

# THE MINERAL INDUSTRY OF CAMEROON

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Crude oil production continued to be of major economic importance to Cameroon, accounting for the bulk of the nation's foreign exchange earnings. In the previous decade, the petroleum sector accounted for about 45% of total Government revenues. However, production from existing oilfields has declined since 1994. Without new commercial liquid hydrocarbon discoveries, Cameroon could become a net energy importer by the turn of the century.

The legal system of Cameroon was modeled after French civil law. The mineral policy of Cameroon was based on the Mining Code, law 64-LF-3 of April 6, 1964, and Decree 64-DF-163 of May 26, 1964. Other pertinent legislation included the Mining Taxation Code, law 64-LF-13 of November 18, 1968, and the decrees regulating oil companies, law 82-20 of November 26, 1982 and law 95/13 of 1995.

The primary mining organization in Cameroon was the Government's Ministry of Mines, Energy, and Water Resources. The Government actively promoted investment in the mining sector, and foreign companies were usually involved in joint ventures with Cameroonian partners. Société Nationale des Hydrocarbures (SNH) was the state-owned company involved in hydrocarbon exploitation. SNH consulted with the Ministry of Mines, Energy, and Water Resources in the awarding of exploration permits and production concessions. Under current production-sharing agreements, the Government was entitled to 60% to 70% of total domestic crude petroleum production from the existing operators, depending on the production levels.

Additionally, the Government enterprise Fonds de Soutien aux Hydrocarbures assisted oil exploration and production; and the Société Nationale de Raffinage (Sonara) was the state-owned company that managed the crude oil refining facilities. SNH held a 20% equity share of the Sonara refinery.

Crude petroleum remained the major mineral commodity of Cameroon. (See table 1.) The most prolific crude oil-producing regions were the offshore Rio del Rey Basin, northwest of Victoria, and the adjacent Lokélé concession about 35 kilometers offshore. The main petroleum operators in Cameroon were France's Société Nationale Elf Aquitaine subsidiary Elf Serepca (Elf), Pecten International Co. (Pecten), a subsidiary of Shell Oil of the United States, and Perenco of the United Kingdom. Pecten and Elf accounted for about 80% of Cameroon's oil production. Exploration was centered in the Douala Basin.

Exxon Exploration & Production Chad proposed to construct

a pipeline from Chad's Doba Basin to the terminal at Kribi, Cameroon. Sonara's 42,000-barrel-per-day refinery at Limbe was running at less than full capacity and Cameroon and Nigeria continued to contest their land and maritime border in the Bakasi Peninsula area.

The aluminum smelter at Edea was managed by Compagnie Camérounaise de l'Aluminium (Alucam). Alucam's equity ownership was by Pechiney of France (58%) and the Government (42%). The smelter had a design production capacity of 85,000 metric tons per year and utilized alumina imported from Guinea. Capacity expansion of the Edea smelter remained in the planning stages, constrained by power availability. Cameroon had installed generating capacity of 719 megawatts (MW), which was provided by three hydroelectric stations. An additional 200-MW plant was proposed for the Sanaga River. A portion of the power generated from the new plant could allow an expansion of the Edea smelter. The proposed development of bauxite resources at Minim-Martap and Ngaouanda remained on the drawing board.

According to World Bank estimates, recoverable crude oil reserves in Cameroon's mature oilfields were about 210 million barrels. Reserves of natural gas were considerable, estimated at 100 billion cubic meters. Cameroon hosted a variety of mineral occurrences, reported by the Government to include the following: bauxite, chrome, cobalt, copper, dimension stone, gemstones, gold, iron ore, lead, nickel, phosphate, salt, tin, titanium, and uranium (Ministry of Mines, Water, and Energy Resources, 1995). However, few have been commercially exploited; and the development of a viable and diversified mineral industry was hampered by inadequate infrastructure, insufficient electrical power, and a dearth of financing.

## Reference Cited

Ministry of Mines, Water, and Energy Resources, 1995, Mineral and Energy Potential of Cameroon: Yaoundé, Cameroon, 2 p.

## Major Source of Information

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TABLE 1  
CAMEROON: PRODUCTION OF MINERAL COMMODITIES 1/

(Metric tons unless otherwise specified)

Commodity 2/		1992	1993	1994	1995	1996 e/
Aluminum metal, primary		82,500	86,500	81,100 e/	79,300 r/	82,000
Cement, hydraulic e/		620,000	620,000	620,000	620,000	600,000
Gold, mine output, Au content e/	kilograms	1,000 r/	1,000 r/	1,000 r/	1,000	1,000
Petroleum:						
Crude	thousand 42-gallon barrels	50,370	42,705	47,140	39,400 r/	33,000
Refinery products e/	do.	8,400	8,400	8,000	9,000	9,200
Pozzolana e/		130,000	130,000	130,000	130,000	100,000
Stone: e/						
Limestone		57,000	57,000	57,000	57,000	50,000
Marble		200	200	200	200	200
Tin, ore and concentrate: e/						
Gross weight	kilograms	4,300	4,300	3,000	2,000	1,000
Sn content	do.	3,050	3,000	2,300	1,500	750

e/ Estimated. r/ Revised.

1/ Includes data available through June 16, 1997.

2/ In addition to the commodities listed, modest quantities of unlisted varieties of crude construction materials (clays, gravel, sand, and stone) presumably are produced, but output is not reported, and available information is inadequate to make estimates of output levels.