigns, more than 90% of the cocoa beans exported by Cameroon were grade II beans. Due to this fact, its price slumped by up to CFA200 per kilogram on the international market despite the various measures initiated by the cocoa council and the government.

CFA195 million to support 36 agribusinesses in the coastal region

Thirty-six producer associations, in the Coastal region, have been granted CFA195 million in the framework of the programme to improve the competitivity of family-owned agribusinesses ACEFA.

Funded by the C2D agreement with France, this programme is initiated to support agribusinesses and increase their productivity and revenues.

According to the terms of the agreement in the framework of that programme, producer groups will be provided between CFA500,000 and CFA6 million while professional organizations will receive between CFA5 million and CFA30 million.

Cameroon: This season, cocoa production could be higher than that of the last season, CCC reveals

At May 2018, the total cocoa exported by Cameroonian producers during the current campaign was estimated at about 220,000 tons. This was revealed by authorized sources during the review of the 2017-2018 cocoa campaign organized by the coffee-cocoa council.

At this rate, in July 2018, when the campaign should end, the volume produced could be higher (or equal in the worst cases) than the 231,642 tons produced during the last season. According to our sources, this estimate is too high considering security issues in the Southwest which is one of the largest production basin.

Indeed, many producers abandoned their farms, fleeing conflicts between national army and the secessionists. Our sources further added that troubles in the region caused cocoa smuggling to Nigeria to rise significantly.

They further revealed that they do not expect the cocoa quality to improve significantly this season despite the numerous measures taken by government and exporters in that regard. As for the price, it is below CFA1,000 per kilogram; far below the CFA1,500 it used to be.

Cameroon publishes a research to improve the quality of Penja pepper

A research to improve the quality of Penja pepper was recently published in Douala. The study conducted by the chamber of commerce and the Canadian expert Bertrand Yvon delineated the growing regions in order to keep the pepper's organoleptic profile.

This delineation took into account the soil characteristics, the altitude, temperature, moisture and the precipitation level.

The research also highlights some good practices which farmers are to follow to ensure that locally-produced pepper meets the European Union's standards.

Let's remind that since 2013, Penja pepper was labeled in the framework of a programme funded by the French Agency for Development.

Cameroonian farmers are producing it in great quantity, a surge driven by the commodity's price rising from CFA2,500 to CFA14,000 per kilogram.

A real opportunity for producers whose 300 tons produced in 2015 were mainly exported.

ENERGY

CFA95.5 billion oil revenues generated in Q1, 2018

During Q1, 2018, Cameroon generated CFA95.5 billion oil revenues. According to the quarterly budget implementation report published by the finance ministry, this result has increased by CFA11.6 billion (13.8%) compared to the CFA83.9 billion generated a year earlier.
The ministry of finance explained that this performance is essentially due to the rise in global oil prices on a year-on-year basis. Indeed, average price for this commodity was $66.8 during the period under review, thus corresponding a 23.5% surge.
In detail, the oil revenues are constituted of CFA88.6 billion oil royalties from Société nationale des hydrocarbures (SNH) and CFA6.9 billion as taxes levied on oil companies operating in Cameroon. Compared with the quarterly forecast which is CFA72.6 billion, the achievement rate is 131.5%.
As for the non-oil revenues, they increased from CFA617.4 billion in Q1, 2017 to CFA637.4 billion in Q1, 2018 (an increase of CFA20 billion or 3.2% between the two periods). Compared with the quarterly forecast which is CFA729.6 billion, non-oil revenues' realization rate is 87.4% (short by CFA92.2 billion). *"This sub-performance is mainly due to a low collection of fiscal and non-fiscal revenues"*, the ministry said.

The first load of LNG produced by Hilli Episeyo successfully delivered to CNPC

Last weekend, China National Petroleum Corporation (CNPC) informed that on June 14, 2018, it received the first load of Liquefied Natural Gas (LNG) produced in Cameroon. This load left Cameroon between April 30 and May 1, 2018, onboard the Galicia Spirit, a 138,000 metric cube vessel, for CNPC's LNG terminal Rudong.
Located in Jiangsu, the 6.5 million ton/year terminal received its first load in 2011. This new shipment it just received will help implement the Chinese government's policy which is to reduce greenhouse gas emissions by shifting progressively from the use of charcoal to gas.
Let's remind that Cameroon's floating liquefied natural gas production unit has a production capacity of 1.2 million tons of LNG and 30,000 tons of domestic gas yearly as well as 5,000 barrels of condensate daily.

Another floating LNG unit to be operational in Limbé by 2023

A new floating LNG should be operational offshore Limbé by 2023. In that regard, Cameroon signed a convention with the British New Age in the framework of the Etindé license for the development of a 2,316 km² gas field offshore Cameroon. According to New Age, the construction of such floating LNG will start in China in 2019. After four years, the unit should be operational and will allow New Age and its partners to produce 30,000 barrels of condensate daily, 1.3 million metric tons of LNG as well as domestic gas.

Let's remind that in March 2018, Cameroon became the second country in the world to use a floating LNG.

At April 30, 2018, this floating unit, Hili Episeyo, has helped produce 99,455 metric cubes of Liquefied Natural gas. Out of this overall production, 40,000 metric cubes was exported to China, credible sources revealed. Hili Episeyo can produce 1.2 million tons of natural gas per year. Cameroon commissioned it to anticipate the production of LNG while waiting for an LNG foot plant not so far from Kribi deepwater port.

INFRASTRUCTURE

Abba Sadou prescribes bi-weekly assessment of AFCON2019 infrastructures in Garoua

Abba Sadou prescribed a bi-weekly assessment of the AFCON 2019 infrastructures in Garoua. This recommendation follows a field visit by the minister of public procurement. The official revealed that this is to pressure the different companies in charge of those constructions since most of them are late.

As for the companies, they claim that their delay is partly due to the shortage of the workforce, logistics difficulties and the delays in funds' disbursement (because of the cash flow difficulties experienced by the government).

TRANSPORTATION

Four world leading port operators shortlisted for Douala port container terminal's management

Cameroon shortlisted four port operators for the concession on Douala Port's container terminal. This follows the international public call for expression of interest issued on January 18, 2018, to replace the actual operator Bolloré-APMT whose concession will end in 2019. During the submission period, ten companies expressed their interests. Let's note that out of the four selected companies, two have never operated ports in Africa. Those two are namely Hutchison Port Holdings (HPH) and Singapore Authority (PSA International).

Truly, even though Hutchison Port Holdings (HPH), a Hong-Kong based company, has a global network, it has never operated ports in Africa. The company (owned at 80% by CK Hutchison Holdings and at 20% by the Singaporean PSA International) is registered in the British Virgin Islands, a territory usually presented as a tax haven. For fifteen years now, it has been one of the world's leading container terminal's operator with a strong presence in Asia.

As for Port of Singapore Authority (PSA International), it operates 28 ports in 16 countries in Asia, Europe and America. The actual volume it manages is estimated at 11 million EVP containers and more than 66 kilometers of docks.

Apart from those two companies, there is also the present concession holder DIT (a consortium formed by Bolloré Africa Logistics (BAL) and APM Terminals.

BAL which also operates the container terminal in Kribi deep-water port, thanks to a concession with the French CMA CGM and the Chinese CHEC, has already operated 16 container terminals in Africa while APMT Maersk is present in 23 countries and manages 42 dry ports in Africa and in the Middle East.

The last shortlisted candidate is Dubaï Ports World (Dp-World), the world's third largest port operator with 49 terminals under its management. It was operating in four African countries namely, Algeria, Djibouti, Mozambique, and Senegal. On February 22, 2018, however, its agreement for Doraleh port (which it was operating in Djibouti since 2006) was canceled by the government.

"DP World never really wanted to develop Doraleh (which was operating at 40% of its capacity) and favor the emergence of the Dubai port Jebel Ali. It just wanted to restrict the competition by controlling and limiting operations to the local market and Ethiopia even though this may discourage largest shipowners who would avoid our ports. It did the same thing in Aden, Berbera and elsewhere. This is Malthusianism for its sole profit. We are not accepting it", explained Ismaïl Omar Guelleh, president of Djibouti, to justify the cancellation of the concession agreement with this operator which eyes the container terminal in Douala port.

Cameroon : KPMO to manage Kribi multipurpose terminal for two years

Today, July 9, 2018, Kribi Polyvalent Multiple Operators (KPMO), a consortium of Cameroonian companies, signs a subcontracting agreement for the management of the multipurpose terminal at Kribi port for Two years.
In that regard, Patrice Melom, the port's managing director explains that during that transitory period, the port will manage the terminal itself but can subcontract another company for that purpose.
"We are with KPMO in the framework of an indirect management", the director said.
He adds that this contract is in line with the president's prescription which states that in case of a failure of an operator who holds the concession on a terminal, the port authority should take care of the exploitation for a transitory period. And, this is exactly the scenario here.
Kribi port authorities estimate that for one or two monthly stops, it will handle between 400,000 and 500,000 tons of goods on average during the two transitory years.
Let's note that KPMO was part of the consortium led by the French Necotrans in 2014. On 26 August 2015, this consortium was chosen by Cameroon for a partnership agreement in the framework of the maintenance and management of Kribi port's multipurpose terminal. This agreement was supposed to last 20 years for €26.2 million investments and fees to be paid to Cameroon.
In January 2018, however, the country declared the failure of Necotrans. Les Echos then revealed that in front of Paris trade court, the buyback offer (about €17.2 million or CFA11 billion) from the consortium Bolloré - APCH - Premium - Privinvest helped Necotrans keep 86 out of 119 direct jobs in France and 1,100 in its subsidiaries in Africa.

Antwerp port and nine multinationals pre-qualified to replace Necotrans for the management of Kribi port's multipurpose terminal

The competition is tough to replace Necotrans (after the two-year transitory period) whose failure was declared in 2017 by Cameroonian authorities on the concession of Kribi port's multipurpose terminal.
Indeed, the port authorities just published the list of companies pre-qualified after the restricted call to tender launched on March 12, 2018. On the list, there are notable groups such as Antwerp port (the leading port platform in Belgium and second largest in Europe), the Morrocan group Marsa and the International Container Terminal which paid its fees directly from Dubaï.
There are also Red Sea Gateway Terminal Company limited (Saudi Arabia), Sea Investment Afrique SA (Belgium), CDC et Transnet (South Africa), CAF Ship, Medlog SA (Belgium) and Agence de prestation maritime (Cameroon).
In the meantime, the multipurpose terminal is being managed by the Cameroonian consortium Kribi Polyvalent Multiple Operators (KPMO). This was officialized by Kribi autonomous port and KPMO via a two year sub-contracting agreement signed on July 9, 2018.

Douala port to auction the shipwrecks removed by Bonifacio

The shipwrecks removed from Douala port will be auctioned. This was revealed by the port's authority informing that the shipwrecks removed from the port will be cut into pieces and sold in strict respect of environment and security standards.

The authority also reminded that the important part of this removal operation is to free spaces in the port; not to profit from auctioning since the fund disbursed for the removal operation is higher than what the auction could generate.

Let's note that to date, 80 old ships are in the Douala port. Out of these, 25 will be removed by the Italian Company Bonifacio hired for the task, in line with the announced operation.

MINING

Stratex International Plc to invest about CFA1 billion in BEIG3's Bibémi and Wapouzé gold mining project

On June 12, 2018, Stratex International Plc announced that it has concluded a conditional option agreement with Bureau d'études et d'investigations géologico-minières, géotechniques et géophysiques Sarl(BEIG3) in the framework of its gold mining project in Bibémi and Wapouzé, in North Cameroon.

Thanks to fundraising operations to collect between CFA745 million (£1 million) and CFA931.6 million (£1.25 million), the British mining company will help BEIG3 in its exploration project.

By providing the funds, Stratex International Plc will acquire 90% of the Bibémi and Wapouzé projects after a feasibility study.

"We are delighted to have entered into this option agreement with BEIG3", said Tim Livesey, Chief Executive of Stratex. *"BEIG3 formerly held the projects in a joint venture with TSX-quoted Reservoir Minerals Inc, of which I was COO until 2016 when it was sold to Nevsun, but these have recently been returned 100% to BEIG3 and so we look forward to picking-up where Reservoir left off"*, he added.

Let's remind that on November 18, 2014, while it was active on the Bibémi project, Reservoir Minerals announced that the sampling conducted during the dry season suggests high-grade mineralization of about 10.95 grams per tons on 3.6 meters starting from 2.6 to 6.2 meters.

At the time, Simon Ingram, the then chief executive of Reservoir Minerals, indicated that such result was an indication of the excellent mineral potential of these mines starting at about 19 kilometers from ground-level.

He also revealed that following the panning, another mine was discovered 30 km Southwest of the Bibémi project.

INDUSTRY

SABC dedicated CFA199 billion to Investment in 2011-2017

Between 2011 and 2017, SABC invested a little more than CFA199 billion in Cameroon.
According to the company's financial statements, this amount is a little more than the benefits (CFA187.3 billion) it realized during the period under review.
It also represents more than 90% of the CFA238 billion Cameroon borrowed for Lom Pangar dam (the largest energy infrastructure in the country) or of the about CFA245 billion loan for Kribi deepwater port that became the most important port on the West African coast.
Let's note however that in 2016, these investments dropped drastically from CFA39.5 billion in 2013 and CFA40 billion in 2014 to CFA14 billion.
Last year, it rose up again to CFA24 billion mainly because SABC decided not to share dividends to its shareholders. That year, it set a plan to invest about CFA35 billion.
These investments were concentrated on its production tools and, according to the management, it was aimed at conquering the market. Indeed, because of the security challenges in some regions and of the massive beer imports from Equatorial Guinea and from Nigeria, SABC's sales have dropped.
In the framework of its plan to reconquer the market, SABC launched four new production chains in its Douala, Yaoundé and Bafoussam based plants. One of those production chains is exclusively dedicated to canned drinks.

Cameroon grants tax and fiscal exemptions to facilitate the construction of a cement company in Kribi

A 500,000 tons cement company will be built in Kribi (where the largest port on the West African coast is located) by Engineering construction manufacturing and trading SARL, a Cameroonian company.
To facilitate the implementation of this project, Cameroon (through the investments promotion center Agence de promotion des investissements [API]) signed, on June 28, 2018, an agreement granting the advantages of the 2013 law, on private investments incentives in Cameroon, to the project promoter. Revised in July 2017, this law grants from 5 to 10 years of tax and customs exemption to companies willing to invest in Cameroon or expand their already existing activities in the country.
For its future cement company, Engineering construction manufacturing and trading SARL plans to invest CFA15.5 billion. This unit will then be the fifth operating in Cameroon after CIMENCAM (Lafarge-Holcim), CIMAF of the Moroccan Addoha, Dangote Cement and the Turkish Medcem.

South Korea, Turkey and Switzerland in the rescue of the Cameroonian textiles, clothing and fashion industry

South Korea, Switzerland and Turkey will provide their technical and financial assistance to Cameroon in the framework of a project for the structuration of vocational training in the Textiles, Clothing & Fashion industry. The Partnership agreement for this convention was signed on June 27, 2018, by the Cameroonian ministry of employment and vocational training and the country's association of textile, clothing and fashion professionals.
According to that agreement, the vocational training ministry will help elaborate training aimed at certifying the instructors to develop an engineering base in the sector.
According to Loga Mahop, president of the Cameroonian Association of textiles, clothing and fashion professionals, this support should boost the local transformation of raw materials and pave the way for a dynamic local market.
Let's remind that officially, Cameroonian operators control just 1% of the clothing market dominated by second-hand clothes and products imported from China and Europe.

Dangote Cement sold 332,000 tons of cement in Q1, 2018

During Q1, 2018, Dangote Cement Cameroon sold about 332,000 tons of cement. According to the industrial group, this feat was namely due to the brand's popularity, an increase in the distribution centers, an improvement of its sales and marketing strategy. It is also due to the various initiatives to encourage the internal sales staff as well as the distributors, as shown by an increase in trade participation.

The company indicates that during the period under review, demand for cement in Cameroon was 760,000 tons (44% of which was supplied by Dangote cement). It also informed that this increase was spurred by increased investment in infrastructures such as roads, hotels, hospitals and the AFCON2019 infrastructures.

ITC & TELECOM

Cameroon: ccTLD's price set to CFA7000 to attract users

Cameroon reduces the price for '.cm' domain names (Cameroon's country code domain extension). Previously costing at CFA130,000 yearly, they now stand at CFA7,000.

This was revealed by Ebot Ebot Enaw, director of the national ICT agency. The official further explained that many people do not know where they can register '.cm' domain names and some do not even know the price.

In that regard, the agency launched a promotion campaign to explain the advantages of such domain names and how it can be registered.

Let's note that in 2016, about 53,500 websites were registered under the '.cm' extensions according to the agency. At the time, experts indicated that the main barrier was the price which was really high. Since then however, it has been greatly lowered.

SERVICES

Cameroon and Côte d’Ivoire employers’ groups strengthen their partnership

On June 12, 2018, a delegation led by Célestin Tawamba, president of GICAM, met with Jean-Marie Ackah, head of the delegation of CGECI, in Abidjan for a work session.
According to GICAM, this working session was organized to revive the cooperation between the two employers’ group signed in November 2012 with the aim to develop and strengthen the exchanges by organizing business meetings and developing strategic partnerships.
At the end of the meetings, an action plan was issued and the recommendations were namely, experienced exchanges as far as public/private dialogues, SMEs financing, exchanges with development partners and women entreneurships are concerned. It was also decided that CGECI would accompany GICAM in implementing the La Finance s’engage project.
Jean-Marie Ackah was also invited to attend GICAM’s general assembly in December 2018 as a special guest.

Kilimanjaro Capital: The Canadian holding pulling strings of the Cameroonian secessionist crisis?

Apparently, the secessionist claims, born from simple corporate claims issued in October 2016, and plunged Cameroon's South and North Western regions in crisis since 2017 have their roots outside the country. Truly, years before the Anglophone crisis started, the "Government of the Southern Cameroons", a minor group composed of Cameroonians from the English-speaking regions and which gets its recruits in the diaspora, signed in November 2012 oil exploitation agreements with Canada-based Belizean firm, Kilimanjaro Capital Ltd. The latter, on January 30, 2013, announced it sold to Forest Gate Energy Inc 20% of its assets in planned exploitation projects in Southern Cameroons which, according to the related statement also *"hold reserves of diamond, gold uranium, iron and bauxite"*.

Hence, through the agreements, the government of the Southern Cameroons, self-proclaimed to head the fake State of Ambazonia (name given by secessionists to Cameroon's actual South Western and North Western regions), gave Kilimanjaro Capital and its partner, Forest Gate Energy Inc, 80% of rights to exploit all oil deposits situated in the country's English-speaking regions, those of the Bakassi peninsula to be exact. Located in the South West, Bakassi is reputed as a very rich region, both in regards to oil and fishery reserves. In the past, it was at the center of a border conflict between Cameroon and Nigeria; a conflict which lasted years was finally won by Cameroon

> Kilimanjaro Capital, on January 30, 2013, announced it sold to Forest Gate Energy Inc 20% of its assets in planned exploitation projects in Southern Cameroons

Ebenezer Akwanga (back view), member of the Advisory Board of Kilimanjaro Capital and Commander In Chief of the SOCADEF.

on the decision of the International Court of Justice.
So, who actually signed the agreements in the "Government of the Southern Cameroons"? That is a question that was asked Jonathan Harris Levy, legal advisor of Kilimanjaro Capital's CEO, Zulfikar Rashid, by panafricanvisions.com. No answer was given however.
M. Rashid, is a Ugandan living in Calgary, Canada.

"Those who signed the agreements in the name of the Southern Cameroons are active figures of its defense, and when the time comes, they will be made known to the public," Zulfikar Rashid declared six years ago. Six years later, it appears that the time has still not come.

"The administration of the aging President Biya shows signs of stress with Boko Haram's repeated attacks in the North"

Regardless, in a statement released by Kilimanjaro Capital Plc in June 2013, it was revealed that Ebenezer Akwanga, who would be the lawyer of the Cameroonian Secessionist Movement, was coopted in the firm's Advisory Board. Maybe a gift for providing the firm such a profitable contract or nothing more than a professional occurrence?

HIDDEN CONTRACTS
One might wonder how much was paid to the self-acclaimed government, by Kilimanjaro Capital in


Secessionists' supporter?

Financial Mail, October 4, 2013.

the framework of the previously mentioned agreements, out of sheer curiosity, in the event the secessionists' claims were successful. Well, the answer of Kilimanjaro Capital's CEO in this regard is as blurry as usual. *"This information is partly confidential,"* he says, adding: *"We cannot provide it until the Government of the Southern Cameroons releases it and this is due to the some issues with the Biya government and actions taken against the Southern Cameroons government's members"*. Rashid however indicated that *"the amount is significant"*.

Regardless, in a statement released by Kilimanjaro Capital Plc in June 2013, it was revealed that Ebenezer Akwanga, who would be the lawyer of the Cameroonian Secessionist Movement, was coopted in the firm's Advisory Board.

According to Kilimanjaro Capital which has become quite fond of signing oil contracts with rebels in Africa (more details below), it secured an area of 43,000 km^2 under the agreements it signed with the Government of Southern Cameroons. The firm's CEO, in an interview with Marketwired in August 2014, subtly indicated that his firm supports the "Government of the Southern Cameroons" and finances "actions to defend human rights" in the Bakassi region.

Sure thing remains that Zulfikar Rashid is quite confident that his plan concerning the oil projects will go through, quite soon. Indeed, in one its official statements, the Ugandan's firm declared: *"The administration of the aging President Biya shows signs of stress with Boko Haram's repeated attacks in the North (the Far North especially, ed. Note)"*. The statement adds that the firm plans to sign in addition to oil contracts, more agreements for forest exploitation and telecom licenses.

President Akwanga is calling for referendums in the Southern Cameroons, in Bakassi and Biafra. It might not be impossible to one day see rise a Federal State regrouping these three regions with as *"trusted friend"* and *"financial"* partner Kilimanjaro Capital, the statement further indicates.
President Akwanga is calling for referendums in the Southern

"President Akwanga"

Cameroons, in Bakassi and Biafra. It might not be impossible to one day see rise a Federal State regrouping these three regions with as *"trusted friend"* and *"financial"* partner Kilimanjaro Capital, the statement further indicates.

In November 2015, Ngo Global Witness which works to expose the illicit exploitation of natural reserves in developing nations, said that in Cameroon, demand by secessionists for total independence would push them to ignore international community's recommended solutions for peace.

President Akwanga is calling for referendums in the Southern Cameroons, in Bakassi and Biafra. It might not be impossible to one day see rise a Federal State regrouping these three regions with as *"trusted friend"* and *"financial"* partner Kilimanjaro Capital, the statement further indicates.

THE HIDDEN FACE OF THIS CANADIAN "FRIEND" WHO LIKES AFRICAN SEPARATISTS A LITTLE TOO MUCH

"Kilimanjaro Capital Ltd. is a private holding company based in Calgary, Canada. It invests in contested and distressed African resources. It also support legal self-determination movements, financially, in emerging countries". That is how Zulfikar Rashid, describes the firm he heads. The question however is to know how this holding whose financial statements showed insignificant assets at end-2013 secured enough funds to finance its projects with the contribution of separatists in Africa?

This firm provided to GXG Markets documents *"falsely portraying a private placement in Kilimanjaro equal to C$8.116 million (about CFA3.5 billion), falsely portraying Kilimanjaro's business operations, falsely stating the nature and value of Kilimanjaro's assets, and falsely certifying Rashid's managerial approvals"*.


DAILY
STOCKWATCH
CANADA'S MARKET NEWS
Calgary group accused of 2014 pump-and-dump
Homes with built-in power take foothold in West Africa
INSIDE

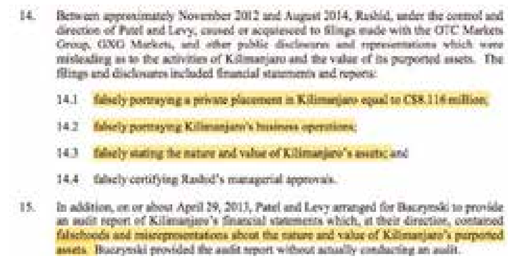
The Stock Watch financial newspaper of October 19, 2017 made its front page on the financial manipulations of Kilimanjaro

The answer to this question is found in an article released in October 2017 by Canadian financial newspapers StockWatch. The story revealed that Kilimanjaro Capital is suspected by the Alberta Securities Commission (ASC) of manipulating stock during a fundraising by putting forward its "African assets".

Indeed, in a notice of hearing issued by ASC and obtained by the Ecofin Agency, it is stated that six people, two US residents and four Canadians, including Zulfikar Rashid and his legal advisor, Jonathan Harry Levy, were summoned in October 2017 by the regulator to answer about some illegal financial practices.

The respondents are suspected of having leveraged fake oil and gas assets in Africa and Alberta, to raise monies. ASC claims the assets were nothing but *"a façade used to manipulate stock and boosts the value of Kilimanjaro Capital's shares"*, since in truth the firms *"has no project, operational or at development stage"*. Through this process, Kilimanjaro Capital was able to raise C$45,000 between January and May 2013. Between February 2014 and March 2014, ASC adds, the firm sold 500 million of its shares to raise additional funds. In this framework, the company's executives published fake activity reports and financial statements, misleading potential investors.

ASC revealed that between November 2012 and August 2014, this firm provided to GXG Markets documents *"falsely portraying a private placement in Kilimanjaro equal to C$8.116 million (about CFA3.5 billion), falsely portraying Kilimanjaro's business operations, falsely stating the nature and value of Kilimanjaro's assets, and falsely certifying Rashid's managerial approvals."*



14. Between approximately November 2012 and August 2014, Rashid, under the control and direction of Patel and Levy, caused or acquiesced to filings made with the OTC Markets Group, GXG Markets, and other public disclosures and representations which were misleading as to the activities of Kilimanjaro and the value of its purported assets. The filings and disclosures included financial statements and reports:

14.1 falsely portraying a private placement in Kilimanjaro equal to C$8.116 million;

14.2 falsely portraying Kilimanjaro's business operations;

14.3 falsely stating the nature and value of Kilimanjaro's assets; and

14.4 falsely certifying Rashid's managerial approvals.

15. In addition, on or about April 29, 2013, Patel and Levy arranged for Baczynski to provide an audit report of Kilimanjaro's financial statements which, at their direction, contained falsehoods and misrepresentations about the nature and value of Kilimanjaro's purported assets. Baczynski provided the audit report without actually conducting an audit.

Extract of report from Alberta Securities Commission.

According to the regulator, the firm published no less than 97 false financial statements and spent $319,000 for its campaign on online platforms.

After reading ASC's report, an expert of the Geneva stock market declared: *"These people are petty financial criminals. They proceed a bit like those fake mining juniors. They raise*

Ebenezer Akwanga was coopted in the firm's Advisory Board.

funds (in relatively small amounts) by telling people stories to people that are gullible enough to believe them. I don't really think they wish for the independence of the Biafra, Ambazonia, or Cabinda. As for Cameroon, I think they are just scamming Cameroonians from the English-speaking regions of the country who live in Canada and U.S and who are just ready to believe whatever they are told. And as the conflict grows tenser, the more they steal off those credible people who are ready to invest in the so-called independence project".

"And as the conflict grows tenser, the more they steal off those credible people who are ready to invest in the so-called independence project."

Cornered by the regulator, executives of Kilimanjaro Capital recently changed the firm's name to "N1 Technologies Inc". However, this company is also sued by the U.S Securities and Exchange Commission (SEC) for having used false information to raise funds. Tentacles spread to Angola, Nigeria, Somalia, Zimbabwe, and even South Africa… maybe

It appears that Kilimanjaro Capital's footprints in Africa are as vastly spread as the eponymous mountain. At mid-2015, City Press revealed that the Canadian holding was involved in the negotiation of a deal with Public Investment Corporation (PIC), which manages pension funds in South Africa. According to the newspapers, the firm reached out to PIC to secure a 25% stake in South African projects of French Group Total.

> *"As for Cameroon, I think they are just scamming Cameroonians from the English-speaking regions of the country who live in Canada and U.S and who are just ready to believe whatever they are told. And as the conflict grows tenser, the more they steal off those credible people who are ready to invest in the so-called independence project."*

In-depth research on this case helped discover another company also named Kilimanjaro Capital which is incorporated in California, US. The firm is a major stakeholder in South African firm Tosaco Energy which is engaged in the Black Economic Empowerment. On its website, it says it holds three oil exploration licenses in the districts of Mpumalanga and Gauteng. Beside the fact that they share the same name and operate in the same sector of activity, no link was established between the two companies. Let it however be noted that Cameroonian separatists on Facebook claim to be close to ANC leaders.

Looking beyond the two companies' alleged or effective ties, in 2012, the Canadian-based Kilimanjaro Capital happens to have signed with Cabinda's rebels oil contracts almost at the same time as it did with Cameroonian separatists. Cabinda, an Angolan territory situated between the Congo and DRC, had been experiencing a separatist crisis for years and financially *"proclaimed its independence"* in February 2011. As a result, it got itself an exiled president. Kilimanjaro Capital was also tied to the Matabeleland Liberation Organization, a Zimbabwean Separatist movement, rebels of Biafra who have been asking for the Nigerian State's independence for years, and a Somalian group of separatists. *"These types of assets are quite cheap but very profitable in the event separatists win,"* Rashid Zulfikar said. Truth is, even if separatists were to lose, it seems Kilimanjaro Capital and its partners are already gaining a lot in the process.

Report produced by Brice R. Mbodiam for Business in Cameroon and Ecofin Agency

It is true: A 300 kg shark was captured offshore Kribi!

On July 4, 2018, Cameroon's national television CRTV informed that a hammerhead of about 300 kg was captured offshore Kribi in the South and sold at CFA200,000 at the town's main market. Well, this is true. It was confirmed by Kribi residents. For those residents, this catch is not unusual. *"Buyers usually share whale or hammerhead meat"*, said Gwladys, who became a fish expert after years in that seaside town. Let's note however that shark fishing is decried by protected species' defenders. Indeed, in a Facebook post announcing the capture, the African Marine Mammal conservation Organization-AMMCO- informed that like many species of the aquatic wildlife, hammerheads are endangered by human activities such as irresponsible fishing. The Organisation also invited internaut to join it in the fight for the survival of those species in Cameroon. Though there are people to buy those mammals' meat, there are some like Gwladys who don't like it. *"Shark meat is not that delicious. It as fatty as catfishes but not that as good as they are"*, she added revulsed. But, shark meat lovers will have another story for sure.

M.N.M.

Yes, microfinance institutions will now be sanctioned for not sending their reporting statements to COBAC

Some operators who wish to enter the microfinance sector do not know that it is now well regulated. Gone are those times when some administrative blunders were tolerated by the Central African banking commission COBAC.
From now on, the monitoring institution will be less tolerant of the institutions which would not send their reporting statements namely, their off-balance sheets and risk reports.
This was confirmed by Maurice Christian Ouanzin, the deputy secretary of COBAC. He revealed that failure of any microfinance institution to submit its reporting would call for sanctioning according to the new regulations in order to secure the sector.
During a workshop on reporting in Libreville, Gabon, he revealed that many of such institutions have been sanctioned and disciplinary procedures are ongoing for some others. He further informed that in the future, they would intensify their actions.
Finally, Maurice Christian Ouanzin revealed that barely 30% of the about 700 microfinance institutions in operation with COBAC's permission transmit their report.

S.A.

No, The Eseka monument won't cost CFA450 million

This amount will surely shock many people: CFA450 million to erect a monument in the memory of those 79 deaths and hundreds of injured in the rail accident of October 21, 2016, in Eseka.

This was revealed by Fridolin Ndzinga Nga, laureate of the national competition launched in June 2017 for the conception of a mockup of the monument in Eseka. He said this during a recent interview on CRTV television while estimating the amount needed to realize his mock-up. But, let's be real, there is a large gap between conceiving a mockup and constructing the monument. Let's remind that according to Mouelle Kombi, the minister of arts and culture, this monument will be dedicated to the victims of the Eseka rail accident.

Asked about the veracity of such estimates made by the laureate, CAMRAIL informed that it was not the one to pay for the works. You should rather ask the minister of culture, we were told. And indeed, the competition was sponsored by the minister of culture.

At the ministry of culture, it is revealed that the official budget for that monument has not been determined yet. We were also told that this ministry's department is not even the one to take care of the financial aspects of the projects. The financial aspects are handled by the ministers of public works and of procurement markets.

It is also revealed that the estimate (CFA450 million) is roughly a tenth of the ministry of culture's budget which is CFA4.5 billion (the second lowest after the budget of the ministry of communication).

Monique Ngo Mayag

Has Marc Vivien Foe junior been really imprisoned for armed robbery?

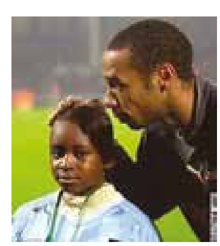
The sentence was pronounced on June 6, 2018, at Lyon in France. Marc-Scott Foe, 22, was sentenced to 5 years imprisonment for armed robbery and sequestration on a priest. The eldest of the late Cameroonian player Marc-Vivien Foe's three children was on trial since June 4, 2018. His accomplice Sofiane Bardot, 20, got the same sentence for a crime both committed on November 28, 2015.

French media report that they went to a Presbyterian in the Rhônes, looking for a safe. While Sofiane Bardot was looking for that safe, Marc-Scott Foe cuffed the priest Luc Biquez and beat him.

According to Eurosport.fr, they brutalized the priest for about an hour and a half and took to their heels when an alarm sounded.

Without the priest's pardon at the court, they could have been condemned to 8 years for Foe and 12 years for Bardot.

According to Foe's lawyer, his dad's death, on June 26, 2003, when he was only 7 years old greatly affected the now 22-year-old man. Indeed, Marc



Marc-Scott Foe as a child with Thierry Henry

Vivien Foe was playing the semifinal of the cup of confederation when he was stricken down by a heart attack. The whole world was saddened by this death and now, this sentence brings back memories.

Monique Ngo Mayag

Did a cashier really work at Santa Lucia in wedding gown?

On June 3, 2018, the customers of Santa Lucia supermarket in Bonabéri witnessed an unusual scene: a cashier in a wedding gown.

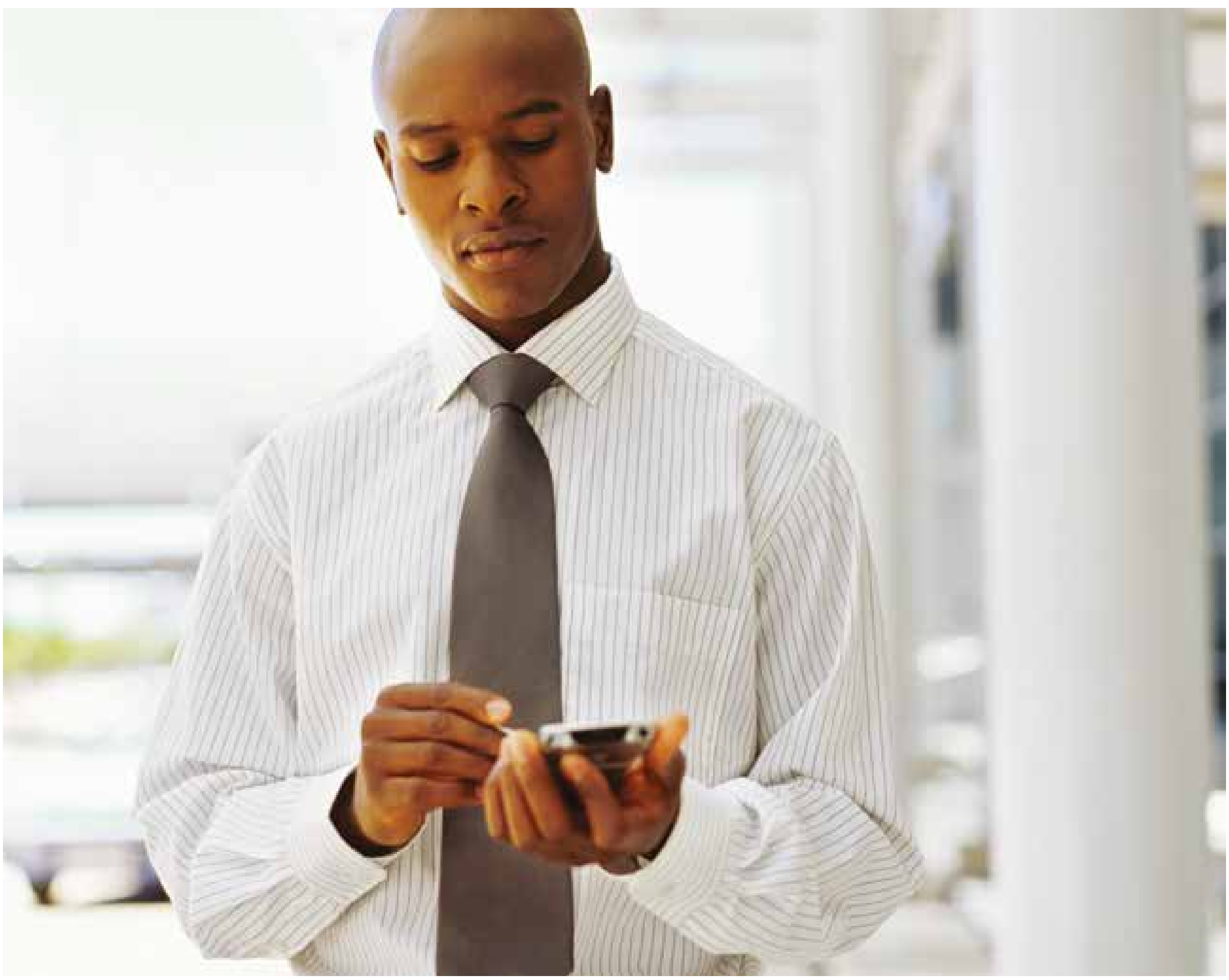
Mathias Mouende, one of our peers who visited the supermarket today June 4, informed that the cashier's name is Ndamen. On Sunday, June 3, she got married. After the wedding, the two lovers went to the Santa Lucia where the woman has been working for 6 months.

"After the marriage on Sunday, she came around 4 PM and worked for 45 minutes. In the meantime her husband was walking around", an employee said.

Another employee informed that everyone was happy and the woman was the center of attention that day. Today June 4, she is not there, however.

Monique Ngo Mayag

No, Ecobank Cameroon does not spy on its customers via their cellphones!



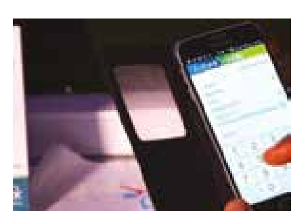
In the past few days, rumors sparked on Facebook claiming that Ecobank's security staff illegally search the clients' phones in agencies.

The bank reveals that those assumptions are false and unproven. It further informs that this being so, it has complained to the relevant authorities who would investigate and find the authors of such rumors.

Ecobank also informed that its clients' privacy is also its concern so, any inappropriate behavior should be reported to this toll-free number: 8100.

Let's remind that the fourth largest bank in Cameroon has 25,000 customers and wants to gain more market.

S.A.



LEADER OF THE MONTH

Led by Célesting Tawamba, Cameroon's Employers Association, GICAM, submit tax reform proposal to government

Tawamba stressed that only this tax paradigm shift would help Cameroon *"develop a tax system able to improve public revenues while preserving businesses' robustness"*.

May 28, 2018, the Minister of Finance, Louis Paul Motazé, while meeting various business actors in Douala, told them the government would from now on include them in all talks related to economic challenges the country is dealing with. The inter-employers association (Gicam) seized this opportunity, their first encounter with the newly appointed Minister of Finance (appointed on 2 March 2018), to submit the government a tax reform proposal.

"*Gicam en action (Gicam in action), Gicam's new board, elected about a year ago, had on the dawn of its election set up a tax task force regroup around thirty tax and customs professionals, as well as economic actors. Looking at tax systems in use in other countries as developed as our own, this unit was set to make proposals on tax policy, tax litigation management and administration as well as tax base broadening and review policies related to derogatory or privileged regimes,"* Tawamba, said to explain the reason behind the proposal.

According to Tawamba, who also happens to be the head of Central Africa's employers association, *"the assessment has shown a need for a tax reform"*, in Cameroon. In details, the employers want *"the end of taxation based on turnover preferring a profit-based taxation system"*.

According to GICAM, by adopting a profit-based taxation system, and replacing the turnover-based system in place for the past few years, Cameroon's tax office would have its tax revenues slashed by about CFA45 billion. The evaluation is based on a sample population of about 2000 companies registered at the General Tax Directorate (DGI), used under the study carried out by the tax task force.

To compensate the shortfall, the employers *"proposed ways to broaden tax base"*, ways that according to GICAM's chairman, *"will boost State revenues by about CFA65 billion, far above the CFA45 billion loss, this mainly by restructuring of the withholding tax system"*.

While acknowledging that *"more in-depth studies will be needed to validate these assumptions,"* Tawamba stressed that only this tax paradigm shift would help Cameroon *"develop a tax system able to improve public revenues while preserving businesses' robustness"*.

Brice R. Mbodiam

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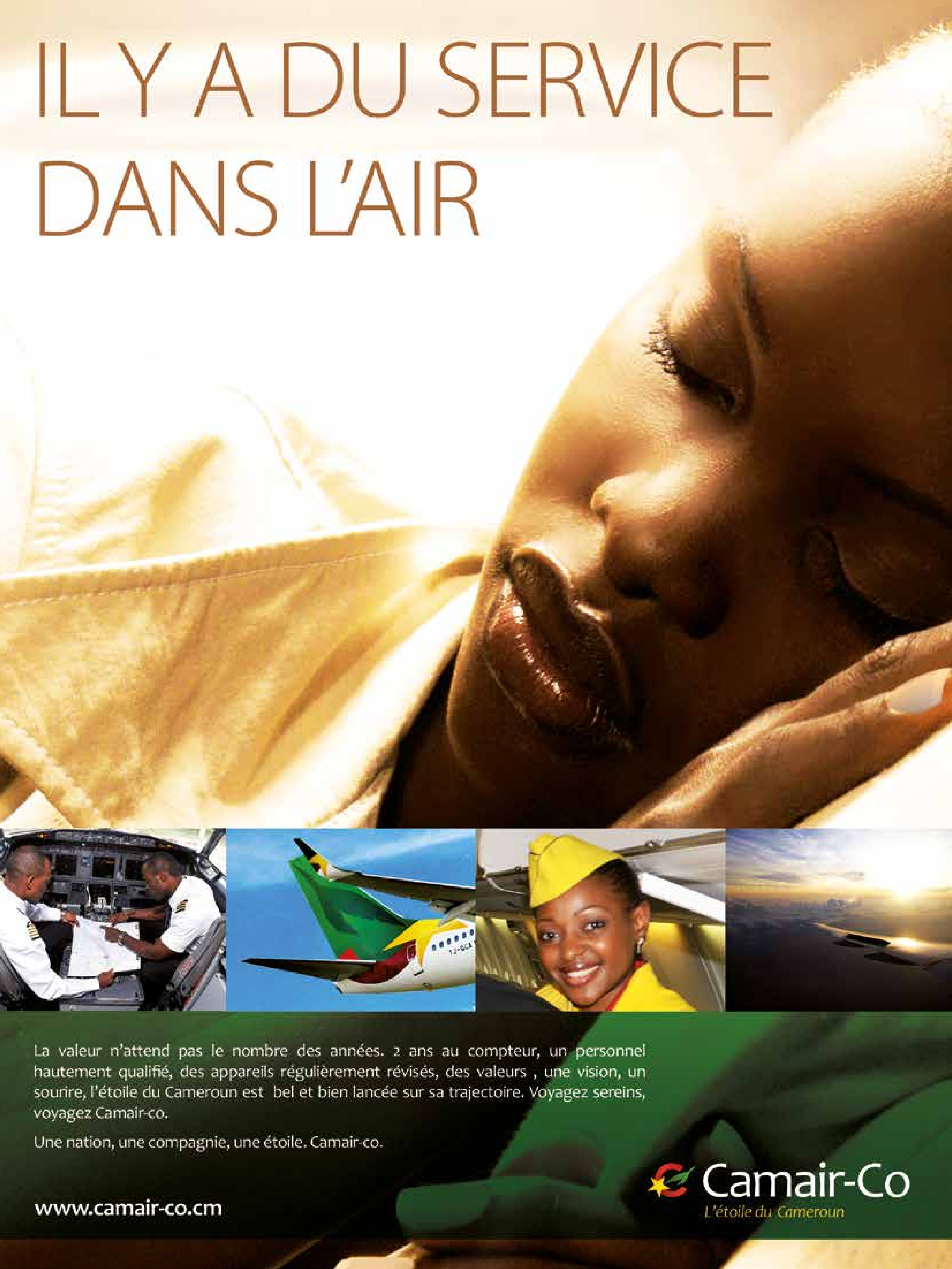
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