African expansion of Cameroonian companies

Mirabell Mayack: “A dream come true”

Camair Co: The comeback
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It is time for women to take a seat at the Cameroonian political table

Nine candidates running for the Cameroonian presidential elections and only men... So unfortunate! Truly, with women running for the position, Cameroon's political environmental would surely be more peaceful and fair-play.

Indeed, with women involved, political battles would go beyond a mere challenge to see who pees the farthest, with futile boasting, and in the worst cases, incitation to violence and even murders.

With women engaged in politics, half of the country’s voters’ population, the women, would have the power to change things and defend another conception of dialogue and democracy. This would also be a good way to gradually teach men to engage less into petty brawls.

Taking Rwanda as example, it is currently considered as a true economic model; a feat often attributed to one man only. However, what most people are not aware of is that Rwanda is a nation mostly managed by women. They constitute more than 60% of the country’s parliament, half of the government itself and 40% of the high administration. Coincidence or?

My dear Cameroonian sisters, our country needs you now more than ever; it needs your courage, your sensibility, your finesse, your sense of dialogue so get more engaged in the political debate, speak up, take action and show all these men the path toward a more peaceful and constructive democracy.
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LEADER OF THE MONTH

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Tribute to a bold and forward-thinking entrepreneur
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Cameroon is a net importer of goods with an outward-looking economy. However, while some local entrepreneurs struggle against competition with better-structured and wealthier multinationals which dominate whole sectors of the economy, via their subsidiaries, others are thriving. In addition to withstanding foreign competition, these local firms even succeed in expanding outside Cameroon, across the Central African Economic and Monetary Community (CEMAC) preferably, then in West Africa, in Ivory Coast notably. Most of these successful local businesses operate in sectors such as the petrochemical industry (distribution of finished petroleum products), services (cleaning services), trade (distribution of construction materials) and finance, especially under the banking and microfinance segment. They are the proof of a rising drive towards entrepreneurship in Cameroon. Unfortunately, very few turn towards the Nigerian market which offers many opportunities. Here, we look at some Cameroonian businesses that are faring well outside the country.

Brice R. Mbodiam
Express Union expands money transfer service to Central and West Africa

With more than 750 outlets spread across the country, Express Union Finances SA has been leading Cameroon’s local money transfer market (Mobile money service excluded) for years now. The firm’s footprint however extends beyond Cameroon’s borders, as it is very active both in Central and West Africa. In the first region, it operates in all CEMAC countries except Equatorial Guinea. In West Africa, after suspending its activities in Côte d’Ivoire due to the 2010 election crisis, Express Union returned to the country in July 2015, acquiring a 45% stake in Qash Services. According to reliable sources, the transaction helped the firm enter markets like Benin, Burkina Faso, Guinea, Togo, Mali and Niger. In all markets where it operates, be it Central or West Africa (the company actually eyes the Great Lakes region now that it has set foot in Rwanda) Express Union is doing well, challenging international money transfer giants such as Western Union and MoneyGram, especially since it partnered with other operators including the British WorldRemitt which is seen as the global leader in digital money transfer.

Thanks to its extensive network in Cameroon, Express Union became a point of contact and cash deposit for Société Générale Cameroun, a bill payment point for the power company Eneo; and a social benefits payment point through a partnership with the national social security fund (Cnps). Diversifying this way helped the company thrive amid a rude competition with mobile operators that operate in Cameroon’s money transfer sector which was initially Express Union’s main activity.

Emergence of La Régionale d’Epargne et de Crédit in Gabon

“La Régionale d’épargne et de crédit”, a Cameroon-based microfinance institution, was officially opened July 8, 2016, in the presence of its CEO Charles Rollin Ombang Ekath, its first branch in Libreville, Gabon’s capital. There, the firm has positioned itself as a sustainable business in savings collection, bancarization, project financing through loans, money transfer and electronic banking. Leveraging its more than 25 years of experience in Cameroon’s financial and monetary system, “La Régionale” thus contributes to a greater financial inclusion in Gabon, a country where the bancarization rate is estimated at only 20%.
The Quifeurou hardware chain builds Chad and Central African Republic

Created in 1983 with a first office opened in Bafoussam, the regional capital of West Cameroon, Quifeurou (Quincaillerie du Feu Rouge) is a major building materials firm in the country. According to its owner, Emmanuel Peughoui, the firm operates 56 outlets over 35 cities in Cameroon, the Central African Republic and Chad. Tired of importing cement, the Cameroonian firm entered into a partnership with the Turkish Eren Holding and launched the Medcem Cameroon cement plant in 2016, thus becoming the first Cameroonian economic operator to invest in local cement production. Valued at CFA20.3 billion, the facility has a production capacity of 600,000 tons of cement per year which can be extended to 1 million tons. Besides Cameroon, Quifeurou sells its Medcem cement in Chad and the Central African Republic.

Cameroonian Elegance Pressing on the path to conquer the Gabonese market

Elegance Pressing, a dry-cleaning company which owns numerous branches in the main districts of Yaoundé and Douala, opened its first branch in the Gabonese capital early this year, official sources reported. The firm's decision to expand to Gabon is attributed to a rising competition in Cameroon where many similar businesses are popping up. Though the newcomers cannot boast of the experience and service quality of Elegance Pressing, the company which led this market for years had its shares dwindled following their arrival.

Cosmetic manufacturer Biopharma to open a branch in Côte d’Ivoire

Biopharma Laboratories, a Cameroonian company that controls about 20% of the country’s cosmetics market, will soon open a subsidiary in Côte d’Ivoire, in order to broaden business in West Africa, sources at the firm revealed. In the mid-term, the company also plans offices in Nigeria, the continent’s largest economy, and in the Republic of Congo. In addition, it seeks opportunities in DR Congo, Angola and some Southern African countries. Started with an initial investment of about CFA30 billion, the firm now employs about 500 people and dominates Cameroon’s cosmetics industry, which is officially valued at about CFA150 billion.
Oil Company Tradex does well in Chad, Equatorial Guinea and the Central African Republic

Subsidiary of Cameroon’s national oil and gas company (SNH), Tradex specializes in the trading, bunkering and distribution of finished petroleum products. It is present in three other countries namely the Central African Republic, Chad and Equatorial Guinea.
The Cameroonian firm significantly contributed to the growth of Chadian economy, especially before the construction of the Jermaya refinery. Tradex now operates several petrol stations and storage facilities for oil products, and plans to build a domestic gas filling center in the country.
In the Central African Republic, Tradex owns 20 petrol stations and even succeeded in rivalling with French giant Total. Recently, however, the company’s activities have slumped due to political unrest in the country.
On November 3, 2015, the oil company had officially launched activities in Equatorial Guinea, under a contract signed with Luba Oil Terminal Equatorial Guinea (LOTEG). Through this partnership, "the Cameroonian company stores its products in LOTEG’s facilities at the Luba Free Port and exclusively supplies buildings with oil products at the port". From its Equatorial Guinean subsidiary, Tradex plans, soon, to supply "bunkers, fishing trawlers and other vessels deploying in the Gulf of Guinea", the company announced.

Afriland First Bank present in 10 African countries, China and France also

Leader of Cameroon’s banking market, ahead of multinationals such as Société Générale, or BICEC, the local subsidiary of BPCE group, which is being transferred to the Moroccan group Banque centrale populaire (BCP), Afriland First Bank is firstly a pan-African banking group.
The Cameroonian lender headed by Afriland First Group, a holding company based in Switzerland, has subsidiaries in Côte d’Ivoire, Zambia, Liberia, Equatorial Guinea, Guinea Conakry, Southern Sudan, Benin, Democratic Republic of Congo and Sao Tome and Principe.
Afriland First Bank which was founded by Cameroonian billionaire Paul Kammogne Fokam is even present in France and China.
Just like in Cameroon, it dominates the market in Equatorial Guinea, via its subsidiary, CCEI Bank.
Mirabell Mayack : “Cameroon has a lot to offer to investors, in terms of opportunities and projects”

Here, the founder of London-based consulting firm “Le Petit Event” tells us how she perceives business environment in Africa and in Cameroon where she plans to open a subsidiary.
**Business in Cameroon**

**In 2015, you opened, in London, Le Petit Event, a firm that is very active in the segments of public relations, communication and marketing between Africa and Europe.**

Exactly, what is your business about?

**Mirabell Mayack**

Over the time, our team has grown to 8 people that work for Le petit Event. Our day-to-day is consultations with our clients on how to communicate and identifying their needs and coming up with a strategy, enquiries, networking and hitting targets for the campaigns and connecting the dots as in people.

We have a strong team and collaborators for all online enquiries and jobs. My role is the management of the company, acquisitions of new clients and public relations. This can be client management, relations management and I personally have to attend a lot of conferences and meetings worldwide.

Meanwhile, I also overlook all activities and concepts that we are planning and realizing for our clients including our own concepts.

**BIC : Why did you decide to start this business?**

**MM**

I owned a commercial property and it was used by my company for another business activity. That commercial property was used in the daytime only and was closed from 6pm. So, one day I decided to try a pop-up restaurant in the premises after 6pm.

The idea at first was to maximise the profits and use of the commercial property.

As I had an event background and am naturally a people's person I used my skills and my passion to create that pop-up restaurant. We had a few of these at the property as they were very successful and I decided to run a reception called “African Night - a taste of Cameroon”. This was attended by many British guests looking forward to discover Cameroon. The event was attended by the High Commissioner, other diplomats, business men and women and Cameroon diaspora to support the efforts to promote Cameroon in a very positive way.

Guests were invited to a culinary travel with gourmet Cameroon food where all their senses were charmed, accompanied by Cameroon Jazz music and art. The guests enjoyed amazing conversations and discovered this beautiful country without the hassle of traveling.

From there, I acquired many African embassies as clients and commercial cooperation’s that required our services and it was the beginning of Le petit Event.

“**My father was a very proud Cameroonian and he took us, his wife and children, back to Cameroon. He has always instilled in us to be proud of our African and of our Cameroonian heritage in particular”**
BIC: It is true that Le Petit Event promotes African in Europe, but you seem much interested in Cameroon. What are your ties with the Central African nation?

MM: I was born in Germany from a German mother and a Cameroonian father. My father was a very proud Cameroonian and he took us, his wife and children, back to Cameroon. He has always instilled in us to be proud of our African and of our Cameroonian heritage in particular. We spoke one of the local languages at home and I have kept a very positive image of Cameroon when I moved to Europe and America. I come back regularly, and I love Cameroon and the people. Cameroon has always been my passion and bringing back investment to my country was a dream come through. Being home in both cultures often allows me to be the bridge between the cultures and the continents. This is one of our unique selling points at Le petit Event.

BIC: What knowledge do you have of Cameroon’s business environment and what do you think about it, since you are supposed to promote this destination to European investors?

MM: Cameroon has a lot to offer to investors, in terms of opportunities and projects. However, what Europeans must understand is that Africa is a different continent, with its own values and customs which they must respect. That is why they must study the market or at least trust this task to some that understand both markets well. Once this condition is met, and when one takes time to study and respect African values, it is a great place to invest at. I do not stop teasing our European investors, telling them to spend less time drinking coffee and instead more investing in Cameroon.

BIC: What image do the investors you meet have of Africa, and Cameroon specifically?

MM: We have two types of investors. Experienced investors and virgin investors as we call them. Experienced investors are already used to Africa. British investors indeed have more knowledge of countries like Nigeria, Ghana, Kenya and other English-speaking nations. This is because of the huge lack of communication between English and French speaking countries. What we do therefore is

“As for virgin investors who have unfortunately not yet dealt with the African continent, they often see Africa through the stereotype of instability, wars, chaos and poverty.”
introduce British to French-speaking markets. As for virgin investors who have unfortunately not yet dealt with the African continent, they often see Africa through the stereotype of instability, wars, chaos and poverty. However, by building trust with them, through events to promote the continent, organized in France, Germany, Switzerland and UK, we try to change their image of Africa. Instead we show them how beautiful it is, introduce them to our meals and potential partners, with the support of various chambers of commerce. Mostly, when we first talk to a potential investor of Cameroon, what comes to his mind is football and Roger Milla. That said, our efforts make a good start.

**BIC :** Your firm just successfully raised a little more than half a billion CFA (£750,000) to open offices in Douala (Cameroon), Abidjan (Côte d’Ivoire) and Kinshasa (DR Congo). How did the fundraising occur?

**MM :** We are based in one of the financial hubs of the world, so talking investment and money is daily bread in London. London is a very business-minded and very open environment. With Brexit looming and Africa on the rise we have continuously worked on our reputation, on our network and have made our plans known around town. We have a good amount of High networth individuals in our customer database that are equally always on the look out for good projects and projects to invest in. In London you network, say straight away how much you are looking to fundraise and what you are looking for. Our investors have heard from us and liked the concept and the vision, have attended one of the events for an African high commission to which they noticed the enormous positive difference. My tireless efforts and that Le petit Event is a woman led company has had another positive impact. They have mostly appreciated that we have a true international skill set and therefore understand both worlds of opportunities. Our investors have a company

**“Investors unlike banks invest not only in the company but in the person that owns and runs the company.”**

“I do not stop teasing our European investors, telling them to spend less time drinking coffee and instead more investing in Cameroon.”
Portfolio managing more than $5 billion worth of assets and an annual turnover of 60 million Euro.

We have received an equity finance which was the best option in our case and I am looking forward to learn from our investors.

There are many options of investment and the UK is the place to be in terms of fundraising.

**BIC**: Why did you pick these three African capitals, two of which are in the central part of the continent, while most people would have picked at least one city in the southern African region?

**MM**: Our firm focuses on emerging Francophone countries. We truly benefit from the knowledge of these markets and being the bridge between Europe and Africa. Cameroon and Congo will strategically cover central Africa and Ivory Coast will be our door into West Africa.

When it comes to public relations and their image, these countries are still in the developing stages and present a lot of potential for a company like ours, in terms of the impact it can have on a given market.

**BIC**: The fundraising took place in the framework of a project you entitled “Bringing Skills to Africa”. What is this project about?

**MM**: The fundraising was something that concerned the company and our expansion on the African markets. But being part of the diaspora living in the UK or Germany or France, I wanted to tell the world that countries like Cameroon need our skills and that we should start to come back and transfer our skills. Our skills are much needed and much appreciated. I am a woman and if I can go back to the continent and work in a male dominated environment then others could do the same and follow my example.

**BIC**: How did you convince investors to get the funds you needed?

**MM**: We have opened 3 years ago and have gradually grown and continuously grown our turnover. We have made our impact in the corporate world as with institutions. There has been a growing interest in Africa. Companies like ours have become more sought after then ever. The investors had growing interest in my company and there has been a mutual interest in working together. Advertising the company with a strong German (Guetesiegel) was a very strong and positive convincing argument, based on the work and the network we have already established. Also, investors shared our vision and liked my passion as an entrepreneur. Investors unlike banks invest not only in the company but in the person that owns and runs the company.

**BIC**: Now that you have successfully raised these funds, what are your short, mid and long term goals in Cameroon, for example?

**MM**: We have a dual plan for Cameroon. First, we have to work on our HR, our HR training and HR solutions, introducing British work culture to local workers. Once we have finished renovating our office space to a very modern and afro fusion British office, (creative break room, modern kitchen, interactive social media corner, tech hub corner), accomplished training with the new team and established a routine, we will have a once in a lifetime official launch and this will be a beautiful showcase of how to bring skills back to your country and infuse an international and modern flair. Our mid-term goal is to make the Douala office and team commercially viable.

“British investors indeed have more knowledge of countries like Nigeria, Ghana, Kenya and other English speaking nations. This is because of the huge lack of communication between English and French speaking countries.”

In the long term, we are aiming for a team that will be ready to train locals and teach them their skills and so forth.

One of the long-term dreams is to incorporate more social structures and employee benefits into the office environment such as an office canteen run and owned by one of our former employees, an in house subsidized nursery for mums and an in-house financial service provider.

“Cameroon has always been my passion and bringing back investment to my country was a dream come through.”

Interview by Brice R. Mbodiam
Pavillon du GICAM et des industries camerounaises
The Cameroonian minister of civil service Joseph LE, launched September 20 the recruitment by competition of 1,000 nursery and primary school teachers under the Labor Code on behalf of the Ministry of Basic Education for the 2018 budget year. Written tests are scheduled for December 1 at the unique center in Yaoundé. Eligible applicants must be at least 17 and 40 years old at most by January 2018 (born between 1 January 1978 and 1 January 2001), and hold the Certificate of Teacher of Nursery and Primary Education (Capiemp) issued by a national training establishment. Applications will be deposited in exchange of a receipt at the Ministry of Civil Service or at the regional civil service delegations until November 23. Are required, among other documents, a certified copy of the Capiemp diploma, a diploma presentation certificate, a criminal record, a medical certificate, a payment receipt of CFA15,000, two photos in 4X4 format, and a stamped envelope at CFA500 FCFA.

China has just approved to Cameroon a donation worth CFA3 billion mainly made up of foodstuffs, to support refugee care. The grant was given to the head of World Food Program (WFP) for Cameroon, Abdoulaye Baldé, by the Chinese Ambassador to Cameroon, Wang Yingwu, we learnt. The beneficiaries include victims of Boko Haram exaction in Nigeria, and the 2013 political instability in Central African Republic who escaped to Cameroon. According to UNHCR statistics, there are now 365,000 such refugees, mainly in the Far North and East regions of the country.

Let’s recall that a few months ago, the Chinese government contributed CFA1.7 billion to the implementation of the humanitarian assistance plan for the two Anglophone regions of Cameroon plagued by separatists’ violence.
Camrail condemned for “manslaughter, accidental injuries and dangerous activities”, on Eséka rail accident

Yesterday September 26, the Court of First Instance of Eséka (Cameroon’s central region) issued a verdict condemning Camrail, the national rail carrier, of “manslaughter, accidental injuries and dangerous activities”, over the case of a tragic accident. Back on 21 October 2016, the town was the scene of a deadly rail accident which killed 79 persons and injured 600 others. However, this local subsidiary of Bolloré group “rejected” the court’s decision denouncing “the absence of any qualified and competent expertise which should help identify, in an objective way, the true causes of this tragic accident, and definitively limit them in order to make the Cameroonian railway more secure”. Camrail expresses, along with its 1,600 employees, its total misunderstanding in the face of a decision clearly based solely on the assessment of a few former non-specialist employees, non-sworn but declared experts, and also in legal proceedings for personal reasons against Camrail, since 10 years”, Bolloré said in a statement. Let’s recall that, during a correctional hearing last March 14, Jean Pierre Morel, who was then Director General of Camrail, revealed that in the aftermath of the Eséka disaster, the company had set up a commission of inquiry to identify the causes. According to him, the experts committed to this task concluded that the overspeed of the train, from some point along the route, was the cause of this accident, without being able to explain the reasons why the train suddenly took an abnormal speed. In need of in-depth assessment, Jean Pierre Morel had suggested an “independent international expertise”. On 23 March 2017, the government issued a statement on the results of investigation conducted by the national committee of inquiry set for this purpose. “The investigation report concluded that the main cause of the overturning of the train was an excessive speed of 96 km per hour in a section of track where the speed is severely limited to 40 km/h,” the document said. Experts observed “an overloading, inappropriate extension of the train, use of passenger coaches several of which had failed braking devices, use of a power unit whose braking was out of service, lack of serious verification of the continuity of the train’s braking before leaving Yaoundé, refusal by the Camrail hierarchy to take into consideration the suggestions expressed by the train driver due to the above-mentioned anomalies”. For now, Camrail gives no detail on whether it will appeal this court decision which, the company said “does not provide a clear explanation of the real causes of the derailment of train 152”. It may be awaiting the court to specify the sanctions resulting from the verdict.
Public deficit to fall by over 3 points in 2018

In 2018, Cameroon will cut public debt by more than 3 points to only -1.2% of GDP against -2.1% of GDP initially forecasted and -4.6% in 2017. This was revealed by the Bank of Central African States (Beac) in an economic outlook. According to the document, the country will be, alongside Gabon (-0.4% of GDP in 2018, against an initial forecast of -0.5% of GDP, and -1.9% in 2017), one of the two CEMAC countries to remain in deficit while the other four countries will either record a surplus or a balance. In detail, "surpluses would be recorded in Equatorial Guinea (+2.1% of GDP, compared to -6.5% of GDP initially forecasted and -2.3% of GDP in 2017) and Chad (+0.6% of GDP, against -0.4% of GDP initially and -1.2% of GDP in 2017); A balance would be observed in Congo (+6.1% of GDP, after an expectation of +1.5% of GDP, compared to -5.1% of GDP last year) and in the Central African Republic (+1.0% of GDP, rather than +0.6% of GDP, compared to -1.2% of GDP in 2017)," the bank said.

The general improvement in CEMAC zone is attributable to "the increase in revenues from hydrocarbon exploitation, following a higher than expected increase in crude oil prices combined with the upward revision of oil production in some countries; and the continuing downward trend in budgetary expenditure" in some countries such as Cameroon which has a program with the IMF.

Government reauthorizes access to armories in some regions

The Cameroonian government has just lifted the temporal ban on armories in some regions namely Adamoaoua, Central, Coastal, Western, North-Western and South-Western regions. This was revealed by the Minister of Territorial Administration (Minat), Paul Atanga Nji. However, the official said, in order to avoid a resurgence of slippages and other dysfunctions that led to this measure, the government put the sector under a rigorous supervision and control. In this wake, "any order of arms and ammunition, whether through import or purchase on the local market, will be subject to a territorial authorization, valid for six months".

Moreover, the Minister of Territorial Administration will allocate an annual order quota to each operator. No importer will be allowed to open armories in more than four regions, or to have more than two stores in the same region. Any attempt to open an agency under a nominee will expose the promoter to permanent withdrawal of its authorization. Mr. Nji recalled that, according to the commitment made by the sector players during meetings of last September 4 and 5, armory owners or their agents must submit, every week, to the relevant territorial administrative authority (prefect and sub-prefect), the exhaustive list of weapons and ammunition purchasers, along with the corresponding authorizations.

Let’s recall that the measure of closing the armories was decided on 4 April 2018, due to "the proliferation and illicit circulation of firearms of all calibers and ammunition". More than 23,000 weapons are illegally circulating Cameroonian territory, according to the Minat.
Net receivables grew by 25.9% in H1 2018, partly due to drawdowns in Cameroon

Over the first six months of 2018, net receivables on the six countries of the Economic Community of Central African States (CEMAC) increased by 25.9% to CFA2950.7 billion, the Central Bank (BEAC) revealed. This growth, the bank said, is partly due to Cameroon which, at the end of 2017, drew down “the residual margin (CFA276.5 billion) on its statutory advances ceiling”. Other reasons are “the increase in credits from the International Monetary Fund (IMF)” and “the decrease in public deposits” with banks.

CEMAC: Beac welcomes the positive impacts of the monetary policy’s new operational framework

The Bank of Central African States (Beac) welcomes the positive effects of its new operational framework for the monetary policy within the CEMAC zone. In a memo published September 24, the bank indicated that the innovations established this year cover various areas including the money market intervention instruments and procedures, methodologies for setting intervention volumes, minimum reserves, as well as data collection, analysis and animation system of the money market by the Central Bank, etc.

“The overhaul of Beac’s intervention instruments entailed a greater consistency between them and a better consideration of the various liquidity issues, in particular through the modernization of the main refinancing operation, the introduction of fine-tuning operations, standing facilities (loans and deposits), operations with longer maturity periods (1, 3, 6, 9 and 12 months) and finally, structural operations (temporary or firm purchases/sales of securities and Beac Bonds issuance),” the note stated.

Moreover, the bank said that the main liquidity injection operation, since 11 June 2018 when the new operational framework entered into force, is now conducted through a multiple rate tender. Therefore, unlike fixed-rate tenders previous-ly conducted under the national refinancing objectives, the multiple rate tender has the advantage of encouraging credit institutions to boost their cash management. Since the proposed weekly volume can be modified from one week to the next, this approach is more demanding in terms of liquidity forecasts. “By making market actors more responsive to monetary policy guidelines, this approach should make it possible to recycle idle resources between the guidelines and contribute to the interbank market’s development,” Beac pointed out.
Cameroon: Moroccan group to acquire BICEC

The French banking group Banque populaire Caisse d’épargne (BPCE), announced September 24 in Paris that it will sell its shares in Cameroon’s International Bank of Savings and Credit (BICEC) to the Moroccan group People’s Central Bank (BCP). The transaction’s completion is subject to required approvals and authorizations. Once completed, the Moroccan banking group will hold the 68.5% shares BPCE has in BICEC. “We are looking for a partner who already knows Africa very well and has an African development project,” said Jean Pierre Levayer, Managing Director of BPCE International. The Moroccan group which fits this profile well will therefore become a market competitor for its compatriot Attijariwafa Bank which controls Société commerciale de banque au Cameroun (SCB Cameroun), the country’s 4th largest bank.

Let’s note that BPCE also holds 4.5% shares in the Moroccan BCP. The latter is a shareholder of the Ivorian group Banque Atlantique which owns a subsidiary in Cameroon. Cameroon’s International Bank of Savings and Credit (BICEC) is the 3rd largest operator in the Cameroonian banking sector behind Afriland First Bank and Société générale.

In 2017, only 10% of Cameroonians aged 15 and older had bank accounts (Minfi)

In Cameroon, just 10% of the population aged at least 15 had a bank account in 2017. This was revealed by the finance ministry (Minfi) in a “FinScope” survey, which aimed at assessing the levels of access to and use of financial services across the country. According to the document, financial inclusion is relatively low in Cameroon. Indeed, people widely preferred informal credit (11%) over formal credit (3%). In addition about 10% of the focus population received credit from relatives or friends.

“Consumer education and financial education are serious concerns in Cameroon, mainly in the insurance sector, where most adults lack financial literacy,” the study said. About 51% of adults surveyed pointed out the need for financial education training, mainly on how to save and the benefits of financial products. Meanwhile, 45% do not seek financial advice although due to lack of financial information.

“Only 29% of those aged 15 and over use mobile money service while the mobile penetration rate was 76%. This means, the digital financial inclusion can still be improved. This is all the more important, because Mobile Money is a relatively new financial product with huge potential,” the FinScope mentioned.
UNICEF partners with UBA to promote children’s rights

The United Nations International Children’s Emergency Fund (UNICEF) and the United Bank for Africa (UBA) signed, September 27 in Yaoundé, a partnership agreement to promote children’s rights in Cameroon.

According to Unicef’s representation in the country, the cooperation provides for a training of UBA employees on corporate social responsibility (CSR) and awareness-raising activities between the two parties on HIV/AIDS, nutrition, health, education, child protection and social inclusion.

“UBA agencies will thus become child-friendly spaces where information and awareness-raising messages on respect for children’s rights will be disseminated,” said the UN body, mentioning that the partnership is part of the missions of both structures.

UNICEF Cameroon targets collaboration with private sector partners to increase their role in promoting children’s rights and ensure their effective participation in the respect of these rights. On the other hand, UBA sees this opportunity to develop its social responsibility for children in Cameroon, and for the most vulnerable children, in particular.

Bdeac adopts new operation texts to comply with international standards

The Development Bank of Central African States (Bdeac) announced it adopted new operation texts to comply with international standards. This followed an ordinary board session held September 24 in Brazzaville, Congo, we learnt.

The texts aim to strengthen the bank’s governance, improve its functional and operational efficiency, modernize personnel management, define new rules of ethics and professional conduct for directors, managers and staff. As well, they include an expansion of the institution’s area of intervention and the establishment of new forms of intervention.

“These reforms, expected by all the institution’s directors, shareholders and partners, confirm its renaissance and are a historic fact, in that they will enable it to make a fresh start,” the bank statement indicated.

In a forward-looking approach, the Board approved the 2019 budget of CFA28.35 billion. The objective during this financial year is to intensify the Bank’s activities in terms of resource mobilization, through the diversification of financial partners, signature credibility and the reorganization of accounting.
The once-poor interbank market is getting more dynamic, boosted by repo mechanism

CEMAC’s interbank market is getting more dynamic thanks to the delivered repurchase agreement (repo) mechanism which is a financing technique characterized by an exchange of marketable securities with cash for a fixed period of time under a framework agreement between parties. This was announced by Aboubakar Salao, member of the audit committee of the Bank of Central African States (BEAC).

"Between June and July (this year), 75 framework agreements were signed, including between local and foreign banks," he said during a "Capital markets in Central Africa: challenges and opportunities" seminar recently organized by the International Finance Corporation (IFC) in Yaoundé. "In July 2018, there was a proliferation of transactions on the interbank market," he added.

Indeed, explained M. Salao, this mechanism compensated for the lack of secure financial products that were leading the market, insofar as the repurchase agreement allows the lender to automatically transfer ownership of the securities served as collateral by the borrower, once the repayment date of the debt has expired. "We don't even need to go to court to get this transfer of ownership," concluded Aboubakar Salao.

AfDB bans Geo Sciences International for "fraudulent practices"

The African Development Bank (AfDB) announced last September 20, it has excluded Geo Sciences International from companies eligible to submit calls for applications. The Yaoundé-based consulting firm will be banned for 48 months.

"An investigation conducted by the African Development Bank’s Office of Integrity and Anti-Corruption revealed that the consulting firm has engaged in numerous fraudulent practices, as part of a bidding process for consulting services for the Agroforestry Development Support Project in the Democratic Republic of Congo," the bank said in an official statement.

While applying for a tender for technical, biophysical and cartographic study services, "the company made false statements concerning its experience in conducting similar studies and the remuneration of its experts. In addition, Geo Sciences failed to disclose a potential conflict of interest."

"During the exclusion period, the company will not be eligible for contracts financed by the African Development Bank. Under the agreement on the mutual application of exclusion orders, this sanction against Geo Sciences International can also be applied by the Asian Development Bank, the European Bank for Reconstruction and Development, the World Bank Group and the Inter-American Development Bank," the AfDB said.
The Digital insurance brokerage firm Baloon Assurance which leads the African market has just opened a subsidiary in Cameroon last September 20 in Douala, we officially learnt. This occurred a few months after the company launched activities in Côte d’Ivoire and Senegal. Approved since July this year by the Cameroonian Ministry of Finance, Baloon Cameroon will first offer automobile insurance solutions from two major companies on the Cameroonian market, namely AXA and Saham. Then, the broker aims to extend products to other domains with a focus on health insurance, in partnership with other companies operating in the country.

“No more queues, no more long and complicated forms to fill out! With Baloon, the customer simply connects to the website www.baloon.cm via his mobile or computer, takes a picture, chooses his formula, signs and pays by mobile money. And that’s it! Easier and simpler than ever,” explained the pan-African start-up founded by Bertrand Vialle, former director of Gras Savoye in Africa. Moreover it committed to boost insurance penetration rate in Cameroon, claiming that “in other countries where it is implanted, 40% of its customers were not previously insured at all”.

Let’s recall that, Cameroon’s insurance penetration rate is officially barely 2%. According to Protais Ayangma, founder of Assuretech which is an initiative to boost the development of insurance through digitalization, “digitalization could increase fivefold insurance revenues and improve contribution to GDP” in Cameroon.

Baloon Assurance opens a branch in Douala

BDEAC’s commitments reached CFA279bn, in late June 2018

The Development Bank of Central African States’ (BDEAC) investments in Cameroon reached CFA279 billion late June 2018, the institution said in a statement released September 17. According to the document, the latest financing granted to the country (CFA7.2 billion) concerned the completion of a private project to set a cocoa processing unit in Kribi (Southern part). In recent years, BDEAC’s commitments mainly went to transport and energy sectors. In the energy sector, the bank disbursed CFA20 billion to support the Lom Pangar dam’s construction, the largest infrastructure of its kind ever built in Cameroon with a storage capacity of 6 billion m3. In transport, the CFA25 billion injected targeted the construction of Kumba-Mamfé road in the South-Western region, which links Douala to neighboring Nigeria. BDEAC also supported the construction of the Sangmélima (Cameroon-Ouesso Congo) road, an inclusive project whose completion on the Cameroonian side has been facing difficulties in recent years.

Let’s note that the Development Bank of Central African States is a sub-regional institution which operates alongside both governments and private sector operators.
The World Bank will disburse, via the International Development Association (IDA), $190 million (about CFA106.43 billion) to support agricultural colleges in six African countries, including Cameroon. As part of the project to Support Higher Agricultural Education in Africa (Shaea), the financing also includes Côte d’Ivoire, Ghana, Kenya, Malawi and Mozambique. The whole project aims to strengthen relationship between selected African universities and the regional agricultural sector, to develop competent human capital needed to accelerate agribusiness system transformation in the countries. Early this month, the six states’ governments, the World Bank Group and the Regional Universities Forum for Capacity Building in the Agricultural Sector (Ruforum) launched a call for proposals to higher education institutions. The institution selected will play the role of Regional Anchor University (UAR) with the main mission to shut off skills and knowledge loopholes in agriculture in sub-Saharan Africa. The Shaea initiative complements the African Development Excellence Centers (CEA-Impact) project, but focuses exclusively on higher agricultural education and particularly on its relations with the regional agricultural sector.
Cameroon is kicking off the “pure origin” labelling process of the cocoa produced at post-harvest processing excellence centers in the country’s production areas. This will follow a meeting between the Confédération des chocolatiers et confiseurs de France, the Cameroonian cocoa and coffee inter-professional council, the trade minister and the French Ambassador to Cameroon on September 30 in Nkog-Ekogo, the Central region.

According to official sources, the process will guarantee Cameroonian producers "support in the working methods (harvesting, cracking, fermentation, drying and storage) approved by the Confédération des chocolatiers et confiseurs de France". The latter committed to buy beans at higher prices than usual. The label "will be awarded to cooperatives that have a women-included Board", the parties said. For the record, Cameroon has three excellence centers for post-harvest cocoa processing in Mintaba, Si-Manyaï and Nkog-Ekogo, in the Central region.

Christophe Bertrand, a French master chocolate maker, recalled that back in September 2016 Aristide Tchemtchoua, a local cocoa farmer got in touch with him, via Facebook, and asked him to buy her produce. "When I agreed, she dared to do it. She sent me 250 kg, borrowing €700 (about CFA460,000); which is equivalent to almost a whole year's salary in Cameroon", reported Christophe Bertrand, impressed by the determination of the woman who will then become his trading partner. Since then, Mr. Bertrand has visited Cameroon several times along with members of the Confédération des chocolatiers et confiseurs de France, whose partnership with cocoa producers in Cameroon has grown stronger over time.
Between January and July this year, Cameroon increased energy supply by about 550MW while the installed capacity grew from 900MW to 1442 MW. This was announced by the Ministry of water and energy (Minee) as part of its seven-year assessment. This increase in installed capacity was achieved thanks to the construction of several energy facilities such as the Ahala (60 MW), Mbalmayo (10 MW), Ebolowa (10 MW), and Bamenda (20MW) thermal power stations; the Kribi gas thermal power station (216 MW); the Lom Pangar hydroelectric dam with a 6 billion m3 water reservoir; the Memve’ele hydroelectric power station (211 MW) and the Mekin hydroelectric power station (15 MW).

During the seven-year period ending, Cameroon also improved the population’s access to electricity, connecting 400,000 more people (800,000 to 1,200,000), representing an increase by 50%. Let’s mention that over the period, the electricity price rose once in 2012.
AFCON 2019: Yaoundé-Nsimalen airport upgrade infrastructure to comply with CAF’s requirements

Aéroports du Cameroun (ADC), the national airports’ management company announced it is renovating the Yaoundé-Nsimalen airport to comply with the specifications of the African Football Federation (CAF) in preparation for the 2019 African Cup of Nations (AFCON).

In detail, infrastructures will be upgraded to provide for the suitable comfort of official delegations and airport passengers during the event (June-July). “There is no more low iron chairs in waiting areas. We planned comfortable black airport chairs with grey armrests out of which 2,000 are already installed and we are waiting for 2,000 others. All rooms are equipped with new monitors that constantly screen security information, flights, customs, etc.” ADC informed adding that duty free shops are also being developed.

In addition, in collaboration with the police and customs services, ADC is considering the creation of corridors for airport formalities, sorting, screening and baggage handling. 800 carts have been acquired and the airport already has a fully functioning ventilation system.

“In the coming months, we are planning the refurbishment of escalators, the eight elevators, the refreshing of the paint and the acquisition of new equipment. As well, the runway is now ready to accommodate any aircraft type on an aircraft tarmac,” the company indicated.

DIT paid CFA185.3bn in taxes over 13 years

The concessionaire of the container terminal at the port of Douala, DIT, announced it has paid the Cameroonian government CFA185.3 billion in taxes over 13 years of activity. This translates into an annual payment of CFA14.25 billion.

The news was recently disclosed at a meeting with economic operators on the popularization of container removal procedures in the port. The company managed by Bolloré-APMT, also indicated that it had invested around CFA45.559 billion over the period. Currently DIT has 393 employees with 4,790 hours of training. Its equipment includes five quayside cranes for unloading and loading ships, four gantry cranes, 18 park cranes for loading and unloading containers, etc.

The volumes handled by DIT at the Douala container terminal increased from 131,994 twenty-foot equivalent containers (TEUs) at the beginning of the concession in 2005 to nearly 386,500 TEUs in 2017.
Cameroon: Camair Co airline expands domestic service

Cameroon’s public airline, Camair Co, will expand its domestic service. Indeed, the company announced it will increase the number of daily flights from three to four between Yaoundé and Douala. In addition, it will also open a line between Ngaoundéré and Garoua, two northern cities. Let’s note that until now, the company serves the northern region through direct flights either from Douala or Yaoundé. This new organization brings the number of weekly flights to just above the 100 usually handled. Since it launched a recovery plan in 2016, the air transporter has served seven of Cameroon’s 10 regional capitals (Bafoussam, Bamenda, Douala, Garoua, Maroua, Ngaoundéré and Yaoundé).
INDUSTRY

Sic Cacaos, Neo Industry and Atlantic Cocoa could lose CFA11 billion, on Anglophone crisis

In Cameroon, cocoa processing companies are currently facing a continuing decline in activities, mainly due to the ongoing crisis in Anglophone regions. This was revealed by the national inter-employers’ group (Gicam) in a recent report on the crisis’ economic impact. According to the group, three companies which mainly source raw materials from the North-West and South-West regions are likely to shut down activities over five weeks. These include Douala-based Sic Cacaos with a processing capacity of 55,000 tons, as well as Neo Industry (based in Kekem) and Atlantic Cocoa (in Kribi), which will respectively commission a 32,000-ton plant and a 48,000-ton unit in a few months’ time.

GICAM said, the discontinuity in activity could make the companies lose around CFA10.8 billion. However, there is room for recovery. “The recovery of activity lies, in the short term, on the possibility of finding other sources of supply and in particular using spot imports,” the group mentioned.

Veneers export to Europe grew by 29% in H1 2018

During the first half of 2018, Cameroon’s veneers export to the European Union (EU) increased by 29%, the International Tropical Timber Organization (ITTO) said in a memo.

According to the organization, this uptick occurred amid an overall drop by 17% in EU’s tropical wood veneers import over the period. In Africa, Cameroon outperformed Côte d’Ivoire which recorded a slighter growth by 14% while Gabon, on the other hand, witnessed a decline by 32%. “The drop in Gabon’s wood export is probably linked to the financial difficulties faced by Rougier group this year,” ITTO mentioned.
60-80% of agribusinesses are out of reach in North-West and South-West Cameroon due to unrest (Gicam)

Due to the ongoing Anglophone crisis, 60% to 80% of agribusinesses located in the North-West and South-West regions are now inaccessible, the Cameroonian inter-employers’ group (Gicam) said in a recent report on the crisis’ economic impact. The document indicated that many companies in these regions have been forced to dismantle logistics and marketing infrastructure to avoid vandalism and destruction. One of the most affected sectors, the beverage industry witnessed a loss of up to CFA40 million in turnover since the unrest started in October 2016. Theft and vandalism have already cost the industry more than CFA500 million in material losses, in addition to sums paid by employees to escape robberies and other threats. Though milling industries own no flour mill in these regions, their activities also suffer from the climate of insecurity. Delivery trucks belonging to them or to third parties that work directly or not with them have been set on fire. This implies a significant decline (5% to 40%) in deliveries to customers namely bakers and other wholesalers; the impact differing from one company to another. The shortfall for the entire sector is valued at around CFA4.9 billion.

Let’s mention that if the situation worsens, total job cuts could reach up to 15% of employees.

Sawn wood exports to Europe fell by 8% in H1 2018

During the first six months this year, Cameroon’s sawn wood exports toward Europe dropped by 8% despite a 5% increase in imports on the European market. This was revealed by the International Tropical Timber Organization (ITTO) in an economic outlook. Over the period, Côte d’Ivoire also witnessed a decline by 7% in sawn timber export to the market. However, upward trends were observed in Gabon (+16%), Congo (+6%), Ghana (+16%), Malaysia (+19%) and Brazil (+4%). Indonesia was atop the list with shipments up 186% compared to the same period in 2017. Let’s note that Cameroon’s overall wood exports to the EU increased by 7% in H1 2018, boosting its market share to 16.6% from 15.7%, ITTO indicated.
AustSino to acquire Sundance Resources for $58M

Sundance Resources, active on the cross-border Mbalam-Nabeba iron ore project between Cameroon and Congo, announced today September 25 it has reached a binding agreement with Australian AustSino Resources to sell a majority stake in its share capital for $58.250 million. Under the agreed terms, the money will be used to cancel the company’s existing convertible notes by offering bondholders a package consisting of cash, shares and options. Sundance will maintain $8.250 million in cash for working capital requirements and advance the Mbalam-Nabeba project. The transaction is expected to close in 4 months. It is however subject to a number of conditions and regulatory approvals, including those of shareholders.

According to Giulio Casello (photo), Sundance’s CEO, the agreement is a “win-win scenario” as it will allow the company to advance its Mbalam-Nabeba project, while repaying its debt in a suitable way. “AustSino has made clear its intent to see Mbalam-Nabeba developed and together we will soon be travelling to Cameroon and Congo to demonstrate how they can help develop the project,” he said.

The Mbalam-Nabeba project involves the development in two phases of the Mbalam deposit in Cameroon and the Nabeba deposit in Congo. Sundance expects this project to produce 40 million tons of direct-loading ore annually in the first phase over 12 years. The second phase will extend the life of the operation by more than 15 years by producing a high-grade hematite itabirite concentrate. Let’s note that in addition to the Sundance deal, AustSino is announced in another agreement whereby Western Australian Port Rail Construction (WAPRC) will acquire a majority share in the company for $100 million.
Cameroon Mobile Telecommunications (Camtel), the incumbent telecom operator in Cameroon, plans to get branches in Brazil, Nigeria and South Africa, MD David Nkoto Emane announced last September 7 during an interview with the publicly funded press. This announcement follows the recent deployment of the 6,000-km fiber optic submarine cable called South Atlantic Inter Link (Sail), linking Fortaleza in Brazil to Kribi, a seaside town in southern Cameroon. “Camtel must well position itself on the telecoms market. We are planning to go beyond mainstream services, to strongly position ourselves as producers and suppliers of digital solutions,” said Mr. Nkoto Emane. “We are in the process of reviewing our company’s status, internal regulations and organizational chart. As we plan to extend worldwide, we must deploy branches wherever our submarine cables land, including Fortaleza in Brazil and Lagos in Nigeria” he added mentioning that a branch is also planned in South Africa. The official recalled that the cable linking Cameroon to Brazil is not Camtel’s first underwater cable. In 2016, the company deployed the 1,000-km Nigeria to Cameroon (NCSCS) Submarine Cable System connecting Kribi to Lagos.
Cameroon: Orange Foundation already reached 10,000 kids with the “Digital Schools” project

Last September 19, the foundation set by the telecom operator Orange Cameroon, officially installed its 25th digital school in the country at the public school “Petit Joss” in Douala, the economic capital, we learnt. As part of the project to digitize education from primary school, the Orange Foundation has granted the public school a kit containing a mini server of educational content connected to 50 digital tablets, as well as a video projector and a projection screen.

This new step brings to 10,000 the number of kids connected to the “Digital Schools” project, officially launched in March 2017 in Nkolbewa, in Cameroon’s central region.

MTN Cameroon condemned for anti-competitive practices against Express Union (Court of appeal)

On 20 July 2018, the Central region’s court of appeal accused the mobile operator MTN Cameroon of anti-competitive practices against the Cameroonian money transfer provider Express Union. This jurisdiction then endorsed a previous accusation on 24 January 2017 from the CFI Yaoundé Administrative Centre ordering MTN Cameroon to restore in its entirety, for the benefit of Express Union, the USSD code *050#, under a penalty payment of CFA500,000 per day.

As reported, this USSD code allows any Express Union user to transfer money via a mobile phone irrespective of the operator to which they subscribe. But on 7 June 2016, MTN Cameroon suspended the code since the company also offers money transfer services. Subsequently, Express Union complained to the Telecom Regulatory Agency, which ordered MTN on 18 October the same year to reinstate the *050# portal. An injunction ignored by the mobile operator, forcing Express Union to take legal action, which has just ruled in its favor for the second time.

As a reminder, Express Union previously initiated such procedure against Orange Cameroon, before the National Competition Commission. But as MTN, Orange also rejected accusations, recalling they have never partnered with Express Union for the USSD code *050#.
LEADER OF THE MONTH

Joseph Kadji Defosso: Tribute to a bold and forward-thinking entrepreneur

National funerals were organized for the founder of Union camerounaise des brasseries (UCB), Cameroon’s only State-owned brewery.

Joseph Kadji Defosso, one of the first economic operators in Cameroon and CEO of the group bearing his name, died in the night of August 22 to 23, 2018 in South Africa, at the age of 95. In a presidential decree signed days later, Paul Biya, Cameroon’s president announced the organization of state funerals for this captain of industry. Cameroon’s tribute to this pioneer of industrialization in the country was held from September 12 to 15, 2018 in Bana, his native village in the Western region. In Bana where acted as mayor, Kadji built with his own money, about a billion CFA, the town hall.

Heading a group of companies operating in various sectors like real estate, milling, insurance, industrial production, and agribusiness, Joseph Kadji Defosso is better known as the founder of Union camerounaise des brasseries (UCB), the only brewery belonging to Cameroon launched in 1972. The first African to go into the brewery industry and to have resisted for decades to multinationals competition, Joseph Kadji Defosso also contributed to the radiance of Cameroon’s football internationally with the creation of Kadji Sports Academy (KSA), a training center that formed world-renowned football players like Samuel Eto’o Fils.

Ranked among Cameroon’s top 10 richest, Joseph Kadji Defosso’s wealth was estimated at $205 million (about CFA113 billion) by Forbes Africa.

Brice R. Mboziam

Joseph Kadji Defosso was heading a group of companies operating in various sectors like real estate, milling, insurance, industrial production, and agribusiness.
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