

100 Ways to Pilfer a Public Corporation: Notes from the Trial of Gerard Ondo Ndong

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As the trial of disgraced former Director General of FEICOM, Ondo Ndong, continues this week, the facts that have so far emerged illustrate how Cameroon's public corporations, or parastatals as they are commonly known, have become milking cows for the ruling elite and their cronies. Prebendary practices which were hitherto the subject of rumor and conjecture have now been confirmed in open court. The FEICOM case has also exposed the complete absence of credible oversight mechanisms to either oversee the management of these corporations or to monitor compliance to their statutory missions. As a result, these corporations are run like private estates. And their simply budgets serve as piggy banks for officials who spend every living moment planning the next big swindle.

A rundown of the charges that have so far been tackled by the Yaounde High Court point to a systematic plunder of FEICOM coffers and a brazen misuse of the corporation's funds for purposes totally at odds with the corporation's mission which is "... to provide credit and loans to municipal governments such as local government councils [who] can in turn, use these funds to finance local infrastructure development projects such as the construction of potable water systems, sanitation facilities, and sites-and-services and slum upgrading projects." [\[Ambe Njoh\]](#). A snapshot:

Undue Benefits to Board of Directors

The first charge that came before the court last December was the illegal benefits given to FEICOM board members. According to FEICOM regulations, board members are not entitled to remuneration. Nonetheless, in July 2001, Ferdinand Koungou Edima, the Board Chairman and Minister of Interior at the time, signed an order granting each board member a monthly allowance of 375,000 Fcfa (in a country where the average monthly salary of a civil servant is about 85,000 FCFA...), along with one million FCFA bonus for each board meeting. It is striking that Ondo Ndong is not being charged for being a party to this flagrant violation of FEICOM rules, but for retroactively disbursing 156 million FCFA of these illegal benefits to Board members some two months before the Board Chair's order went into effect.

In addition, the court also called on Ondo Ndong to explain why he gave two board members a 12 million FCFA “special bonus” in 2002. He explained, straight-faced, that this was FEICOM’s contribution to the “merrymaking” which followed the appointment of these individuals to cabinet positions in the Biya government...

Payments for non-existent Advertisement Supplements

According to State Prosecutor Christian Ndanga, the court had documents certifying that 328 million FCFA was withdrawn from FEICOM coffers to pay for advertising supplements in major national and international news outlets, but that only the New York Times and a handful of other media outlets effectively published ads totalling 160 million FCFA. The rest of the money, that is 168 million FCFA, simply disappeared into thin air.

In total, 21 national and international news organs were listed as having received payment for for adverts that never saw the light of day. Some of the international media houses which supposedly received payments for FEICOM ads Le Monde (France) for 17 millions Fcfa, The Gideppe group (France), 62 millions Fcfa, Jeune Afrique Economie (France), 27 millions Fcfa, and of course, The New York Times (26 million FCFA).

Ondo Ndong could not confirm in court if any of these newspapers, other than the New York times actually published the ads in question. As he insisted in court, he “could not abandon his administrative duties to deal with minor details concerning the publication or non publication of the ads.” He had no comment about the unaccounted 168 million FCFA... Nonetheless, he stressed that the instructions to buy ad space in newspapers came from the Presidency in a bid to highlight the government’s actions and policies in the field of local government.

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It is worth noting that while the New York Times did in fact publish a 12-page [special advertising supplement on Cameroon](#) in its November 30, 2001 issue (with the section on FEICOM barely filling up half a page), the paper declared in a statement to the Cameroonian portal [cameroon-info.net](#) that "...All

of the paper's dealings on the Ad were through a New York advertising agency, [Summit Communications](#), not with any individual or entity in Cameroon...”

So who exactly paid for the New York Times ad? Were FEICOM funds used to pay for a supplement that also focused on every major corporation in the country? Or did Ondo Ndong simply seize the opportunity to swindle another 26 Million FCFA from the corporation?

The Mvomeka’a Stadium

Another accusation which shows how far FEICOM had strayed from its primary mission of assisting local councils in dire straits was Ondo Ndong’s unilateral decision to partially fund the construction of a football stadium for the Meyomessala rural council in Mvomeka’a, President Biya’s home town. According to a timeline presented in court, on November 4, 2005, Martin Bile Bidjang, a CPDM Member of Parliament from the Dja et Lobo division, sought FEICOM’s assistance for the project.

Six days later, Ondo Ndong signed an order authorizing the disbursement of 361 million FCFA (361 729 000 F) to Ets Kinopolis, the company in charge of the project. That same day the FEICOM cashier, Charles Ketchami, withdrew 120 million FCFA from BEAC. However, that money did not make it to Ets. Kinopolis. Mr. Ketchami revealed in court that after he withdrew the funds, the corporation’s accountant asked him to hand over 90 million FCFA directly to Ondo Ndong, which he did at the latter’s residence. Ondo Ndong was fired a day later before he could move in on the rest of the money...

Fictitious missions

According to the prosecutor, Ondo Ndong and his accomplices also embezzled a whopping 6.5 **B**illion FCFA under the guise of field missions which never took place. About 3.8 billion FCFA was disbursed for these missions in 2004, and another 2.5 billion in 2005. When he took the stand, Ondo said he was stunned by the accusations because every mission that he had taken part in was approved by the Board of Directors. However the evidence and testimony of his accomplices told a different story.

According to FEICOM records, 540 million FCFA was disbursed ostensibly to pay for missions across the country to explain new procedures for collecting feicom funds. However, evidence presented in court showed that none of these missions ever took .

Also, the co-accused who took to the stand sang a different tune from Ondo Ndong's. For example, Moïse Mbella revealed that all the missions related to the monitoring of road tarring projects were fictitious. In the same vein, FEICOM cashier, Charles Ketchami, told the court that he signed off on fictitious missions to a tune of six million FCFA, although he never received a penny for his hard work. He exposed the practice at FEICOM, whereby officials withdrew funds for nonexistent missions and passed on the money to the Director General who then distributed the loot as he saw fit. Another co-conspirator, Nkouendjin Yotnda, confirmed this practice but claimed that she took part in the swindle out of « reverential fear » for Ondo Ndong.

However, the bomshell came from Ondo Ndong's own nephew, Nguéma Ondo, who was FEICOM's Financial Director. According to Mr. Ondo,

“regarding fictitious missions, there was a follow-up commission set up to monitor roads financed by FEICOM. I was a member of this commission. Within the framework of the activities of this inactive structure, some FEICOM officials received millions for missions that never took place. I admit that on numerous occasions, I received millions for fictitious missions. But it was the Director General who organized it all.”

According to court documents, close to one billion FCFA was embezzled in this manner within an eight-month period.

Financial Aid

The highlight of the trial came when the court tackled the issue of financial aid dished out with reckless abandon by the General Manager to a dizzying array of corporate entities and individual using a budgetary line item titled « solidarity budgetary line”.

State Inspector Dieudonné Tchana who put together the report, read out loud the names of corporate entities and individuals who received FEICOM aid amounting to 900 million FCFA. The list included items such as 2.6 million FCFA for the defense of a thesis on... Ondo Ndong; 100,000 FCFA to the Beti Language Committee; 500,000 FCFA to a section of the ruling CPDM party; 5 million FCFA to the Tonerre handball club, etc.

The amount read out in court fell short of the 1.5 Billion FCFA listed in the indictment because Mr. Tchana claimed that he could not find original receipts in FEICOM archives for the remaining 600 million FCFA.

Ridiculing the « solidarity budgetary line” inserted in the FEICOM budget, Prosecutor Ebanga Ewodo, insisted that “Ondo Ndong embarked on an operation to alienate public funds under the cover of social action.” The procureur reminded the court that every cent disbursed under this budgetary line was illegal because it violated the laws governing FEICOM operations which clearly state that only local councils could receive aid from the corporation

When defense attorney Maitre Nkouendjin took to the floor, he accused the Mr. Tchana for a shoddy report and lambasted his claim that some names were left out of the roll call of infamy due to the absence of receipts. Maitre Nkouendjin then caused a huge stir as he revealed that among the names left out were those of the Chantal Biya Foundation, Gervais Mendo Ze, former Director General of CRTV and Lekene Donfack, Minister of State, Minister for Urban Development and Housing.

According to Maitre Nkouendjin, on May 30 2001, the Chantal Biya Foundation received 60 million FCFA for a “Filled School Bag” campaign on behalf of marginalized children in the SW province. And on September 24, 2001, the foundation received two additional payments of 45.1 million FCFA (medical equipment for the Center and Far North provinces) and 48 million FCFA (another “Filled School Bag” campaign for deprived kids).

Similarly African Synergy, the association of African First Ladies whose founding President is none other than First Lady Chantal Biya received 40 million FCFA on August 2002 for its fight against HIV/AIDS.

Defense records also showed that on Nov 27, 2001, Lekéné Donfack - who was one of the recipients of the 12 million FCFA “merrymaking” funds in 2002 - received a two million FCFA “financial aid following a car accident”. And in January 21, 2004, Mendo Ze, the CRTV Director General received a 10 million FCFA aid package as FEICOM’s contribution to the 2004 African Nations Cup.

These revelations caused an uproar in court as the Prosecutor, Christian Ndanga rushed to defend the First Lady: "The Chantal Biya Foundation is a corporate entity. Let it be known that the First Lady is not a pauper and that she never asked Ondo Ndong for money!". The session was immediately suspended as a clamor of indignation spread throughout the court room.

The solidarity fund was not merely a source of money for the Director General and his friends, but was used to swindle astronomical sums of money. As the Director General's nephew confessed,

“ With regard to the [financial] aid, it was the Director General who received the applications and the students [who requested financial aid], and then informed us of the amount to be disbursed so that we could establish the relevant documents. Usually, he [Ondo Ndong] was the one who received the money. When he did, he sometimes gave me two or three million FCFA. I admit these facts.”

In a glaring example of the plunder of the solidarity fund, FEICOM records show that 300 million FCFA was disbursed allegedly to organize holiday football tournaments for kids in each of the 10 provinces of the country. However, not even one of these tournaments ever took place! Public prosecutor, Maitre Ongolo Foe summed it best, when he stated categorically that Ondo Ndong was no Robin Hood or social activist but simply a common thief and embezzler:

Ondo Ndong did not comply with his mission when he gave 45 million FCA to a Common Initiative Group to plant 2 or 3 lots of cassava. Let them not deceive the people by telling us that Ondo Ndong constructed hospitals. He embezzled... He claims that he organized holiday tournaments whereas he used our kids to swindle 300 million FCFA.

And the Band Played On

Writing about the collapse of some of Cameroon's key public corporations and banks in the late 1980s, Nantang Jua argued in the edited volume, *Pathways to Accumulation in Cameroon*, that these institutions collapsed because bad management was deliberately tolerated and financed by the Biya regime as part of its neopatrimonial control system:

"By enabling members of the development coalition to appropriate funds with impunity, the state staved off even the threat of any momentary political deficiency *a la Gramsci*, which could unleash a struggle among members or factions of the development coalition for political office and control of the patronage system. In the face of this Cameroonians now claim that managers of parastatals have "titres fonciers" (in this case a free hand) over their concerns."

The Ondo Ndong / FEICOM case has so far given new meaning to the "free hand" concept which Jua wrote about in 1993:- While cash-strapped local councils and communities across the country were – and are still - unable to take care of the most basic amenities and services, FEICOM was busy serving as the milking cow for the ruling elite...

The band played on as Ondo Ndong the self-proclaimed "King Of Ntumu" swindled...