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By Brice R. Mbodiam



Decentralization, let's go...

No sooner had they reviewed and approved the 2020 budget that the MPs were once again convened for a 15-day special session to review and vote the draft law on the code of decentralized territorial units. The session already started since December 13, 2019 and according to the government explanatory statement, the focus law gathers all the legislative corpus for decentralized territorial units in a single document.

Government says the drafting of this law is the concretization of *"public authorities' desire to speed up and deepen the decentralization process, reinforced by the recommendations resulting from the general meetings of communes, as well as those of the national dialogue"*. Indeed, one of the outcomes of the national dialogue, initiated by the Head of State to find a way out of the Anglophone crisis that has been shaking the country since 2016, was to accelerate the decentralization process and grant a special status to the northwest and southwest regions. Decentralization was then chosen instead of federalism, supported by some of the participants, and the secession advocated by the separatists, who refused to participate in this great dialogue.

It's now effective that the country's two Anglophone regions have a special status, *"based on linguistic specificity, which is expressed through a particular educational and judicial system, the management methods of which are laid down by specific laws"*. But, despite this measure, the law *"emphasizes the need to respect national unity, territorial integrity and the primacy of the State"*. This means that the government is not going for a partition of the country along linguistic lines.

Beyond the decentralization acceleration vision that will also enable the direct transfer of financial resources to local authorities (meaning they will no longer be included in the budgets of ministerial departments); the special status for Anglophone regions; or the reaffirmation of the country's unity; the new law also meets a multi-year request which is the suppression of government delegates' posts in major cities. They were kind of *"super mayors"* appointed to keep a firm grip on the management of large cities despite the presence of elected mayors. The fulfilment of this request was long awaited by many policy entrepreneurs who advocated for it.

These significant changes contained in the draft law, which also specifies the functioning of the regions to be set up in the framework of the decentralization process, are to be commended despite the controversy which seems more like identity affirmations rather than real attempts to build a harmonious national community.

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COMPANY OF THE MONTH

Glass factory Socaver boosts production capacity with 5.3 bln CFA Francs investment



On November 15, 2019, Cameroonian minister of industry Dodo Ndocké inaugurated the new facilities of local glass-making company SOCAVER in Douala, the country's economic capital.

A subsidiary of SABC group, leader of the brewing market in Cameroon, SOCAVER invested the tune of 5.3 billion CFA Francs for the renovation of its oven number 2, and construction of a PET preform production workshop.

"With this investment, SOCAVER now has a workshop with two preform production lines with a capacity of 300 million preforms per year. This will enable the production of bottles of

different sizes and colors (35 cl, 100 cl, 150 cl, etc.)," SOCAVER explains.

"This investment, made in a difficult context, is part of SOCAVER's strategic plan launched in 2018 by the general management, in order to make the company a real expert in packaging (Ed.note: glass bottles, plastic crates, and preforms), oriented towards a greater diversification of its businesses," the company adds.

By launching the production of PET preforms, SOCAVER, the only glass factory in the CEMAC Zone, is thus completing its range of products (glass and PET) to satisfy the PET beverage (soft drinks, mineral water) segment's packaging needs

in Cameroon and neighbouring countries such as Equatorial Guinea, Chad and the Central African Republic.

In addition, thanks to its crate production workshop created in 2014, SOCAVER, the company 28% owned by the Société Nationale d'investissements (SNI) and private Cameroonians, also has an annual production capacity of 2 million plastic crates (12 and 24 holes). At the same time, with the renovation of furnace No. 2, SOCAVER's yearly glass melting capacity has increased from 32,500 to 38,500 tons.

Brice R. Mbodiam

MONTHLY STATISTICS

55%

The Cameroonian government, via the Ministry of Water and Energy, just launched a program to monitor, control and optimize electricity bills in the public sector. According to the program's creators, it is aimed at reducing the country's electricity expenditures, which average 41 billion CFA Francs every year according to official reports.

A study commissioned by the government reveals that public lightning represents more than 55% of the electricity bills the government pays every year.

1300

Jean-Bernard Levy, CEO of Electricité de France (EDF), a shareholder in the Nachtigal dam construction project in Central Cameroon, was on the dam's construction site on November 26, 2019.

During this field trip, accompanied by Cameroon's Minister of Water and Energy Gaston Eloundou Essomba, it was revealed that more than 1,300 employees are already working on this project, which was officially launched in February 2019.

These employees, and many others to certainly be recruited, are working to deliver, in 2023, a 400 MW dam representing one-third of the country's current power generation capacity.

1,250 CFA Francs

In Cameroon, cocoa farmgate price has been ever increasing. Indeed, according to figures published by Système d'information de filières (SIF), a system that provides updated information about the coffee and cocoa sectors, the maximum price per kilogram rose from 1,220 CFA Francs in early November to 1,250 CFA Francs on November 21, 2019.

This 30 CFA Francs increase recorded in the country's production basins at the end of the rainy season announces an improvement in sales towards the end of the year since it is a reflection of the growing demand due to the arrival of new cocoa processors in the country.

11 300 tons

Between July and September 2019, Cameroonian loggers exported only 11,300 tons of logs to the European Union market. According to the International Tropical Timber Organization (ITTO), these exports are down 20% year-on-year.

In Central Africa, this decline in log exports to the EU is also observed in countries such as the Central African Republic (-17% to 13,200 tons), the DRC (-35% to 10,600 tons) and Equatorial Guinea (-64% to 2 900 tons).

CEMAC: Challenges and directions to accommodate monetary stability and development financing

During the extraordinary meeting, on November 21-22, 2019, the Heads of CEMAC member countries expressed a common desire to defend the stability of their currency (XAF). At the same time, they indicated their will to see the current monetary cooperation agreements with the European Union and France evolve.

The CEMAC Commission and the central bank BEAC were tasked with *“proposing, within a reasonable time frame, an appropriate plan leading to the evolution of the common currency.”* To maintain domestic and external stability, the Beac has pursued a restrictive monetary policy over the past three years. Its actions are aimed at maintaining the parity rate between the CFA franc and its refer-

In December 2016, when CEMAC presidents met in Yaoundé, these reserves were just over 50% of imports needs, raising public concern about the risk of currency devaluation. According to a report published in November 2019, by the BEAC, the region's foreign reserves at end July 2019 reached CFAF XAF4272.7 billion (66.21% of import requirements), an improvement by a little over XAF1,000 billion compared with the level it was a year ago.

EXTERNAL POSITION STABILIZED BUT CHALLENGES REMAIN TO BE ADDRESSED

To achieve this result, the Central Bank has taken many measures. The most important, and the most challenging to implement, is the new foreign exchange regulation. Under

to strengthen foreign exchange reserves.

During an interview with Ecofin Agency, Gabonese Finance Minister Roger Owono Mba, acknowledged this problem. He finds it legitimate to repatriate all the currencies resulting from the exports of resources but he also points out that discussions with mining and oil operators have raised the concern that the Central Bank should upgrade to the standards for fund transfers. A requirement that has not yet been met because this implies going through international clearing entities, whose access is more demanding than the traditional SWIFT system (normal transfer mode).

In sectors other than oil and mining, the implementation of this exchange rate policy has not been easy. The private sector, in Cameroon particularly, put strong pressure on the market, making the black market for currency exchange seize the opportunity. This change has highlighted many problems. These include the alignment of commercial banks, human resources within the Central Bank and its branches and even the adaptation of economic operators to the new procedures. However, the implementation of a permanent consultation and communication strategy has helped stabilize the situation.

So far, the BEAC has been unable to overcome some problems. CEMAC member countries have agreed to make oil and mining agreements

“As for our monetary policy, it has so far helped ensure financial stability in our sub-region. However, there is the need to remain flexible for any reform proposal”

ence currency (the euro). According to the monetary agreements with France, this monetary stability requires that the region's foreign reserves always represent at least 20% of CEMAC's imports.

this regulation, all foreign currencies generated from exports by CEMAC countries, including products of the oil and mining sectors, which are the leading products exported by the sub-region, must be repatriated



available so that the BEAC can ensure the revenues declared in these sectors are in line with the signed contracts. However, according to our sources at the BEAC, no contracts have been sent yet. The other challenge is that many non-bank economic actors have not repatriated their foreign currencies yet. At the end of June 2019, the assets of CEMAC residents held in foreign banks still amounted to \$5.2 billion (XAF3,153 billion). The central bank indicated in its discussions with the International Monetary Fund (IMF) that it had no details on the nature of these assets but data collected by Ecofin Agency on the Bank for International Settlements' platform indicate that nearly \$1.5 billion of these assets are held by CEMAC households while nearly \$2 billion are owned by businesses.

STABILIZATION OF THE INTERNAL ENVIRONMENT IN PROGRESS... AT THE EXPENSE OF DEVELOPMENT FINANCING

As far as domestic stability is concerned, Beac's main focus is on reducing excess liquidity in the banking sector and the monetary system. It has reduced cash advances to States, added new constraints to the refinancing of commitments made by banks and undertaken the gradual reduction of cash injections into the sub-region banking sector. It also announced an operation to reduce excessive liquidity for early 2020. However, these actions, suggested by the IMF, do not consider the fact on ground. They are based on the assumption that too much liquidity in banks could become a risk for currency hedging if large volumes of transfer requests are made. Within the BEAC itself, experts have often

considered that too much liquidity represents a risk on foreign exchange reserves and that this should guide the pace at which money is cut. However, in a context of economic diversification, States and investors in the subregion need cash to launch projects. Some analysts believe that pressure on the quantity of currency in circulation is a problem for the financing of the subregion's development. It would not take the economy's actual credit need into account, but rather the willingness to solve a problem that has never arisen, namely the pressure on foreign reserves as a result of monetary creation. At the Central Bank, there is also discomfort in pursuing this type of domestic currency stabilization policy. Challenges include the fact that excess liquidity concerns only a few banks, owned by foreign groups, with restrictive lending policies. Another

“THE NEW MONETARY COOPERATION MUST BE BUILT ON THE BASIS OF SOLIDARITY BETWEEN THE 6 COUNTRIES IN THE REGION”

Benjamin Ngongang, Associate Director in charge of the Central African region at FinAfrique that specializes in advice and accompagnement for reforms in the banking sector, was once the supervisor of Banque de France, CEMAC's monetary partner. The native Cameroonian comments on CEMAC Heads of State's decision on the evolution of monetary cooperation with France.

Analysts believe that a medium-term breach of the guarantee provided by France could destabilize CEMAC's financial sectors and economies. Do you share this opinion?

BN: The termination of the CFA franc convertibility guarantee provided by France to the CEMAC zone for about 60 years now would obviously be a significant change for the zone. With such important reform, some may take a pessimistic view of the future and fear a destabilization of the economy and of the financial sector in particular. However, this break can also be seen as an extraordinary opportunity for the zone, which would then have the opportunity to choose a new convertibility regime more adapted to its contemporary situation.

Indeed, at the beginning of the 1960s, when this guarantee system was put in place, the countries of the CEMAC zone were barely officially joining the community of nations after their independence, the solution of a French guarantee for the young common currency undoubtedly reassured the countries of the region and their trading partners, led by France itself, at the time. Today, the context is very different. CEMAC countries have acquired experience in the joint management of their currencies and foreign exchange reserves; trade partnerships have evolved with the arrival, in the early 2000s, of Chinese, Indian and Turkish players which are gradually weighing heavily in the trade balance of the CEMAC zone. The French guarantee no longer seems really essential in such context. It is also worth mentioning that this guarantee has almost never been used because, in 60 years of existence, the operating accounts have rarely been negative. Even during the sharp devaluation of 1994, the level of reserves had fallen sharply without, however, becoming negative.

Beac has, therefore, managed its reserves well,



from an accounting point of view, over this long period and should be able to continue to do so with the additional autonomy that this reform would grant it. As long as the reform is carried out in an organized manner, by involving from the outset all the stakeholders, there is no reason to fear a collapse at the end.

What do you think would be the best scenario for the evolution of this monetary cooperation?

BN: The new monetary cooperation must be built on the basis of solidarity between the 6 countries in the region, obviously strengthening the principles of economic convergence and shared fiscal discipline, without losing sight of the structural differences between the economies. On the other hand, as France is no longer the main trading partner of the region, the new currency should be pegged with a basket of currencies that better reflect the region's international trade, with an autonomous target for the Beac, on the exchange rate and price stability objective.

Finally, we believe that this transformation should be achieved by strengthening governance and transparency within institutions. This must be done gradually, with clear milestones and the involvement of the region's economic and financial actors so that they will be ready to implement the new rules when the time comes.

Interview by Idriss Lingé



problem is that if the Central Bank stops its liquidity injections, banks, whose failure would be a major problem for the sub-region's financial system, would find themselves in difficulty while their balance sheets and governance are quite good.

WHAT ARE THE PROSPECTS FOR MONETARY COOPERATION WITH FRANCE?

In his closing speech, Cameroonian President Paul Biya recalled the need for flexibility. *"As for our monetary policy, it has so far helped ensure financial stability in our sub-region. However, there is the need to remain flexible for any reform proposal aimed at consolidating its action and ensuring the best conditions for an effective contribution of monetary policy to the development of the sub-region,"* he said.

A new development may lie in the stated desire to review monetary cooperation with France and the European Union. The definition of the scope and content of this evolution has been entrusted to the CEMAC Commission and the BEAC but already, we have felt a difference in approach among the Heads of State. While Teodoro Obiang Nguema of Equatorial Guinea sees this as an opportunity to be free from the long-standing monetary partner (France), Denis Sassou Nguesso of Congo believes that they must take more responsibility.

There are plenty of avenues for reflection. One of them is defended by the Cameroonian statistician Dieudonné Essomba. The latter, who was already predicting this crisis situation in the CEMAC region, had suggested creating, alongside the FCFA (which is the

African version of the euro), a parallel monetary mechanism called the dual currency system. This would unlock the potential of productive sectors boosted by the dual requirement for external and internal stability of the currency.

Nigeria's experience can also be inspiring. There, the Central Bank did not limit itself to setting up monetary policy mechanisms. It reduced banks' access to foreign currencies for the financing of basic needs. The other foreign exchange needs are met by the money market (Nafex). In addition, it prohibited commercial banks from investing in treasury bills and bonds. The objective is to reduce excess liquidity in the monetary system while ensuring that productive sectors are financed, to support diversification.

Idriss Lingé

Cameroon and those foreign junior mining companies full of unfulfilled promises



In November 2019, two major events occurred in the Cameroonian mining sector. Indeed, within days, the government signed iron and gold mining agreements with two local mining companies. The first agreement was signed with Cameroonian billionaire Dieudonné Bougne's G-stones which plans to invest XAF900 billion in partnership with Canadian investors for the exploitation of Akom II iron deposit in the Southern region. The investment project includes the construction of a steel plant in Fifinda, also in the South, to process the ore mined from the Akom II deposit. The second mining company Cameroon trusted for mining operations is Bonaventure Mvondo Assam's Codias. Through the agreement signed on November 29, 2019,

Codias commits to exploiting, at an industrial scale, the 480,000 tons Colomine gold deposit in the Eastern region. The overall investment for this project is estimated at XAF40 billion, according to official sources. This is the first time the Cameroonian government is placing such high level of confidence in local investors operating in the mining sector. Therefore, many observers see in those conventions signs of the government's hopelessness with the numerous unfulfilled promises of foreign mining companies that signed such agreements with Cameroon. Indeed, from American Hydromine, Australian Sundance Resources, Canadian-American Geovic to Korean C&K International, the Cameroonian government seems to

have fallen on companies with just promises but no actions. On close observation, these operators seem more concerned about the impact of speculation organized around Cameroonian mining licenses on international stock exchanges than about the effective development of the country's mining potential. Consequently, the mining licenses the country attributed to them are being traded but there are no benefits for Cameroon and the pompous announcements of exploitation of mining deposits, covered by those licenses, are not followed by actions. Here is a look back at those mining projects that raised a lot of hope, but have gradually led to despair.

Brice R. Mbodiam

Geovic Mining could lose its permit for Nkamouna nickel-cobalt deposit



In recent days, we learn more about the audience granted on February 21, 2018, to William Alan Buckovic, founder of American-Canadian Geovic Mining Corp, by the General Secretary of Cameroon's Presidency, Ferdinand Ngoh Ngoh. The company has held, since 2003, Cameroon's very first mining permit, granted for the Nkamouna nickel-cobalt-manganese deposit, located in the Eastern district of Lomié.

During that meeting with the General Secretary, sources close to the matter say, Buckovic announced his company is going to resume activity on the project following a dead period of 6 years and pleaded that

authorities let him keep the mining permit, which its local subsidiary has held for 16 years but has produced no concrete performance so far. What happened is, given Geovic Mining's inability to develop the Nkamouna project since 2003, the Cameroonian government has been considering, since late 2017, withdrawing the permit and subsequently launching an international tender to recruit a new partner who, it hopes, would succeed where Geovic failed. *"Geovic cannot develop the Nkamouna mining project simply because it has no resources. The proof is that they have not done anything for 15 years (16 years today, ed). They just want to*

sell the project's shares to the highest bidder," a source said.

PROJECT ABANDONED AFTER A FAILED ASSET TRANSFER

According to local sources, there has been no activity on the Nkamouna site since 2013, equipment at the headquarters in Yaoundé have been removed and it seemed clear that Geovic gave up on the project. This happened after the junior mining company failed to sell its assets on the project to Chinese Jiangxi Rare Metals Tungsten Group Holdings Company Ltd (JXTC).

On July 23, 2013, Geovic Mining Corp had announced that it had signed



a “definitive agreement” with the Chinese company. *“This final agreement represented a significant progress for the operation of the project in Nkamouna. The development of the project will start as soon as funds are available and will allow the creation of jobs and diversify the economy of Cameroon,”* said Michael Mason, CEO of Geovic Mining Corp. But what had been presented as a “definitive agreement” in July 2013 has not been respected by the parties. The

National Investment Company (SNI), which represented the local partners and controls 39.5% of the project was not satisfied with the Chinese side. This unsuccessful transaction is only one of many others either due to unfulfilled promises, hesitations, or a constant revaluation of the potential of the Nkamouna deposit. As a result, sources say, the Geovic shares continued to rise on the Toronto Stock Exchange in Canada (it was finally excluded from this market in 2014

for non-compliance with the rules); This is a real disappointment for the populations of the Lomié district, who have once dreamed that the town of Nkamouna would become home to Cameroon’s first cobalt mine. *“In any case, no one listens to them here anymore. The populations no longer believe in it,”* Célestin Assama Mbongo, former mayor of Lomié, told Business in Cameroon in December 2014.

C&K Mining divests shares in Mobilong diamond project to Sino-American investor, following scandalous potential overvaluation

C&K Mining, which has held a permit for the Mobilong diamond deposit in eastern Cameroon since December 2010, has transferred the majority of its assets in this mining project to a Mr. Yang, a Chinese billionaire residing in Hong Kong, who sources said is also a US citizen. In this regard, C&K Mining held a general meeting on November 19, 2014, in Yaoundé, after a board meeting in Seoul on November 2, and announced that Mr. Yang is the “*new majority shareholder*” of this mining company. C&K Mining was a joint venture between Koreans and Cameroonians. Following the transaction, the Korean partners who were previously majority shareholders with over 50% stake now only control “*less than 10%*.” The amount invested by the Sino-American investor has not been disclosed but operations took place since “*late 2013*.”

The assets were sold after the Mobilong diamond mine scandal in South Korea in December 2010. That year, C&K Mining, which explored the deposit in 2006, was accused of over-evaluating its potential (initially 736 million carats, or 5 times global production, followed by a readjustment which brought the figure down to 420 million carats) in order to speculate on the Seoul stock market. Indeed, after receiving the mining permit in December 2010, and following the initial projection being declared inaccurate, C&K Mining’s stock rose on the Seoul stock exchange, multiplying its going selling price “*by 4.6 in only 16 days*,” stated Frederic Ojardias, an RFI correspondent in Korea. Many



leading Korean public figures and the heads of C&K International, the parent company of C&K Mining, took advantage of the opportunity, selling at the higher price before it later declined.

QUESTIONED, BUT NEVER DENIED

Legal action was taken against the Korean mining company whose chairman, Deuk Gyun Oh, was arrested and jailed in Korea in February 2013, before being freed in September 2014. This occurred following a long hearing (9:00 am to 7:00 pm) in the Seoul Court of Justice on September 15, 2014, with Cameroonian Paul Ntep Gwet, former Coordinator of the Small-scale Mining Support Framework (CAPAM), a governmental program governing small-scale mining in production zones.

According to our sources, Paul Ntep Gwet who has virtually worked on all mining projects in his country was invited as witness on behalf of C&K Mining to reassure Korean justice on the real existence of a world-class diamond deposit in Mobilong in East Cameroon. CAPAM has a 10% stake in C&K Mining, a company he helped to create with Korean partners and other national operators. Although the Mobilong diamond deposit’s potential is questionable, no credible contradiction has so far been made against C&K Mining’s 420 million carats estimate. But all parties agree that this is a world-class deposit. Especially thanks to its conglomeratic part, which is not estimated yet but considered more important than the alluvial part, whose total potential is estimated at only 230,000 carats of diamonds.

After it failed the Minim Martap bauxite project, Hydromine announces giant hydro project in Cameroon



US-based energy company Hydromine said it has plans to build, over a period of 5 years, a 2 billion m³ dam and a 1,800 MW power generation unit (higher than the 1,500 MW currently produced by the country, ed) in Cameroon. Projects will be developed in the Littoral region, and are part of a bigger project called Grand Eweng, initiated by the company. Hydromine had already gotten the green light from authorities and an agreement was signed in that regard on April 6, 2015, a month after Peter Lionel Briger, the promoter of Hydromine, established Hydromine Cameroon Ltd in Douala, with an initial capital of 1 million CFA Francs. The company claims, without any proof so far, that it has increased this capital to 600 million CFA Francs and is considering bringing it to 1 billion CFA Francs. This firm is socially dedicated to the establishment of energy projects and

of “any activity launched by businesses in accordance to Cameroon’s legislation.” An objective which perfectly fits the reputation of this firm in the country.

It should be recalled that Hydromine somehow bluffed on a significant project involving bauxite exploitation in Minim Martap and Ngaoundal in the Northern part of Cameroon. In fact, Hydromine, which appeared, at the time, to be just a minor American start-up with no offices, financial resources or even mining expertise, said it would invest around 5,000 billion FCFA in the bauxite project.

WITHDRAWAL OF LICENSES

Unable to manage the Minim Martap and Ngaoundal bauxite project, Hydromine eventually entered into a joint venture with Emirates Dubal Alumina and India’s Hindalco, to retain only residual shares in the project. Cameroon Alumina (CAL),

the joint venture created for this purpose, developed the project until 2016.

For “failure by CAL to provide all the final preliminary studies on all the components of the project (bauxite-alumina), with an integrated financial model, on the one hand, and Dubal Alumina’s feverish desire to continue to invest in the project, on the other hand,” the Cameroonian government was unable to conclude a mining agreement with CAL. Cameroon also withdrew the licenses for the project from this company and sold them to Canyon Resources in 2017. Through its local unit Camalco, Canyon Resources committed, according to a source close to the project, to mobilize more than 6 billion CFA Francs to meet specifications that extend over a 3-year non-renewable period.

Mbalam iron Project: Sundance relies on AustSino, after several unsuccessful extensions of its agreement with the government

Australian junior mining company Sundance Resources and AustSino decided on 22 October 2019 to extend the deadline for finalizing their equity investment agreement for the Mbalam iron ore project in eastern Cameroon to 30 June 2020.

The two companies expect that before that date, Cameroon will reach a new agreement for this project since the old agreement between the country and Sundance Resources' subsidiary Cam Iron expired in March 2019.

Sundance Resources, which was looking for investors, was hoping that Cameroon would extend its



rights on this iron project to June 2019 but its wish was not granted. Maybe, Cameroon was scalded by the Australian company's inability to find financial partners for the project. Anyway, Sundance Ressources sees AustSino as the investor that will put the Mbalam iron project back

on track. Indeed, the agreement between the two companies provides for the transfer of majority shares in Sundance to AustSino, which will then develop the Mbalam mining project, which includes the construction of a mine and a railway of more than 500 km.

Only a year after it acquired shares in the Nkout iron ore deposit from Affero Mining, IMIC is already seeking a new buyer

British company International Mining & Infrastructure Corporation (IMIC), which bought the shares of Affero Mining in the Nkout iron project, in Southern Cameroon, announced it has decided to sell 4,903 shares of its Cameroonian subsidiary, Caminex. The decision was taken during a general meeting held on 15 December 2015.

These shares with a value of 10,000

CFA Francs each represent 49.5% of Caminex's assets, IMIC specified in its statement. This call for funds, the final results of which are still not yet revealed 4 years later, reveals IMIC's difficulties in developing the Nkout iron project, in an international context marked by the continuous decline in the price of this metal. As a reminder, the Nkout iron deposit is presented as the most

important in Cameroon, ahead of the Mbalam-Nabeba iron deposit (in the east of the country), 2/3 of which is located in Congo. In December 2014, IMIC announced a revaluation of the potential of the Nkout deposit to 2.7 billion tons of iron resources, with a 68% growth on DSO (directly exportable ore).

Mouna Kadiri

“The African Continental Free Trade Area will bring extraordinary opportunities to this continent and its people”

Mouna Kadiri is the director of the Africa Development Club, which belongs to the Moroccan Attijariwafa bank's group. She recently co-chaired with Cameroon's minister of trade the third edition of the Africa Development Club's conference, in Douala. In this interview, she talks about the Club's actions to benefit African entrepreneurs; this is as the Continental Free Trade Zone is about to be launched.

Business in Cameroon : Recently, the Africa Development Club held a meeting focused on trade, a meeting which you co-chaired. Why did you pick this topic particularly?

Mouna Kadiri : This was a multi-sectoral mission around the theme “Trade as growth leverage for compa-

nies.” The theme was picked by SCB Cameroon (subsidiary of Attijariwafa Bank) and the African Development Club in Cameroon. These two firms are the most fit to identify the most relevant topics to foster investment and value creation, for both local and international firms. Cameroon has recorded various transformations in

recent years. They are mostly due to exchange regulations, key reforms introduced by the government, and a will (of the government and the private sector) to make them more visible. It was based on these changes that the committee that worked on the meeting decided that trade would be a great theme, given its



"Regardless of its origin or identity, any business that can contribute to the development of a community, create jobs, pay taxes, improve the lives of people or infrastructure, in Africa, is welcomed by the Africa Development Club."

huge potential for value creation through deals, joint ventures, etc. The main component of the meeting were the business meetings organized after discussions between key speakers. The latter included some top officials such as the minister of trade, who sponsored the mission, the deputy national director of the Bank of Central African States, and the chairperson of Telcar Cocoa, Mrs. Fotso. During these business meetings, participants were able to exchange on investment opportunities, deals, and joint ventures. They also visited the autonomous port of Kribi, which is a major project considered as a hub in Central Africa. They were able to appreciate the enormous infrastructure, as well as its modern aspect. This helped build trust with economic operators and that is mainly why we picked trade as our main theme.

BC : So, the Club is not only an organization but a real tool that is building tomorrow's African trade industry. Concretely, how do you help businesses affiliated

to your club to better profit from the African continental free trade agreement (AfCFTA)?

MK : Long before the AfCFTA project came up, we had been operating for 10 years, with no free trade zone. We had, as you may guess, to deal with multiple challenges, related to infrastructure, administrative procedures, transport, and logistics. Over the period, we brought together more than 10,000 operators. This took us six editions of the Africa Development International Forum, which generated more than 22 business meetings. The latter yielded concrete deals, investments, factories, among others - transactions worth millions of dollars.

The first challenge to tackle is to help businesses build a relationship of trust with their partners. This way they will have an axis for value creation and that is exactly the purpose of the free-trade area. Our role is to be the flag-bearer of Africa's private sector, tell the world: "Yes! It is possible, we create jobs." Some affirm that this free-trade zone is not only a political act, but also a strong

initiative to create economic value, ---. Truth is, this zone marks the beginning of something big and with it, we can achieve historical records. We can affirm that this free-trade zone is not only the materialization of a strong political will but also a project aimed at bolstering economic value since we already cooperate among ourselves, even without it. Our role since the last edition of the Africa Development Forum themed "When East meets West," is to primarily inform, connect, and get operators to engage in the daily activity of businesses; raise awareness of economic operators about the African Continental Free Trade Area, which is key to boosting business opportunities, in line with the continent's 2020-2025 strategic plan for trade.

We also wanted to break from the old habit that African countries got into since independence. Indeed, we are used to North-South, South-South cooperation, as well as to France and UK centered trade. Well, we wanted to end this and connect major regions, large cultures, and



"It is time we become real actors and take our responsibilities. It is not really obvious nowadays where given shareholders of a company are each located, so instead of focusing on origins of economic operators, we've decided to concentrate on creating added value across businesses in Africa."

major cultural groups. To this end, we invited representatives from Kenya, Rwanda and Sierra Leone to be guests of honor of our forum. We also had some from Nigeria, and even China; all to break old habits, mix things up in the way we work. This sharing of experience must yield impressive insight on optimal cooperation methods. It must help foster an intra-Africa collective mindset.

We must preserve this dynamic. We must protect it, and though this will be a long journey, we are convinced that the African Continental Free Trade Area will bring extraordinary opportunities to this continent and its people.

BC : Nowadays, trade and finance almost go in pairs in Africa and behind the Africa Development

"This helped build trust with economic operators"

Club, there is a great bank group like Attijariwafa. But you also said there were other banks such as Spain-based Banco Santander, or the Al Mada Pan-African Fund. Tell us, how do all these institutions plan to finance intra-African trade which you support?

MK : First, let me tell you how our Club operates and the model we have adopted. We have decided to connect and regroup all banks of the Attijariwafa Group, as well as communities it works with, both private and public. Next, we had support from a Pan-African investment fund, which is Al Mada, Attijariwafa's reference stakeholder. We were also among the founders of the Trade Club Alliance, which



"Our role is to be the flag-bearer of Africa's private sector, tell the world: "Yes! It is possible, we create jobs"

regroups 14 partner banks. The Attijariwafa Bank Group is the only African lender, besides a South African bank (Ed.note: Standard bank), to be part of this alliance which currently covers 65% of global trade corridors.

The alliance was created at the beginning of October 2019. It is a digital platform that helps entities such as the Africa Development Club operate better. It provides support, networking opportunities, access to reliable market data, and financial support to its members. A key contributor to the alliance is Banco Santander. To date, the alliance gathers more than 16,000 businesses. It is our pride to have major international banks praising the Africa Development Club, referring to us as being extraordinary. They not only praise us but all African businesses which we represent.

BC : While this idea is original, the Africa Development Club comes behind others like China, Japan, India, or Russia. These economies are entering the African continent leveraging similar initiatives. Do you consider them as potential partners, rivals or maybe both?

MK : Our vision is to contribute to Africa's development, but this vision is not Afro-centered. Regardless of its origin or identity, any business that can contribute to the development of a community, create jobs, pay taxes, improve the lives of people or infrastructure, in Africa, is welcomed by the Africa Development Club. However, we are pragmatic and we know that out there, on the field, African businesses come first. What we do is tear down all invisible, psychological walls that exist between Africans with different backgrounds and cultures, all over the continent.

This is a new path. We, Africans, don't know one another enough and this brews clichés and in the worst-case real social disasters. Based on this assessment, we focused on suppressing barriers, providing reliable data, connecting, supporting, encouraging, and nurturing the interest sparked by African businesses.

You may be aware that Africa does not only consume what foreign partners decide they should. Recently, there have been some eloquent speeches in this regard. It is time we become real actors and take our responsibilities. It is not really obvious nowadays where given shareholders of a company are each located, so instead of focusing on origins of economic operators, we've decided to concentrate on creating added value across businesses in Africa.

Interview with Idriss Lingé

Aurélie Chazai

“Returning to Cameroon might seem very surprising and risky to many”

After working for many major law firms in France, this Cameroonian lawyer and legal advisor decided to return and serve her country in 2017. Chazai & Partners, is the firm she founded and a dream come true for a woman who dared to believe in her country. In this interview, she shares her very unusual story.

Business in Cameroon: Could you tell us about your beginnings in Cameroon? When did you start your activity and under which conditions?

Aurélie Chazai : We started in November 2017 with a team of only two people. No one knew about us in Cameroon so we had to secure

market shares in an environment where we were unknown. The main challenge at first was to convince prospects and clients to reach out to us.

BC : What pushed you to decide to return to set a business law firm in a country which is known to have

a difficult business environment?

AC : As afro-optimists, we tend to see the glass half full rather than half empty. However, operating in Cameroon's legal industry is quite complex as many see this sector as corrupt. What we have therefore decided to do is provide a different service, one based on good ethics,

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"Our goal was to provide a different economic offer: we wanted to make sure that economic operators have access to local experts for their major transactions, instead of necessarily resorting to firms based in London or Paris."

diligent work, and a reliable report to our clients. That was what drove us, with a little naivety, to come back to offer our services in Cameroon.

BC : There were other lawyers already established in the country. What added-value did you bring and what was, in your opinion, the factor that would be decisive to your success?

AC : Our added-value compared to already established firms was that our associates already had some experience at the international level. We had been trained and had worked at major firms in Paris, and other places in Europe. Also, we had a different look on things. Our goal was to provide a different economic offer: we wanted to make sure that economic operators have access to local experts for their major transactions, instead of necessarily resorting to firms based in London or Paris.

BC : Tell us a bit about legal advising in Cameroon. Do you believe there are opportunities or things to improve in this sector?

AC : It is true, looking at corruption in the Cameroonian legal system, that some things must be improved in regard to management. Regardless, there are real opportunities in our daily activity, especially as more and more companies need structuring. Cameroon is not isolated from the rest of the world. We are the driving force of Central Africa. We have business relations

"Returning to Cameroon might seem very surprising and risky to many."

with other countries so, economic operators in Cameroon need to have a specific structure and that is where legal advising comes in. There could be legal frictions if some decisions fail to be executed or are executed poorly. Fortunately, there are ways to avoid these, through advising. We intervene before conflicts by helping businesses adopt

a structure that gives them access to the international market.

BC : Being at the centre of legal talks between investors and eventually public authorities, what do you make of Cameroon's business law? Do you think it enhances businesses' competitiveness in its actual state?

AC : Let's not play ostrich here. Things can be improved in this area. Cameroon's ranking in the latest edition of the Doing Business index is not really the best. We can make some improvements, in the governance area, for example, to be more attractive to investors interested in Cameroon. We try to reassure foreign investors by telling them that not all is bad in Cameroon, that there are some people, both public authorities and civil servants who do their job very well. So, they can discuss with serious and competent people, who can support their investments in Cameroon.

We have success stories here in Cameroon, companies that came to invest and were happy about their investments. Some of them have been in Cameroon for more than twenty years. And though we tend to often talk about what is wrong, we should also talk about what goes well.

BC : What challenges did you face as you launched your firm?

AC : Our biggest challenge was to invest in a sector which was not really known. There were many obstacles on this path. Talks with the administration, the fact that we had to find reliable partners are some of the obstacles we had to overcome. Then,



"We had no issues regarding human resources. There are a lot of very well trained lawyers and jurists in Cameroon"

there was the issue of trust. Being a team of young people, securing a spot on the market is not the easiest in Cameroon. We, therefore, had to convince clients and prospects to trust their cases with us, even the most sensible involving millions of CFA francs. In effect, in such conditions, people

tend to go to much older lawyers, with more experience. We had to put a lot of efforts into convincing our prospects and clients to trust us. On the other hand, we had no issues regarding human resources. There are a lot of very well trained lawyers and jurists in Cameroon. It was fairly easy to put in place a reliable and strong

team. Another challenge was how other lawyers in the country treated us at first, as they were not really used to the innovative communication methods we practiced. All these actually forced us to build ourselves a spot in Cameroon.

BC : As a woman, what challenges do you face while running your business daily?

AC : The only true issue here is trust. Often, when a case is handed to a man, he is not asked for a cascade of references beforehand. However, when it comes to a woman, a young one, in addition, most people ask for more assurance than they would if

"As afro-optimists, we tend to see the glass half full rather than half empty."



"What actually pushed me to take action was realizing that most Africans flying abroad were flying third-class whereas foreigners coming to Africa would fly business class. This means that foreigners come here to make money while we go to Europe to survive."

they were working with a man. This is not specific to our profession, it happens in all economic sectors. Regardless, instead of complaining about it, I see this as an opportunity for us, women, to do better than the rest. Once you show how competent you are, everyone forgets that you are a woman. Women working in this field must be highly resilient and perseverant.

BC : With such a demanding work, how do you reconcile your job as legal advisor with your family life?

AC : Being a woman and having to run a legal advising firm while also managing my family, it is crucial to have a support system. It is crucial to have a caring, understanding, and attentive family. In my case, I am lucky enough to have a very understanding husband who is also a very good father. This allows me to be fulfilled professionally, without feeling guilty personally. That's something I'm lucky to have.

BC : You decided to leave France to return to Cameroon in 2017 while many Africans move to the Western part of the world seeking greener pastures. You have taken the opposite path. Why did you pick this path which may seem surprising to many?

AC : It is true that my choice of returning to Cameroon might seem very surprising and risky to many, especially given that 2017 was a year when things started getting difficult in Cameroon. Regardless, I thought that was the right move and what actually pushed me to take action

was realizing that most Africans flying abroad were flying third-class whereas foreigners coming to Africa would fly business class. This means that foreigners come here to make money while we go to Europe to survive. I just thought there is really something to do in Africa and also I believed that Africans must understand that our continent is full of opportunities.

**Interview by Idriss Linge
and Jean Christian Bernard Nselel**

"What we have therefore decided to do is provide a different service, one based on good ethics, diligent work, and a reliable report to our clients."

PUBLIC MANAGEMENT

Government submits penal code amendment, punishing tribalism, before parliament

During the November 2019 budget session, the Cameroonian parliament will review a draft amendment to the Penal Code. The purpose of this amendment is to introduce provisions punishing racial, religious and tribal vilifications.

According to the draft text submitted to parliamentarians for consideration and adoption, racial and religious vilifications will now be punishable by prison terms ranging from 6 days to 6 months, with fines

from XAF5,000 to XAF500,000. This fine is increased to XAF20 million if the offence is committed via *“the press, radio, television, social networks or any other means likely to reach the public.”* These penalties are doubled if the offence is committed to incite hatred and contempt between citizens, the draft indicates.

As far as tribal vilification is concerned, the offence is punishable by imprisonment of one to two years, with a fine between XAF300,000 and

3 million. If mitigating circumstances are admitted, the prison sentence may be less than 3 months and the fine XAF200,000. These penalties are doubled when the offence is committed by a public official, a political party official, a media official, an NGO or a religious institution.

This draft text appears as a response to the hateful and tribal speeches in Cameroon, mainly on social networks, since the October 2018 presidential election.

Refugee assistance: Cameroon obtains over XAF77 billion from World Bank

On November 19, 2019, in Yaoundé, four projects funded by the *“the IDA18 regional sub-window for refugees and host communities”* were officially launched.

According to Abdoulaye Seck, Country Director of World Bank operations in Cameroon, the total financing amounts to \$130 million (a little over XAF77 billion), including \$86 million (Over XAF51 billion). *“It is important to recall here that Cameroon was the first African country to benefit from the IDA 18 special refugee window. This is in recognition of the country’s generosity and its long tradition of solidarity and hospitality towards displaced people,”* Abdoulaye Seck said.

Specifically, in the framework of the projects launched, *“basic services such as education, health and nutrition will be provided to populations, while cash transfers and*



income-generating activities for poor and vulnerable households will enable them to bear the direct and indirect costs associated with these services,” the country director explained. *“To this end, the four projects will have to be implemented together at all levels, especially at the communal*

level, where the same organizations and community relays can facilitate different activities. The objective is that the sum of the efforts should be greater than the fragmented efforts, and this, for a maximum impact on the communes and host populations,” he indicated.

National dialogue: The AU, la Francophonie, and the Commonwealth inquire about the implementation of recommendations



Paul Biya, President of Cameroon, received on November 27, in Yaoundé, a joint mission of three international organizations, led respectively by the President of the African Union Commission Moussa Faki Mahamat, the Secretary-General of International Organisation of La Francophonie (OIF) Louise Mushikiwabo and the Secretary-General of the Commonwealth Patricia Scotland.

According to the Presidency, this mission came to inquire about developments of the situation in the English-speaking regions (North-West and South-West) and on the implementation of the recommendations of the National Dialogue held from September 30 to October 4, 2019. *"Overall, it appears from their interventions that Cameroon*

can count on the constant support and accompaniment of the African Union, the Francophonie, and the Commonwealth in its efforts to resolve the crisis in the North-West and South-West," the Presidency reports.

"We believe that we have an obligation to contribute modestly through advice, interventions in mediation activities or on technical subjects such as bilingualism and multiculturalism," said Louise Mushikiwabo. Patricia Scotland, for her part, said that the Commonwealth is committed to doing everything possible to support the ongoing peace process initiated through National Dialogue. *"The President of the Republic has once again expressed his willingness to engage in dialogue and appeasement,"* the president of the African Union Commission added.

It has been almost three years since a socio-political crisis broke out in northwestern and southwestern Cameroon. The said crisis began with corporate demands from lawyers and teachers but turned into violent separatist claims with armed groups spreading death and desolation. According to the United Nations High Commissioner for Refugees, 21,291 Cameroonians fled violence and fights between secessionists and the army, towards Nigeria. The NGO International Crisis estimates that about 2000 people died after 20 months of fighting. The UNICEF, on its part, indicates that the widespread insecurity has forced more than 4,400 schools to close in the English-speaking regions of the country.

Cameroon: Inflation could rise to 2.7% due to currency crisis, insecurity and flood

In Cameroon, according to a note recently published by the national institute for statistics INS, inflation could rise further at the end of the year. This is due to real threats of a slowdown in the economy due to the tightening of conditions for capital outflow, as well as persistent insecurity in some regions.

In the Far North, in particular, the INS indicates, because of floods that destroyed crops, hundreds of livestock and grazing land, there

will be an increased shortage of cereals (maize, rice, millet, sorghum), onions, beef, etc in markets.

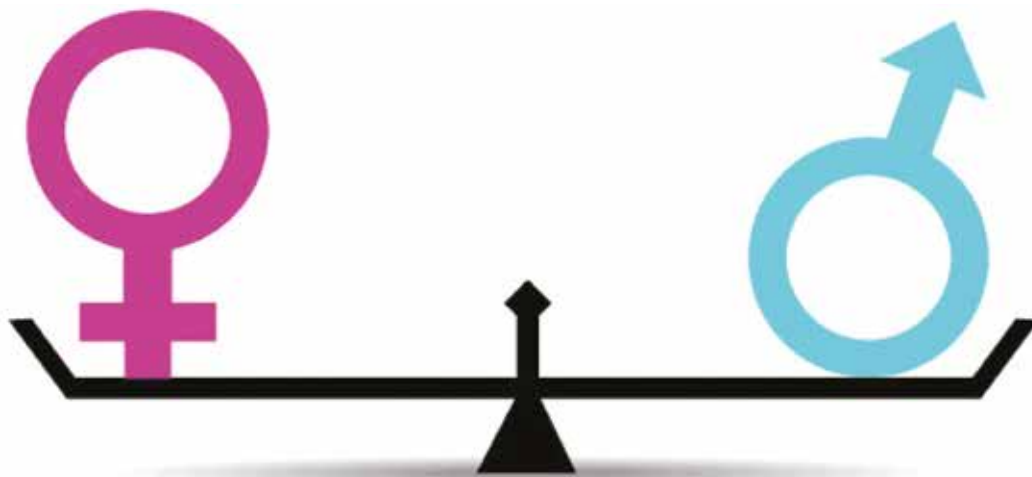
"In view of these factors, as the end of the year approaches, and in the absence of measures taken to curb, in the more or less short term, the currency crisis and speculation, inflation could reach around 2.7% by the end of 2019," the INS notes.

The Institute points out that, on average over the past 12 months, inflationary pressures have persisted

in the country. Currently, it is 2.3%, having gained 1.8% in H1 2019, 1.4% in Q1 2019 and 1.1% at end of 2018.

The three main components responsible for this inflation are food products, restaurants, and hotels, as well as clothing and footwear. Prices of imported goods are rising sharply, probably due to malfunctions in the distribution chain, partly caused by the currency crisis.

Gender equality: Cameroon among medium countries in Africa with global score of 0.59 out of 1 (McKinsey)



On November 26, 2019, on the sidelines of the Global Gender Summit 2019 (November 25-27) in Kigali, Rwanda, the McKinsey Global Institute, McKinsey's independent research institute, presented its 2019 report on gender equality in Africa entitled "The Power of Parity." According to the presentation, Cameroon, Democratic Republic of Congo (DRC), Ethiopia, Gabon, Ghana, Kenya, Madagascar,

Mauritania, Mozambique, Tanzania, Togo, Uganda, and Zambia are the countries with medium inequality between genders. Their scores are improving towards parity at work and in society, compared to other African countries.

Cameroon's scores according to the McKinsey Global Institute are 0.53 out of 1 on parity at work; 0.71 on opening up the formal and informal economy to women; 0.35 on

legal protection of women's rights in politics; 0.78 on protecting the integrity of women; 0.62 on gender inequalities in society; 0.52 on access to professional and technical occupations, etc. Cameroon's final score for gender parity is 0.59 to 1.

The continent's leading countries are South Africa (0.76), Namibia (0.72), Rwanda (0.69), Zimbabwe (0.66) and Lesotho (0.64).

Paris Peace Forum: Paul Biya explains the background of the Anglophone crisis



Invited by his French peer, Emmanuel Macron, to participate in the Paris Peace Forum 2019 (November 11 to 13), Cameroonian President Paul Biya actively participated in a debate session moderated by Mo Ibrahim on the theme: “Rise of the south: towards a more balanced global governance system.”

“My country is complex. We were first a German colony. After the First World War, Germany lost its colonies, which were shared between Great Britain and France, and my country was divided. Some were under British colonization and others under French colonization. The result has been a juxtaposition of culture and civilization that makes things quite difficult. Well, we have done everything we can to put the two languages, English and French, on an equal footing but, the mindsets, as well as the judicial systems, are

different. So, we have had conflicts that are being resolved at the moment to keep the part of my country that was under British colonization under a specific status,” Paul Biya explained. *“We had the possibility of integrating the English speakers [Anglophones] directly into the Francophone system, which was predominantly used by 80% of our people but, I believe that countries are now concerned about affirming their identity and that is why we are setting up a special status that recognizes the specificity of the English-speaking area, but it remains an integral part of Cameroon,”* the president added.

PREDATORY CRIME

Since October 2016, the Anglophone regions (the North-West and South-West) of Cameroon have been going through a violent pro-independent socio-political crisis. According to the European Union (EU), the hu-

manitarian crisis has been worsening, pushing more people into exile. Currently, there are nearly 42,000 Cameroonian refugees in Nigeria and 530,000 internally displaced persons. International Crisis, an NGO, reported nearly 2000 deaths after 20 months of fights between pro-independence extremists and defence forces.

Despite the organization of a national dialogue on this crisis (from 30 September to 4 October 2019 in Yaoundé), the EU expresses its concern and strongly condemns the persistence of violence, against civilians particularly, and the level of insecurity in the North-West and South-West. *“Many serious human rights violations continue to be reported and predatory crime has increased,”* the European Union council indicated.

SA

CEMAC: Central bank recorded 52% drop in its net free equity in 2018

According to official documents obtained by Ecofin Agency on the sidelines of the extraordinary summit of CEMAC heads of state, the net free equity of the Bank of Central African States (BEAC) has declined by 52% in 2018.

Two main reasons are put forward to justify this situation. On the one hand, BEAC, which plans to strengthen its existing cooperation with international financial actors, has optimized the way it calculates its exposure to States. Because of this optimization, the BEAC recorded XAF212 billion of receivables held in

national treasuries as a loss. On the other hand, the vast majority of the investments made by the institution have expired and the capital gains they generated are no longer available.

The institution's 2019 financial results should provide more detail and precision. But central bank officials believe that recovering free equity capital to its pre-2018 level remains quite difficult. This is due to the decline in income from foreign assets. In accordance with its articles of association, BEAC is obliged to invest in financial products with

strong guarantees.

The challenge is that these type of financial products, located in developed markets, are so much in demand by many investors that their returns have fallen. For the institution, there is a need to urgently think about the issue.

The Beac is still being solicited by some CEMAC institutions to solve their financing problems. In addition, it needs to reassure States that it can effectively assist them in investing the surplus on their net foreign assets.

CEMAC: Heads of state committed to stable currency but open to “possible developments” in monetary cooperation

At the end of the closed-door extraordinary meeting held on November 22, 2019, in Yaounde, CEMAC Heads of State expressed their commitment to a stable currency. This choice does not come as a surprise since in his opening speech, Paul Biya, the host of the event, indicated that a monetary adjustment was not on the agenda because of the improvement of the foreign currency reserve. Nevertheless, the Heads of State opened ways for “possible developments” in policy and monetary cooperation. Once again, they entrusted the BEAC with the task of making proposals in that regard as soon as possible.

As far as monetary policy is concerned, the BEAC is already exploring the field and should publish a report soon. The report should include actions to strengthen the stability of the banking sector, and also the



management of the refinancing of securities issued by private companies operating in the non-financial sector. There is a new point, however. Indeed, the presidents indicated that they were open to discussions in the framework of the monetary cooperation agreements between the subregion, the Euro and France but, it is difficult to know what the points of arbitration were during the session.

As for the other issues discussed

by the Heads of state, it seems that the presidents want to bring a dose of realism to the achievement of budgetary consolidation objectives. Countries whose economic programmes with the IMF have come to an end may be able to renew it. Let's recall that these resolutions take place in an uncertain environment for the world economy and less than 3% growth forecasted for CEMAC.

Douala and Yaoundé land XAF2.7 bln grant agreement for their “Sustainable Urban Mobility Plans”

On November 22, 2019, Hans-Peter Schadek, Head of the European Union Delegation in Cameroon and Nikolaos Milianitis, Head of the European Investment Bank's (EIB) Regional Representation in Central Africa, concluded a three-day working visit to Douala.

According to the European Union delegation, during his stay, Hans-Peter Schadek signed a grant agreement to support the urban communities of Yaoundé and Douala, which are in partnership with the city of Bordeaux in France, for the implementation of the “Sustainable Urban Mobility Plans.” The aim of these plans, supported by the European Union with a tune of XAF2.7 billion, is to improve local governance in the field of urban mobility particularly.

The European Union supports these plans via the creation of a governing body for the transport sector, an urban mobility observatory and an urban planning agency in the two



cities (Yaoundé and Douala). In the framework of these plans, the creation of a mass urban transport system in the form of a cross with a North-South and an East-West axis as the main public transport axes

was suggested. The construction of feeder roads, penetrators and a series of roads are also planned in the framework of the “Sustainable Urban Mobility Plans.”

Cameroon acquires software to check traceability information on a range of products

The Cameroonian Ministry of Commerce informs that its fraud prevention and control units have just received smartphones and tracking software to improve control techniques for some manufactured products, including wines and spirits. These teams were deployed on November 14-15 in Douala, Bafoussam, and Yaoundé to ensure the conformity of the stamping on

wines and spirits in accordance with Decree No. 2010/0483/PM of 18 March 2010, setting the procedures for labels on some manufactured products.

With the said tracking software, fraud prevention and control units can trace the information on the sticker from purchase to its final destination. If there is no accurate traceability information on the sticker,

the product on which it is stamped is considered to be of dubious origin. “At the end of this operation, a large quantity of wine and liquor was seized and transported to the Ministry of Commerce. These operations reflect public authorities’ commitment to fighting all forms of illegal trade and unfair competition,” the ministry indicates.

Port of Kribi: French Navy command and supply ship BCR “Somme” docks in prelude to naval exercise in the Gulf of Guinea

As a prelude to a naval exercise currently being prepared in the Gulf of Guinea, the French Navy command and supply ship BCR “Somme” recently docked at the port of Kribi. *“We docked at the port of Kribi as a prelude to a major exercise that will take place throughout the Gulf of Guinea, from Angola to Senegal. It is a response to a process launched here in Cameroon in 2013, dealing with maritime safety in the above-mentioned*

area. The exercise addresses several threats including pollution, piracy, illegal trafficking and rescue at sea,” said Gauthier Dupire, Commander of the BCR Somme.

Captain First Class Charles René Kontelizo, Commander of the Port of Kribi, said that as part of the marine cooperation between Cameroon and friendly States, Cameroonian ports regularly receive military vessels. However, he said, the French Navy’s

call at the port of Kribi is unprecedented because the port itself is new. *“This is a diplomatic stopover in prelude to commercial stopovers for the transport of military equipment. Indeed, there is a number of military equipment that has hitherto transited through the port of Douala, which will now pass through Kribi to the Central African Republic, Chad and to neighboring countries,”* Commander Kontelizo added.

Business death rate was 36% in 2009-2016, the INS reveals

The Cameroonian national institute for statistics INS recently published a report on the second business census covering the 2009-2016 period. This report provided an up-to-date picture of the productive fabric and a complete basis for business surveys in the country. According to the report, out of 6,458 companies recorded at the start of the period, it appears that 2,316 ceased activity during the intercensal period. Almost all (approximately 95%) of those companies that ceased activity during the period had done so before 2014, the INS reveals. *“This puts the overall cessation rate at nearly 36% over the period under review,”* the INS writes.

The survey reveals three fundamental causes of this cessation rate. In order of importance, the size of the company seems to be the variable that most influences activity cessation. Indeed, compared to Large Companies, medium-sized companies have almost 20% more chance of ceasing operation while the risk is 31% for small businesses and 39% for



micro-companies.

The Littoral concentrates a little more than 64% (1,495) of the companies that ceased operations during the period under review. It is respectively followed by the Central (484), the Western (135) and Northwest (42) regions respectively. On the other hand, the East (35), Adamaoua (29), Southwest (24), North (23), South (21) and the Far North together represent nearly 8% of the extinct units.

For analytical purposes, the surveyed

regions (12 in total) were grouped into six economic regions. Just over 60% of the companies that have ceased operations are located in Douala and nearly 20% in Yaoundé. The “West and North-West” economic region has the third-highest number of business terminations (7.4% of companies having ceased operations). This result, according to the INS, is not surprising given that these three regions concentrate most of the country’s productive fabric.

Legislative and municipal elections scheduled for February 9, 2020

In a decree published on 10 November 2019, Paul Biya, president of Cameroon, summoned the Cameroonian electorate for a double vote, on 9 February 2020, aimed at electing town councilors for the country's 360 municipalities and 180 deputies for the National Assembly. These elections, which take place

just over a year after the presidential elections of October 2018, have been postponed twice. Indeed, as authorized by law, in 2018 and June 2019, the Head of State extended the mandates of deputies and municipal councilors elected during the 2013 elections.

The February 2020 elections are be-

ing called in a context marked by the Anglophone crisis, which has led to the recent organization of a national dialogue. One of the main resolutions of this great dialogue is the establishment of stronger decentralization, meaning the transfer of greater responsibilities to local authorities.

FECAFOOT invited to elaborate draft scale for bonuses to be paid to national teams for major sporting competitions

"Draft scale of bonuses to be paid to Cameroon's national football teams"; This is the subject of the letter sent by the country's minister of sports Narcisse Mouelle Kombi to the president of Cameroon's football federation (FECAFOOT) Seidou Mbombo Njoya (photo) on October 22, 2019. In the letter, the minister indicates that it is another request to establish scales of bonuses to be paid to teams for major competitions. These include continental qualifying rounds, the African Cup of Nations (AFCON), the World Cup, the African Games, and the Olympic Games.

"The proposed bonuses must be scaled proportionally so that they remain an additional element of motivation for the athletes concerned," the official instructed.

In addition, the President of Fécafoot is invited to present measures taken to avoid tensions, disputes, and claims related to sponsorship revenues.

The Minister of Sports thus hopes to prevent the repeated crises observed among Cameroon's national football teams regarding the payment of bonuses. At the 2019 CAF Africa Cup of Nations in Egypt, for instance, the



national team and the Fécafoot were unable to agree on the remuneration related to this competition. In addition, in the past, Cameroon's football team was used to arriving in host countries the very same day they

were scheduled to play their first match because of unpaid bonuses. This has often had a negative impact on players' individual and collective sporting performance.

Cameroon's withdrawal from AGOA stems from "ignorance or deliberate desire to ignore" reality on the ground, minister Sadi says



On November 18, 2019, René Emmanuel Sadi, Cameroonian minister of communication, held a press conference in Yaoundé. During the press conference, the official reacted to the decision issued, on October 31, 2019, by Donald Trump, President of the United States of America, to exempt Cameroon from the facilities provided by the African Growth and Opportunity Act (AGOA) as of January 1, 2020.

This withdrawal, according to the US president, is motivated by "*persistent gross violations of internationally recognized human rights*" by Cameroon. "*The Cameroonian government estimates that Cameroon's eligibility for AGOA was a sovereign decision of the U.S. government, so much so that the government's decision to withdraw Cameroon's benefits from this law is an act of sovereignty that no one can dispute. However, what is questionable in our view are the pretexts and reasons given to explain or justify this*

desire of the United States government," Sadi said.

According to the Minister of Communication, the Cameroonian government can say that these reasons put forward to justify the decision of American authorities hardly correspond to the reality on the ground. The reason provided stem, the Cameroonian government thinks, either from "*ignorance or unawareness of the real situation, as it has prevailed and still prevails in the North-West and South-West; or from a deliberate desire to ignore this reality.*"

TERRITORIAL INTEGRITY

In any case, says Emmanuel René Sadi, the main reasons that have forced the Government of the Republic of Cameroon to ensure a significant presence of defence and security forces in the North-West and South-West regions are to preserve Cameroon's territorial integrity against separatists who took arms against the Republic. In addition, the Minister of Communication main-

tains that Cameroon is only ensuring the safety of people and property in the regions concerned.

"*How can one accuse Cameroonian defence and security forces of human rights violations (...) but remain insensitive and silent in the face of the unspeakable atrocities committed on a daily basis by armed pro-independent groups in the North-West and South-West*" regions of the country, the government spokesman questioned. According to the official, the Cameroonian government cannot hide its astonishment due to the absence of any reference (let alone condemnation), in the US president's release, to the "*countless and innumerable*" atrocities perpetrated by pro-independent armed gangs in the North-West and South-West, against defence forces and innocent populations, even though many images and videos, on media and social networks particularly, constantly testify to this.

Cameroonian Joseph Belibi appointed acting speaker of OIF's court of first instance

The Cameroonian high judge Joseph Belibi was appointed Acting Speaker of the Court of First Instance of the International Organisation of the Francophonie (OIF). This was during the 36th Ministerial Conference of the Francophonie (CMF) held on October 30 and 31 in Monaco. A renowned magistrate, Joseph Belibi served as Secretary-General of the Cameroonian Ministry of Justice,

Advocate General at the General Prosecutor's Office of the Supreme Court of Cameroon and Judge at the Court of Justice of the CEMAC. Until January 2019, the said instance was presided by another Cameroonian: Jean Fouman Akame. After his death, the then substitute assumed the offices of the president leaving the substitute Presidency vacant.

OIF's court of the first instance is composed of a President, appointed by the permanent council of La Francophonie, and two assessors of different nationalities, chosen from outside the Organisation's staff and appointed by the Secretary-General. They are appointed for a renewable 4-year term.

The International Labour Office assesses the achievements of a Youth Entrepreneurship Promotion Programme it backed

François Murangira, the International Labour Office's country director for Cameroon, Equatorial Guinea, and Sao Tome & Principe conducted a tour from October 29 to November 2, 2019, to assess the achievements of the Youth Entrepreneurship Promotion Programme (YEP), a government programme initiated by Cameroon. In the framework of the YEP programme, Cameroon requested ILO's technical assistance for the implementation of two sub-components. These include improvement of the business environment in the agro-pastoral sector and strengthening the entrepreneurship competencies of the programme beneficiaries' trainers and supervisors.

According to the ILO, the field visit is aimed at reviewing the programme's achievements and gather beneficiaries' feedbacks.

At the end of this tour, François Murangira, who was accompanied by officials from the YEP, the Ministry of Agriculture, the Ministry of Livestock and the Ministry of Economy, reaffirmed the ILO's commitment to continue providing technical support for the promotion of decent work through youth agropastoral entrepreneurship.



76% of export revenues generated by 6 products in 2018

Most of Cameroon's exports are still constituted of a reduced number of products. Indeed, according to figures published by the national institute for statistics (INS), in 2018, the country generated 76.5% of its export revenues from just six products. Oil products are on the top of the list.

According to the figures, crude oil helped the country generate 40.8% of its export revenues during the period under review while LNG generated 5.9% of the said revenues. Next, are agricultural products with 11.1% and 5.5% of export revenues respectively generated by cocoa

and cotton.

Forestry products, on the other hand, accounted for 13.2% of Cameroon's export revenues in 2018. In detail, sawn wood accounted for 7.5% of those exports revenues, compared to 5.7% for raw log.

Cameroon borrows XAF12.6 bln from Deutsche Bank Spain to develop the Yaoundé municipal lake

On November 4, 2019, Cameroonian President Paul Biya issued two decrees habilitating the Minister of Economy to sign two credit agreements for a total amount of XAF12.6 billion with Deutsche Bank Spain. In detail, the first agreement is a buyer credit. It involves an amount of XAF9.03 billion to fund the tourist and economic development project of the Yaoundé municipal lake. The second agreement is a commercial credit amounting to XAF3.6 billion, also intended for Phase 1 of the same project.

Launched in 2016, the project consists, among other things, in cleaning up and sanitizing the lake's waters, installing water sports equipment, developing its banks, and building a five-star hotel and world-class restaurants, shops, as well as a relaxation and leisure area on its surroundings. All this work is being carried out by a Spanish company called Acciona. Let's note that on 13 September 2016, Deutsche Bank Spain, represented by Antonio Navarro Escabias, signed two loan agreements in Yaoundé for a total amount of XAF21 billion for this Phase 1.



Trade and Investments: The US largely outrun by China in Cameroon, in 2018



The task is likely to be complicated for the United States, which wants to become Africa's leading economic and trade partner, a rank currently taken by China. The situation in countries like Cameroon is a good example of the daunting task awaiting The United States of America to fulfill its ambition in Africa.

Today, China is both the largest customer and supplier of Cameroon, a pivotal country in the Gulf of Guinea, declared as a "zone of vital interest" by the United States. According to the national institute for statistics (INS), in 2018, China purchased and sold goods and services worth more than XAF469 billion and XAF628 billion in Cameroon. Beijing, therefore, controls 22.2% of Cameroon's total export volume and 18.5% of its import volume. According to the INS, despite the trade facilities offered to African countries, notably through the AGOA

(African Growth and Opportunity Act), the United States ranks 12th and 6th respectively with 2.6% of the country's exports and 3.6% of imports. In 2018, Washington's purchases and sales of goods and services in Cameroon was worth more than XAF122 billion and XAF107 billion respectively.

INVESTMENTS

China is also the largest donor in Cameroon. According to figures published by the country's debt amortization fund (CAA), in April 2019, out of an outstanding external debt of XAF5772.8 billion, XAF1627.7 billion, or nearly 30% of the total external debt, was owed to China. In March 2018, the Presidency of the Republic of Cameroon stated that the country "is the second-largest African beneficiary of Chinese financing." On the other hand, the United States is not on Cameroon's list of bilateral creditors.

According to the same source,

China has also become the largest investor in the country of Paul Biya. Data from the United Nations Conference on Trade and Development (UNCTAD), Yaoundé, indicated that "between 2000 and 2014, Cameroon captured XAF2750 billion in foreign direct investment (FDI), including XAF1850 billion from China. This represents about 67% of the FDI entering Cameroon." "The other FDI came from countries such as France, the United States, and Nigeria," the presidency of the Republic of Cameroon indicated. In 2018, the FDI from the USA in Cameroon amounted to \$14 million (about XAF7.8 billion). According to the US Department of Commerce, this figure is up by 55.6% compared to the FDI in 2017. In that year alone, China claimed to have invested \$88 million (XAF51 billion) in the same country.

Aboudi Ottou

Cameroon to launch XAF18 bln water supply and sanitation project in 2020 to improve access to drinking water



In 2020, the rural water supply and sanitation project will launch works to provide drinking water to 60 Cameroonian villages. This was revealed during the first session of the government project's steering committee.

With a total budget of XAF18 billion, this project will build 80 water towers with a combined capacity of 8900 cubic metres, 995 standpipes and 242 km of piping. There are also plans to install solar panels in pumping stations. This project, which will run for

a period of 4 years, will help improve access to drinking water in Cameroon. In 2018, a study by the national institute of statistics indicated that this access ration was only 45% in rural areas, compared to about 77% in urban areas.

Vietnam moves to strengthen its presence in Cameroon

Last week, Vong Dinh Hue, Vietnam's Deputy Prime Minister, led a large delegation of Vietnamese economic operators to Cameroon. On 1 November 2019, the delegation met with Cameroon's Prime Minister Joseph Dion Ngute. Although no major announcements were made following this visit, the

head of the Vietnamese delegation did not hide his country's intention to strengthen its presence in Cameroon, in the rice sector particularly. According to authorized sources, one of the main reasons for this visit is the Nexttel case. Indeed, for several months, this mobile phone company,

the first operator to obtain 3G in Cameroon, has been at the centre of a battle between the Vietnamese group Viettel Global, its majority shareholder, and Cameroonian billionaire Baba Danpullo, the minority shareholder because each of the two partners wanted to take exclusive control of Nexttel.

FINANCE

CEMAC: IMF and BEAC to discuss cooperation axis for regional capital market development

From December 2 to 6, 2019, the IMF's Regional Technical Assistance Center for Central Africa (Afrítac Centre) will conduct a mission at the Bank of Central African States (Beac) headquarters in Yaoundé, Cameroon, in the framework of its technical assistance programme concluded with the BEAC for capital market development.

According to the mission terms of

reference, areas of interventions on which Afrítac Centre could support BEAC's efforts to develop the regional financial market will be identified and agreed upon during the period. Let's note that this market is supposed to compensate for the discontinuation, at the IMF's request in the framework of a sub-regional crisis response strategy, of the statutory advances (20% of their budget

revenues) that BEAC used to grant to CEMAC member countries. The Bretton Woods institution encouraged the member countries to have recourse to alternative financing methods to fund their economies and in that regard, it welcomed the efforts made by sub-regional authorities to create a unified financial market.

Moroccan Wafa Assurance extends its footprint in Cameroon with acquisition of Pro Assur

On November 12, 2019, Moroccan insurance firm Wafa Assurance officially announced the finalization of the acquisition of the Life and non-life divisions of Cameroonian insurer Pro Assur.

Thanks to this double transaction, which began in April 2019 with the signature of an agreement between the two parties, "*Wafa Assurance acquires 65% of voting rights shares of Pro Assur SA and controlling interest representing 89.4% of the shares and voting rights of Pro Assur Vie*," official sources report.

This operation, approved by supervisory and regulatory authorities in Cameroon as well as in Morocco, according to Wafa Assurance, allows Wafa Assurance to strengthen its position in Cameroon.

In operation since June 2016, through its subsidiary Wafa Assurance



Vie Cameroun, this company was solely operational in Douala. It notably distributes its bancassurance products through the sales network of SCB Cameroun, a subsidiary of the Moroccan banking group Attijariwafa, which is also the parent company of Wafa Assurance. The acquisition of the Life and non-life branches of the Cameroonian insurer Pro Assur not only allows Wafa Assurance to start its coverage of the Cameroonian territory but also, and above all, to strengthen Morocco's

footprint in the Cameroonian insurance sector.

Indeed, in March 2014, before Wafa Assurance's arrival in Cameroon in 2016, Moroccan insurer RMA Watanya had already acquired 38% of the capital of the two local subsidiaries of Ivorian group Belife Insurance, Beneficial Life Insurance SA Cameroon and Beneficial General Insurance SA Cameroon namely. They were bought at XAF3.1 billion (about \$6.2 million).

UBA promises more credit for female SME owners



During the ongoing Global Gender Summit (November 25-27, 2019) in Kigali, Rwanda, Nigerian banking Group UBA promised to increase credits granted to female small and medium business owners in Cameroon. This increase, according to the group falls within the framework of the launch of AFAWA, a fund dedicated to women in Africa. *"The risk will be shared with other partners [AfDB, Ecobank, Attijariwafa, African Guarantee Fund]. We will, therefore, be able to give more credits. By asking for fewer guarantees, we will be very creative and will explore financing opportunities based on companies' cash flow rather than depending solely on the*

guarantees (...). There will be a 50% increase in credits within a year," UBA Group's representative Babatunde Ajayi (photo) explained. *"If for instance, we give about \$20 million loans a year, we want to increase it to at least \$30 million the following year and \$40 million the year after,"* he added.

Mr Ajayi also explained the mechanism for granting and repaying these loans: *"You must review the cash flow and economic cycle of the projects to be financed. That is how we decide and it will not be too restrictive. For those who need up to one year for repayments, we can give them two years,"* Mr Ajayi said explaining the mechanism for granting and repayment of

these loans. He also indicated that the interest rate will be lower than the market rate so that risk will be reduced.

The President of the African Development Bank (AfDB), Akinwunmi A. Adesina, commented on UBA's commitment and deplored that 70% of women in Africa are not financially included. Yet, these women, who represent the majority of farmers, still face a financing gap of nearly \$16 billion.

That is why, he explained, the AfDB has launched AFAWA to initially mobilize \$3 billion of new loans that banks and financial institutions will provide to women in Africa.

Crédit du Sahel-backed UNHCR programme plans to empower 2,500 refugees in Cameroon

In Cameroon, the UNHCR has launched a refugee empowerment programme aimed at funding income-generating activities initiated by refugees living in Cameroon. This programme plans to empower close to 2,500 refugees so that they can cater to their needs and families'.

It is backed by Crédit du Sahel, a microfinance institution well-established in Northern Cameroon. To date, according to sources close to the programme, 15 community initiative groups (CIGs) have already received funding under this project in Yaoundé and Douala.

Let's note that Cameroon hosts about 340,000 refugees on its territory. This contingent is mainly composed of Central Africans who have fled political instability in their country, and Nigerians who have left their villages due to abuses of Islamist sect Boko Haram.

Investment fund Africa50 interested in the Cameroonian gas and airport sectors

On the sidelines of the 2nd Africa Investment Forum organized by the African Development Bank (AfDB), from 11 to 13 November in Johannesburg, South Africa, Alain Ebobissé (photo), Managing Director of the investment fund Africa50, said that after the hydropower sector, the organization he leads has new ambitions for Cameroon.

"We have an appetite to invest more in various sectors in Cameroon. I spoke to the Cameroonian authorities, on the instructions of the President of the Republic [ed.note: Paul Biya]. Look at the airport sector: it's an area we're interested in (...). Cameroon has a lot

of gas; I raised the idea with authorities to try to gasify the Cameroonian economy a little more because gas is transitional energy. We have the ambition to invest in Cameroon as soon as there are projects," that meet standards, the Africa50 executive said.

Africa50 is an infrastructure investment platform launched in 2014 by the African Development Bank and 28 African states, with an initial capital of \$830 million (nearly XAF490 billion). In Cameroon, this fund has already invested in the XAF786 billion Nachtigal dam construction project (420 MW), located 65 km north-east of Yaoundé.

The commissioning of the first turbine at Nachtigal is scheduled for September 2022, and that of the entire structure towards the end of 2023. The plant will produce more than 2,900 GWh/year. The investments for this project were raised in the form of a public-private partnership with the participation of Cameroon as well as internationally renowned technical and financial partners such as Electricité de France (EDF), International Finance Corporation (IFC), Africa50 and STOA Infra & Energy.

Afreximbank to open its branch in Cameroon to cover the Central African region



The information has not received much publicity but, it means a lot for Cameroon. Indeed, on October 29, 2019, Félix Mbayu, Minister Delegate at the Ministry of External Affairs in Charge of the Commonwealth, received a delegation from Afreximbank led by Gérard Chihota, head of the secretary unit of this financial institution's board of directors.

According to the minister, the audience was about the launch, in Cameroon, of Afreximbank's subsidiary for the Central African region. He provided no further information but this subsidiary will probably be opened in Yaoundé. Since its creation in 1994, the Cairo-based Afreximbank has already approved several billion CFA Francs of credit facilities for Cameroonian

companies and institutions. In January 2018, for instance, in partnership with the African Development Bank (AfDB), Afreximbank provided a loan of about XAF25 billion, with guarantees from the Cameroonian government, to boost the activities of Société des plantations de Mbanga.

Cameroon confirms its status of CEMAC's financial center

The latest bond, whose issuance period ran from September 20 to October 2, 2019, by Gabon recorded a 126% subscription rate.

With the authorization of the Central African Financial Market Supervisory Commission (Cosumaf), and at Gabon's request, the additional XAF26 billion was also allocated to the borrower. The amount finally pocketed by Gabon at the end of the operation was XAF126 billion instead of the initial XAF100 billion it sought. According to the results revealed by Cosumaf, the success of this Gabonese 5-year (2019-2024) bond, with an interest rate of 6.25%, is mainly due to Cameroon-based investors who provided 60% of the required funds.

In detail, three banks in Cameroon, including Afriland First Bank, UBA and SCB, provided 59.4% of the total amount through underwriting. The rest consists of subscriptions from physical and legal persons under Cameroonian law.

CAMEROON, A FINANCIAL CENTRE

This bond issuance, the very first on the unified financial market of the Central Africa region, allows Cameroon to confirm its status as a strong financial centre in the CEMAC region.

Let's recall, in December 2013, Cameroonian investors had provided XAF58.3 billion, nearly 70%, out of the amount sought by Chad during its 2013-2018 bond issuance.

In addition, Cameroonians subscribed more than 50% of Chad's first ever bond issuance aimed at raising XAF100 billion.

At the same time, authorized sources at the Cameroonian directorate general of treasury indicate, 85% of subscriptions to public securities issued by CEMAC States on the central bank BEAC's market since the end of 2010 are made by Cameroonian



financial institutions, companies, and other investors.

SYNDICATE OF UNDERWRITERS

Beyond the subscriptions, the whole fate of the last Gabonese public issuance was decided in Cameroon. It all began with the appointment of Attijari Securities Central Africa (ASCA), created in Cameroon, in February 2016, by Moroccan banking group Attijariwafa Bank, as the arranger of this fundraising operation.

The main non-bank investor active

on the BEAC's public securities market, ASCA is also the lead arranger of the syndicate of underwriters set up for Gabon's 2019-2024 bond issuance operation.

In addition, the asset manager of the Attijariwafa Bank group in Central Africa recruited three banks based in Cameroon (Afriland First Bank, UBA and SCB), out of a total of seven to constitute the underwriters' syndicate.

Brice R. Mbodiam

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AGRIBUSINESS

Cameroon elaborates 29 mandatory standards for the agribusiness sector

Since November 10, 2019, the Cameroonian Standards and Quality Agency ANOR has been enforcing 29 mandatory standards for agri-food products.

These standards concern flavour enhancers, edible cassava flour, whole corn flour, pearl millet flour, frozen whole grain corn, vegetable protein products, durum wheat semolina and flour, couscous, gari, a mixture of skimmed milk and vegetable fat

powder, frozen shrimps, canned salmon, frozen gutted and uncut fish, fermented soybean paste, and hot pepper-fermented soybean paste. ANOR indicates that it will henceforth participate in controls in markets together with the administrations concerned. *"The products of any company found not to be complying with the said standards could be withdrawn from the market,"* the agency says.

For a better understanding of these standards and to raise operators' awareness about them, the Inter Patronal Groupings of Cameroon GICAM suggests a collaboration with ANOR for the organization of workshops and seminars to sensitize its members. In addition, the grouping intends to talk about the standards to entrepreneurs and project leaders.

Cocoa: Farmgate prices rise to XAF1,250

According to figures recently revealed by Système d'information de filières (SIF), a system that provides updated information about the coffee and cocoa sectors, farm gate prices for cocoa beans in production basins in Cameroon has reached a maximum of XAF1,250 per kilogram on November 21, 2019. At the beginning of the month, it was XAF1,220. This XAF30 increase in the country's production basins comes at the end of the rainy season and announces an improvement in end-of-year sales.

These prices reflect the growth in demand, with the arrival of new processors in the country. One of those processors is Neo Industry, which launched its activities in the Western region, and Atlantic Cocoa, which is preparing to launch its operations in the industrial zone of Kribi deep seaport in the Southern region.



A 100-kg bag of onion now sold at XAF120,000 in Yaoundé, more than six times its former price



In Yaoundé, onions have become luxury products. Indeed, recently, the price of this product has doubled and nearly reached triple of its former price. Interviewed about the matter, retailers indicate that this is because wholesalers have increased

selling prices.

According to the said retailers, a 100-kg bag of onion previously sold at about XAF20,000 some months ago is now XAF120,000. This means that within months, the price of that product has increased six-fold

in Yaoundé.

Operators justify this price increase with the end of the harvesting season. According to them, the current price should remain within such limits until March-April 2020, the next harvest season.

Cameroon provides XAF600 mln in the Western region to boost livestock productivity

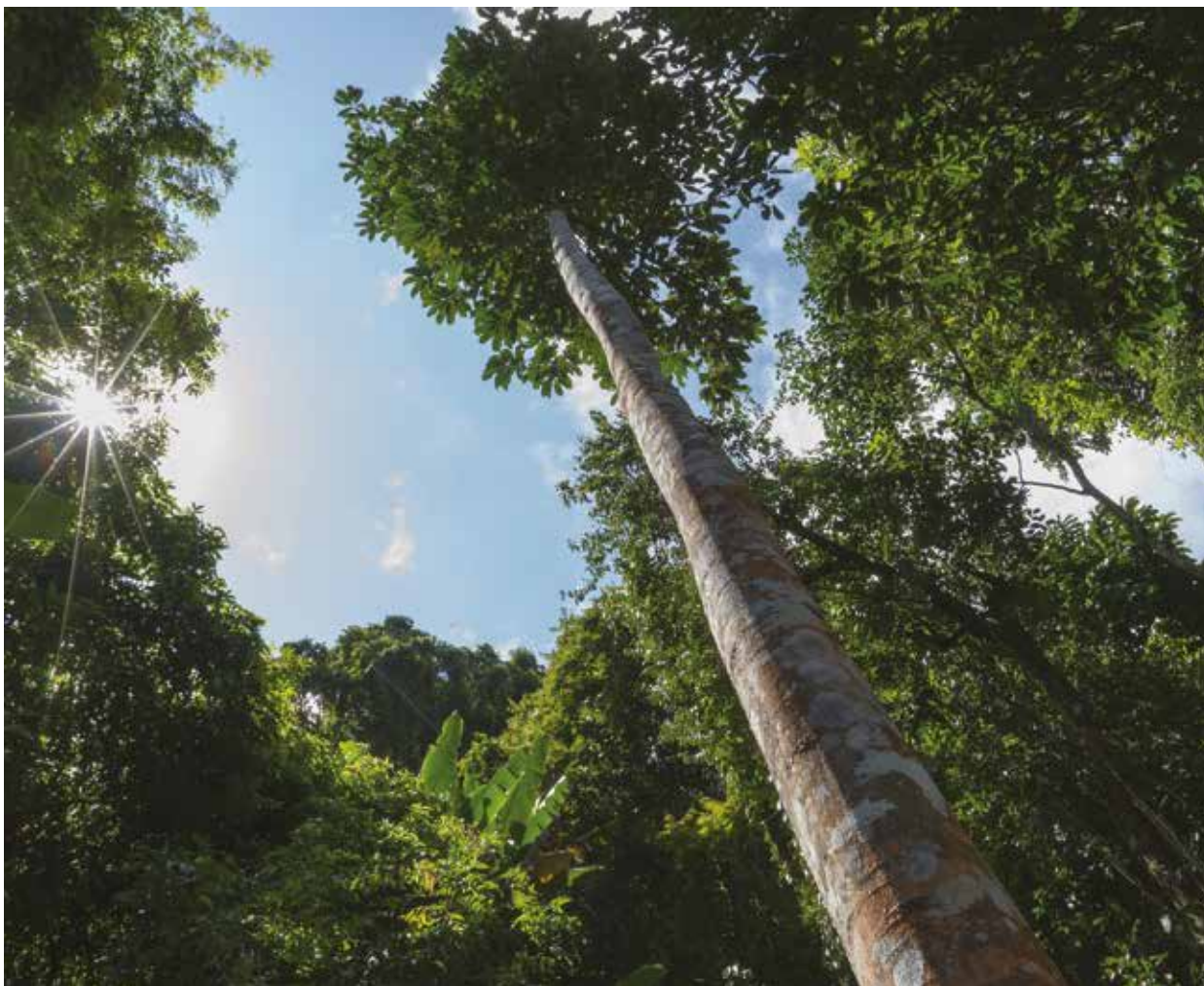
In Cameroon, XAF622 million has been recently provided to poultry farmers, beekeepers, aquaculturists and other cattle and goat farmers in the Western Region in the framework of the livestock farming development project Prodel.

The biggest beneficiaries of this fi-

nancial support are poultry farmers, who are just recovering from the bird flu outbreak that struck a few months ago in the Western region (the country's leading poultry producing basin that controls about 80% of this activity, according to official figures).

Let's note that Prodel is a government project funded to the tune of XAF50 billion by the World Bank group. It is aimed at boosting productivity in the country's livestock sector.

Cameroon generated XAF72.5 mln of forest revenue surplus in 2016-2019 thanks to reports through the certified SNOIE scheme



From 2016 to 2019, reports of illegal logging made through the ISO 9001-2015 certified Standard External Independent Observation System (SNOIE) helped the Cameroonian Ministry of Forests and Wildlife generate a surplus of XAF72.5 million of forest revenues.

"This amount was obtained by adding up fines imposed on illegal forest operators and the proceedings from the public auctions of illegally-cut timber seized following denunciations made by civil society organisations (...), as

part of their external independent observation (OIE) activities," the SNOIE explains in an information note.

The said auctions took place following forest control missions triggered by five denunciation reports transmitted by SNOIE coordination to the ministry of forests and wildlife (two reports transmitted in 2016, one in 2018 and two others in 2019).

The reported forest irregularities were observed in Logbii, Bandevouri, Ngoum, Ina, Manja, Wassaba, Oue and their surroundings, as well as in

Bifa'a and their surroundings.

The development and deployment of certified SNOIE in Cameroon and its extension to Congo and the Democratic Republic of Congo (DRC) were carried out with the financial support of the European Union, FAO (through the FAO-EU-Flegt programme), the Department for International Development (DFID), Rainforest Foundation UK (RFUK) as well as the Centre for International Development and Training and its partners.

INDUSTRY

Local company Codias to develop Cameroon's first industrial gold mine



On November 29, 2019, in Yaoundé, the Minister of Mines, Gabriel Dodo Ndoke signed an exploitation agreement with Codias S.A for the exploitation of the small Colomine gold mine (located in the Eastern region).

During the signing ceremony, Bonaventure Mvondo Assam, promoter of Codias S.A, indicated that his company is a mining company under Cameroonian law. It holds, since January 5, 2017, a research permit called Colomine, valid for gold and related substances, covering an area of 309 km² in the Ngoura district.

"The mining method envisaged for the extraction of Colomine's gold resource is underground mining by the pillar

mining method and this exploitation is planned for 5 years, with a production peak of 500 kg of gold/year in the 2nd year; the first year being devoted to the development phase (construction of the mine and other mining facilities)," the Ministry of Mines indicates.

According to this institution, the Colomine gold project will be the country's first industrial gold mine, thus guaranteeing the traceability of the ore mined and making Cameroon a gold-producing country known on the international mining scene. Moreover, this project will allow the establishment of a mining value chain around gold. It will range from on-site extraction to the local processing of at least 15% of produc-

tion, with the added value of creating gold smelting units (ingot production) and jewellery factories, thus strengthening the national industrial fabric.

On a social level, the government expects the creation of many direct and indirect jobs, which will help reverse the youth unemployment curve and fight poverty. Local small and medium-sized enterprises (SMEs) (subcontractors and other local suppliers) will also have the opportunity to deliver their goods and services. Another social advantage of this project is the capacity building of local staff, the transfer of skills and technologies to local workers coupled with the training of students from universities and institutions.

ITC & TELECOM

Cameroon and Gabon ink legal framework for fibre-optics telecommunications networks' interconnection

On November 28, 2019, in Libreville, Cameroon and Gabon signed a memorandum of understanding for the interconnection of their fibre-optics telecommunications networks (CAB 4 and CAB 1 respectively).

The document was signed for Gabon by the Minister of Communications and Digital Economy, Rigobert Ikambouayat Ndeka, and for Cameroon by the Minister of Posts and Telecommunications, Minette Libom Li Likeng. This was done in the presence of representatives of the supporters of this project namely, the World Bank Group, the African Development Bank and the International Telecommunications Union.

The purpose of this memorandum



of understanding is to establish the general and legal framework for interconnection of the two countries' electronic communications networks and to set up a committee to implement and monitor the memorandum and subsequent agreements.

It also constitutes the materialization of the strengthening of sub-re-

gional cooperation and the mutualization of the two signees' digital infrastructures.

Let's note that this interconnection will reduce connectivity costs since there will be direct telecommunications exchanges between the two countries with no international submarine cables required.

With a turnover of XAF52 billion, MTN Cameroon became the leader of the market in Q4 2018

In Q4 2018, the combined turnover of telecom operators in Cameroon was XAF131.9 billion, data provided by the telecom regulator ART indicates. MTN Cameroon realized the larger part of this overall turnover during the period under review with XAF51.92 billion generated. In detail, the South African group's subsidiary generated XAF25.38 billion from voice services, XAF9.37 billion from data, XAF4.14 billion from Mobile Money services and XAF13.024

billion from "other" services.

The second operator with the largest turnover generated during the said quarter is Orange Cameroon. It recorded sales amounting to XAF50.5 billion. Its detailed turnover is as follows; XAF29.29 billion from voice service, XAF1.2 billion from data services (almost nine times less than MTN's income from this category) XAF6.7 billion from Mobile Money services (over XAF2 billion more than MTN) and XAF13.39 billion from

"other" services.

Viettel was third with a turnover of XAF15.8 billion, including XAF11.39 billion from voice services, XAF4.16 billion from data services and XAF249.7 million from "other" services.

Camtel, the state-owned operator was the last with a turnover of XAF13.62 billion generated from data and voice services.

Jumia is in a liquidation process in Cameroon

Jumia, leader of the e-commerce sector in Africa, is in a liquidation process in Cameroon. This platform, operational in the country since 2013, is simply waiting to complete its customers' final orders before packing up.

Without being more explicit, Jumia mentions the immaturity of the Cameroonian market for e-commerce as the reason prompting its departure.

Jumia's departure comes only 3 years after Cdiscount's. Indeed, the French e-commerce site, owned by the supermarket group Casino, launched its activities in Cameroon in December 2014 and stopped in 2016. To justify its departure, Cdiscount pointed out the long delays in the transit of goods at the port of Douala, as well as fierce competition from local sites offering counterfeit or low-end products at very low prices. With Cdiscount gone, Afrimatin, another e-commerce group, announced the launch of its activities in eight countries, including Cameroon, on September 15, 2016. Three years later, despite the merger (in February 2018) of this classified ad site with the Cameroonian operator Kerawa, the results of Afrimatin's expansion in Cameroon are not that tangible.

The same goes for the French start-up Afrimarket, which, after Côte d'Ivoire, decided to launch an e-commerce business in Cameroon following a fundraising operation during which it raised €10 million (about XAF6.5 billion) from international investors. Unfortunately, since September 2019, Afrimarket has filed for its placement under judicial liquidation before Paris court.

A GIANT WITH THE FEET OF CLAY

Afrimarket's adventure in Africa and in Cameroon particularly, lasted only a few years. According to credible



sources, investors withdrew from Jumia, which also just threw in the towel recently.

These departures of major e-commerce operators are, however, at the opposite end of the scale of Cameroon's assets and even its potentials in this sector. Indeed, in its 2018 E-Commerce Index, released during the African E-Commerce Week, which took place in Nairobi, Kenya, from 10 to 14 December 2018, the United Nations Conference on Trade and Development (UNCTAD) reveals that Cameroon is now the 10th African E-Commerce Market. Cameroon, the only Central African

country to appear in the top 10 of that index, owed its ranking to higher than average scores in the four criteria on which this index was based, the UNCTAD indicated. These criteria are the number of online shoppers, the security level of servers, ease of payment and the ease of delivery.

All these advantages seem to be hindered by many other structural realities that are clearly incompatible with the emergence of a real e-commerce market in the country.

Brice R. Mbodiam

Cameroon launches mobile money services' aggregation platform to boost financial inclusion



Minette Libom Li Likeng, the Cameroonian Minister of Posts and Telecommunications signed on 26 November, a decree setting the conditions and operating rules of the Unstructured Supplementary Service Data (USSD) for access to the national electronic communications' aggregation platform in Cameroon. This platform is aimed at notably ensuring fair interconnection conditions, reducing the costs of mobile financial transactions and promoting financial inclusion. It will also give access to mobile financial services via a unique shortcode (#237#). Philemon Zo'o Zame, Director of the Telecommunications Regulatory Agency (ART), explains that *"the said platform is housed at Campost [Cameroon's state-owned postal operator], which manages it, and is responsible for the implementation of*

the above-mentioned decree."

Therefore, Mr. Zo'o Zame invites network operators and electronic communications services providers to interconnect to it, within 30 days (by 26 December 2019) for the provision of mobile financial services. Since July 2017, the Cameroonian government has been working on the creation of a single USSD code for Mobile Money services. Indeed, like telephone calls and other SMS, telephone operators operating in Cameroon use different codes. For instance, with Orange and MTN, #150# and *126# are the respective codes to access mobile money services. From now on, these operators will have to submit, for validation, the tariffs for access to the single USSD code.

It could bring more transparency to the mobile financial services

market. Let's note that microfinance company Express Union Finances, has regularly referred cases to the Ministry of Posts and telecommunications accusing MTN and Orange Cameroon of *"anti-competitive practices."* According to the microfinance company, these practices are either through an increase of the prices for the use of the shortcode *050# (which allows Express Union Finances' clients make transactions on their accounts with their mobile phones), or outright removal of Express Union Finances' access to this USSD code.

These accusations were outrightly rejected by the two mobile operators who claim that they are not in partnership with Express Union on the disputed USSD code.

Cameroon: Decentralized territorial communities should help achieve digital revolution, Minette Libom Li Likeng says

According to Cameroon's Minister of Posts and Telecommunications (Minpostel) Minette Libom Li Likeng (photo), the vision of the Head of State, who has given the go for the country's digital transformation in recent years, is that *"no one should be left behind in the digital revolution."* Minette Libom Li Likeng (photo), who was speaking on November 25, 2019, in Yaoundé, at the opening of a two-day meeting between Camtel (the incumbent telecoms operator) and players in the electronic communications sector, called on local

authorities to become more involved in the development of the digital economy in Cameroon.

"Whether it is the development of ICT infrastructure, access to the Internet or provision of ICT services, the decentralized territorial community is at the heart of the process when it comes to reaching local populations. In this context, digital development is becoming a means of stimulating the economic and social development of decentralized local authorities, thanks to the opportunities it offers," the official explains.

Minette Libom Li Likeng then wished to see these territorial entities *"gradually take on the challenges of digital development."* *"The digital revolution should not be seen by communities as a risk, but rather as a real opportunity. Digital tools save time and at the same time simplify and improve services offered to users. However, this transformation implies a cultural and behavioural evolution that must lead communities to rethink their operating methods and managerial practices,"* she argues.

Kiro'o Games reaches a cap of \$600,000 raised from international investors since the opening of its capital

Kiro'o Games, the first video game studio in French-speaking Africa created by a Cameroonian start-up, is going from success to success.

After the opening, on April 4, of its capital, the volume of subscriptions by international investors reached \$600,000 (about XAF355 million) this month of November 2019, according to an announcement by the founder Madiba Olivier.

According to the founder, 494 people have subscribed. And between 2013 and 2019, Kiro'o's shares increased tenfold. The current shares can also be *"increased sevenfold by 2026,"* Madiba Olivier says. The young company uses its famous "Equity Crowdfunding Rebuntu" process which allows investors to buy shares from \$500

(nearly XAF275 000). Each new shareholder has a voting right and can participate in the management of the company via a dedicated intranet.

According to the Bank of Central African States (Beac), Kiro'o Games successfully raised XAF129.87 million (€198,000) through participatory financing in 2018 to fund the largest project in the French-speaking African video game industry. MTN (one of Africa's largest telecommunications companies) is funding the development of Kiro'o games with a revenue-sharing partnership between 2019 and 2020. Indeed, during that period, the Cameroonian start-up's games will be listed on MTN's gaming platform MTN Game+ and Kiro'o Games will keep the licenses of its games.



Cameroon: Mobile operators recorded XAF96 bln loss in 2018

For at least 4 years now, in Cameroon, the mobile telephony sector has not been very successful after many years of success. According to an authoritative source, the recently created operators' association is expected to take a formal position on this issue soon.

To support the thesis of the temporary decline of the mobile sector in the country, a source close to the case reveals that over the last 4 years, the three operators operating in Cameroon (MTN, Orange and Nexttel) have lost 4% of their overall turnover.

According to the same source, in 2018 alone, the country's mobile telephony companies recorded a loss of XAF96 billion. The environment in the Cameroonian mobile telephony sector in recent years is such that a company like Orange Cameroon has not distributed a dividend to its shareholders over the past 4 years. These losses have been exacerbated in the last three years by the socio-political crisis that has been ongoing since late 2016 in Cameroon's



two English-speaking regions, the Northwest and Southwest. Indeed, like the agribusiness companies operating in this part of the country, mobile operators (MTN, leader of the Cameroonian operators notably, ed.note) are facing a major disruption of their activities, due in particular to the destruction of their equipment and the difficulty in repairing them, due to insecurity. The gloomy situation the sector is going through is also partly explained by the battle that Nexttel (the country's third-largest operator's) shareholders have been waging

for several months to control the company.

Nexttel, the most profitable African subsidiary of the Vietnamese group Viettel Global, as early as 2016, only 2 years after the launch of its activities, was experiencing a decline in its performance. This has been the case since Baba Danpullo, the Cameroonian shareholder and his Vietnamese partners of Viettel Global started fighting before courts and local authorities to take exclusive control of this promising mobile operator.

Cameroonian startup “*Tout souffle compte*” elected 1st winner of Orange Social Venture Prize for Entrepreneurs in Africa and the Middle East 2019

On November 12, 2019, during the AfricaCom held in Cape Town, South Africa, telecom group Orange announced the winners of the 9th edition of the Orange Social Venture Prize for Entrepreneurs in Africa and the Middle East. The grand prize

went to Cameroonian start-up “*Tout souffle compte*.”

Founded by Serge Armel Njidjou (photo: far right), this start-up manufactures interactive neonatal incubators, remotely controlled by the doctor's smartphone, that help

combat premature babies' mortality in Cameroon and Africa.

This award comes with a €25,000 euros (about XAF16.5 million) grant and personalized support from Orange Group's experts.

State-owned postal firm Campost happy about initial impacts of the government-backed restructuration plan

The 2019-2021 contract plan, between Cameroon Postal Services (CAMPOST) and the government, for the restructuration of this state-owned firm, is being implemented in a rather "satisfactory" manner, one year after its signature. This was the comment of Minette Libom Li Likeng, Minister of Posts and Telecommunications, during the review meeting she chaired on 14 November 2019 in Yaoundé, the country's capital.

"With regard to rehabilitation, we can

retain the award of eight major contracts selected in the joint decree, from the ministry of posts and telecommunications and the ministry of finance, of 27 January 2019, which concerns respectively the organisational and human resources audit of Campost," said Pierre Kaldadak, Campost's CEO.

According to him, contracts are also being implemented for the acquisition of an enterprise resource planning system, the supply and commissioning of 58 mailing machines, the installation, and commissioning of

security equipment for mailings as well as the acquisition of data centre security upgrading infrastructure. In the same vein, it was learned, four financing windows have been identified to support this XAF22.8 billion plan. For its part, the government has committed, through the Ministry of Finance and the Ministry of Posts and Telecommunications, with the support of the AfDB, to provide XAF18.3 billion. The remaining XAF4.4 billion should be provided by Campost.

Camtel turns to Russian Infinet Wireless for the modernization of its infrastructures

Camtel, Cameroon's incumbent telecommunications operator, has chosen the technologies of the Russian company Infinet Wireless, which provides carrier-class wireless network infrastructure solutions, for the modernization and extension of its telecommunications infrastructures. In that regard, an agreement was signed between the two parties in Sochi, Russia, at the Russia-Africa Summit held on October 23-24, 2019. A pilot zone will be created where Camtel will test Infinet Wireless products.

According to Infinet Wireless' CEO Dmitry Okorokov, Africa is of growing interest to the technology company in view of the many economic forecasts that make the continent one of the most promising markets for rapid growth.

"The key areas for us are security and the development of a modern telecommunications infrastructure. Infinet is ready to offer its expertise in this field through a range of proven products adapted to the African environment," he said.



The telecom regulator plans to audit operators' turnover



Philemon Zo'o Zame, managing director of Cameroon's telecommunications regulator, just issued a call for expression of interest to recruit a firm for the audit of the revenues of mobile operators operating in the country (MTN Cameroon, Orange Cameroon, and Viettel Cameroon namely). Participation is open to national firms with proven financial, account-

ing, auditing, economic or engineering competences in the electronic communications sector. The aim of this audit (covering the 2015-2018 period), which should not last more than three months, is to ensure the authenticity of the financial data transmitted to the regulator. The regulator stresses that each of the individual experts suggested by firms should not have been an

auditor, telecommunications or information system expert for one of the operators to be audited, their subsidiaries or affiliated companies under another firm in the past three years in the country. Seven copies of each bid, written in French or English, must be sent to the regulator's procurement unit in Yaoundé, by December 9, 2019.

ENERGY

Cameroon: Natural gas can contribute 20-30% of the energy mix , SNH says

"The SNH has demonstrated, since 2012, that gas can make a significant contribution to the development of the electricity sector in Cameroon by ensuring a continuous supply of the 216 MW natural gas power plant built in the coastal city of Kribi, the first-ever in Cameroon. Gas could contribute between 20% and 30% of the energy mix at the national level." This was the reply of Adolphe Moudiki, director and chief executive officer of the National Hydrocarbons Corporation

of Cameroon (SNH) when asked how his company could contribute to the diversification of the energy mix in Cameroon.

According to an internal publication (SNH Info), relaying the director's answers, the SNH remains faithful to its ambition to contribute to the diversification of the country's electricity supply sources.

This explains some of the projects, such as the installation of a 300 MW gas power plant in Limbe and the

conversion of many diesel or oil-fired power plants, already being studied. As of July 2019, according to figures published by electricity distribution company ENEO, gas accounted for 17.7% (representing 1,391.98 MW) of Cameroon's electricity production. Hydro (55.8%) and oil/diesel (26.5%) were the other energy sources while the contribution of solar energy remains close to zero.

Cameroon inks XAF10 bln funding agreement with the EU for rural electrification

On November 26, 2019, in Yaoundé, the Cameroonian government, signed, via the Ministry of Economy, a €16.15 million (a little over XAF10 billion) funding agreement with the European Union.

These funds will be used to partially finance the rural electrification and energy access' improvement Project PERACE. This project is being implemented in six regions of Cameroon, namely the Far North, Adamaoua, the North, the East, South West, and North West.

Co-financed by the European Investment Bank and the World Bank, PERACE is the first phase of the Rural Electrification Master Plan developed by the Cameroonian government in 2016.



Nachtigal dam: Over 1,300 employees already active on site

Jean-Bernard Levy, CEO of Électricité de France (EDF), a shareholder in the Nachtigal dam construction project in Central Cameroon, was on the construction site on November 26, 2019.

During this field trip, accompanied by Cameroon's Minister of Water and Energy Gaston Eloundou Essomba, it was revealed that more than 1,300 employees are already working on this project, which was officially

launched in February 2019. These employees, and others to be recruited, are working to deliver, in 2023, a 400 MW dam representing one-third of the country's current power generation capacity.

Cameroon: Public lighting takes over 55% of government's electricity expenditures



The Cameroonian government, via the Ministry of Water and Energy, just launched a programme to monitor, control and optimize electricity bills in the public sector. According to the programme's creators, it is aimed at reducing the country's electricity expenditures, which average

XAF41 billion every year according to official reports.

According to a study commissioned by the government, public lighting represents more than 55% of the electricity bills the government pays every year.

Overall, the study reveals that the

Cameroonian government's electricity expenditure is also the result of an overestimation of its real needs. Indeed, according to the study, the state has subscribed for a total capacity of 40 MW, whereas the real need is only about 11 MW.

Due to security reasons, Eneo is unable to access forests in the Northwest to replace wooden poles



During his recent presentation before the National Assembly to defend the budget of his ministerial department, Gaston Eloundou Essomba, the Minister of Water and Energy (Minee) addressed the issue of wooden poles used to transport electricity to Cameroonian households. According to the Minee, only 20,000 poles were replaced in 2019 by Eneo compared to 40,000 in 2018. According to the official, this 50%

decrease is due to the security crisis in the Northwest. At the same time, he announced that 50,000 (including 13,500 concrete and 36,500 wood) and 40,000 poles will be replaced in 2020 and 2021 respectively. To achieve this performance, "it is necessary for the Ministry of Forests to grant an authorization to Eneo and the national agency for forest development to use the 55,000 wooden

poles identified in the Western region (Baleng, Bazou, Bana) since the forests of the Northwest are inaccessible due to security reasons." According to the official, there is just over 1,300,000 poles in the Cameroonian distribution networks. Most of those poles are made from wood and face constraints that increase the frequency and duration of power outages.

Belgian and Czech delegations announce their interest in Cameroon's energy sector

On November 14, 2019, two Belgian and Czech delegations were received at Cameroon's Ministry of Water and Energy. At the end of the two audiences granted to these partners by Minister Gaston Eloundou Essomba, the delegations expressed interest in the development of energy projects

in Cameroon. The Czechs, for instance, intend to seize the opportunities that exist in the renewable energy sector and contribute their expertise in the development of hydroelectric projects. Belgians, who are already present in the drinking water sector, through

the financing and implementation of water supply projects, intend to play a role in the development of projects in the electricity sector, in particular through the construction of mini-power plants in remote areas in Cameroon.

Cameroonian footballer Jean II Makoun partners with Upowa to promote solar energies

On 13 November 2019, Cameroonian footballer Jean II Makoun signed a partnership agreement with the Franco-Cameroonian company Upowa to promote renewable energies, solar energy particularly.

"I was seduced by this company's team spirit. Beyond the image, I am committed to going out on the field, wherever it is needed," said the former player of Cameroon's national football team, the Indomitable Lions.

Upowa is a company specializing in the supply of low-cost solar kits, which can also be purchased in successive installments over several months.

This company mainly targets people in rural areas with poor access to electricity in Cameroon.



SONARA: Chairman and board members' allowances to be adjusted

Shareholders of Société Nationale de raffinage S.A. (Sonara), Cameroon's only refinery ravaged by a fire outbreak on May 31, 2019, are invited to a combined general meeting on Friday, November 22, 2019, in Limbe, the southwestern region.

During the meeting, they will deliberate on ten points. These include the *"monthly allocation of the Chairman of the Board of Directors"* and the *"directors' duty allowances"*.

The monthly remuneration of the chairman and the directors' sessional allowances should, therefore, be adjusted in accordance with the Presidential Decree No. 2019/321 of 19 June 2019.

According to article 6 of this text, Sonara is classified as a first category public company because its average turnover over the last three financial years exceeds XAF100 billion.

For this category of institution,

the chairman's allocation is set at 0.0012% of the lowest turnover of this category (i.e. XAF100 billion) and the sessional allowances of administrators, the chairman included, are capped at 0.0015% of XAF100 billion. This corresponds to a monthly allocation of XAF1.2 million for the chairman and a sessional allowance of up to XAF1.5 million for each administrator.

Security challenges and the May 2019 fire at Sonara slowed Cameroon's 2019 economic growth (+3.9%)



On November 8, 2019, at the end of the 5th review of its three-year economic and financial programme (2017-2019) with Cameroon, the International Monetary Fund (IMF) expressed its satisfaction with the Cameroonian government's implementation of the said programme. The delegation also took this opportunity to reveal some of the 2019 key indicators on the Cameroonian economy. According to the institution, Cameroon will end the year with a 3.9% growth, slightly down from the 4.1% recorded in 2018. This decrease is mainly due to security challenges faced by the country since 2013, the IMF indicated. These challenges mainly relate to the

war against the Nigerian terrorist sect Boko Haram in the Far North region and the deployment of the army in the South West and North West regions to contain the pro-independent claims in the two Anglophone regions since late 2016. In addition, the IMF said, the decrease in Cameroon's growth is also due to the fire in late May 2019, at Sonara, the country's only oil refinery. This disaster caused the cessation of refining activities forcing Cameroon to import finished oil products. Moreover, despite the rebound observed in the oil sector with a 6% sector growth rate in 2019, "after 3 years of deceleration," there was a slowdown in economic activity in the

non-oil sector (3.8%, compared with 4.4% in 2018) in 2019, the IMF points out. Here, we learn, sectoral GDP grew to only 3.8% in 2019, compared to 4.4% in 2018. Nevertheless, despite the slowdown, economic growth in Cameroon will be much better than that of the entire CEMAC region, making it the economic driver of this community. Indeed, according to figures released by the Bank of Central African States (Beac), economic growth in the CEMAC region will peak at 2.7% in 2019, compared to 3% forecasted at the beginning of the year. Let's note that even though it is lesser than forecasted, it is still higher than the 1.8% recorded in 2018.

TRANSPORTATION

Local startup plans to launch a carpooling app on December 2019

The co-founders of the start-up ToliCar announce the launch of a carpooling platform on December, 2019. According to the startup, for a start, this carpooling platform will cover the Yaoundé-Douala-Bafoussam-Yaoundé axis.

"ToliCar is an innovative platform, an economic and social community that brings together two categories of users: passengers and drivers. It is about connecting them. For instance, if a passenger wants to go from Douala to Yaoundé, he can easily meet a driver who is leaving the same point for the same destination on the same day," explains Lucas Sigha, the startup's managing partner.

The birth of ToliCar is the result of an experience by the managing partner. *"It's really anecdotal. I was on my way to Yaoundé. Not being able to drive on the main roads of Cameroon, I asked to be accompanied and my cousin offered to do it. On the way back, we stopped at a gas station for coffee. There were lots of people on the roadside then, my cousin told me they were all waiting for vehicles to get to*



Yaoundé. He also asked me if we could take some of them in our car, which I accepted. When he went to the waiting crowd and shouted 'Yaoundé', I saw dozens of people running towards us,

pushing one another, to be able to get into the vehicle. (...) That's when the idea of setting up a platform came from," Lucas Sigha told the newspaper Defis Actuels.

Douala-Bonabéri: Towards the dematerialization of ship calling procedures

Starting from 1 January 2020, all procedures related to ship calls at the port of Douala-Bonabéri will be carried out online via the website www.pad.cm

"This measure, whose aim is to optimise the information system of the port of Douala-Bonabéri, will ensure that the ships call announcement and maritime conference will henceforth be

dematerialised on the said platform," Cyrus Ngo'o, the port's managing director, indicated adding that call requests will be taken into account only if manifests are sent in XML and PDF formats.

For the implementation of this new measure, he added, all shipping agents are invited to get in touch with the port's IT department or the

Secretary-General of national port community Association de la communauté portuaire nationale-port synthèse for the necessary due diligence. For unmanned vessels, a team, from the port, will be placed at drop-off points to record arrival and departure times for billing purposes.

SERVICES

GICAM reorganizes its arbitration centre to adapt it to the international environment

Today, November 7, 2019, Célestin Tawamba (photo), president of Groupement inter-patronal du Cameroun (Gicam), Cameroon's largest employers' organization, is scheduled to give a press conference. According to a press release published by the GICAM, Célestin Tawamba will present the various amendments to the provisions of GICAM's arbitration and mediation

centre.

One of these amendments is the change of this centre's name from Gicam Arbitration Centre to Gicam Mediation and Arbitration Centre. "Following the revision of the Ohada Uniform Act on Arbitration and the adoption of the Ohada Uniform Act on Mediation on 23 November 2017, it was necessary to adapt the practice of the arbitration centre to this new

text. In addition to this adaptation work, it also seemed useful to modernize the arbitration centre's offers in light of the international environment and the current state of alternative dispute resolution methods. With this in mind, the arbitration centre has reformed both its texts and services," Gicam indicates.

Ivoirian Stéphane Soumahoro becomes new MD of BVS production Cameroon SA

Wines and Spirits supplier BVS Cameroon informs that Ivorian Stéphane K. Soumahoro has just been appointed as the Managing Director of BVS production Cameroon SA. He now combines this position with the position of Managing Director of BVS Distribution Cameroon which he has held since October 1, 2018.

"His roadmap is to create synergy between these two entities, in order to enable BVS Cameroon to become a major player in the production and distribution of beverages, wines, and spirits in Africa," the company informs. Stéphane Soumahoro takes over the management of BVS, launched by Guillaume Sarra, former CEO of Société Anonyme des brasseries du Cameroun, after 13 years as CEO of Tradex, an oil distribution company owned by Cameroon with operations in various African countries.

With its technical partner Castel Group's support, Douala-based BVS' ambition is to produce 10 million litres of wine every year and serve the CEMAC region in the meantime.



Still another fire in a market in Douala

In the night of November 23 to 24, 2019, fire broke out at Cité des palmiers market in Douala, the Cameroonian economic capital. According to our sources, the flames burned more than 50 shops, stalls

and other merchant counters. The first research on the reasons for this disaster, in a Cameroonian market, points to a short circuit created by the anarchic electrical connections, which are recurrent practices

in the country's markets. As a reminder, the same reasons had led, in the night of February 23 to 24, 2019, to a fire that consumed more than 150 shops in the Congo market, in Douala.

Next CAF African Nations Championship to be held in Cameroon on April 4-25, 2020



After some hesitation about the date, following Cameroon's request to host the competition in June, the Confederation of African Football (CAF) has finally decided to organise the next CAF African Nations Championship from April 4 to 25, 2020 in Cameroon. According to information revealed

on 4 November 2019 by the Minister of Sports, Narcisse Moelle Kombi, during the installation of members of the CHAN 2020 organising committee, the competition will take place in Douala, Yaoundé and Limbe. Let's note that the draw for teams entering the competition will be held in January 2020, in Yaoundé. It is

also worth mentioning that in 2021, Cameroon will host the African Cup of Nations (AFCON). The official logo of this continental championship was, by the way, officially unveiled during the above-mentioned ceremony.

No, Douala port's general director Cyrus Ngo'o is not from the Anglophone region



There are social media posts that allege that Cyrus Ngo'o, Director General of Douala autonomous port, was born in the Anglophone region. This is not true.

Indeed, according to the man's official biography, he is a native of Messamena in Upper Nyong, Eastern Cameroon. He is therefore not from the North-West or South-West, which constitute the Anglophone region of the country.

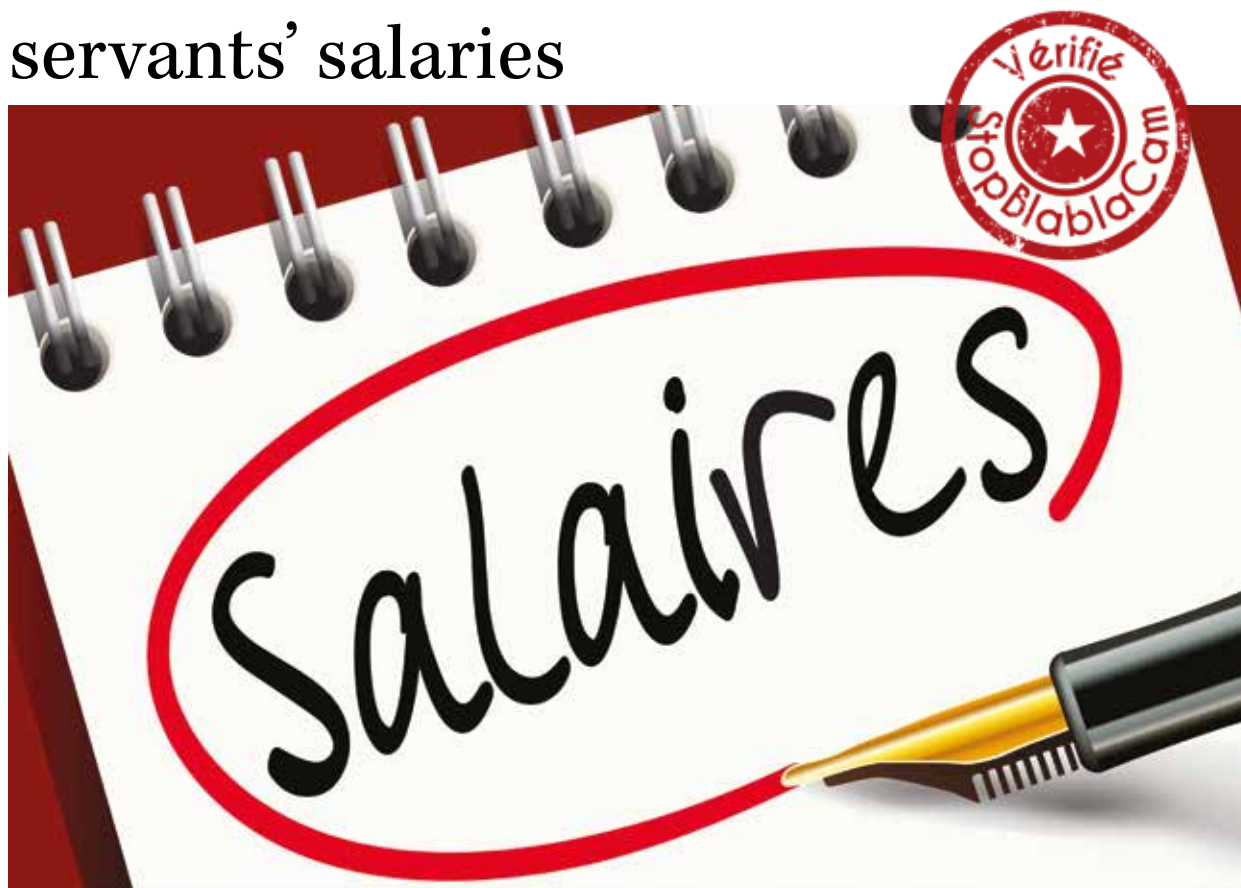
Cyrus Ngo'o was appointed on August 24, 2016, at the age of 50. The Prime Minister's office pre-

sents him as a civil administrator, a graduate of the National School of Administration and Magistracy (Enam) and holder of an MBA from Quebec.

He has been an advisor to the Prime Minister on issues relating to the monitoring and implementation of public policies in the fields of land, energy, water, public works, mining and especially ports. In addition, he was coordinator of the Mbalam Iron Project and Chairman of the Procurement Commission for the Kribi Port Container Terminal.



No, Chad and Equatorial Guinea are not providing assistance for the payment of Cameroonian civil servants' salaries



A while ago, an Internet user published a note according to which, *"the salaries of Cameroonian civil servants are being paid, for months now, thanks to the support of two CEMAC countries: Equatorial Guinea and Chad,"* notably. The information is as unbelievable as it is false.

Indeed, in the CEMAC region, Cameroon is considered the economic leader. In terms of finances, Cameroon is the strongest country, even if the community is fragile. According to figures published by the Bank of Central African States (Beac), Cameroon accounted for over half of

the funds deposited by the sub-region in the French operating account in 2018 (XAF1,945.2 billion out of a total of XAF3,359.8 billion).

Gabon came second with assets estimated at XAF 638.9 billion followed by the Beac that deposited assets worth XAF350.4 billion. The immediate followers are Central African Republic (XAF200.7 billion), Congo (XAF182.4 billion), and Chad (XAF74.4 billion). Equatorial Guinea's balance is downright negative (minus XAF32.3 billion).

Based on those figures, Chad and Equatorial Guinea can not be able

to provide financial assistance to Cameroon for the payment of its civil servants' salaries.

In addition, according to the Beac, the gross reserves of CEMAC's banking system, composed of free and minimum reserves, increased by 0.6% to XAF1,773.6 billion between December 2017 and April 2018. It appears that the increase in that indicator was spurred by Gabon (+5.8 points) and Cameroon (+1.9 points). Equatorial Guinea's contribution was -4.9 points, Congo and the Central African Republic -0.9 points, and Chad -0.4 points.

Yes, Cameroon imports the petroleum products distributed at gas stations



Unlike what some people might think, the petroleum products distributed at the local gas stations are indeed imported; they are not produced by the National Hydrocarbons Corporation (Sonara). Sonara qualified itself as a “topping reforming” refinery explaining it was initially established to process light

crude oil (Arabian light). However, Cameroon currently produces heavy crude oil but the tools existing at the refinery cannot be used to process the available crude oil, Sonara said. This situation led Sonara to resort to massive imports of white-label products to supply the local market, where it provides most of the cover-

age (77% against 23% for marketers). Cumulative sales on the domestic market (1,613,804 m3) in 2018 were imported products; and this will increase during this 2019 financial year, as Sonara was ravaged by a fire on 31 May 2019.

LEADER OF THE MONTH

EDF Pulse Africa 2019: Young Cameroonian engineer wins the prize “Prix coup de cœur” with off-grid power- generation solution



Young Cameroonian engineer Triomphant Tchulang who was representing his country at the finals of the EDF Pulse Africa 2019 innovation competition, organized on November 21, 2019, in Paris by French energy company EDF, won the prize “coup de cœur.”

The Cameroonian engineer was rewarded through his start-up Clean Energy Services, which sells Off-Grid power generation solutions aimed at powering solar-powered freezers and refrigerators in remote sites.

The kits sold by Clean Energy Services (composed of solar panels, adapted refrigerator and LED bulbs) are sold on credit provided the buyer pays an initial deposit of 20% of the kit's value.

The solution is aimed in particular at populations in isolated sites engaged in activities that require cold: catering, sale of fresh products (meat, fish, etc.).

The five winners of EDF Africa Pulse 2019 won grants ranging from €5,000 to €15,000, as well as comprehensive

support, including operational and financial advice, project development partnerships with incubators based in African countries, access to EDF's innovation ecosystem including R&D, EDF's internal creativity labs and the subsidiary specializing in support for EDF Pulse Croissance start-ups.

Triumphant Tchulang and Clean Energy Services join, on the podium of this competition, other Cameroonian start-ups, winners of previous editions. These include Fabien Kouatcha's Save Our Agriculture, “Prix coup de cœur” from the 2nd edition of EDF Pulse Africa in 2018, and Cameroonian start-up EduAir, 3rd prize of this competition in 2017.

Created in 2017, the competition EDF Pulse Africa challenge is aimed at supporting entrepreneurial dynamism in Africa with two main objectives: identifying potential partners by finding the continent's technological nuggets and supporting innovation by involving local entrepreneurs in the development of innovative offers.

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