

November 2020 / N° 93

BUSINESS IN CAMEROON

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Cashew, Cameroon's new source of revenues



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Yasmine Bahri-Domon,



Shame to their supporters

At last, NGOs and international media are acknowledging anglophone separatists for what they are - terrorists, just like Boko Haram or AQMI, among others. Unfortunately, this had to take the massacre of school kids in their classrooms.

Like other terrorist groups, these extremists who fuel the Anglophone crisis in Cameroon terrorize civilians, racketeer, plunder, and sow desolation. Woe to people who fall into their hands.

When jihadists do the same, the international community is quickly moved. Because this extremism also affects developed nations. There is a common fear in such cases.

However, when these same people pose

as political opponents of an “African power,” they rapidly get a flock of supporters who legitimize their actions claiming they are the victims. When an uncontrolled member of the national army engages in unacceptable violence, all the country’s security forces are soiled and roles are reversed. Yet who can claim for sure that there were no mishaps or collateral damages during the wars in Iraq, Libya, Syria, or elsewhere?

Cameroon is currently fighting armed separatists in the West, Boko Haram’s jihadists in the North, and within the East, the army has to deal with looters from the Central African Republic. These are just different heads of a monstrous hydra and anyone defending them, whoever they are, should be ashamed.



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BUSINESS IN CAMEROON

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Stratline Limited

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Rotimpres, Aiguaviva, Espagne

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MONTHLY STATISTICS

19 387 tons

Banana exporters in Cameroon exported 136,048 tons of banana between January and September 2020, according to data compiled by the Banana Exporters' Association of Cameroon (Assobacam). Compared with the volume of bananas the country exported over the first nine months of 2019, the 2020 performances are down by 19,387 tons.

This drop in performance is mainly due to the decrease in the exports of Plantations du Haut Penja (PHP), leader of the local market. Indeed, the company's exports slid by 21,033 tons during the period (from 142,621 tons in January-September 2019 to 121,588 tons in January-September 2020).

80

The Ministry of Public Procurement recently terminated 80 contracts signed, between 2018 and 2019, by state subdivisions and companies for either the supply of goods and services or the construction of infrastructures, an official release indicates. According to the release, the contracts were terminated because of significant delays in the delivery or because the works were abandoned.

Over 95% of them were signed by state subdivisions in the North, the East, and the West.

Besides losing those contracts, the concerned companies are forbidden from submitting offers for public procurements for two years, according to the regulation, except for a special waiver. An authorized source explains that such failing companies usually circumvent such regulation by simply changing their corporate names.

CFA87 billion

In 2019, CFA87 billion worth of rice imported for consumption was fraudulently re-exported, according to the national accounts 2019 recently published by the National Institute for Statistics (INS).

The Institute reveals that during the period, the national production was about 217,280 tons and the national demand was 757,000 tons. Based on the hypothesis that household consumption habits remained the same between 2018 and 2019, INS deduced that there was a 332,300 tons gap between the supply and demand. For the institute, these 332,300 tons represent the volume of rice fraudulently re-exported to neighboring countries and amounts to CFA87 billion.

35.1%

Cameroon raised CFA2,516.8 billion of budgetary resources in the first half of 2020. Year-to-year, this represents a rise of 5.7% or CFA136.5 billion.

According to the government, this rise was mainly due to the performance of institutions in charge of the collection of internal revenues.

The revenue was also spurred by the external donations and loans captured by the government during the said period in the framework of the coronavirus response strategy. Indeed, external donations and loans secured by Cameroon in the first of this year amount to CFA1,000.3 billion. This is up by 35.1% compared with the CFA740.3 billion the country mobilized in H1 2019.

COMPANY OF THE MONTH

CAMAIR CO RESUMES OPERATIONS, AFTER 8 MONTHS OF SUSPENSION, THANKS TO A CFA 16 BLN FINANCIAL ASSISTANCE FROM THE STATE



On October 18, 2020, Camair Co resumed its operations by only offering domestic flights per the Head of State's wish. The resumption occurred after two consecutive postponements (the first on October 12 and the second on October 16, 2020). For the airline to restart activities, the government disbursed a substantial amount, official sources indicate.

Indeed, a letter sent on October 16, 2020, by the Minister of Transport (Jean Ernest Ngallé Bibehé, who is also chairman of the board of directors of Camair Co) to the managing director of the airline, reveals that the Ministry of Finance has once again disbursed CFA1.050 billion to ensure the operations are successfully launched.

According to the letter, the said amount should cover part of the

salary arrears owed to the staff, the premium of the aviation insurance and the SITA reservation system, the customs duties on spare parts bought for the MA60 as well as some costs associated with the activity resumption.

42 weekly flights...

This new financial assistance included, the volume of funds released by the public treasury for Camair Co over the period between July 14, 2020, to October 16, 2020, exceeds CFA16 billion. Indeed, on July 14, 2020, in a letter sent to the Prime Minister, the general secretary of the Presidency announced the disbursement of CFA15 billion for the reorganization of Camair Co in preparation for its privatization.

At the time, the general secretary indicated that this financial assis-

tance (which is an umpteenth) would be used by Camair Co to send one of its Boeing 737-700 NGs for servicing, acquire two Dash Bombardier Q400s (better suited for short-distance flights), and lease two engines for the second Boeing 737-700 NG.

These planes will complement Camair Co's fleet (ed.note: that fleet includes two currently grounded MA60s) by the end of 2020. This period coincides with the end of the lease agreement for the only Boeing 737 currently used by Camair Co for its 42 weekly flights between Yaoundé, Douala, Garoua, and Maroua. The Boeing 737 leased for three months with a Ukrainian crew was delivered in September 2020.

Brice R. Mbodiam

AGRIBUSINESS: CAMEROON MAKES A DECISIVE ENTRANCE IN THE CASHEW SEGMENT

In 2019, Cameroon cashed out 86% of its export revenues from the sale of eight (8) products, the National Institute for Statistics (INS) informs. These include cocoa (and its derived products) as well as raw cotton.

However, this year, a new cash crop could join the list of agricultural products that generate export revenues for the country: cashew.

On October 17, 2018, the country validated a national development strategy for the cashew value chain. The document tries to grasp all the socio-economic and environmental opportunities offered by the crop. Since its validation, the government has multiplied initiatives to help potential producers enter the global cashew market by 2023.

The initiatives also aim to revive cashew production in the country - a goal the government has been targeting since 1975.

It is worth reminding that 1975

was the year Côte d'Ivoire started producing cashew nuts. It has since become the leading producer worldwide with an annual output of 750,000 tons and CFA500 billion distributed to cashew farmers throughout the period, according to Commodafrica.

Cameroon planted its first cashew trees in 1975, during a reforestation campaign in Sanguéré, not so far from Garoua, in the North.

At the time, the country was planning to plant the trees on over 10,000 hectares of land in the region and build a cashew juice production plant and sell cashew nuts, which are luxurious appetizers when roasted. However, 45 years later, cashew trees are planted on only 650 hectares nationwide, including 60 hectares developed in 2017 in the framework of an operation carried out by the National Forestry Development Agency (ANAFOR).

ANAFOR plans to develop additional hundreds of hectares in Sanguéré, where Gic Ribaou has over 100 hectares of cashew plantations (started in 2002).

Thanks to a cashew seedlings production program launched by the Institute of Agricultural Research for Development (IRAD), all the actors and many others interested in cashew production now have the opportunity to acquire plant materials. According to various sources, the lack of plant materials was one of the obstacles to the development of the sector in Cameroon. Besides, many were unaware of its economic opportunities. Now, Cameroon wants to actively invest in the sector and make it a major economic driver.

Brice R. Mbodiam

100,000 hectares of cashew plantations eyed to assume leadership in global cashew production



About two years ago, Cameroon's Institute of Agricultural Research for Development (IRAD) launched a program to distribute cashew tree seedlings in the three northern regions and the East. For this purpose, 500,000 seedlings are currently being produced in IRAD's centers, according to reliable sources. The institute (which plans to reach a production of 10 million seedlings by 2021) intends to distribute (for free) the seedlings to Cameroonian farmers to help them

develop 100,000 hectares of cashew plantations in the country. IRAD informs that to support the program, which is aimed at making Cameroon the leader in cashew production worldwide, the Head of State ordered the disbursement of CFA1.5 billion for seedling production. By promoting cashew production, the government is thus paving the way for the development of a second cash crop in the three northern regions whose climate is better suited for such an agricultural product and

where cotton was the only cash crop. Let's note that the first cashew trees were planted in Cameroon in 1975, at about the same time as Côte d'Ivoire. However, Côte d'Ivoire is now the leading cashew producer worldwide while Cameroon only produced 108 tons of cashew nuts in 2017. A sizeable portion of that production was realized by Gic Ribaou, a group of passionate people committed to reviving cashew production in the North.

Sodecoton mulls over a cashew development project



Cameroon's cotton development corporation (Sodecoton) is on its way to becoming one of the pillars of the government's national cashew development initiative.

"Sodecoton has been considering the cashew nut sector for long, to diversify the revenues of farmers with whom we already collaborate: producing crops such as corn, groundnut, or sorghum. But, we need an alternative crop in whose downstream value chain we can also operate," said an executive of the cotton company.

"We started with soya at first but, we were confronted with the fact that the oil derived from the crop failed to position itself in the market. Also, the commercialization of soybean meals faced many challenges (...) We, therefore, turned to cashew," he continued.

Under its strategy, Sodecoton, which collaborates with about 250,000 farmers in Northern Cameroon, initiated a study trip to Benin and Côte d'Ivoire, two West African countries where cashew does well.

Thanks to the knowledge acquired during the mission, and the various expertise sought by the cotton company, Cameroon could soon welcome its very first cashew farms. Sources within the company said Sodecoton plans to develop 50,000 hectares over 10 years, mainly in the Far-North. This makes a quarter of areas currently dedicated to the white gold.

According to reliable sources, Sodecoton also wants to "take over the value chain with maximum processing," a segment that could allow the Cameroonian agribusiness industry to do better than Côte

d'Ivoire and Ghana, where cashew processing is still low.

"We have made enough progress with potential partners. We have a strategy, therefore the funds should follow," said an optimistic executive. Cashew farming and the context in the Far North are both attractive for investors.

Indeed, investors want to participate in the reconstruction of economic infrastructures in this region which has been devastated over recent years by the Boko Haram terrorist group. Also, cashew farming, besides improving farmers' revenues and creating jobs, contributes to reforestation which is much valued by lenders.

BRM

Cashew sector: A segment with over 150,000 potential jobs by 2023



Thanks to cashew production, 150,000 jobs could be created in the three northern regions of Cameroon and the East. According to experts, these regions meet the required climatic conditions to grow the cash crop whose potential is largely underexploited in Cameroon. According to the national cashew

value-chain development strategy elaborated by the government in collaboration with Germany, apart from the 150,000 jobs that may be created in the production chain, over 1,000 more could be created in the transformation chain. The strategy indicates that between 2019 and 2023, 550 jobs could be

created in the cashew nut shelling segment, 70% of which will be for women. Also, 550 others could be created in the cashew juice production sub-segment. Overall, these jobs in the transformation segment will only be available if 150,000 hectares of cashew plantations are grown over the 2019-2023 period.

Cameroon aims to produce 50, 000 tons of cashew nuts a year by 2025

The government of Cameroon is striving to achieve a national production of 50,000 tons of cashew nuts per year by 2025. According to Gabriel Mbairrobe, the Minister of Agriculture and Rural Development (Minader), this ambition is part of the implementation of the national strategy for the promotion and development of the cashew nut sector. Speaking on February 2, 2020, during

the annual conference of heads of central and decentralized services of his department, Gabriel Mbairrobe said Cameroon wants to position itself on the international market for this cash crop as of 2023. The plan is to sell at least 8,000 tons of good quality products beyond borders. As a reminder, Cameroon joined on July 10, 2019, the Consultative International Cashew Council

(CICC); a group of cashew producing countries committed to developing the cashew industry. Since 2019, cashew nut producers in the country have benefited from various government incentives, one of them was the free distribution of thousands of seedlings. This year, the government has set aside a little more than CFA1 billion for cashew nut projects.

Mrs. Hayatou, an A-player in Cameroon's cashew sector



The Djamboutou district in Garoua, the regional capital of the North, is home to Cameroon's first cashew nut shelling unit. This investment is the work of Gic Ribaou, an association founded by Mrs. Hayatou to promote cashew nuts, a crop still unknown in Cameroon, but which is already doing well on West African markets. *"Here in Cameroon, people eat the cashew apple and throw away the nut without knowing that it is the most important part,"* said Hayatou, who considers the nut as an excellent supplement for cotton, the only cash crop grown in the three northern regions of Cameroon so far. According to her, she discovered cashew nuts during her many travels around the world. She said the nuts were offered as appetizers by some

airlines to their business class customers. In 1994, during a trip to the northern region of her home country, she noticed a tree bearing a fruit that resembled the delicious peanut-like snack that she has become a big fan of. "I knew the fruit, not the tree. When I asked about the tree I saw, people told me it was the tree that produces the cashew nut," she recalls.

"I later found out that the government had launched a cashew development project that never blossomed," Hayatou said. However, the project made it possible to plant 650 hectares of cashew trees in the locality of Sanguéré, near Garoua.

Mrs. Hayatou managed to take over this unachieved project and secured an operation authorization for 30

years. *"The plantation was not producing much. IRAD (the Agricultural Research and Development Institute, ed) advised me to plant more trees. That's how we ended up planting more than 100 additional hectares,"* she reports.

Running on equity, Gic Ribaou, which she founded and manages, was able to produce 33 tons of cashew nuts in 2017. A production mainly intended for export, for the time being. But, thanks to its shelling unit in Djamboutou, which is struggling to run at full capacity (1.5 tons per day) due to a lack of raw material, Gic Ribaou intends to start local marketing. *"We are going to design small bags of nuts for local consumption,"* the project owner said.

Thomas Crabett

“COVID-19 HAS CONFIRMED THAT RESILIENCE IS NOT AN EMPTY WORD IN CAMEROON”

In this interview, we discuss with the managing director of the Cameroonian subsidiary of Belgian firm BIA Group, which supplies equipment for major construction projects. The executive shares with us the lessons learned from the pandemic and he believes Cameroonian companies were very resilient to the crisis it induced.

Interview by Idriss Linge and Jean Christian Nselel

Business in Cameroon: Covid-19 has affected many countries, including Cameroon where you operate. How did you feel its impacts at BIA Group's local subsidiary?

Thomas Crabett: The global health crisis did not spare Cameroon. The economic situation was indeed difficult for some time and our customers, who operate in the

construction, transport, industry, and energy sectors had to halt their activity. The equipment we supply them is an investment requiring a long term vision. However, for some months, the future was uncertain. We adopted a battery of measures, such as remote working, vacations, all to limit the number of people at our main site and in our regional

agencies, given that the risk of contamination with covid-19 increases with physical contact. We wanted to restrict contact as much as possible. We followed the measures prescribed by the government, relating to social distancing and hygiene. BIA Cameroon had masks made on a large scale and shared with our staff. Wearing them is now mandatory, for

our employees and those visiting our offices. We also distributed sanitizers in all our offices and put in place a protocol to access our facilities. At our workshops which are more open, the measures were easier to implement even if wearing a mask is cumbersome for our technicians, both in our workshops and in the field. Regardless, we didn't hesitate. The instructions given by the headquarters were strong and clear: "Making the teams' health a priority."

BC: Today, everyone is slowly learning from the Covid-19 pandemic. What lessons did you learn from it and how are they reflected in your activity in Cameroon?

TC: I believe there are two main things here. First, we are a Belgian company with a strong presence in Africa. I spent all my career in Africa and it was interesting to see that this continent was the best prepared and the one that reacted best. I think that is a wonderful lesson, one that surprised all observers. Some foreigners even panicked and fled Cameroon but the truth is that resilience is not an empty word in this country. It is a very strong state of mind. Though the Cameroonian business owners sometimes stumble and fall, they always get back up. That has greatly impressed me and it proves that BIA made the right choice by choosing Cameroon as its door to Central Africa.

The second thing, and that is a life lesson that can be both general and specific to humans, is about how fragile life, things, relationships, and families can be. The covid-19 has reset our values. In this regard, and I'm very happy to say it, the first message we received from our

CEO, Vincent BIA, was: "Take care of yourselves." That was impressive and our teams felt it here. We were shaken by this period but also came out stronger. Economically, we faced some challenges, but we gained a lot in terms of human relationships.

BC: Many experts affirm that uncertainties similar to that of the pandemic could recur frequently in the future. How is your company preparing to tackle these predictions?

STC: There has been a paradigm shift. We operate in various countries where stability is, I must say, uncertain at times. I am referring to our collaborators in Mali or Guinea for example. At BIA Group, we are a little used to that. We have been active for 120 years and we were born in Congo. However, things are different with this health crisis. We now have action plans to handle specific crises. We have also reached out to health agents to take care of our teams worldwide. We have improved the hygiene component of our Quality Hygiene Security and Environment policy. In short, the way we react to crises has changed and the same goes for the way we evaluate the health conditions of our teams and at our operations. There is one last point. We have understood that everything could stop at any time. Against that, we cannot prepare in any specific way, other than being flexible. This means we must be able to grow, but also to retract when the economic situation calls for it. It is difficult since we have to mobilize substantial material and human resources in our line of work. Nevertheless, flexibility is one of the things we are working on.

BC: Do you have any recommendations for the authorities to improve things?

TC: From an economic perspective exclusively, the government took many steps. For some time, the port of Douala benefited from some incentives. We are importers so we benefitted as well. They helped us continue our operations. We found out that our business could keep running normally with simplified procedures. And personally, I don't think the port or customs office had any complaint about this. Today, the main question is to know how useful these measures would be in a normal period. It is no secret, and credible media outlets such as yours can testify to it, that the port of Douala is losing shares in the regional market and that is very damaging. The measures introduced by the government were much appreciated by businesses like ours and I would like them to be maintained or accelerated even.

I believe this could benefit the authorities of the Autonomous Port of Douala (PAD), and the Cameroonian economy also. Trade creates wealth and a fluid trade is a good thing. Another point is that the ministry of finance has put on hold the auditing of business accounts. As a result, for some months we had a break from the many controls we had been going through; we were able to focus on something else. Throughout this period, we paid as much taxes and duties as we used to previously. In this regard, I would like to urge the authorities to focus on the positive aspects of their incentives and continue in that direction. Furthering these simplification measures is in the interest of businesses and of Cameroon.

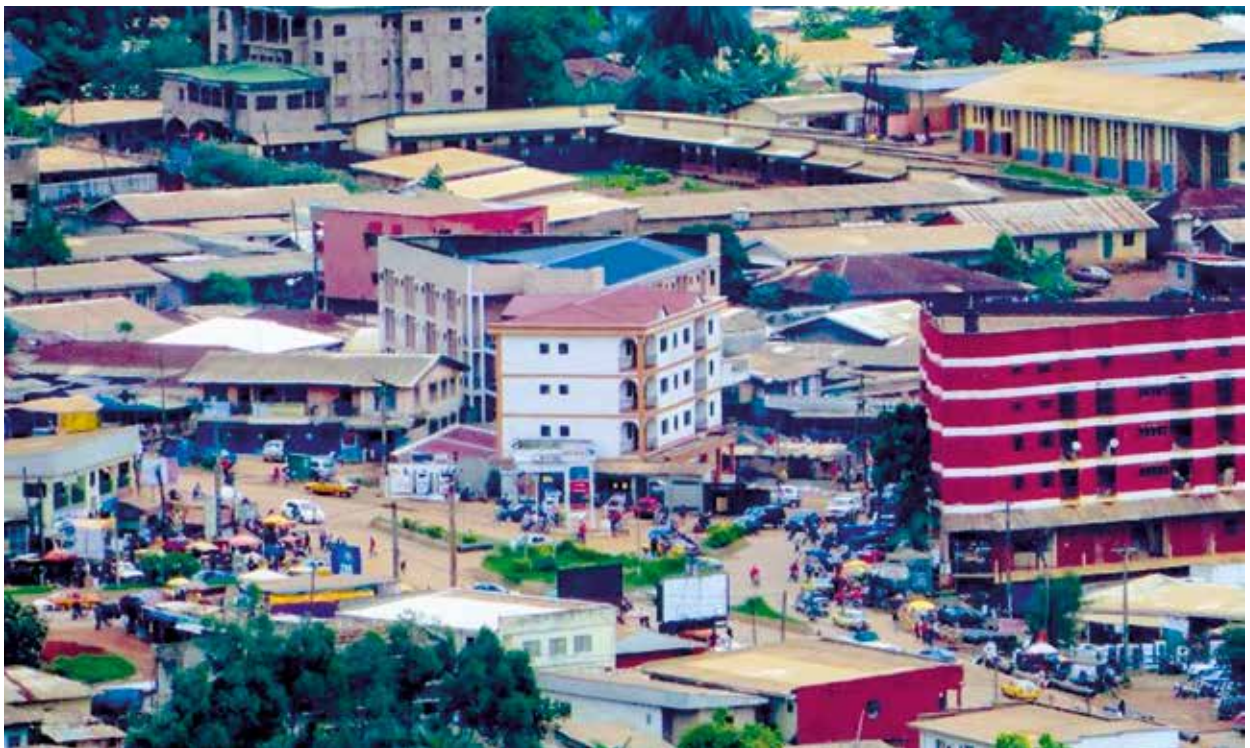


"We found out that our business could keep running normally with simplified procedures. And personally, I don't think the port or customs office had any complaint about this"



PUBLIC MANAGEMENT

10,500 households received cash transfers in October 2020 in the framework of the social program “Filets Sociaux”



In October 2020, money was transferred to the 6,500 households identified in six communities in Bamenda (Northwest) and Limbé (Southwest) in the framework of the project «Filets Sociaux» co-funded by the World Bank, the AFD, and the state of Cameroon to fight poverty. This was revealed by Michelin Njoh, coordinator of the said project. Four thousand (4,000) households in the remaining regions also received benefitted, we learn. This means 10,500 households received financial

assistance in the framework of the project. But the two Anglophone regions, where a sociopolitical crisis is raging (since 2016), are the main beneficiaries of the urgent cash transfers.

This initiative, which targets the poorest households in the country, is aimed at transferring money (XAF180,000 to each household within a year) to help them tend to their families' needs (children's school fees, healthcare, and foods) and create income-generating activities.

Successfully tested between 2013 and 2016 in the communes of Souledé-Roua (Far North) and Ndop (Northwest), the project is now being implemented all over the country. It consists of three programs: a regular and unconditional cash transfer program (XAF360,000 transferred to every beneficiary within 24 months), an emergency cash transfer program (XAF180,000 within 12 months), and High labor-intensive (HIMO) public work programs.

IMF praises Cameroon's transparency in the attribution of COVID-19 procurement-related contracts



On October 21, 2020, when the second disbursement under the rapid credit facility (aimed at helping countries deal with the coronavirus pandemic) was approved for Cameroon, Mitsuhiro Furusawa (Deputy Managing Director and Acting Chair of the IMF) praised the country's transparency in awarding contracts related to the pandemic to companies.

"The authorities have reiterated their firm commitment to the effective and transparent use of public funds and to ensuring that RCF financing and resources freed up by the DSSI are efficiently spent on addressing the pandemic crisis. In this context, steps taken by the authorities to publish the beneficial ownership of companies receiving COVID-19 procurement-related contracts are important," he commented.

Indeed, besides publishing the contri-

butions to the national solidarity fund for the fight against the pandemic, the country also published the amounts allocated to each ministry and a 26-page document detailing all the public procurement contracts it awarded in the framework of the fight against the pandemic.

The document, signed by Alim Hayatou (the Minister of Public Health) provides the purpose, amount, name of the winning company, name of the promoter of the company, as well as the status of the execution of the awarded contract.

Also, according to an authorized source, teams from the Accounts Chamber of the Supreme Court are currently visiting some ministries to audit the use of the financial resources allocated to them in the framework of the fight against the pandemic.

This transparency appreciation is

challenged by some political figures of the opposition who denounce 'opacity' in the use of the Covid-19 funds. MP Jean-Miche Nintcheu (a member of the Social Democratic Front) even suspects some embezzlement. The same accusations are made by some civil society organizations, including Human Rights Watch (HRW). Meanwhile, the semi-annual report that will reveal the government's expenditure for the fight against the coronavirus pandemic and its economic consequences has not been published yet. This report will detail all the financial operations performed. According to the circular issued on July 22, 2020, setting the rules for the operation and monitoring-evaluation of the solidarity fund, the report will be published by the Minister of Finance Louis Paul Motaze.

70% of public investment budget dedicated to the completion of old projects



In 2021, 70% of the public investment budget will be used to finalize on-going projects to «allow Cameroon to meet its growth and emergence goals.» This was disclosed by the Minister of Economy Alamine Ousmane Mey during the October cabinet council held on November 3, 2020, in Yaoundé. According to the minister, priority

will be given to special projects like the 3-year urgency plan, the 2020 African Nations Championship, the AFCON2021, the coronavirus response strategy, 1st generation structuring projects, and the presidential plan for the reconstruction of the Southwest and the Northwest ((PPRD-NW/SW) ...

«To ensure the smooth execution of the selected projects, the public investment projects maturation rules have been scrupulously applied, notably the obtention of the maturation endorsement before the registration of any project in the public investment budget,» official sources indicate.

Only 23.3% of companies are up-to-date with their social security contributions (CNPS)

Only 7,000 (23.33%) of the 30,000 companies operating in Cameroon are up to date with their social security contributions. This was disclosed by the National Social Insurance Fund (CNPS) in a recent briefing note.

«There are about 16,000 socially insured persons we can't cover because their employers own a hefty amount of social contributions to the CNPS. The situation has worsened to the

extent that only one-fourth of the companies operating in the country are up to date,» the CNPS indicates. The companies either fail to register their employees with the CNPS or they avoid paying the social security contributions even though those contributions have been deducted from the employees' salaries. The CNPS explains that 81% of companies with 1 to 6 employees owe social contributions to the CNPS,

while 15% of companies with 6 to 20 employees are not up-to-date. As for companies with 21 to 100 employees, the percentage of defaulters is 3.1% while for companies with over 100 employees, that percentage is 0.2%. To recover the contributions it was owed, the fund launched an extensive campaign in 2016. At the time it was estimating the amount of social security contributions it was owed at a little over XAF60 billion.

Sinking fund estimates public debt at XAF10,164 bln, or 45.8% of GDP at end-Sep 2020

Cameroon's Sinking Fund (CAA) informs that on September 30, 2020, the country's public debt was XAF10,164 billion, representing 45.8% of GDP.

According to the sinking fund, the debt is up by 1.3% year-over-year but down by 0.1% quarter-over-quarter. Meanwhile, compared with its December 2019 level, it is up by 5.7%. It explains that since July 2020, the

scope of public debt has gradually expanded to include the entire public sector (including the debt of public companies and institutions) when the information is available.

In detail, the public sector's external debt is estimated at XAF7,110 billion (including XAF6,681 billion for the central government and XAF429 billion of direct external debt not endorsed by the state). As for the

domestic debt, it is estimated at XAF3,019 billion, including XAF208 billion of over 3 months old outstanding debts.

Overall, 61.3% of Cameroon's bilateral public debt is owed to China (which is its main bilateral partner) and 28.5% to France. As for the multilateral debt, 30.1% is owed to the AfDB, 30% to the World Bank, and 17.1% to the IMF.

Forestry companies hid XAF38.5 bln from the tax administration in 2018-2019



Forestry companies operating in Cameroon hid a total of XAF38.5 billion revenues from the tax administration between 2018 and 2019, according to the October 2020 report on forestry revenues published by the Ministry of Finance.

According to the report, these hidden revenues include the difference between the turnover they declared and the FOB value of their exports as well as the annual forestry tax they did not pay.

Specifically, 30 forestry companies were identified as having declared lower turnovers during the 2018-2019 financial years. In 2018, the amount of undeclared turnover was XAF11.4 billion while in 2019, it was XAF16.7 billion, making a total of XAF27.8 billion over the two financial years, the report explains.

Also, by comparing the annual forestry tax paid by the companies and the amount stated in their financial offers, the ministry identified 75

companies (over 158 with at least one forestry exploitation permit) as having possibly omitted paying annual forestry taxes between 2018 and 2019. It also estimates that the volume of the unpaid taxes was XAF5.2 billion in 2018 and XAF5.5 billion in 2019, making a total of XAF10.7 billion of unpaid annual forestry tax during the two fiscal years.



FINANCE

Cameroon plans fiscal measures to encourage companies to get listed on the Bvmac

In the framework of the 2021 finance law, the Cameroonian government plans to initiate numerous fiscal measures aimed at encouraging companies to get listed on the regional stock market. The government will suggest the measures during the coming parliamentary session, which will start on November 12, 2020. According to the draft government text, companies that list their ordinary shares on the Central African Stock Exchange (Bvmac) will benefit from a 25% reduction of corporate tax and a 1.5% reduction of the alternative minimum tax. Also, companies that issue securities on the

Bvmac bond market will benefit from a 25% reduction of the corporate tax. Companies that are reputed for issuing public initial offerings per the provisions of the Ohada Uniform Act relating to commercial companies and economic interest groups, and agree to list or exchange all or part of their equity or debt securities on the Bvmac listing will benefit from a 25% of corporate tax. This reduction will start from the date their securities are admitted on the stock exchange. As of July 31, 2020, the market capitalization of the Douala-based Bvmac was XAF149.5 billion. Only four companies operating in the CEMAC

region were listed on the exchange. They are namely Cameroonian companies SEMC, Socapalm, Safacam, and Gabonese company SIAT Gabon. This means that many companies are still reluctant to get listed on stock exchanges.

Let's note that on the equity segment, the market capitalization of securities listed on the Bvmac represents only 1.1% of Cameroon's GDP while in Côte d'Ivoire and Nigeria, it represents 15.7% and 7.7% respectively, according to the Absa Africa Financial Markets Index 2020.

Cameroonian startup Adwa partners with Gabonese counterpart Fedha to launch fully digital bank in Central Africa

On the sidelines of the 3rd edition of Douala Fintech Tour, Cameroonian startup Adwa announced the signature of a partnership agreement with Fedha, a Gabonese startup. According to its promoters, this agreement is aimed at meeting three main objectives over the next five years. They are namely, to digitalize and monetize 10,000 companies in the Central African sub-region, bid in tandem for fintech solutions from large companies and organizations in Africa, and develop a fully digital bank for the Central African sub-re-

gion, we learn officially. *«Through this new partnership, the Central African sub-region (with over 70% of the population excluded from the banking system) will be able to facilitate access to financial services for these dynamic men and women who are eager to contribute to the development of our continent,»* the two partners said in an official statement. As a reminder, both Adwa and Fedha are leaders in their domestic markets and are focused on financial inclusion. Thanks to the agreement,

they will combine their strength and experience gained in Gabon and Cameroon to boost access to financial services on the African continent, we learn. It is also worth reminding that Adwa is the promoter of payment solution AdwaPay. Also, Douala Fintech Tour is an exchange platform bringing all the digital finance players together. It will be held on November 5-6, 2020 on the premises of Cercle Municipal in Bonanjo, Douala.

Cameroon plans to raise its bancarization rate to 80% by 2030

Cameroon intends to boost its bancarization rate from 12.2% to 80% by 2030, according to the 2020-2030 national development plan.

To achieve this, the country plans to initiate measures to substantially increase the volume of bank loans to economic actors from 15.9% of GDP (in 2018) to at least 70% of GDP in 2030. The measures are namely tailored towards the improvement of offers from the Central Bank, commercial or retail banks, micro-finance institutions, and Islamic banks.

For the time being, the country's bancarization rate is lower compared to the African average of 29% (this rate is almost 100% in industrialized countries). Moreover, with the ratio of loans to economic actors being 15.9% of GDP (in 2018) and money supply being 23.5%, the current financial system is inadequate for industrialization in the country, the development strategy informs. Indeed, in some South Asian countries, the ratio of loans to economic actors is 119.4% and the money supply is 124%.



Government and decentralized authorities still have XAF976 bln in Commercial banks despite the single treasury account reform (MINFI)

In late August 2020, Cameroon's central government and the decentralized local authorities still had XAF976 billion in commercial banks, according to figures published by the Ministry of Finance. This high volume points to the reluctance of many public actors to embrace the reform instituting the Single Treasury Account, created to centralize all the public resources for efficient management.

While the financial envelope held by the central government and the decentralized local authorities in commercial banks decreased sharply

between 2017 and 2018, it resumed its steady rise in 2018. Indeed, in 2017 it peaked at XAF1129 billion but dropped to XAF935.4 billion. It then rose again to reach 958.8 billion as of December 31, 2019.

According to the Ministry of Finance, this reluctance of state entities and their territorial divisions to integrate the Single Treasury Account is due to the fear of losing control over their resources. The most rebellious ones include state-owned firms, public institutions, and decentralized territorial authorities. For the local authorities, they fear the delays

already observed during the transfer of additional municipal taxes by the public treasury would extend to other communal resources once they start lodging their resources in that single account.

Meanwhile, to avoid undermining the banking system, which is expected to lose a significant volume of deposits following the adoption of the single account, the Cameroonian government has announced a schedule for the gradual repatriation of public entities' assets, held by commercial banks, to the single Treasury account.

CAA estimates Sonara and Camair Co's debt at XAF826 bln as of Sep 30, 2020



Camair Co and Sonara are the most indebted public companies in Cameroon, according to the recent note on public debt published by the National Sinking Fund (CAA). The note explains that out of the XAF833 billion of public companies' provisional debt, XAF826 billion is owed by the two companies. With XAF704 billion of provisional debt, Sonara owes the majority (as it has been doing for years now) while Camair-Co owes XAF122 billion. The CAA indicates that the provisional estimate is not complete yet, since it is still collecting information to evaluate the real extent of public companies' and institutions' debts.

This means that the final estimate of public companies' debts on September 30, 2020, would be higher than the current estimate given the problems they encountered lately and given their history of underperformance. For instance, the Technical Commission for the Rehabilitation of Enterprises in the Public and Para-public sectors recently revealed that in 90% of the public companies, employment costs exceed 30% of yearly turnovers and sometimes go as high as 70%. In 2017, the Ministry of Finance estimated the 37 public companies' debts at XAF2,624.4 billion. At the time, Sonara, Camtel,

Camwater, Electricity Development Corporation, and Sodecoton were the five most indebted public companies. Sonara's debt was XAF763.2 billion, XAF554.5 billion for Camtel, XAF352.4 billion for Camwater, XAF140.4 billion for Electricity Development Corporation, and XAF113.1 billion for Sodecoton. On October 11, 2019, U.S. rating agency Moody's published a report on Cameroon's economy. In its report, the rating agency estimated that public companies' debts were weakening the government's efforts to consolidate public finances.

Cameroon plans to boost financial service offers by increasing the number of banks and microfinance institutions by 2030



Cameroon plans to increase the number of banks and microfinance institutions operating in its territory twofold, according to the 2020-2030 national development strategy. «*The offer of financial services will be boosted by the implementation of a program aimed at transforming microfinance institutions into commercial or retail banks to increase the number of banks from 16 to 30 by 2030. The program will also make sure all the retail banks comply with*

the rules on the minimum guaranteed banking service,» the development strategy informs. Also, in light of the rising popularity of Islamic finance worldwide, the country plans to encourage the central bank (BEAC) and the banking commission (COBAC) to regulate Islamic finance to diversify the financing offer. Besides, the strategy expects to boost financial inclusion by developing and

increasing the number of microfinance institutions. In that regard, the government will help them develop their activities in all of the 10 regions, ensure their financial stability (boost their agency networks) and strengthen their supervision. The number of institutions operating in the country could rise from 500 in 2017 to 750 in 2030, the strategy projects.

AFG C&EA's local branch increases capital by XAF5 bln

On October 29, 2020, the Cameroonian branch of pan-African Atlantic Financial Group Central & East Africa (AFG C&EA) announced its decision to increase its capital from XAF1 billion to 6 billion. The branch headquartered in Douala did so by issuing 500,000 new shares of XAF10,000 each. It also appointed Ivorian Daniel Toure as mana-

ging director of the branch, Moore Stephens CA as the statutory auditor, and Prosper Robert Nken as the alternate auditor. Also, the holding amended its statutes in compliance with the OHADA uniform act (2014) and the law N°2014/007 of April 23, 2014, on share dematerialization in Cameroon.

AFG C&EA is part of pan-African holding Atlantic Financial Group founded by Ivorian businessman Koné Dossongui (photo) in 1978. It has stakes in various sectors in Africa including bank, insurance, telecom, and agribusiness. In Cameroon, AFG C&EA operates in the bank and finance sector via Banque Atlantique and Atlantique Assurances.



AGRIBUSINESS

The EU boosts daily milk processing capacity by 2k liters in the north with a XAF6.5 bln program



On November 5, 2020, Dr. Taïga (Minister of Fisheries and Animal Industries) and his peers in charge of Agriculture and Economy inaugurated a mini dairy plant in Maroua, northern Cameroon. This event marked the launch of Maroua, Garoua, Ngaoundéré, and

Meiganga mini-dairies financed by the European Union to the tune of XAF6.5 billion in the framework of a dairy sector development program. According to the European Union, the program will boost milk processing capacity by 2,000 liters daily in the country. Also, the nutritional

quality of beneficiaries will be improved thanks to the local production and sales of pasteurized milk, yogurt, table butter, fresh and ice cream, and cheese. It will therefore provide substantial added-value to the local cattle breeding and significantly reduce the importation of dairy products. Also, the program will create about 120 permanent jobs and hundreds of indirect jobs in four regions. The European Union delegation in Yaoundé explains that the dairy support program is the last component of an Agricultural Productivity Enhancement Program (SAPEP) funded by the EU to the tune of XAF13.11 billion. The two other components are aimed at crop diversification in cotton production areas and reviving the cocoa-coffee sector. The launch of those mini dairy plants marks the successful completion of the SAPEP program.

Ex-MP Mohamadou Gassimou becomes Director-General of the National Cereal Board

Mohamadou Gassimou was recently appointed Director-General of Cameroon's National Cereal Board. The official who previously served at the Port Authority of Douala and has also been an MP for the ruling party was appointed by a decree signed on November 5, 2020, by the President

of the republic. The same day, the president signed a second decree appointing Nana Djibrilla as Deputy Director-General of the cereal board. Mohamadou Gassimou replaces Gilbert Gourlemond, who spent over 20 years at the board which is a key institution in the fight against hunger

in the three northern regions where the climate is harsh and cereals are the staple foods. The board buys cereals in production areas and sells them at affordable prices when there is a shortage or during hunger seasons.

Felling tax: Cameroon recorded a revenue shortfall of XAF9.9 bln in 2018-2019

In Cameroon, 68 forest operators probably do not pay felling taxes and at least 29 of them do not even have tax identification numbers, according to PSRF, the national program set up by the Ministry of Finance to secure forest revenues. Based on that assumption, the program estimates the revenue

shortfall caused by those operators to be XAF9.9 billion between 2018 and 2019.

The tax is either paid by the client or withheld at the source (by the PSRF or by the large companies division of the general tax directorate) for logs purchased from third parties. Since 2019, the rate of the tax is 4% of the

FOB value of the logs felled. But, in June 2020, local wood exporters' association GFBC suggested the government should reduce the felling tax to the level it was in 2018 (2.5% of the FOB value) because of the negative impacts of the coronavirus pandemic in the sector.

Banana exports rose by 581 tons YoY in Oct 2020



Cameroon exported 16,534 tons of banana in October 2020, according to data compiled by the Cameroon Banana Exporters Association (Assobacam). These exports were up by 581 tons compared with the 15,953 tons the country exported during the same period in 2019. The rise is notably due to the activity resumption of Cameroon

Development Corporation (CDC), the state-owned agribusiness which resumed operations in June 2020 after about two years of cessation (it stopped operations in September 2018). In October 2020, CDC exported 781 tons of banana, against 1,312 tons a month earlier. Plantations du Haut Penja (PHP), leader of the local market, exported

14,650 tons of banana during the reference period, down by 45 tons year-over-year.

The banana exports of Boh Plantations, the minions in that market, dropped by 155 tons, going from 1,258 tons in October 2019 to 1,103 tons a year later.

Safacam's caoutchouc sales dropped by 746 tons YoY in H1-2020 due to the coronavirus pandemic

BVMAC-listed company Société africaine et forestière agricole du Cameroun (Safacam) announced the sales of 2,502 tons of caoutchouc in H1-2020. Year-over-year, the performance was down by 746 tons compared with the 3,248 tons of caoutchouc the company sold in H1-2019. The company's drop in sales was due

to the coronavirus pandemic still affecting the world. Indeed, apart from the confinement that affected the demand for commodities worldwide, the confirmation of the first case in Cameroon in March 2020 forced the implementation of restrictive measures that caused loading problems at the port of Douala (the main port

platform in Cameroon). Safacam explains that the drop in its caoutchouc exports has had no significant impact on its financial performances: high palm oil sales namely. During the reference period, Safacam's palm oil sales rose by 2,641 tons, from 9,787 tons in H1-2019 to 12,428 tons in H1-2020.

GIZ seeks farm equipment supplier for a cocoa development project

The German Agency for International Cooperation (GIZ) recently issued a call for tenders to select a company that will supply farm equipment in the framework of a cocoa development project (Projet d'appui au développement du cacao-PAD-cacao). The interested candidates are expected to submit their applications at GIZ headquarters in Yaoundé, by November 17, 2020, while the winner will be announced on November 30, 2020.

Born from the restructuring of the Ministry of Agriculture and Rural Development's projects and programs in early 2020, PAD-cacao is one of the government initiatives funded by the public investment budget, the cocoa-coffee development fund (Fodecc), and development partners.



ENERGY

Cameroon intends to increase installed energy production capacity to 5000MW by 2030



Cameroon plans to increase its installed power generation capacity to 5,000MW by 2030 to meet local energy demand and even export the excess production to neighboring countries. This was revealed in the country's 2020-2030 national development strategy.

In that regard, the country will carry on its energy mix development policy by boosting hydroelectric, solar, thermal and biomass energy production capacities.

As far as hydroelectric energy is concerned, the government will continue to develop production faci-

lities through the implementation of ongoing dam construction projects. Priority will be given to projects being implemented via public-private partnerships or by independent power producers. The said projects include the Upstream Nachtigal Hydroelectric Project (420 MW), the Bini A Warak (75 MW) Menchum (72 MW), Song Dong (270 MW), Grand-Eweng (1,800 MW), Katsina-Ala (485 MW), Makai (350 MW), Mouila-Mogue (420 MW), Kikot (450 MW), Njock (200 MW), Ngoila (84 MW) and Cholet (600 MW) projects.

During the first phase of the govern-

ment's development strategy called «Vision 2035,» Cameroon's installed capacity increased from 933 MW to 1,650 MW. Compared to the 3,000 MW target for 2020, this is down by 1,350 MW. In urban areas, the electricity access rate reached 90%, against 20% for rural areas. Nonetheless, there are recurrent outages that deprive customers of energy. The outages are caused by the obsolescence of energy transport and distribution networks due to which 40% of the production is lost.

INFRASTRUCTURES

Camship-CLGG launches its 1st Kribi-Douala maritime cabotage line



On November 3, 2020, the first container ship of the Cameroonian company Camship-CLGG berthed off the coasts of Mboro, home to the deep seaport of Kribi, in southern Cameroon. According to official sources, the 600 TEU ship was thus performing the inaugural trip of the weekly Kribi-Douala cabotage line recently launched by the local company.

«Cabotage is the transport of goods or passengers between two ports in the same region in a given country. Camship-CLGG chose to launch a cabotage service for containerized goods between the ports of Kribi and Douala, at the constant request of our importing and exporting clients, and even major shipping lines. Road transport was no longer sufficient first because of volume issues (we could not transport many containers per trip) and secondly because of the security (roads have become less secure due to the rising number of vehicles and trucks). There is also the issue of costs, which are not always affordable when it comes to road transportation,» explains Angélique Béatrice

Touenguene, Assistant General Manager of Camship-CLGG. According to the operations schedule, every Tuesday, a ship will depart from the container terminal of the deep seaport of Kribi. Another ship will depart every Saturday from the Port of Douala, which is currently the main gateway for goods entering the country.

Camship-CLGG is a merger between Camship (Cameroon Shipping Lines - the state-owned shipping company that was privatized in 1997) and Consignation et logistique du Golfe de Guinée (CLGG).

«Cameroon Shipping Lines chose the trade name CLGG for port trades during the economic crisis that lasted until 2007. Camship-CLGG is now the trade name chosen to mark the return of the state-owned shipping line in the port industry. By reviving the company, we are returning to our core business within the maritime transport industry. We are also launching a service that was inexistent: cabotage of containerized goods between the ports of Kribi-Mboro and Douala-Bonabéri,» says Georges Njoya, the

Director-General of Camship-CLGG. In addition to helping avoid the transportation of goods via the road network, cabotage (which has been highly expected since the start of operations at the deep seaport of Kribi in early 2018) allows large vessels that are unable to access the port of Douala (because of the low draught of the inland waterway) to unload goods in Kribi. These goods will then be transported to Douala through the cabotage service. Port authorities intend to extend the service to the Port of Limbé, in the Southwest. To this end, Patrice Melom, Managing Director of the Port Authority of Kribi (PAK), and his counterpart Cyrus Ngo'o of the Port Authority of Douala (PAD) reached a joint decision on 24 August 2020. This decision was aimed at reorganizing the project team "whose objective is to coordinate and optimize the actions carried out for the implementation of a maritime cabotage service between the ports of Kribi, Douala, and Limbé," the official announcement indicated.

INDUSTRY

Government announces strategic merger between Sodecoton and Cicam to create an industrial cotton-textile pole by 2030

In the framework of its 2020-2030 national development strategy, Cameroon announces that there will be a strategic merger between Société de développement du Coton (Sodecoton) and Cotonnière Industrielle du Cameroun (Cicam). According to the development strategy, this merger will create an integrated industrial pole in the country's

cotton-textile industry. In that regard, the national cotton production will be raised to 600,000 tons/yearly by 2025. The strategy also plans to increase the volume of cotton fiber transformed to 50% of the production by 2030, develop clothing (sports notably) manufacturing industry able to meet about 50% of the national demand, and supply the

Grand Corps of the State (the military, police, civilians, etc..) with clothing that uses at least 60% of the local cotton.

Also, the government will explore the potential for the revival of tanneries and leather products manufacturing industries.

SME promotion agency APME supports a XAF5.2 bln project in the metal sheet production sector

Groupe Sylvano SARL recently signed an accompanying agreement with the SME promotion agency APME for the extension of its sheet metal production plant. Thanks to this agreement, the project

will benefit from various tax-customs, administrative, and financial facilities through the APME's single window for investment incentives. But, to access all these incentives, Groupe Sylvano SARL will have to

scrupulously respect the about XAF5.2 billion investment plan agreed upon, accept periodic inspections and publish annual activity reports, APME's General Director explained during the agreement-signing ceremony.

Cameroon plans to build its 2nd oil refinery in Kribi

Cameroon plans to build another refinery. Indeed, SONARA (which was the only refinery in the country) was the victim of a fire outbreak on May 31, 2019. Therefore, the country plans to create a duopoly in the hydrocarbon sector.

For that purpose, in its 2020-2030 national development strategy, the government introduced a *«viable project for the construction of a new and*

large refinery in Kribi.» Thanks to the about 5 million tons/year refinery, the government plans to at least supply the CEMAC region. The financing model chosen for the project is a public-private partnership. Kribi was chosen to host the refinery because of the presence of the floating LNG plant Hilli Episeyo. With a yearly production estimated at 1.2 million tons, the floating unit was

built to launch Cameroon's LNG production before the construction of an LNG production plant, not far from the Kribi deepsea port. Hilli Episeyo, which is the result of a XAF700 billion investment from Golar LNG, also produces 30,000 tons of domestic gas every year and 5,000 barrels of condensate daily.



TIC & TELECOM

Cameroon plans an incentive tax framework for innovative ICT startups



Within the framework of the 2021 draft finance Law, the Cameroonian government is preparing a fiscal incentive framework for innovative ICT start-ups supported by approved management centers.

During their incubation phase (which cannot exceed 5 years) the start-ups will benefit from an exemption from all taxes, duties, fees, and royalties, except for social security contributions. At the end of the incubation phase and in case the start-up

is sold, a reduced rate of 10% will be applied to the profits.

In case the benefiting start-up enters the exploitation phase, it will be exempted from business tax (for five years), registration fees on the establishment, extension, or capital increase deeds as well as taxes on employer charges and salaries, except for social contributions. The draft text also provides for the reduction of corporate tax to 15%, a 50% reduction of the minimum cor-

porate tax as well as a provision of an income tax credit amounting to 30% of the amount spent by the benefiting company on research and innovation (the benefiting amount should not exceed XAF100 million). Also, the tax applied on income from movable capitals will be reduced to 5% for the dividends paid to the innovative tech companies' shareholders and interest paid to investors.

After the fifth year of operation, an ordinary tax regime will be applied.

BEAC orders operators to stop using airtime credits as payment



The association of Cameroon's mobile network operators (AOTMC) recently got a taste of its own medicine. Indeed it recently referred to the Bank of Central African States (BEAC) for its arbitration in a project initiated by the Cameroonian government. The said project was aimed at collecting customs duties on mobile phones and tablets by directly deducing users' airtime (ed. note: the said project was finally abandoned). The BEAC's reply was somehow unexpected. The central bank first disproved the Cameroonian government's project but it also asked operators

not to deduce users' airtime for any other purpose than communications and data subscription. "Please note that airtime credit is a commodity, product, or service, which can only be used for telephone services and, although they have a market value, they are not payment means or currencies. They are created by companies that are not payment service providers authorized to issue and manage means of payment. Airtime credits are therefore not, in the state of the applicable Community regulations, either paper money, electronic money, or payment instruments or means," the governor

of the BEAC wrote in a letter dated October 29, 2020. "The BEAC takes this opportunity to instruct members of your association and all of the mobile service providers in Cameroon and the CEMAC region, in general, to avoid presenting, exploiting or using airtime credits as electronic money confusing users who would assimilate it with the legal currency in force in the CEMAC member countries," the governor adds. Let's note that, in Cameroon, many telecom experts were astounded by some of the arguments provided by operators to disprove the government's project. First, the operators presented the technical problems of the platform developed by the government's partner in that project (Arintech). They also indicated that there were threats to the protection of subscribers' data and claimed they would lose up to 20% of their turnover because of the reform. Finally, they explained that airtime credit is not a payment means in the CEMAC region. Yet, most of these operators and their partners use those credits as payment means for value-added services. Such services include sports and road safety news, medical advice, and music. With the BEAC's reminder, operators and their partners will have to devise a new payment means for those added-value services much to the delight of users, some of whom usually complain about the abrupt depletion of their airtime credits.

MTN Cameroon recorded XAF59.9 bln turnover in Q3-2020, up by 27% YoY

MTN Cameroon recorded a ZAR1.73 billion (XAF59.9 billion) turnover in Q3-2020, according to the data MTN Group disclosed for its investors on the Johannesburg Stock Exchange. Year-over-year, this performance is up by 27% and it is the best contribution the Cameroonian subsidiary made to the revenues of the South African group since Q1-2019. The Q3-2020 performance was due to many factors. One of the most important factors was the evolution of exchange rates between the two countries' currencies (South Africa

and Cameroon). During the period under review, the South African Rand (ZAR) lost 15% of its value compared with the XAF. In Q3-2019, 1ZAR was XAF40.76 but in Q3-2020, it was XAF34.6. This factor boosted the turnover when MTN Cameroon's turnover was converted into ZAR. Apart from the currency fluctuations, MTN Cameroon did well during the reference period. Over Q3-2020, it gained 445,000 new clients but from Q3-2019 to date, the number of clients added is about 1.56 million. Also, the average turnover per client

has improved even though it is not close to the previous highs.

"Within WECA (ed.note: West and Central Africa regions), the recoveries of MTN Cameroon and Ivory Coast are now entrenched and these businesses are now on a solid footing for future growth," said Ralph Mupita (CEO of MTN Group) while commenting on his group's quarterly performances for investors. Let's note that MTN Cameroon is the group's second-largest market in the WECA, after Côte d'Ivoire.

Customs seize 2,000 phones in Ngaoundéré



Cameroon's customs agents recently seized 2,000 contraband cell phones in Ngaoundéré, the regional capital of Adamaoua, according to regional tri-weekly *Ceil du Sahel*. A customs official of the Ngaoundéré customs section explains that the cellphones were seized during a traffic control at the customs checkpoint

at the entrance of Ngaoundéré. This seizure comes at a time when the collection of customs duties and taxes on mobile phones and tablets is raging in the country, with plans to set up a controversial new collection mechanism (which has finally been temporarily suspended on instructions from the head of state).

Instead of the controversial reform (that would have allowed customs to increase the tax revenues from mobile phones and tablets by 2,500% within a year), the Cameroonian customs administration strengthened its control over the importation of mobile phones and tablets in the country.

SERVICES

Cameroon eyes 3.5 mln yearly tourists, by partnering with the private sector and international investors

Currently considered as a tourist destination because of the over 1 million tourists it receives yearly, Cameroon plans to increase the number of tourists visiting it to 3.5 million tourists/year, according to its 2020-2030 National Development Strategy. To achieve this, the government intends to rely on the private sector and international investors. The projects considered are aimed at diversifying the tourism offer and promoting luxury tourism such as

golf courses, water sports, etc... Furthermore, to promote the development of tourism, the Cameroonian government will define and organize investment priorities (public and private) around two or three flagship tourism products. It will also gradually disengage itself from the management of hotel establishments and provide incentives for the development of Public-Private Partnerships in tourism, handicraft, and cultural services.

Also, the country plans to strengthen the tourism offer by facilitating hotel investments and promoting cultural sites and events.

Still, according to the development strategy, the State will organize actors in the sector, set up an information system to inform tourists about products available, further the population's tourist culture, and ensure the application of service standards in the hospitality sector.

Kiro'o Games launches its first mobile game on Play Store's Early Release

Cameroonian video game development company Kiro'o Games announces that its first mobile game is available on Google Play's "early access" (that allows users to try the game before its official release). According to Olivier Madiba (promoter of the startup), the game entitled "Le Responsable Mboa" allows the player to take on the role of the high-ranking official of a fictitious republic named "Mboa".

"This is the first time in world history that the life of the African elite is depicted in a video game by an African studio. Beyond the satire

(albeit respectful), we are offering the youth the opportunity to experience the temptations and consequences of social problems like corruption, modern couple management, etc."

In an official release, Kiro'o Games indicates that barely a week after being put on Playstore, "Le Responsable Mboa" has been downloaded 3,300 times with some very positive comments praising the quality of the game.

With "Le Responsable Mboa," Kiro'o Games (which developed "Aurion l'Héritage des Kori-Odan," the first made-in-Cameroon video game,

in 2016.) enters the African mobile game market. This new development was facilitated by a XAF190 million envelope the startup raised via crowdsourcing in 2019. Indeed, the startup explains that during the crowdfunding campaign, it raised XAF190 million from 258 people out of a XAF473 million investment pledge from 693 people. "After the fundraising, Kiro'o Games launched Aurion comic books on Amazon but [up to now], there has been no mobile game initiative," the Cameroonian start-up explains.



LEADER OF THE MONTH

CAMEROONIAN DAVY NZEKWA BECOMES THE CHIEF ADMINISTRATIVE OFFICER OF COFINA CONGO



Pan-African meso-finance group COFINA officially announced the appointment of Cameroon citizen Davy Nzekwa as chief administrative officer (CAO) of its subsidiary in Congo. Before his appointment, the new CAO was director of human resources for COFINA group and deputy managing director of COFINA Gabon.

Since October 1, 2020 (when he officially assumed his role as CAO for COFINA Congo), Davy Nzekwa has initiated actions to revive the subsidiary which “experienced some ups and downs because of internal and external factors,” credible sources indicate. Let’s note that M.Nzekwa has assu-

med office in a context marked by the coronavirus pandemic, which turned into a real economic crisis for numerous countries and has had devastating impacts on companies, SMEs especially.

“As one of my mentors was telling me, (...) in light of the Covid-19 and economic crisis in Congo, this is not an easy task I am being entrusted with. My answer was that we should first accept the challenges that keep us up at night because they are the only ones that help us realize our full potential and subsequently grow,” the newly appointed CAO commented.

COFINA group describes itself as a meso-finance specialist. This relatively new concept is aimed at offering retail financial services to SMEs and individuals that do not have access to mainstream financial services. The group has a network of microfinance institutions across African countries such as Senegal, Guinea, Côte d’Ivoire, Congo, Mali, and Gabon. The group nevertheless plans to extend its network to 16 other countries over the coming years.

Apart from the microfinance institutions, the COFINA group also controls Cash Point Services (CPS), which provides retail financial services and products to companies that are leaders in their respective sectors.

Brice R. Mbodiam

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