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Cameroon aims to win Swiss investors



Louis Paul Motaze says Cameroon has enormous potential (Jean Noel Woumo)
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by **Isolda Agazzi**, swissinfo.ch

Cameroon is on a charm offensive to attract Swiss investors in raw materials, agriculture and infrastructure.

Bilateral trade is still quite modest, but two Swiss companies active in the central African country discovered the market potential in the region.

"Cameroon wants to become an emerging country. We might not be a big player but we aim to copy the model of Switzerland," said Economics Minister Louis Paul Motaze during an event in Geneva.

"Cameroon is the engine and gateway into the central Africa market with its 150 million consumers," he explained.

However, so far Swiss investors have not been too keen to jump in.

"Trade between the two countries is rather weak, which is astonishing," said Philippe Meyer of the Geneva chamber of commerce.

"Cameroon is one of the few African countries with a very investor-friendly conditions. There are opportunities in the petrol industry, agriculture and the energy sector as well as in environmental technologies and the exploitation of natural resources."

Despite a certain reticence, Rainbow Unlimited, the organisers of the Geneva event, have noted a growing interest among Swiss firms, notably small and medium-sized enterprises.

"The football World Cup [held in South Africa last year] was a factor," said Rainbow's Thomas Seghezzi. But he points out that there is a growing middle class with purchasing power, as studies by consultancies including McKinsey found.

Agricultural

Motaze says Cameroon is primarily an agricultural country with an enormous potential – albeit based on old-fashioned production methods.

"We produce only ten per cent of our rice ourselves and that's not good," he admitted.

"This is why Cameroon is looking for investors to increase output and process our products in the country."

Marthe Angéline Mindja, director of the investment promotion agency, stresses the need to review the current cycle whereby agricultural produce is first exported to be refined or processed and then returns to Cameroon "at ten times the price".

The aim for Cameroon must be to become a self-sufficient producer of food, she said, and investments have to help feed the local population first and foremost. Export should be limited to surplus production.

"We are a country with plenty of raw materials, including petrol, diamonds, nickel, cobalt and uranium," Motaze said.

The second-most important export product, behind petrol, is wood. But Cameroon wants to ensure that it is processed inside the country which helps create jobs and wealth, he added.

Motaze acknowledged that there are problems for companies hoping to do business in Cameroon.

"We have to be honest. We do not yet have a good reputation. There is a lack of infrastructure and energy, even if we have the second-biggest potential for hydroelectricity."

Latest technologies

The Swiss food multinational Nestlé has been investing in Cameroon to benefit from the regional market. It found highly talented and skilled manpower – a quality widely recognised by investors, says regional director for central Africa, Stéphane Nordé-Latour.

Still there are considerable challenges. "Africa jumped straight to the 21st century and skipped the evolutionary technologies. Mobile phones allow us to know any time what our employees are doing in the remotest village," he said.

"Our employees want the latest technological gadgets. We can almost monitor in real time our 35,000 shops and selling points in all of Douala [Cameroon's largest city]. I can tell you how many cups of coffee were served at the 61 petrol stations yesterday."

Nordé-Latour added: "We apply the same quality standards, technology and labour conditions like elsewhere in the world."

Mobile internet

The Swiss company 4Gafrika was a pioneer in new technologies and became the first to operate the 4G mobile internet system in sub-Saharan Africa.

"With his computer for \$150 (SFr132) the small shopkeeper can now call Nestlé to order a few more kilograms of Maggi seasoning," said CEO Dov Bar-Gera.

The company manages 45 base stations selling products starting at SFr1.50 a month for access to the internet. 4Gafrika employs local staff and entrusts a local firm with assembling the equipment.

"The quality of the work is often comparable with that in Europe. But it only costs about a third. What's more, the opportunities for investment are unlimited. The country needs more technology, infrastructure and technical support," Bar-Gera said.

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(Adapted from French by Urs Geiser)

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