

# THE NATIONAL HYDROCARBONS CORPORATION (NHC) (SOCIETE NATIONAL DES HYDROCARBURES (“SNH”): NECESSITY OF POLICY CHANGES

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## ABSTRACT

The objective of this paper is to explore the National Hydrocarbons Corporation (NHC) (Societe National Des Hydrocarbures (“SNH”) a group, as it holds shares in various companies operating in the petroleum, para-petroleum and related sectors in Cameroon. Its portfolio includes 12 companies.<sup>i</sup> Does the involvement of SNH into other activities other than the oil and gas industry of any utmost interest to the National Hydrocarbons Corporation in particular and Cameroonians in general? From all indications, the State Corporation has been transferring huge sums of finances into the Public Treasury<sup>ii</sup> as well as balancing the economy of the country. In addition, government appears irrevocably committed to the implementation of deregulation of the petroleum sector as the only viable option for the survival of the oil industry, while one feels strongly to support government in principle even though one believes that several other options are available to achieve the same results, - availability of fuel at all times.

**Key-Words:** *The National Hydrocarbons Corporations, Subsidiary, Partners, Hydrocarbons, State Interest, Deregulation*

## INTRODUCTION

The significance of petroleum to Cameroonians can only be fully appreciated when one realises the dominant role it plays in our economy and the society.

In Cameroon petroleum exploration can be traced far back in 1947 by the French company known as Le Bureau francais de recherche petroliere. In 1952, the first exploration licence (OL) was awarded to ELF Serepca Company and in 1955, the first commercial oil was discovered

in the Logbaba and Souellaba area located in the Douala-basin situated in the Litoral Region of Cameroon.<sup>iii</sup>

Later Mobil, Royal Dutch/Shell and Total also began to explore. With discoveries in Nigeria's Niger Delta area in the late 1960's, focus shifted from the Douala Basin to the Rio Del-Rey Basin, where in the 1970's a number of discoveries were made: Asoma, Bavo, Betika, Ekoundou, Eole, Kombo and Makoko. Production at Rio Del Rey Basin reached the peak of its production with 158.000 bpd but then started to decrease which then meant that exploration focus returned to the Douala Basin in the 1980s. This resulted in discoveries of condensate and gas: Batanga, Benda, M'via and N'Koudou.

Undoubtedly, oil in commercial quantity was discovered in Betika located in the Rio Del Rey Basin in 1972. But it was in 1977 that the country Cameroon acquired the statute of a petroleum producing nation as the result of the production of tons of oil from the Kole Field found in the Rio Del Rey Basin.<sup>iv</sup> This Central African Country became a modest crude oil exporting country in 1971 with production peaking 185.000bpd in 1986. From 1987, Cameroon oil production started declining gradually and between 1990/1991, it had almost a steep decline which got to its climax by 1994.<sup>v</sup>

## **STATE PARTICIPATION IN THE OIL INDUSTRY IN CAMEROON**

State participation in Cameroon began with the creation of the National Hydrocarbons Corporation (NHC) ('SNH') in 1980,<sup>vi</sup> which was among the first in the country. It may be said that the actual participation of the Cameroonian government through its agency in the activities of the transnational petroleum corporations based in Cameroon was hastened by certain remote and immediate factors.

The Cameroon oil sector is mainly active offshore, more precisely in the Niger Delta, South-West of the country close to the Nigeria border (and its huge petroleum fields). Many of the producing offshore fields are considered as being linked to Nigerian producing offshore Niger Delta fields. According to the US Energy Administration, Cameroon is ranked 57<sup>th</sup> in oil producing countries.

Activities in the downstream sector of the petroleum industry consist of refining, supply and distribution. Activities in the downstream sector include refining, petrochemicals, and

transportation, all of which are controlled by government and indigenous operators. The sector has always had problems over the past years, as the Government could not properly maintain the country's lone refinery<sup>vii</sup> and supply of fuel nationwide.

The level of State participation in case of commercial hydrocarbons discovery is specified therein, as well as the work programmes to be conducted, investments to be made and provisions for the development of local expertise.

In order to strengthen and establish government control in the industry, the SNH was established as an integrated oil company. The NHC had responsibility for both upstream and downstream activities in the industry. As a result of these developments, government decided on intensive participation in the industry's activities. It was believed that if government had more say in the running of the oil industry, it could achieve its goals of rapid industrial and commercial development of the country. The government enacted laws to provide the framework and regulate oil exploration and exploitation for the oil industry.<sup>viii</sup>

### **THE NATIONAL HYDROCARBONS CORPORATION (NHC)**

The National Hydrocarbons Corporation (NHC) known in its French appellation as “Société National Des Hydrocarbures (“SNH”)<sup>ix</sup> is a public company with a share capital of eight (8) billion CFAF wholly owned by the State of Cameroon, and has continued to evolve new organizational structures with a view to running its business much more effectively and efficiently.<sup>x</sup> Created on 12 March 1980, its main objectives are to promote and give value to the national mining domain and manage state interests in the hydrocarbons sector. According to the provisions of this text, SNH is an industrial and commercial company with legal personality and financial autonomy. Concerning management of state's interest, on 17 January, 2008, Decree N° 2008/012 extended SNH's missions to the conduct of oil and gas contract negotiations (in relation with the ministries in charge of mines, Finance, Energy, Economy, Environment and Trade). The text also extends SNH's field of competence to the development of natural gas. Thus, SNH is empowered to promote the construction of natural gas transport and processing infrastructures on the national territory; ensure the collection of natural gas from producing industries, electricity producers, order eligible customers, gas distributing companies and processing sites for gas exports, conclude agreements with companies operating

in the field of production, transport, distribution, processing or storage of liquid hydrocarbons and natural gas installed in Cameroon with required technical and financial capacities.<sup>xi</sup>

Also, the SNH is governed by law N° 2017/011 of 12 July, 2017 to lay down the general rules and regulations governing public corporation, in line with the OHADA law.<sup>xii</sup> SNH is notably empowered to conduct all studies relating to hydrocarbons, collect and keep all related information; monitor associated contracts signed between the State and Oil companies; ensure professional training and development of Cameroonian staff; carryout all commercial, movable and immovable transactions directly or indirectly related to its corporate purpose; carryout all financial transactions with the ministries in charge of finance, economy and planning.<sup>xiii</sup>

The National Hydrocarbons Corporations operates in partnership with International Oil Companies (IOC) having well established expertise including subsidiaries,<sup>xiv</sup> and it is responsible for selling the government's share of oil output. It holds a minor stake in projects operated by international partners.<sup>xv</sup> The National Hydrocarbons Corporation (SNH) is a driving force for the development of the hydrocarbons sector and Cameroon' economy.

Decree N° 2019/342 of 9<sup>th</sup> July 2019 also formalises NHC's competence to open branches,<sup>xvi</sup> offices, agencies, counters and depots in Cameroon abroad; market data and information relating to hydrocarbons, conduct negotiations on official prices of Cameroonian crude oil, in conjunction with producing companies, market the share of liquid and gaseous hydrocarbons accruing to the state ; finance all operations carried out on behalf of the State in the management of its interests in the hydrocarbons sector.

The decree also transforms SNH into a company with public capital pursuant to law N° 2017/010 on the general status of public institutions.<sup>xvii</sup>

## **THE OPERATIONAL ACTIVITIES OF THE NHC**

The NHC is partitioned into 15 divisions headed by directors. There is the exploration division (DEX) that is responsible for the formulation and implementation of the NHC hydrocarbons exploration policy. As such, it seeks partners to develop the mining domain, and then monitors and inspects prospecting and exploration activities carried out by oil companies in Cameroon.

The production division (DPR) has as missions, among others, to formulate and implement the NHC 'SNH' Hydrocarbons production policy. It promotes, monitors and inspects

development, exploitation and production activities. Within this framework, it manages petroleum associations and controls the costs of operations carried out by the latter.<sup>xviii</sup>

Today, the National Hydrocarbons Corporation (NHC) (SNH) comprises of 15 divisions and 12 subsidiary companies. Charged with the execution of the corporation's business. The new NHC group is headed by 12 general managers directly responsible for corporate services, exploration and production, refining and petro-chemicals, engineering and technical, commercial and investments, and finance and accounts.

SNH carries out its missions on the basis of a five-year development plan, broken down into annual action plans. They are developed with the participation of workers from the different divisions of the company.<sup>xix</sup>

The company has adopted various regulations to govern its operations. Thus procedures are codified and the related texts are gathered in a specific manual and a regulatory file. The system is completed by internal regulations, whose strict application ensures social harmony.

A code of ethics, which governs relations between employees, and between the latter and SNH's partners, service providers and any other public, completes this regulatory framework.

On another level, an internal management control system has been implemented, supported by a state-of-the-art IT tool. Concurrently, audits are regularly carried out by external firms of established reputation.<sup>xx</sup>

In the National Hydrocarbons Corporation is created The pipeline Steering and Monitoring Committee (CPSP). This inter-Ministerial structure are notably in charge of coordinating the interventions of Cameroonian administration within the framework of construction, exploitation and maintenance of pipelines placed under the authority of SNH whose Executive General Manager is the chairperson, CPSP has monitored, since its creation in 1997, the construction and exploitation of the Chad-Cameroon pipeline. In addition, CPSP has been carrying out the administrative supervision and technical inspection of the Bipaga-Mpolongwe (Kribi) and Logbaba-industries (Douala) gas pipeline since 2012.

## **EXPLORATION: CONTRACTS RENEGOTIATED BY SNH**

As at 31 December 2020, the national free mining domain comprises 10 free blocks<sup>xxi</sup> were put on promotion last year and attracted the interest of six international oil companies.

Concurrently, negotiations continued with Addax Petroleum Cameroon Limited for a Production Sharing Contract (PSC) on Ngosso block in the Rio Del Rey basin (RDR). The surface area of the free mining domain is 19 426,46km<sup>2</sup>, i. e. 61.01% of the total surface area. In the same line, negotiations were initiated with Perenco Cameroon, Perenco Rio Del Rey and Addax Petroleum Cameroon Company, with a view to converting into PSCs, the Conventions of Establishment and Contracts of Association governing oil concessions in the Douala/Kribi-Campo and Rio Del Rey basins. This is in order to comply with the Petroleum Code<sup>xxii</sup> and to restart hydrocarbon exploration and production activities in the said basins. Concerning the mining titles in force, two amendments were signed on 18 May 2020 for the Matanda PSC. The first one concerns the formalisation of the change of contractor following the transfer of 75% of Glencore Exploration Cameroon Limited's interest to Gaz du Cameroun, designated Operator, and 15% to Afex Global Limited, which now holds a 25% interest.<sup>xxiii</sup> The second concerns aspects related to the end of the first and second renewal periods of the initial period of the Matanda PSC Exploration Phase, as well as the recovery of costs and modification of the minimum work programme. In fact, as at 31st December, the mining domain comprised three Exclusive Exploration Authorisations, 21 Concessions and Exclusive Exploitation Authorisations, two blocks under negotiation and ten free blocks.<sup>xxiv</sup>

### **EXPLORATION/PRODUCTION (DRILLING OPERATIONS RESUMED IN THE RIO DEL REY BASIN)**

Drilling operations in the Rio Del Rey association, conducted by Perenco, resumed on 23 September after being suspended on 22 March due to the Covid-19 pandemic. Drilling of wells EKM-73, EKM-74 and EKM-75 on the Ekoundou Sud field, in Ekoundou Marine concession, began on 23, 28 and 30 September respectively.<sup>xxv</sup> These wells target cumulative oil reserves estimated at 1.8 million barrels (MB). Drilling of EKM-72 well, targeting reserves estimated at 0.95 MB, resumed on 18 October and ended on December 9. Drilling activities on EKM-55ST Well are underway, and target reserves estimated at 0.53MB.<sup>xxvi</sup>

Drilling operations resumed on 3 October in the Moabi association, after being suspended due to the current health crisis. The simultaneous drilling of three wells, TKM-004, TKM-005 and TKM-006, targeted reserves estimated at 3.52 million barrels was carried out in Tiko Marine

field, satisfactory results. Following this, two additional wells, TKM-G and TKM-H, are being drilled, which target reserves estimated at 2.5 million barrels.

Works to extend the DKFI platform, which began in Douala in May, have been completed. The purpose of the works was to install a submersible electric pump from DKFI to wells DKM-010 IN Dikome field and DKM-007 IN Bavo field. Additional reserves expected from these drillings are about 1.04 MB.<sup>xxvii</sup>

Works on the Sanaga 2 gas compression platform were conducted from September 5 to November 9, with a few to its commissioning at the end of December. It is within the scope of phase 2 of the FLNG project.

Workover operations have been scheduled in INM-005, INM-006, INM-013 and MIB-002 wells, targeting reserves estimated at 2.2 million barrels. To this end, the “Penja” workover unit acquired by Rio Del Rey Association has been mobilised to the INFI platform of Inoua Marine field. The unit is intended for the execution of heavy interventions in wells.<sup>xxviii</sup>

### **THE NATIONAL HYDROCARBONS CORPORATION: AN EXPANDING GROUP?**

Of course, it is an expanding group. SNH is actually a group, as it holds shares in various companies operating in the petroleum, para- petroleum and related sectors.<sup>xxix</sup> As an expanding group, SNH has been diversifying its activities since 1994. As at 31<sup>st</sup> December, 2017, it hold shares in 12 companies operating in the petroleum, para-petroleum and related sectors.<sup>xxx</sup> The company has also grown as a group through the acquisition of interests in various companies operating in the oil, gas, para-petroleum and related sectors, it has also created share companies in Cameroon and in the Central African economic and monetary community (CEMAC).<sup>xxxi</sup>

It is worth noting there for the 3rd consecutive year, SNH is ranked first company in Cameroon and the Central African sub-region, based on its turnover in 2017. The 2018 ranking of the top 500 African companies by Jeune Afrique magazine also places the company in 8th position in the continental hydrocarbon sector.<sup>xxxii</sup>

In fact, in 2017, gross dividends received from share companies amounted to 25.509 billion FCFA, as against 15.867 billion, implying an increase of 60.77%.<sup>xxxiii</sup> The dividends were paid by the various subsidiaries of SNH.<sup>xxxiv</sup>

## GOVERNMENT PARTICIPATION IN THE OIL AND GAS INDUSTRY IN CAMEROON

The oil and gas industry are usually divided into three major sectors: upstream, midstream and downstream.

The role of the government in the oil and gas industry has gradually progressed from a regulatory one to direct involvement in oil exploration and exploitation. The National Hydrocarbons Corporation's activities include promoting, developing, and following up various hydrocarbon activities as well as managing and marketing crude oil. Initially, government interest was only limited to the collection of royalties and other dues offered it from the oil companies and making laws to regulate the activities of the oil industry.<sup>xxxv</sup>

### THE SUBSIDIARIES OF NATIONAL HYDROCARBONS COMPANY (SNH)

The National Hydrocarbons Company (SNH) has about twelve (12) subsidiaries<sup>xxxvi</sup> which operate as strategic business units with financial autonomy and freedom to manage their business within the ambit of enabling laws and regulations. They have been considered beneath commencing with the "Hydrocarbures-Analyses-Contrôles S.A (HYDRAC).

#### *1. Hydrocarbures –Analyses- Controles S.A (Hydrac)*

The "Société Hydrocarbures-Analyses-Contrôles S.A (HYDRAC)", a subsidiary of the National Hydrocarbons Company (SNH) was created on January 18, 1982<sup>xxxvii</sup> with the status of a public administration. It has a capital of 1.306.580.000FCFA with the SNH holding the majority shares of 97.57%.<sup>xxxviii</sup> MR. Adolph Moudiki is the board Chairman while Mr. Justin Denis Ndongo Keller is the General Manager.<sup>xxxix</sup>

Its main activities is to deal with technical inspections, chemical marking of petroleum products, petroleum inspections, technical training, buildings inspections and finally, laboratory test.<sup>xl</sup> The HYDRAC offer other services like automotive technical control, Analysis and Control, Training, non-destructive and testing.

When it was created, its main mission was to safeguard the interest of Cameroon in all oil transactions, through the control and certification of the quantities and quality of crude oils,



petroleum products and derivatives. The National Hydrocarbons Company own 97.57% shares in the HYDRAC SA.<sup>xli</sup>

Based on the experience acquired in this field and at the request of industrial operations, Hydrac has expanded its areas of expertise and has made inspection its business.<sup>xlii</sup>

However, the accounts closed on 31 December resulted in a net loss of 218.138 million CFAF, as against a net profit of 123.925 million CFAF in 2019.<sup>xliii</sup>

## **2. Cameroon Hotels Corporation (CHC-HILTON)**

This hotel (Hilton hotel) is off high way No.3, at the heart of the central Business District. We are less than 2kms from the National Museum of Yaounde and Foundi market, and Yaounde Conference Centre is 15 minutes away. It has Sport Court; fitness centre outdoor pool and, waterside bar. Their fee- based pick-up service covers Yaounde International Airport.<sup>xliv</sup> The National Hydrocarbons Corporation has 6.21 percent shares in this establishment.<sup>xlv</sup> The hotel in 2021 won the best « LE PRIX TRAVELLERS' CHOICE 2021 awarded by TripAdvisor' one of the largest or biggest world travel platforms. Hilton was classified No. 1 out of 45 hotel establishments in Yaounde.<sup>xlvi</sup> The NHC own 6.21 percent shares in the Cameroon Hotels Corporation (Chc-Hilton).<sup>xlvii</sup>

The accounts closed on 31 December resulted in a net loss of 1.751 billion CFAF, as against a profit of 303.259 CFAF in 2019.<sup>xlviii</sup>

## **3. Chanas Assurances S.A**

Chanas Assurances S.A.is an insurance company born from the transformation in 1999 from “Chanas \$ Privat Assurances Sarl”, an intermediary insurance company in Cameroon created in 1953 by Madame Casalegno nee Jacqueline Chanas its statutory manager.<sup>xlix</sup> Chanas Assurance deals in “IARDT” (“incendie-Accidents-Risques Divers et Transports”) through a vast and diversified branches on the entire territory of the Republic of Cameroon.<sup>1</sup> Chanas Assurances was created on Marh 24, 2000. The corporation is authorised by Ministerial Order N° 000142/MINEFI/DCE/A to present P&C insurance operations throughout the territory of Cameroon. Chanas Assurances make buying insurance easy by The Company Perenco Rio Del Rey, is a Manufacturer/Producer, founded in 1993, which operates in the drilling services

incidental to gas extraction industry. It is based in Douala – Cameroon. In 2019, Chanas Assurance SA realised a financial net increase of 6834 million FCFA, making an increase of 16, 2% as compared to the previous year (i.e 2018). This is its highest level reached since 2014 that pushed the PDG of SNH to address to Chanas Assurances SA management some words of congratulations.<sup>li</sup>

It is important of note that SNH has 45.26 percent shares in Chanas Assurances SA.<sup>lii</sup>

#### **4. Perenco Cameroon S.A (PERCAM)**

Perenco Cameroon S.A (PERCAM) is a Limited company with a board of directors, established and duly incorporated under the laws of the Republic of Cameroon. It is holding a company registration N° RC/DLA/1982/B/8367, with its registered office at Douala-Cameroon.<sup>liii</sup>

The producing operations of Perenco in Cameroon are based around concessions in Rio Del Rey, Moundi & Ebome. Perenco also manages four shared production contracts: three are already in production ((Bolongo, Dissoni, Moab), while one remains at an exploratory stage in the Rio Del Rey Basin.<sup>liv</sup>Ownership in the RDR Association Field is shred in percentages.

The NHC informs that its Anglo-French partner Perenco estimates its oil reserves in the Rio Del Rio basin at about 5.3 million barrels.

According to the corporation, simultaneous drilling operations were launched in three developments in the Tiko Marine field on February 28 2020. The campaign ended with the completion of the well SKM004 and the reserves identified in the three wells were about 4.7 million barrels for an estimated daily production of 2.450 barrels. SNH has 20% shares in Perenco S.A (PERCAM).<sup>lv</sup>

In 2018, Perenco and the NHC chose to develop the Liquefied Natural Gas (LNG) market thanks to FLNG Hilli Episeyo (Floating LNG), the first floating liquefaction plant in the, located off Kribi.<sup>lvi</sup>

Cameroon has been exporting natural gas since 2018. The gas from The Sanaga South Field is liquified from a floating facility, Hilli Episeyo, located off Kribi. Liquefied Natural Gas (LNG) Production is 1.2 million tonnes per year.<sup>lvii</sup>

It is worth noting here that the National Hydrocarbons Corporation is a subsidiary of Perenco Cameroon S.A having 20 percent shares in the company.<sup>lviii</sup> In 2020, that is, during the close of the financial year exercise on the 31st December 2020, Perenco Cameroon made a profit margin of 34,6 million USD as adopted by the board of Directors and The Ordinary General Assembly of the company, held on 27th May 2020.<sup>lix</sup>

### **5. Perenco Rio Del Rey (RDR)**

Perenco Rio Del Rey (RDR)<sup>lx</sup> is an Oil and Gas company created under Cameroonian laws with head office in Douala-Bonanjo, Base Elf. It was created from an entrepreneurial vision. The activities of the NHC between January, and April 2019 were marked, in terms of exploration/production; by the signature on February 21, with Perenco Del Rey of PSC (CPP) for the research and production of hydrocarbons in the Bomana block.<sup>lxi</sup> RDR Association is a producing conventional oil field located in shallow water in Cameroon and is operated by Perenco Rio Del Rey. The field is located in block Rio Del Rey, Ekundu Marine, Kita Edem, Kole Marine, Boa Bakassi, BavoAsoma, and Sandy Gas.<sup>lxii</sup> The field is owned by National Hydrocarbons Corporation (60.00%), China Petrochemical (19.60%), Perenco Holdings (19.33%) and Creative Energy (1.07%).<sup>lxiii</sup>

The National Hydrocarbons Corporation holds 20 per cent shares in Perenco Rio Del Rey (RDR).<sup>lxiv</sup>

### **6. Addax Petroleum Cameroon Company S.A (APCC)**

Addax Petroleum Cameroon Company S.A (APCC) is owned by Sinopec International Petroleum Exploration and Production Corporation. (SIPC), which is managed and operated the Sinopec Group. SIPC is specialised in overseas oil and gas investment and operations. It manages Sinopec's International operations and production portfolio, including Addax Petroleum.<sup>lxv</sup>

It's a company specialised in exploration and exploitation of hydrocarbons, based in Douala.

Addax Petroleum is in partnership with Perenco, the operator, in the producing Rio Del Rey Association, which covers a total area of 858 km<sup>2</sup>. A total of 405 wells have been drilled, of which 361 are platform wells and 28 are stand-alone exploration wells. In 2015, near field

exploration and appraisal drilling resulted in the addition of several new producing fields, which included Bojongo North, Inter Inoua-Barombi and Barombi NE. Daily production for Rio del Rey is approximately 70.000 bopd of which 18.000 bopd is net to Addax Petroleum.<sup>lxvi</sup>

As a strong economic and social player, Addax Petroleum seeks to put people and the environment first and conduct its business in full compliance with regulations and industry standards.

The Sinopec Group manages Sinopec International Petroleum Exploration and Production Corporation. (SIPC), which is Addax Petroleum's parent company.<sup>lxvii</sup> It is worth noting that SNH has 20% shares in Addax Petroleum Cameroon Company.<sup>lxviii</sup>

### **7. Cameroon Oil Terminal S.A. (COTSA)**

The National Hydrocarbons Company (SNH) and Perenco signed this week the agreement for the purchase of a floating platform for the storage and loading of crude oil in the Rio Del Rey basin in November this year.

It is the company Cameroon Oil Terminal S.A (COTSA), created by the two companies and whose shareholding is divided between Perenco (51%), SNH (44%) and Two Square Shipping, belonging to the company ABC Marine Group based in Switzerland (5%).<sup>lxix</sup>

The main mission of COTSA is in the construction, exploitation and maintenance of the Chad-Cameroon Pipeline. Another sub-sector that COTSA SA is involved in is the transportation sector.

The Cameroun Oil Terminal SA realised a profit benefit of 21,8 million USD in 2020, according to validated accounts by CA of 27 May, 2021.<sup>lxx</sup> Mr. Denis Clerc-Renaud, the former Director General of Perenco Cameroon, was at the end of 2020 nominated Board Chairman of Perenco Cameroon and Perenco Rio Del Rey and also as board member of COTSA.<sup>lxxi</sup>

SNH Director General Adolphe Moudiki indicates that the Rio del Rey basin produces 90 % of Cameroon's crude oil. Since 1977, Cameroon has been a modest oil producer with a production peak of 185.000 barrels per day in 1986 which then declined and oscillated to reach 90.000 barrels per day in 2012.<sup>lxxii</sup> It is important to note that The NHC has 46, 5 % shares in COTSA.<sup>lxxiii</sup>

### **8. The National Petroleum Storage Company Limited (NPSC) (“SCDP”)**

The National Petroleum Storage Company (NPSC) commonly known by its French appellation as “Société Camerounaise des dépôts Pétroliers” (SCDP) is a state corporation. The head office is located in Douala at ‘Carrefour Agip’, Rue de la Cité Chardy. The National Petroleum Storage Company (NPSC) (“SCDP”) was created in 1979 by a Presidential decree, with a capital of FCFA 3.5 billion.<sup>lxxiv</sup> The storage of petroleum products in the Cameroonian territory is being assured by The National Petroleum Storage Company (NPSC).<sup>lxxv</sup> Indeed, storage is the responsibility of the majority of State-Owned fuel stocking company (SCDP) operating through 12 regional depots. “SCDP” is the main buyer for SONARA’s output and sells to distributors for onward sale to retail outlets.

The National Hydrocarbons Corporation (NHC) “Société Nationale Des Hydrocarbures” (SNH) holds 15% shares in the National Petroleum Storage Company (NPSC) (“SCDP”).<sup>lxxvi</sup>

The National “SCDP” is Cameroon’s only company providing the storage and wholesale distribution of petroleum products throughout the national territory with a network of 13 modern depots in seven (7) regions of the country. It already has a storage capacity of 241,000m<sup>3</sup> including 234,000m<sup>3</sup> in liquid hydrocarbons and 7,000m<sup>3</sup> in Liquefied Petroleum Gas (LPG).<sup>lxxvii</sup> In fact, the 13 depots so far in Cameroon with each having a specific geographical delimitation in the entire territory to serve the five hundred and seventy (570) fuelling service stations found in the country. It also has a total capacity of liquid products of 266,350 m<sup>3</sup> and total capacity of 2280 Tm<sup>3</sup> in gaseous liquid.<sup>lxxviii</sup> The NHC holds interest share of 15% in the Cameroon Petroleum Depots Company (SCDP).<sup>lxxix</sup> The accounts closed on 31 December resulted in a profit of 1.408 billion CFAF, as against 1,724 billion CFAF in 2019.<sup>lxxx</sup>

Since 1979, the development of infrastructure for the storage of refined oil and gas products in Cameroon has been monopolized by the State-Owned “Société Camerounaise des Dépôts Pétroliers” (SCDP), for varied reasons. Notwithstanding, there is a growing need to consider private sector players to boost the country’s ability to meet the local demand.<sup>lxxxi</sup>

In recent years, SCDP has faced significant challenges in meeting local market demand as a result of its limited liabilities. Furthermore, the 2019 fire incident at the SONARA has significantly increased the highlighted the need to strengthen the logistics at the organisation. Indeed, it has been reported that the SCDP is not compliant with regulatory inventory standards to manage situations of emergency.

A report of the Technical Rehabilitation Committee (CTR) indicates that SCDP's backup storage quantities amount to 110.000m<sup>3</sup> (i.e which should sustain the country for up to 20 days instead of of the 30 days as required) while the storage is 55.000m<sup>3</sup> (i.e. 10 days instead of the 15 days).

This notwithstanding, SCDP in 2020 made a profit of 1,41 milliard FCFA according to the adopted and approved Board of Directors meeting and the Ordinary General Assembly Meeting held on 19<sup>th</sup> May and 4<sup>th</sup> June respectively marking the closing of the financial year on the 31 December 2020.<sup>lxxxii</sup>

### **9. Cameroon Oil Transportation Company S.A (COTCO)**

The Cameroon Oil Transportation Company (COTCO) was created in 1998 as a limited company with a capital of US \$67855.300, with trade register number: RC/DLA/1997/B/0018521.<sup>lxxxiii</sup> It is a joint-venture under Cameroonian law set up by the following companies; Exxon, Chevron, Petronas, as well as the governments of Chad and Cameroon as part of the implementation of the pipeline project ; Chad-Cameroon in Cameroon.

The Cameroon Oil Transportation Company (COTCO)'s mission is to export crude oil produced from Chad's oil fields to international markets. The major activities of the company are<sup>lxxxiv</sup>; operation of the Chad-Cameroon pipeline; maintenance of the Chad-Cameroon pipeline, and export of crude oil. SNH has a share of 5, 17 percent in COTCO<sup>lxxxv</sup>

As regards the operation of the Chad/Cameroon pipeline, 39.91 million barrels were lifted from the Kome-Kribi I terminal (kk1) as at 31st October, 2020, implying an increase of 3% comparatively to the same period in 2019. This increase is linked to an increase in the production of New Shippers in Chad, namely, PetroChad Mangara, China National Petroleum Company Inc, Chad and Overseas Private Investment Corporation.<sup>lxxxvi</sup> Thus, the transit fee collected by the Republic of Cameroon amounted to 30.7 billion CFAF, hence an improvement of 2.5%.<sup>lxxxvii</sup>

Indeed, the arrival of a new crud oil shipper via the Chad/Cameroon pipeline, strengthening of the company's corporate social responsibility policy and improvement of working conditions. The accounts closed on 31<sup>st</sup> December 2017 show a net profit of 37.819 million US dollars, as against 29.360 million US dollars in 2016. A net dividend of 79.30 US dollars per share was

paid to the shareholders for the 2016 fiscal year.<sup>lxxxviii</sup> It is important to note that Cameroon obtains' s its project revenue primarily through transit fees from the export pipeline system that picks up Chad's oil from the Mbere river where the Chadian portion of the export pipeline system then transport's Chad's oil to the Marine Terminal located offshore from the seaside town of Kribi. Although Cameroon has no ownership share of Chad's oil, it does have an ownership share in the pipeline system.<sup>lxxxix</sup>

### ***10. The National Oil Refinery Company Limited (Sonara) (Societe National De Raffineral Du Cameroon SA (SONARA))***

The National Oil Refinery Company Limited (known in its French acronym as “Société Nationale de Raffinage” SONARA.<sup>xc</sup> SONARA was created by Presidential decree N° 73/135 of 24 March, 1973, incorporated on 7 December, 1976 and inaugurated in 1981. The role of SONARA is set out in the Code.<sup>xc</sup> SONARA is 80 % State-Owned and import light crude oil from the region to meet the bulk of the country's demand for refined products. It is a tapping reforming refinery. SONARA places at the disposal of the market the following petroleum products; butane, gasoline, jet fuel, kerosene, fuel oil, distillate, and fuel oil.<sup>xcii</sup>

The Limbe refinery has a theoretical capacity of 2.100.000 tons/year. It was conceived at first to treat light crude (Arabian light). However Cameroon currently produces heavy crudes and one notes an inadequacy between the existing tools in the refinery and the crudes available.<sup>xciii</sup> The SNH has 6.06% shares in The National Refining Company (SONARA). The accounts closed on 3 December resulted in a loss of 10,664 billion CFAF, as against 107.331 billion CFAF in 2019.<sup>xciv</sup>

### ***11. Societe De Trading Et D'exploitation Petroliers SA (TRADEX)***

The “Societe de Trading et D'Exploitation Petroliers” (TRADEX) S.A. was founded in Cameroon in 1999, by the National Hydrocarbons Corporation Cameroon. TRADEX, as it is usually called, is a Cameroonian company specialised in the marketing of petroleum products, trading crude oil and petroleum products at its inception, the company has evolved to become a major market within the economic and monetary community of a central Africa (CEMAC).<sup>xcv</sup> It was created with the aim of ensuring the regular and secure supply of countries in the Central

African sub-region lacking access to the sea with quality petroleum products, The Company represents in its countries of intervention, a relevant choice, for those looking for African expertise to international standards. It is worth noting that The NHC has 54% interest shares in TRADEX.<sup>xcvi</sup>

It operates a growing network of service stations, established in the 10 administrative regions of the Republic of Cameroon. The account closed on 31 December resulted in a net profit of 7.472 billion CFAF, as against 7,130 billion CFAF in 2019. For this reason, the company paid a net dividend per share of 7034 CFAF to shareholders for the 2019 fiscal year.<sup>xcvii</sup>

In Cameroon, TRADEX operates in the distribution of petroleum products (service stations, consumers and industrialists), domestic market supply, maritime bunkering. Aviation bunkering and the marketing of petroleum products for export.<sup>xcviii</sup>

The head office of the company is established in Rue Christian TOBIE Kuoh in Douala. TRADEX is a public Limited Company with a board of directors, with a share capital of FCFA 5,036, 000,000.<sup>xcix</sup>

TRADEX is an African company supplying petroleum products and innovative energy solutions. Present in 4 countries, it is a partner in the development of states, a mission which it fulfills by ensuring the regular supply of countries with quality petroleum products, and by creating jobs.<sup>c</sup>

## ***12. Cameroon Shipyard And Industrial Engineering Ltd (Chantier Naval Et Industriel Du Cameroun S.A. (CNIC)***

Cameroon Shipyard and Industrial Engineering Ltd. otherwise known by its French acronym as Chantier Naval Et Industriel Du Cameroun S.A. (CNIC) was created on February 5, 1988.<sup>ci</sup> The missions of CNIC is ship repairs, mobile oil platforms and industrial works. Added to its main activities, it has integrated those of UIC<sup>cii</sup> which deal with the repair of fixed oil platforms on the high seas and industrial works. With this operation, CNIC covers the whole field of oil platform repair (mobile and fixed), which constitutes a divarication of the activity, and it is also developing the field of industrial works. CNIC is acquiring a base area of 50 000 m<sup>2</sup> with a quay 200 metres long and 30 metres wide with a minimum draught of 6 metres. In February 2005, the Limbe Oil Yard project was launched. The site is located at the edge of the Atlantic Ocean,



close to the most important onshore oil fields of the Gulf of Guinea. Also, CNIC and the Port Autonome de Kribi (PAK) have agreed to set up a collaboration framework for the implementation of maintenance, shipbuilding and industrial works at the PAK site in Mboro.<sup>ciii</sup>

Indeed, CNIC is a giant Industrial Engineering Ltd. complex. It is dedicated to serving the needs of shipping companies and marine industries operating on the Western seaboard of Africa from Cape Verde down to Angola.<sup>civ</sup>

It is of great significance that CNIC was one of the companies that pulled the strings at the SAGO jamboree that was at its 11th edition that ran from June 22. To July. 2022 registering the participation of many ministerial departments, private as well as state companies, etc.<sup>cv</sup>

Among the crises rocking CNIC is its loss of some big clients. The most recent case is that of an American company, Noble Drill, an old client of CNIC. Late last year, the company discussed a contract with CNIC for the repair of three of its oil rigs. The first of the three rigs arrived at the Limbe Shipyard in January this year and the job was supposed to last five months. The other two oil rigs were supposed to be brought in when CNIC would have finished with the first one.

But The Post learnt that following the sacking of Zachaeus Mungwe Forjindam as CNIC general manager, maintenance work considerably slowed down due to the disenchantment of workers over their poor treatment. The National Hydrocarbons Corporation is a subsidiary of Cameroon Shipyard and Industrial Engineering having 6.79% percent shares.<sup>cvi</sup>

The account closed on 31 December 2020 resulted in a net loss of 3.771 billion CFAF, as against a loss of 3.771 billion FCFAF in 2019.

Today, CNIC is a shadow of itself with unpaid salaries of up to five months of its permanent workers since February 2023. As we write, the workers (both ex-temporal and permanent works) are on strick where ex-temporal workers are Infront of the Prime Ministry office in Yaounde and in CNIC'S office in Douala.

## **SHORTCOMINGS OF THE NATIONAL HYDROCARBONS CORPORATION (NHC)**

The objectives of setting-up of the National hydrocarbons Corporation was inter alia to serve Cameroon by pioneering, developing and sustaining reliable, efficient and high quality production of petroleum products of uncompromising world class standards. Some few years

ago, the oil and gas sub-sector cannot be described as one of the best in the history of the country. For a country abundantly blessed with vast crude oil potentials, the downstream sector was immersed in crisis, as a result of inability of government to ensure prompt supply and distribution of refined petroleum products for domestic consumption coupled with perennial embarrassing situations brought on by the epileptic breakdown of the only State-owned refinery SONARA for which government had to rely on imported products at high cost, a situation which hampered development in other sectors of the economy. For example, on 31st May 2019, at exactly 9.55 pm, Cameroon's fuel supply centre caught fire burning 70,769 .400 litres of stock-fuel. Thankfully, no human life was lost to the ugly incident but economists maintained that one of Cameroon's economic nerve centres was so destroyed.<sup>cvi</sup>

The National Hydrocarbons Corporation also registered cases of menace from truck drivers that assist the government in the transportation and distribution of petroleum products via road. The reliance on road tankers in the distribution of petroleum products has not been effective, couple with incessant strikes and threats of strikes by the Tankers Union better known by its French acronym as SYNACTUIRCAM.<sup>cvi</sup> SYNACTUIRCAM also brought about frequent disruption in the bridging processes forcing untold hardships on the citizens. For instance, the national Union of truck drivers announce a nationwide strike that will paralyse circulation between Cameroon and border countries beginning 6<sup>th</sup> September, 2021. In addition to the strikes, the NHC have continued to face the problem of products smuggling/diversions.<sup>cix</sup> Though, SONARA has continued unfailingly to supply the energy liquide though ever since, petrol traders have multiplied. Fuel from doubtful sources has indated the street coners. Peddlers have strategically occupied highways and streets with their sign of the thumb pointing down indicating the availability of smuggled fuel.<sup>cx</sup>

The activities of the NHC (SNH) and major oil companies in the field of exploration and exploitation have in spite of their immense contributions to the Cameroonian economy have devastating effects on individuals, families and/or communities of oil producing areas as a result of oil pollution and gas flaring.<sup>cx</sup> In the same vein, the plight of workers who create these enormous wealth for the corporation and its subsidiaries have been very harrowing in all ramifications. Most of the workers on the oil fields are employed as casual and they were engaged to do most of the work and take alot of risks. They are poorly remunerated and often placed on "starvation wage" list, discriminated against and their appointment not being regularised, absent of insurance, non-provision of safety gadgets and poor welfare packages.

## TOWARDS PRIVATISATION AND DEREGULATION

The Minister mentioned the need for the construction of new platforms of filling, installation of a new systems for recording turbulent hydrocarbons, and the need to improve bulk loading capacities, etc. On March 25<sup>th</sup> 2021, SCDP reviewed the rights of way fee to 2 FCFA/litre (As opposed against 1.60 FCFA/litre that was previously applied) to enable it finance its expansion. It is SCDP's expectation that, re-evaluating the rights of way fee from 1.60 FCFA/liter to FCFA/litter, the company should be able to mobilise the resources necessary to carry out new investments aimed, as a first step, at building 55,000 m<sup>3</sup> of additional storage capacity for white products and 2,500MT for LPG by 2011. In this context, the 2 FCFA per litre requested constitutes a State subsidy in favour of the SCDP. It is worth noting that SCDP has expressed its wishes to increase storage capacities from 2021. In effect, while presenting the 2021 national budget before the finance committee of the National Assembly on December 1, 2020, The Minister Of Water Resources and Energy, Gaston Eloudou Essomba, addressing the finance committee of the national assembly on 3rd December, reported that the company plans to build 10.000m<sup>3</sup> petroleum storage tank at the NSAM depot in yaounde in 2021, two 6.500m<sup>3</sup> reservoirs will also be built at the mboppi and bessengue depots in douala and a 5.000m<sup>3</sup> reservoirs at the belabo depot. He noted that the fire incident that occurred on the 31 may 2019 at SONARA, led the country to rely solely on import supplies as the country's primary means of restocking petroleum products. This highlighted the need to strengthen the logistics of SCDP, especially its storage capacity.<sup>exii</sup>

Besides expanding existing capacity, SCDP is looking forward to developing new ones. The Cameroonian government had authorised the General Directorate to consider the construction of a depot in the Bakassi area with a forecast capacity of 15.000m<sup>3</sup>. In addition, SCDP is planning the construction of 2 diesel storage tanks with a voleum of 10.000m<sup>3</sup> each in Bafoussam and Yaounde. Notwithstanding, these efforts, SCDP still faces alot of challenges and the government is becoming aware of the fact it can not solely lead the storage of petroleum productsin Cameroon.

This presents an enormous opportunity for private sector players. Even though, there is room for improvement, there is already a legal and regulatory framework in place to accommodate private-sector companies that may want to venture into storage and wholesale distribution of petroleum product in a regulatability in Cameroon. Key instruments include; the petroleum code, The Decree creating SCDP as well as The Prime Minister's decree N° 77/528 of 23

December 1977 as amended by Decree N° 95/135/PM of 03 of March, 1993 regulates the framework for control of studies for the construction and operation of oil installations located on national territory.

Although, the government is unlikely to give a private sector company full rights to develop, own and operate storage facilities, there are prospects to develop such projects through a public private Partnership (PPP) model without SCDP control and government participation. It is unclear what business model will be most acceptable by but possible models include; Build-Operates-Transfer (BOT), Build-Own-Operate (BOO) or Build-Own-Operate-Transfer (BOOT).<sup>cxiii</sup> For over years ago, petroleum products have rarely been sold at the official pump prices in some parts of the country, thus the national hydrocarbons stabilisation fund. This structure is charged with the price fixing mechanism relating to refined products and adjustment to international oil market.

Finance minister Ousmane Mey already gave the game away in a speech given on 23 January 2012, at the opening of the annual Finance Ministry central services conference. Monitoring the broad lines of his action for that year, he said part of the fifth plan is to restart the privatisation process for public sector companies following the directives of the government, and pending validation by the office of the President of the Republic,<sup>cxiv</sup> Among the many companies sight line of these new privatisation was the Societe Camerounaise des Depots Petroliers (SCDP).<sup>cxv</sup>

## **CONCLUSION AND RECOMMENDATIONS**

Deregulation of the petroleum sector should start with policy changes such that all the major oil markers will have their own refineries. Similarly, each region should run its own petroleum depot in line with some the oo-going agitations by some states of the Republic of Cameroon for resource control. Just like water, petrol is of the highest necessity in the lives of Cameroonians in modern societies. With petrol, it is a different matter altogether as Cameroonians do not have any choice at all whether or not a person owns a car or a motor cycle, every life depends on its being available at affordable price. Though with the way things are going as regards campaign over deregulation of the petroleum sector, it is doubtful if the Cameroon government would be swayed by any superior arguments. Nevertheless, it is

important to let the Executive realise that they have to present a bill on the subject matter through the National Assembly for passage into law otherwise they will be getting it all wrong.

The extent of State participation in the oil industry is not without some jagged edges which I cannot leave unaddressed. It is for this reason that I have suggested the following recommendations.

Although the National Hydrocarbons Company do provide useful public services, the value for money from the subsidies they receive should be carefully weighed against the opportunity cost.

The governance of the SNH and its subsidiaries appears weak. Boards and teams are largely made up of representatives of government administrations or government officials. Potentially weakening the independence of directors and, in so doing corporate governance.<sup>cxvi</sup> World Bank analysis of a sample of 33 State Owned Enterprises (including administrative establishments) found that more than two-thirds of administrators were affiliated to the government. This type of representation could also weaken business capacity as such, officials may lack practical business experience and skills. Accountability appears to be; although the law precludes directors from holding more than two successive three year terms, turn over at several boards appears low with directors frequently exceeding the legal number of mandates. World Bank analysis also find that the level of remuneration of board members is high relative to private sector counterparts. With continuing losses in these sectors potentially carrying over into the future, transfer net of profits are a better measure of financial dependency. The officers to be appointed as members of the board should be individuals with requisite ability, experience and knowledge of the oil industry. The technicality of the NHC as a body should not be a subject of ethnic polarity neither should its travail be tested on undo favouritism. The NHC has a centre role in the Cameroonian oil industry. Lest, we mortgage the actual objective of the body to administrative ineptitude.

About CNIC in particular, there is total opaqueness in its governance. It is worth noting that since taking over office by Bikoro, after the sacking of Z.M. Forjindam as general manage he has suspended the payment of bills of almost all contractors, on purported suspicion that the enterprises were fronting for Forjindam and that he needed time to carry some investigations. But inside sources say the situation has sparked off thriving corruption, as smart contractors

have been going through the back door to have their bills paid. In this vein, Monase allegedly grabbed FCFA 7 million from one of the contractors, with the promise to have his bills paid.<sup>cxvii</sup>

It is my submit that the subsidiaries of the NHC (SNH) should be routinely monitored especially by the department of petroleum resources at the residency to ensure efficient service delivery both within the upstream and downstream sector. This can be tenable through necessary staff training and manpower development. Dangote Oil Refinery is a 650,000 barrels per day (BPD) integrated refinery project under construction in the Lekki Free Zone near Lagos, Nigeria. It is expected to be Africa's biggest oil refinery and the world's biggest single-train facility.

The Pipeline Infrastructure at the Dangote Petroleum Refinery is the largest anywhere in the world, with 1,100 kilometres to handle 3 Billion Standard Cubic Foot of gas per day. The Refinery alone has a 435MW Power Plant that is able to meet the total power requirement of Ibadan DisCo.

The Refinery will meet 100% of the Nigerian requirement of all refined products and also have a surplus of each of these products for export. Dangote Petroleum Refinery is a multi-billion-dollar project that will create a market for \$ 21 billion per annum of Nigerian Crude. It is designed to process Nigerian crude with the ability to also process other crudes.<sup>cxviii</sup>

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<sup>ii</sup> For example, in 2020, gross dividends received from share companies amounted to 35.065 billion cfaf, in 2019.

<sup>iii</sup> Forjindam D.M., Oil and Gas Law In Cameroon, Theory and Practice (Unmasking the Mystery). Printed by Macacos Douala. Law Collection Fenix, pp.23-24

<sup>iv</sup> *Ibid*, p.24

<sup>v</sup> *Ibid*.

<sup>vi</sup> Presidential Decree N° 80/086 of 12 March 1980.

<sup>vii</sup> The only oil refinery in Cameroon is the State-Owned refinery called The National Oil Refinery Company Limited (SONARA) located in limbe found in the South-West-Region of Cameroon.

<sup>viii</sup> See Law N° 2019/008 of 25 April 2019 to Institute the Petroleum Code, that abrogates aLaw No. 99/013 of 22 December, 1999 on the petroleum law, Decree No.2000/465 of 30<sup>th</sup> June, 2000 fixing the modalitiesofthe code of application.

<sup>ix</sup> The National Hydrocarbons Corporation (NHC) and “Société Nationale Des Hydrocarbures (“SNH”) will be used here inter-changeably.

<sup>x</sup> Organisational Chart of the NHC. Available at: [www.snh.cm/index.php?Option=com\\_content&view=article&id=478&lang=en](http://www.snh.cm/index.php?Option=com_content&view=article&id=478&lang=en) (Accessed on: 24th May 2023).

<sup>xi</sup> *Ibid.* p.7.

<sup>xii</sup> National Hydrocarbons Corporation, 2020 Annual Report.

<sup>xiii</sup> Zakyatou D. A., SNH INFOS, Quarterly review of the National Hydrocarbons Corporation. SOPECAM. No. 65/66 July 2020. p.8.

<sup>xiv</sup> For example, Gazprom, Glencore, Golar, Sinopec, Lukoil, Grynberg, Noble Energy, Bowleven Victoria Oil & Gas, New Age, Tower Resources, Afex, Yan Chang and Perenco. For details, see, Site officiel de la Société Nationale des Hydrocarbures du Cameroun” Available at: [https://www.snh.cm/index.php?Option=com\\_content&view=article&id=49:comptsnhenglish&lang=en](https://www.snh.cm/index.php?Option=com_content&view=article&id=49:comptsnhenglish&lang=en) (Accessed on : 1<sup>st</sup> February 2023).

<sup>xv</sup> *Ibid.*

<sup>xvi</sup> A good example is the Douala branch of the National Hydrocarbons corporation branch located in Douala-Bonajo.

<sup>xvii</sup> Haouwa-Adji G. A., Quarterly review of the National Hydrocarbons Corporation. SNH INFOS, SOPECAM. No. 65/66. July 2020, p.1.

<sup>xviii</sup> Forjindam D.M., Oil and Gas Law In Cameroon, Theory and Practice (Unmasking the Mystery). Printed by Macacos Douala. Law Collection Fenix, P.53.

<sup>xix</sup> National Hydrocarbons Corporation, 2020 Annual Report.

<sup>xx</sup> *Ibid.*

<sup>xxi</sup> They are Bakassi, Bolongo Exploration, Ndian River and Thali in the Rio Del Rey Basin; Etinde Exploration, Elombo, Ntem, Tilapia, Bonono and Kombe-Nsepe in the Douala/Kribi-Campo Basin. For more information, see The National Hydrocarbons Corporation (SNH) ANNUAL REPORT 2020, p.25.

<sup>xxii</sup> Law N° 2019/008 of 25 April 2019 instituting the Petroleum Code.

<sup>xxiii</sup> Zakyatou D. A., SNH INFOS, Quarterly review of the National Hydrocarbons Corporation. SOPECAM. N° 67/70 July 2021.

<sup>xxiv</sup> Zakyatou D, A., *Ibid.*

<sup>xxv</sup> Sandrine B. A. K., SNH INFOS, Quarterly review of the National Hydrocarbons Corporation. SOPECAM. No. 67/68 December 2020. p.11.

<sup>xxvi</sup> Sandrine B. A. K., *Ibid.*

<sup>xxvii</sup> *Ibid.*

<sup>xxviii</sup> *Ibid.*

<sup>xxix</sup> There were 13 subsidiaries of SNH at first but IBC SA is in liquidation.

<sup>xxx</sup> “Site officiel de la Société Nationale des Hydrocarbures du Cameroun” Available at: [https://www.snh.cm/index.php?Option=com\\_content&view=article&id=49:comptsnhenglish&lang=en](https://www.snh.cm/index.php?Option=com_content&view=article&id=49:comptsnhenglish&lang=en) (Accessed on: 1<sup>st</sup> February 2023).

<sup>xxxi</sup> Adoulf M., ‘Maintenir le cap’ SNH INFOS, Quarterly review of the National Hydrocarbons Corporation. SOPECAM. No. 65/66 July, 2020. p.5.

<sup>xxxii</sup> Alain C. A., SNH INFOS, Quarterly review of the National Hydrocarbons Corporation. SOPECAM. No. 59/60 October, 2018. p.11.

<sup>xxxiii</sup> The dividends were paid by the various subsidiaries of the National Hydrocarbons Corporation.

<sup>xxxiv</sup> *Ibid.*, note 1.

<sup>xxxv</sup> Forjindam D.M., Oil and Gas Law in Cameroon, Theory and Practice (Unmasking the Mystery). Printed by Macacos Douala. Law Collection Fenix, P.127.

<sup>xxxvi</sup> In the corporate world, a subsidiary is a company that belongs to another company, which is usually referred to as the parent company. The parent holds a controlling interest in the subsidiary company, meaning it has or controls more than half of its stock. For further information, see “Definition of subsidiary|Dictionary.com Available at: <https://www.dictionary.com/browse/subsidiary> (Accessed on 29th April, 2023).

<sup>xxxvii</sup> “Hydrocarbures Analyses Contrôles (HYDRAC)- Consulting Organization from Cameroon – Energy sector - DevelopmentAid” Available at: <https://www.DevelopmentAid.Org/organizations/view/363753/hydrocarbures-analyses-contrôles-hydrac> (Accessed on: 3rd March 2023).

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- <sup>lvi</sup> *Ibid*.
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lxxxii Cedric N. O., Quaterly review of the National Hydrocarbons Corporation. SNH INFOS, SOPECAM. No. 65/66. July 2020. P.22. See also; National Hydrocarbons Corporation, 2020 Annual Report, p.47.

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xciv The National Hydrocarbons Corporation (SNH) ANNUAL REPORT 2020.pp.47 and 48.

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c “About TRADEX – TRADEX S.A” Available at: <https://tradexsa.co/index.php/en/about-tradex/> (Accessed on: 28<sup>th</sup> March 2023).

ci The idea of creating a ship repair company was born in 1982 and was a perfect response to the government's concern to make the national maritime sector the agheship of Cameroonian industry.

cii The absorption of the Industrial Union for Cameroon (UIC) by CNIC, The Union Industriel pour le Cameroun (UIC) has been 100% owned by CNIC group since october 2003.

ciii This collaboration was sealed on August 9, 2019 in the city of Kribi, by the signing of a partnership agreement between the two companies.

civ “Cameroon Shipyard and Industrial Engineering Ltd. (CNIC)| Devex Available at: <https://www.Devex.com/organizations/Cameroon-shipyard-and-industrial-engineering-ltd-cn-128819> (Accessed on: 28<sup>th</sup> May 2023).

- <sup>cv</sup> The occasion gave CNIC great visibility, with visitors having firsthand knowledge of the activities of the company that has remained unchallenged in the gulf of guinea in the ship repair business. For details, see “CNICYARD.COM-SAGO 2022: CNIC at the hub” Available at: <http://cnicyard.com/en/23-english-categories/inside-cnlic/news/175-sago-2022-cnlic-at-the-hub.html> (Accessed on: 28<sup>th</sup> May, 2023).
- <sup>cvi</sup> The National Hydrocarbons Corporation (SNH) ANNUAL REPORT 2020.p.47.
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- <sup>cxii</sup> ., Quarterly review of the National Hydrocarbons Corporation. SNH INFOS, SOPECAM. N<sup>o</sup> 67/68. December 2020. P.16.
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- <sup>cxv</sup> The other companies listed by the (then) Finance Minister Ousmane Mey were; Camtel, Camair-Co, the banana subsidiary of CDC and Societe de Developpement du Cotton (SODECOTON).
- <sup>cxvi</sup> “Up Station Mountain Club: Cameroon Shipyard Stricken By Crises” Available at: <http://www.postnewsline.com/2008/08.cameroon-shipya.html> (Accessed on: 28<sup>th</sup> May, 2023).
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- <sup>cxviii</sup> “Dangote Petroleum Refinery” Available at : <https://dangote.com/our-business/oil-gas-gas> (Accessed on, (6<sup>th</sup> June, 2023).